
From Crisis to Recovery: How COVID-19 is Impacting Businesses in Thunder Bay (Part 2)

MAY/EARLY JUNE 2020 RESULTS

Thunder Bay District COVID-19 Business Impact SURVEY

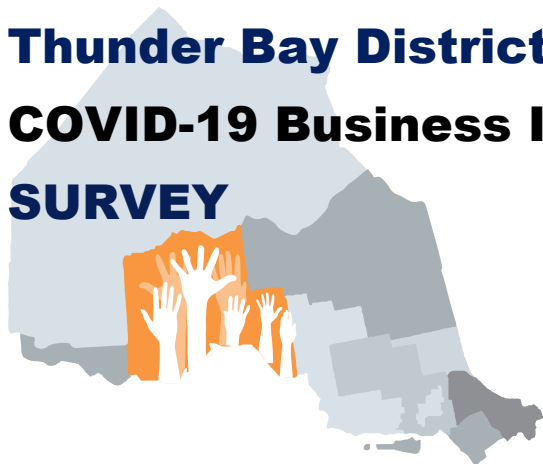




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Partners



Northern Policy Institute is Northern Ontario's independent think tank. They perform research, collect and disseminate evidence, and identify policy opportunities to support the growth of sustainable Northern communities. NPI operations are located in Thunder Bay and Sudbury. They seek to enhance Northern Ontario's capacity to take the lead position on socio-economic policy that impacts Northern Ontario, Ontario, and Canada as a whole.



North Superior
Workforce Planning Board

The North Superior Workforce Planning Board (NSWPB) is one of twenty-six Workforce Planning zones across Ontario, mandated through the Ministry of Labour, Training, and Skills Development to identify, assess and prioritize the skills and knowledge needs of community, employers and individual participants/learners in the local labour market through a collaborative, local labour market planning process.



The Thunder Bay Community Economic Development Commission (CEDC) is responsible for business development, business retention and expansion, entrepreneurial support, opportunity promotion, and collection and assessment of key business data.

They can help with community information and statistics, networking and referrals, assistance in site selection, and labour market data.



The Thunder Bay Chamber of Commerce is a voluntary, member-driven organization of individuals and businesses working together to advance the commercial, financial, and civic interests of the Thunder Bay community. They pool resources to offer member learning opportunities, address policy issues, facilitate connections between members, and aim to bring businesses together to work towards common goals.



Executive Summary

As we all know, the COVID-19 crisis is having a significant impact on the Canadian economy. In response, a COVID-19 business impact survey was made available to employers in the Thunder Bay district to develop an understanding of how the pandemic is affecting business on aspects such as financials, workforce size, service delivery and long-term viability. This survey will continue to be delivered to businesses over the next few months.

Compared to April, there were several important findings in this survey round. For example, when asked about the strategic risk COVID-19 poses to the long-term prospects of businesses, 29 per cent of employers who answered classified the strategic risk that COVID-19 poses to the long-term prospects of their business as highly negative (this could put them out of business), 30 per cent as medium negative (this is going to significantly impact their financials) and 26 per cent as low negative (this may impact their financials, but they are confident they can weather the storm). On a positive note, this was a lower percentage compared to the April results.

Further, a much greater proportion of employers responding to this survey round stated that they reduced hours, reduced staff, were working remotely and operating online compared to the April survey. This suggests that more locals are adapting to the new reality and implementing measures in order to be able to operate under public health guidelines. Finally, a wealth of recommendations were given from employers on how different levels of government can help them get through the pandemic, with tax relief as the most common. Also, the Canada Emergency Wage Subsidy and the Canada Emergency Response Benefit are the programs that employers are most satisfied with.

The findings that come from this survey are important because they provide decision makers with an understanding of how businesses are faring during COVID-19, and how to then respond appropriately. As well, employers and organizations that have succeeded in finding new ways to operate could share this information with their entrepreneur peers, which could benefit the economy and the well-being of the community.



Introduction

COVID-19 has been felt all around the world, and Northern Ontario is no exception. As such, it's important to understand how COVID-19 has impacted our local economies. With this in mind, a survey targeted at businesses was developed in partnership by Northern Policy Institute, North Superior Workforce Planning Board, Thunder Bay Chamber of Commerce, and Thunder Bay Community Economic Development Commission.

The results gathered from these surveys can be used by community partners and government to continue responding appropriately to COVID-19. The survey will be provided to businesses in the City and District of Thunder Bay over the next few months.

Results

The results of Thunder Bay's Business Impact Survey for the month of May and early June¹ are summarized below. The survey collection period was between June 1 – 14th, 2020. During this period, the number of confirmed COVID-19 cases in Ontario increased from 28,709 on June 1st to 32,370 on June 14th (Government of Ontario, n.d.). For the Thunder Bay District Health Unit (TBDHU), there was an additional five reported cases during the same time period (Public Health Ontario, 2020). Finally, as of June 26, 2020, TBDHU reported that there have been almost 19,000 tests to date and 90 confirmed cases to date (TBDHU, 2020).

Breaking down the confirmed cases further, most confirmed cases tend to be in Thunder Bay and the surrounding area (73 per cent), while the remaining percentage of cases were in First Nations communities and other communities in the wider district (TBDHU, 2020). As well, 46 per cent of cases were due to being in close contact with positive COVID-19 case, while 33 per cent were classified as "no known exposure". Fortunately, very few confirmed cases were due to travel (TBDHU, 2020).

Since the last survey, the Ontario government launched Stage 1 of the reopening plan on May 19 (Crawley, 2020). Stage 1 involved opening select workplaces that met the public health guidelines at that time, allowed essential gatherings of a limited number of people and opened some outdoor spaces. Then, Ontario took a regional approach to move into Stage 2 with most Ontario regions (including TBDHU) allowed to move into Stage 2 as of June 12th (Government of Ontario, 2020). A region entering Stage 2 allows other industries like personal care services to open and lets for restaurants and bars open up outdoor dining. Reopening of each business varies between communities as each business must be able to comply with safety guidelines and public health advice.

¹ Of note, all tables that include results from both the April survey and this survey will simply say "May" instead of "May/early June" for ease of reading.



Before diving into the nitty gritty analysis of each result, there are a few key results that should be highlighted from this analysis. Overall, a lower proportion of employers believe that COVID-19 will put them out of business completely or significantly impact their financials compared to last month's survey results. This suggests that businesses believe that they will not be as severely impacted by COVID-19 compared to the April results. As well, employers seem to be adapting more to the situation because more employers are found to be operating online, opening, educating their employees about the virus and public health measures, delivering new services and increasing sanitation and protective measures. Finally, most employers believe that governments can help them by providing some sort of tax relief.

For this round of the Thunder Bay Survey, there was a total of 81 valid responses. Approximately 77 per cent of employers responding to this survey did not have a postal code that was found in the April survey, suggesting that they did not respond to that survey. Unless stated otherwise, all percentages are calculated based on the number of respondents to the relevant question.

69 per cent of survey respondents are private businesses, 12 per cent are public and 15 per cent are not-for-profit (Table 1). The percentage of employers from public and not-for-profit businesses increased since the April survey.

Table 1. Percentage of employers that identify with the following type of business

	Private (%)	Public (%)	Not-for-profit (%)	Other (%)
April	78	10	9	3
May	69	12	15	4

95.1 per cent of respondents stated that their primary business location was Thunder Bay (Table 2). This is higher than the 83.1 per cent of businesses who stated their primary location was in Thunder Bay in the April survey. The percentage of businesses that stated their primary business locations in other communities are also stated in the table below. Compared to the April survey, Rosslyn and Slate River were identified as a primary business location. However, employers that stated their primary business location in the April survey to be in Greenstone, Fort William First Nation, Kashabowie, Oliver Paipoonge and Kakabeka were not found in this survey.

Table 2. Percentage of businesses that stated the region as their primary business location

Primary Business Location	Percentage of Businesses
Thunder Bay	95.1
Rosslyn	1.2
Terrace Bay	1.2
Slate River	1.2
Manitouwadge	1.2



BUSINESS CONTINUITY IMPACT

29 per cent of employers classified the strategic risk that COVID-19 poses to the long-term prospects of their business as highly negative (this could put them out of business), 30 per cent as medium negative (this is going to significantly impact their financials) and 26 per cent as low negative (this may impact their financials, but they are confident they can weather the storm) (Table 3).

Table 3. Percentage of businesses rating the strategic risk that COVID-19 poses to the long-term prospects of their business

	Highly negative – this could put us out of business (%)	Medium negative – this is going to significantly impact our financials (%)	Low negative – this may impact us financially, but we are confident we can weather the storm (%)	None (%)	Low positive – demand for our products/services has changed but is still sufficient to maintain operations (%)	Medium positive – we are seeing increased demand for some of our products/services (%)	Highly positive – we have added staff and expanded production to meet demand (%)
April	32	46	14	0	0	7	1
May	29	30	26	3	6	9	3

Out of businesses who stated having secondary or affiliated operations in communities, 24 per cent said that COVID-19 could put them out of business, 24 per cent expect significant impacts to their finances, while 38 per cent say they can survive the strain on their revenue (Table 4).

Out of businesses that operate in only one community, 30 per cent said that COVID-19 could put them out of business, 31 per cent expect significant impacts to their finances, while 18 per cent say they can survive the strain on their revenue (Table 4).



Table 4. Percentage of businesses rating the strategic risk COVID-19 poses to the long-term prospects of their business by whether business has secondary affiliations or not

		Highly negative – this could put us out of business (%)	Medium negative – this is going to significantly impact our financials (%)	Low negative – this may impact us financially, but we are confident we can weather the storm (%)	None (%)	Low positive – demand for our products/services has changed but is still sufficient to maintain operations (%)	Medium positive – we are seeing increased demand for some of our products/services (%)	Highly positive – we have added staff and expanded production to meet demand (%)
Businesses that have secondary affiliations with other communities (%)	April	20	50	25	0	0	5	0
	May	24	24	38	0	10	5	0
Businesses that only operate in one community (%)	April	20	60	12	0	0	8	0
	May	30	31	18	3	5	10	3

The level of strategic risk that COVID-19 poses on the long-term prospects of businesses per industry sector is shown in Table 5 below. The business sectors were aggregated into goods-producing industries and service-producing industries for privacy purposes (Bureau of Economic Analysis, 2006). For this survey round, a significantly lower proportion of employers rated their strategic risk as highly and medium negative compared to the April results. This suggests that in general, employers viewed the long-term prospects of their businesses more positively compared to April. For the goods-producing industries, there seems to be an improvement in their estimated strategic risk over time with a higher proportion of employers stating medium positive, low positive and low negative in May/early June compared to April. However, keep in mind that not all the same employers that filled the April survey also filled in this recent survey.



Figure 5. Percentage of businesses that classified the strategic risk that COVID-19 poses to the long-term prospects of their business by industry sector

		Highly negative – this could put us out of business (%)	Medium negative – this is going to significantly impact our financials (%)	Low negative – this may impact us financially, but we are confident we can weather the storm (%)	None (%)	Low positive – demand for our products/services has changed but is still sufficient to maintain operations (%)	Medium positive – we are seeing increased demand for some of our products/service (%)	Highly positive – we have added staff and expanded production to meet demand (%)
Goods-producing Industries	April	23	54	15	0	0	8	0
	May	17	17	33	0	8	25	0
Service-producing Industries	April	24	57	13	0	0	4	2
	May	22	27	29	2	9	9	3

Note: Based on businesses that selected an industry sector (NAICS) in terms of which they operate in (whether it be primary sector and/or other sectors)

Out of the businesses that responded to the question “How has COVID-19 impacted your business’s/organization’s operations?”, the percentage that agreed with the provided options are below (Table 6). Some important points include that 48 per cent have reduced their hours, 43 per cent have reduced their staff and 35 per cent are working remotely but continuing operations. Compared to the April survey, fewer employers stated that they had closed their business/organization temporarily. This is probably due to the May/early June survey period occurring after stage 1 of reopening. A much greater proportion of employers responding to this survey round stated that they reduced hours, reduced staff, were working remotely and operating online compared to the April survey. This suggests that more locals are adapting to the new reality and implementing measures in order to be able to operate under public health guidelines. As well, another interesting observation is those who are delivering new services. Innovation and flexibility during COVID-19 has been continually demonstrated in the Thunder Bay district such as the Sleeping Giant Brewery producing hand sanitizer, Thunder Bay’s Bombardier Plant producing ventilators, or Superior Strategies Supply and Service leveraging their network to expand their access products elsewhere (NetNewsLedger, 2020; Ross, 2020).



Table 6. COVID-19 Impacts on Businesses/Organizations

<u>COVID-19 Impacts on Businesses/Organizations</u>	<u>April (%)</u>	<u>May (%)</u>
Reduced hours	25	48
Reduced staff	28	43
Working remotely but continuing operations	24	35
Closed our business/organization temporarily	45	35
Operating online	18	35
Accepting telephone orders	13	24
Delivering new services	9	19
Other business innovations/changes:	13	14
Re-tooled to manufacture in-demand supplies	3	4
Developed new partnerships with businesses, non-profits or charities	1	4
Increased hours	1	3
Increased staff	1	3
Closed our business/organization permanently	3	1
No impact	4	1

Note: Respondents could choose more than one option.

Out of the businesses that responded to the question “What additional impacts from COVID-19 has your business/organization experienced?”, the percentage that agreed with the provided reasons are below (Table 7). To summarize, 43 per cent of businesses who answered this question stated that their business equity/value has fallen while only 5 per cent stated that their business equity value has increased. For those that answered that their business equity/value has fallen, 38 per cent stated it has fallen significantly, 44 per cent stated it has fallen noticeably and 18 per cent stated it has only fallen slightly. For employers that answered that their business equity has increased, 75 per cent stated that it has increased significantly.

19 per cent of businesses stated that they had to cancel contracts and 35 per cent had contracts cancelled, which is similar to the April results. A lot more employers in this survey stated that they have increased cleaning, sanitation and/or protective measures in their facilities compared to the April results, possibly a response to the region re-opening and businesses getting back to work. Also, a higher percentage of employers stated their supply chain is experiencing bottlenecks in May/early June compared to April.



Table 7. Additional Impacts on Businesses/Organization

What additional impacts have you experienced (check all that apply)	April (%)	May (%)
Experiencing decreases in sales (or donations if non-profit)	52	68
Increased cleaning, sanitation and/or protective measures in our offices/facilities	36	66
Having to restrict spending because of the uncertainty	55	51
Debt load has increased	40	46
Business equity/value has fallen	45	43
Had contracts cancelled	36	35
Supply chain is experiencing bottlenecks	14	25
Supply chain is interrupted	27	24
Had to cancel fundraising events (for non-profits)	13	22
Had to cancel contracts	19	19
Experiencing significant increase in consumer demand for certain items	4	11
Have excess perishable supplies	3	6
Signed new contracts with other businesses	4	6
Other	5	6
Business equity/value has increased	1	5
Experiencing increases in sales	3	5
Signed new contracts with government	1	0

Note: Respondents could choose more than one option

A large majority of businesses that responded to this survey are negatively financially impacted by the crisis as seen by the reported data (Table 8). Out of the 73 businesses that responded to the question, 36 per cent estimated that their sales and income decreased by more than \$100k. 21 per cent stated that their sales/income decreased by \$50-100k, 19 per cent stated that their sales/income decreased by \$20-50k and 12 per cent stated that the sales/income decreased by \$0-20k. Some businesses experienced positive financial impacts during COVID-19 – 3 per cent stated that their sales/income increased by \$50-100k and 4 per cent stated that their sales/income increased by more than a \$100k. Compared to the April results, the employers that reported a positive financial impact in this survey round have experienced a larger increase in sales/income. On the other hand, employers stating a negative financial impact had a higher proportion of employers stating a very large decrease in sales and income compared to April. This may be partially explained by the cumulative impact of the COVID-19 crisis. As time goes by under COVID-19 operation restrictions, the employers that are losing revenue are reporting greater losses.



Table 8. Percentage of employers stating an estimated financial impact that COVID-19 has on their business

Estimated Financial Impact	April (%)	May (%)
Decreased sales/income more than \$100k	21	36
Decreased sales/income \$50-100k	13	21
Decreased sales/income \$20-50k	28	19
Decreased sales/income \$0-20k	29	12
No financial impact	N/A	5
Increased sales/income \$0-20k	6	0
Increased sales/income \$20-50k	3	0
Increased sales/income \$50-100k	0	3
Increased sales/income more than \$100k	0	4

The level of familiarity that employers in the Thunder Bay district have for the Federal and Provincial governments' COVID-19 programs is demonstrated in Table 9. For the COVID-19 programs to aid employers, the Canada Emergency Wage Subsidy and the Canada Emergency Response Benefit are, like the April results, the programs with which businesses are most familiar. 85 per cent of businesses that answered the question are very or somewhat familiar with the Canada Emergency Wage Subsidy while 82 per cent of businesses are very or somewhat familiar with the Canada Emergency Response Benefit. The programs that people were least familiar with were the Regional Opportunities Investment Tax Credit and the Industrial Research Assistance Program with 63 per cent and 60 per cent of employers stating that they were either somewhat unfamiliar or very unfamiliar, accordingly. These are different responses from the April survey, in which the two programs that employers were least familiar with were the Insured Mortgage Purchase Program and the Work-Extending the Work-Sharing program. Of note, both programs that employers responding to this survey round were least familiar with were not included in the April survey because they had not yet been announced.



Table 9. Level of Familiarity with the Federal and Provincial Governments' COVID-19 employer programs

Federal and Provincial governments' COVID-19 Employer Programs	Very Familiar (%)	Somewhat Familiar (%)	Somewhat Unfamiliar (%)	Very Unfamiliar (%)	Unsure (%)
Canada Emergency Wage Subsidy	56	29	5	9	0
10% Temporary Wage Subsidy	37	31	11	14	7
Extending the Work-Sharing Program	22	25	12	26	16
Canada Emergency Commercial Rent Assistance	25	45	12	11	7
Changes to the Canada Summer Jobs Program	20	24	11	23	21
Tax/Remittances Deferral Programs	34	34	15	11	5
Sales Tax Remittance and Customs Duty Payment Deferral	27	25	18	18	12
Business Credit Availability Program	22	28	25	17	8
Canada Emergency Business Account	46	28	11	13	3
Insured Mortgage Purchase Program	11	10	26	33	20
Canada Emergency Response Benefit	55	27	5	8	4
Entrepreneurial Support Programs	14	23	21	31	10
Regional Relief and Recovery Fund	14	20	17	38	11
Industrial Research Assistance Program	10	9	14	46	21
Employer Health Tax Relief	11	14	18	38	19
Regional Opportunities Investment Tax Credit	7	8	17	46	21
Large Employer Emergency Financing Facility Program	10	8	23	37	23

Next, the level of satisfaction that employers in the Thunder Bay District have towards these federal and provincial programs was analyzed (Table 10). 69 per cent of businesses answering this question stated that they are very or somewhat satisfied with the Canada Emergency Response Benefit, 66 per cent are very or somewhat satisfied with the Canada Emergency Wage Subsidy, and 59 per cent are very or somewhat satisfied with lower electricity rates 41 per cent of employers were somewhat unsatisfied or very unsatisfied with the Canada Emergency Commercial Rent Assistance and 23 per cent were somewhat unsatisfied or very unsatisfied with the 10% Temporary Wage Subsidy. These are both different than the programs that employers were most unsatisfied with according to the April results, which were the Canada Emergency Wage Subsidy, the Business Credit Availability Program, and the Canada Emergency Business Account. It is interesting to note that the Canada Emergency Wage Subsidy and Canada Emergency Business Account were viewed quite unfavorably in April and now, it is liked by many.



Table 10. Employer's Level of Satisfaction with the Federal and Provincial COVID-19 Programs for Employers

Federal and provincial governments' COVID-19 Employer Programs	Very Satisfied (%)	Somewhat Satisfied (%)	Somewhat Unsatisfied (%)	Very Unsatisfied (%)	Neutral (%)
Canada Emergency Wage Subsidy	32	34	10	5	19
10% Temporary Wage Subsidy	19	24	13	10	34
Extending the Work-Sharing Program	5	12	8	9	66
Canada Emergency Commercial Rent Assistance	3	25	13	28	32
Changes to the Canada Summer Jobs Program	4	14	13	9	59
Tax/Remittances Deferral Programs	9	28	9	6	49
Sales Tax Remittance and Customs Duty Payment Deferral	6	22	4	4	63
Business Credit Availability Program	7	15	10	7	60
Canada Emergency Business Account	17	35	9	7	32
Insured Mortgage Purchase Program	2	9	11	6	73
Canada Emergency Response Benefit	32	37	6	7	18
Entrepreneurial Support Programs	3	15	14	8	61
Regional Relief and Recovery Fund	3	17	8	12	61
Industrial Research Assistance Program	3	6	4	6	81
Regional Opportunities Investment Tax Credit	4	4	9	7	75
Lowering electricity rates	18	41	14	3	24
Large Employer Emergency Financing Facility Program	3	8	11	6	72

The percentage of businesses that stated they were currently using or are going to use the following federal and provincial programs are stated below (Table 11). The most popular programs are the Canada Emergency Wage Subsidy, the Canada Emergency Business Account and the Canada Emergency Response Benefit with 58 per cent, 48 per cent and 35 per cent of employers stating that they had or will have access to these, respectively. These results are similar to the April results except that the Income Tax Deferral program was more popular than the Canada Emergency Response Benefit. Other programs that businesses are benefiting from include the Thunder Bay Ventures loan. Lots of employers stated they are not eligible for the Large Employer Emergency Financing Facility Program, the Industrial Research Assistance Program, the Extending the Work-Sharing Program and the Canada Emergency Commercial Rent Assistance program.

A large proportion of businesses that responded to the survey have small workforce sizes (as described later below) and so that is most likely why many respondents don't qualify for the Large Employer Emergency Financing Facility Program (Government of Canada, 2020). To access the Industrial Research Assistance program, a business must be pursuing a technology-driven innovative



project (National Research Council Canada, 2019). As for the Extending the Work-Sharing program, the multiple eligibility criterion could influence why an employer cannot access the program (Government of Canada 2020b). Finally, one hypothesis for the Canada Emergency Commercial Rent Assistance program results below is that a landlord that refuses to apply with their tenant may then result in the tenant feeling like they are not eligible for this program (Government of Canada, 2020b).

Table 11. Percentage of businesses that stated they had or are going to access to one of the following Federal and Provincial programs

Federal and provincial governments' COVID-19 Employer Programs	Yes (%)	No (%)	Not eligible (%)
Canada Emergency Wage Subsidy (f)	58	13	29
Canada Emergency Business Account (f)	48	34	18
Canada Emergency Response Benefit (f)	35	32	33
10% Temporary Wage Subsidy (f)	34	36	30
Tax/Remittances Deferral Program (f/p)	32	52	16
Canada Emergency Commercial Rent Assistance (f)	18	38	43
Sales Tax Remittance and Customs Duty Payment Deferral (f)	16	56	29
Business Credit Availability Program (f)	14	56	30
Entrepreneurial Support Programs (f)	8	52	40
Regional Relief and Recovery Fund (f)	8	52	40
Regional Opportunities Investment Tax Credit (p)	7	54	39
Extending the Work-Sharing Program (f)	3	54	43
Changes to the Canada Summer Jobs Program (f)	3	62	35
Insured Mortgage Purchase Program (f)	0	63	37
Industrial Research Assistance Program (f)	0	57	43
Large Employer Emergency Financing Facility Program (f)	0	46	54

Note: (f) signifies the program is federal whereas (p) signifies a provincial program

In general, 81 per cent of employers had positive comments about the application process for these programs. The application processes for the CERB and CEBA had only positive comments associated with them. All those that mentioned the Wage Subsidy application process thought that the application process was difficult. Although, one respondent commented that the financial support arrived quickly once the application was submitted. Another employer was frustrated that they were ineligible for Wage Subsidy program because it excludes those that are on CERB. 75 per cent of respondents that mentioned the CECRA application process commented that it was difficult. Specifically, some were frustrated because it required the landlord to accept a 25 per cent reduction in rent.



BUSINESS HUMAN RESOURCE IMPACT

The percentage of businesses that stated having the following workforce sizes are found in Table 12. The proportion of businesses with the given workforce sizes were similar in both survey rounds.

Table 12. Percentage of businesses that stated having one of the following workforce sizes.

Size of workforce (Number of employees)	April (%)	May (%)
1 to 9	78	72
10 to 19	8	10
20 to 49	12	10
50 to 99	0	0
99 or more	2	7

The percentage of business who answered this question and laid off workers of a certain type and the average number of laid off workers were analyzed (Table 13). The average number of employees laid off were similar to the April results, except that in this survey, fewer contract workers were laid off (Kvas, 2020). The percentages don't add up to 100 because some employers stated they laid off zero employees and other employers answered the question partially, by only filling a response for some types of employees.

Table 13. Percentage of businesses that laid off employees by employee type and average number of employees laid off by employee type

Size of your workforce	Businesses that laid off full-time employees (%)	Average number of full-time employees laid off	Businesses that laid off part-time employees (%)	Average number of part-time employees laid off	Businesses that laid off seasonal workers (%)	Average number of seasonal workers laid off	Businesses that laid off contract workers (%)	Average number of contract workers laid off
1 to 9	36	3	43	6	2	2	7	1
10 to 19	7	14	7	11	0	0	0	0
20 to 49	5	17	3	13	2	2	0	0
50-99	0	0	0	0	0	0	0	0
99 or more	2	100	2	60	0	0	0	0

Note: Respondents could enter more than one option.



Next, the author analyzed the percentage of businesses that had to hire additional employees or recall laid-off employees because of the COVID-19 crisis (Table 14). More employers stated that they recalled laid-off employees compared to hiring new ones.

Table 14. Percentage of businesses that hired additional employees and recalled past laid-off employees and average number of employees hired or recalled

	Percentage (%)	Average number of employees
Businesses that hired additional employees	20	3
Businesses that recalled laid off employees	76	5

Many employers implemented measures to support/protect their employees during the COVID-19 crisis. The percentage of employers that stated implementing one or more measures to support/protect their employees during this crisis is found in Table 15. 70 per cent of employers educated their employees about the virus and staying healthy, which is a higher than the April results. 68 per cent of employers implemented physical distancing measures in their business, another increase since April and another indication of local businesses adapting to life in the time of COVID-19.

Table 15. Percentage of employers that implemented the following measures to support/protect employees during the COVID-19 crisis

Measures implemented to support/protect employees during this crisis	April (%)	May (%)
Educated our employees as to the symptoms and risks associated with the virus, as well as prevention measures	48	70
Implemented physical distancing measures in our business	41	68
Informed employees of the government assistance programs	34	51
Staggered work hours for employees	13	33
Required employees to work from home	25	33
Hired or made employees aware of mental health and well-being resources	7	25
Closed our business/organization temporarily and not paying employees during closure	36	24
Pay wages to employees that are off work for quarantine or illness.	7	14
Other	13	13
Asking employees to use vacation, sick or personal days during the crisis, and deferring layoffs	5	5



WHAT DO YOU THINK THE GOVERNMENT CAN DO TO ASSIST YOU RIGHT NOW?

For the open-ended question “What do you think the government can do to assist you right now?”, the most common answers at the local level were tax relief (18 per cent), access to tables/chairs/barriers for outside seating (11 per cent) and open up businesses with precautions (11 per cent). Other measures that employers mentioned that the local government can take included providing free advertisements for local businesses, balance the city budgets and stop all unnecessary spending, promote local shopping, simplify permitting and licensing, provide rent relief, pressure the province to open the Landlord and Tenant Board (LTB), provide signage for distancing protocols for business owners to post and give more than a few days’ notice before allowing certain businesses to open. On the LTB point, there have been several changes to their operations, including suspension of in-person hearings and in-person service counters. Some services are provided by telephone or will be held if absolutely urgent (tenants being locked out illegally will have an urgent hearing, for example) (Tribunals Ontario, 2020).

At the provincial level, employers stated that governments could help them right now by opening up more businesses with precautions (12 per cent), tax relief (6 per cent), rent relief (6 per cent), control bill costs (6 per cent), allow for regional specific openings (6 per cent) and change the rent assistance application to bypass landlord application (6 per cent). Other answers included promote local shopping, make equitable changes to LTB, provide more guidance on protocols for opening, give more than a few days’ notice before allowing certain businesses to open, subsidize PPE, provide better mental health services and other services for the most vulnerable individuals of the community, open travel within and across provinces, study the number of microbusinesses that are unable to access any funding and provide financial support.

At the federal level, the most common measures that businesses said the federal government can take to help employers right now were tax relief (9 per cent), control government costs (9 per cent), reduce barriers for business travel to other provinces (9 per cent) and extend emergency funding programs beyond June 30th (9 per cent). Other recommendations included promote local shopping, provide rent relief, provide more guidance via protocols for opening, better mental health services, change the rent assistance program to bypass landlord application, financial support, cancel government payback payments, help with supply chain, keep borders for travel closed, define rules before posting applications, have business subsidies based on sales rather than a one-size fits all, get the banks to shoulder some of the financial burden, help businesses who are a sole proprietor and lower the threshold for accessing the wage subsidy program.



WHAT DO YOU THINK THE GOVERNMENT CAN DO TO ASSIST YOU AFTER THE CRISIS RECEDES AND THE ECONOMIC RECOVERY BEGINS?

For the open-ended question “What do you think the government can do to assist you after the crisis recedes and the economic recovery begins?”, the most common answers at the local level were tax relief (26 per cent), promote local shopping (11 per cent) and re-consider non-critical municipal projects like infrastructure projects (7 per cent). Other suggestions included payment deductions based on percentage of profit lost, putting out more outdoor park benches, free advertisements for local businesses, balance city budgets, lower rent, help bail out failing businesses, create a resource that will allow local businesses to connect, have a long repayment plan for the deferred taxes, have health inspectors inspect businesses without giving notice, make the permitting process easier, provide free parking and encourage human interaction.

For the provincial level, the most common answers were tax relief (23 per cent) and continuing to offer financial assistance (8 per cent). Other answers included promote local shopping, payment deductions based on percentage of profit lost, help bail out failing businesses, provide better mental health services, balance budgets and stop all unnecessary spending, financial support for employees and new hires, continue to promote lower hydro pricing throughout the summer months, supply PPE, tourism marketing support, restudy electrical time-of-use rates, help with the supply chain and encourage human interaction.

At the federal level, the most common answers to the question were tax relief (27 per cent), continue to offer financial support (12 per cent) and extend financial assistance programs (12 per cent). Other answers included promote local shopping, make payment deductions based on percentage of profit lost, balance government budgets and avoid unnecessary spending, help bailout failing businesses, better mental health services, help with the supply chain and get the banks to shoulder some of the financial burden.

On a positive note, 79 per cent feel that private associations and other not-for-profit organizations supporting businesses are doing a good job at keeping them informed and supported during these unprecedented times.

Additional comments from employers included an appreciation of the resources that the Thunder Bay Chamber of Commerce and CEDC made available. Some feel that efforts could be better coordinated whereas another mentioned that they need measures that will ensure business sustainability through these unprecedented times.



Conclusion

While some responses were similar to the April results, others were not. These responses will help to guide decision makers on how to continue responding to COVID-19 in an appropriate manner for businesses. Indeed, employers' perspectives on how COVID-19 is impacting them are essential for future growth and recovery. Overall, employers seem to be increasingly adapting to the situation through innovation by operating online, delivering new services or new products, opening, engaging in sanitation and protective measures. These adaptations are essential to ensure that our economy continue while maintaining our communities safe. The lower proportion of employers stating that their businesses will close completely or that they will have a significant financial burden is great positive news and is perhaps an indication that innovation and adaptation works! However, this situation is still very serious for many employers and continuous support from governments and other organizations is needed. In fact, employers are asking for governments to provide more tax relief and promote local shopping in order to help them get through this crisis.

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