# WORKFORCE RESET

*Surrey Labour Market Intelligence and Impact Reports*

## NOVEMBER 2020 LMI Report #3

****THE ONLY SURREY-FOCUSED LABOUR MARKET REPORT****

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This program is funded by the Government of Canada and the Province of British Columbia.

**Surrey Board of Trade COVID-19 Surrey Labour Market Intelligence Report #3**
**November 2020 (including results of Statistics Canada's October 2020 Labour Force Survey)**

****THE ONLY SURREY-FOCUSED LABOUR MARKET REPORT****

**For the first time, there is up-to-date and regular Surrey-specific labour market data.**

**This is the third of a series of monthly SBOT Labour Market Intelligence Reports on COVID-related impacts on the Surrey labour market, including the best available quantitative, qualitative and anecdotal information on implications for Surrey employers, workers and service providers. This includes a brief 'baseline' summary on how Surrey's labour market looked before 2020 and then how it is evolving during the pandemic, particularly from a business and workforce perspective to inform decision-making and planning on recovery and resilience.**

## HIGHLIGHTS

- Overall, in Surrey peak job loss was seen by July at over 37,000 jobs, with the greatest losses occurring in March and April of 2020. Since the end of July, Surrey has recovered over 17,000 jobs (nearly 48%), with 5,618 of those being attributed to the month of October. This is a total net deficit since February of almost 20,000 jobs or (6.6%).
- The greatest gains since February 2020 continue to be in Utilities (58.7% increase) and Natural Resources (13.4% increase) industries, though both of these industries suffered a small loss of jobs in October (decreases of 2.1% and 5.2%, respectively).
- The greatest gains in the number of jobs recovered in October 2020 were seen in Manufacturing; Business, Building & Other Support; Educational Services; and Accommodation & Food Services; making up over 77% of the jobs recovered in October (or roughly 4,355 of the net 5,618 total jobs recovered).
- The greatest overall losses since March 2020 were seen in the following industries: Wholesale & Retail; Transportation & Warehousing; Educational Services; Information; Culture & Recreation; and 'Other' Services.
- While occupations in Education, Law & Social, Community & Government Services and Trades, and Transport & Equipment Operators have seen a decline every month since February 2020, in October 2020 both sectors saw a recovery of over 1,000 jobs in Surrey.
- Natural & Applied Sciences saw an early drop in jobs between February and April, however, these occupations have continued to see an increase in jobs since and are at 10% more than in February 2020.
- The greatest net loss of jobs in Surrey to date comes from Sales & Services Occupations at 18.2% since February 2020, however, a majority of this loss came between March 2020 and July 2020 (almost 32% of jobs lost). Since July, over 43% of jobs lost in the first five months of COVID-19 have been recovered in this sector.
- Statistics Canada has found that visible minorities have been adversely affected by COVID-19:
    - Compared to Caucasian participants of the labour market, more visible minorities reported a strong or moderate negative financial impact of COVID-19, with Arabs, West Asians and Filipinos reporting the greatest impact.
    - The October 2020 *Labour Force Survey* from Statistics Canada shared that visible minorities who were not considered Indigenous have an unemployment rate in October of 11.7% compared to those of non-Indigenous, non-visible minorities, which have an unemployment rate of 6.7%.
    - Visible minorities have been reporting poorer mental health than White participants.
    - Mortality rates resulting from the pandemic are higher in Canadian neighbourhoods that have a higher proportion of visible minorities in their population.
- Statistics Canada reported that recent immigrants were more likely than Canadian-born workers to lose employment in the early months of the pandemic:
    - This is, at least in part, due to their shorter job tenure and likelihood of being in lower-wage jobs.

- Female immigrants faced the greatest job loss in March and April, at 7% higher than their Canadian-born counter parts.

- Statistics Canada highlighted the significant and disproportionate health and socio-economic impact of COVID-19 on Indigenous people:
  - The initial decrease in employment trended similarly to those of non-Indigenous identity but the employment rate among Indigenous has not recovered at the same pace as that for non-Indigenous individuals.
  - Indigenous men did see an increase in employment between June and August, while women saw their employment rate fall further
  - Indigenous women remain further from their pre-pandemic levels of employment than their male counterparts.
  - Statistics Canada also reports that Indigenous people are over-represented in occupations that saw larger declines in employment during COVID-19, such as trades, transport, equipment operations and sales & service.

# 1. COVID-19 Employer, Labour Force and Workforce Impacts in October 2020

**Surrey Employer COVID-19 Employment Impacts: Estimates extrapolated from Statistics Canada's 2016 Census and 2020 Labour Force Survey**

**For the first time, Surrey has Surrey-specific labour market data! This section compares employment changes in Surrey from 2019 and for each month from February through October 2020 to show the employment impacts of COVID-19.**

**This report is prepared by Human Capital Strategies in conjunction with SBOT.**

**Surrey Employment COVID-19 Impacts BY INDUSTRY – 2019 to October 2020**

Based on estimates from the *Labour Force Survey* (LFS), the table below shows the structure of the Surrey labour market in 2019 with almost 300,000 employed and employment being led by service industries such as Wholesale & Retail trade (over 48,000), Health Care & Social Services (over 33,000) and Transportation & Warehousing (almost 29,000). Strong goods industries in Surrey are Construction (over 32,000) and Manufacturing (almost 27,000). The smallest employment sectors, but nevertheless important, are Utilities (over 1,300) and Agriculture & Natural resources (over 4,000). While some of these industries grew or contracted from 2019 to February 2020, all of these industries were impacted (to varying degrees) by COVID-19 between March and October 2020.

Table 1 shows employment change between February 2020 (Pre-COVID) and October 2020 in Surrey, by Industry.

| North American Industry Classification System (NAICS) | 2019 | Feb 2020 | April 2020 | Change February to April | | July 2020 | Change April to July | | Sept 2020 | Change July to September | | October 2020 | Change Sept to October | | Change Feb to October | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | Jobs | % | | Jobs | % | | Jobs | % | | Jobs | % | Jobs | % |
| Total Employed (all industries) | 297,895 | 295,632 | 270,693 | -24,939 | -8.4% | 258,223 | -12,470 | -4.6% | 270,410 | 12,187 | 4.7% | 276,028 | 5618 | 2.1% | -19,604 | -6.6% |
| Agriculture, Forestry, Fishing, Mining, Quarrying, Oil & Gas | 4,185 | 2,963 | 4,338 | 1,375 | 46.4% | 5,102 | 764 | 17.6% | 3,544 | -1,558 | -30.5% | 3,361 | -183 | -5.2% | 398 | 13.4% |
| Utilities | 1,361 | 1,691 | 2,255 | 564 | 33.4% | 2,586 | 331 | 14.7% | 2,742 | 156 | 6.0% | 2,683 | -58 | -2.1% | 992 | 58.7% |
| Construction | 32,331 | 32,567 | 30,078 | -2,489 | -7.6% | 29,973 | -105 | -0.3% | 29,397 | -576 | -1.9% | 27,405 | -1991 | -6.8% | -5,162 | -15.8% |
| Manufacturing | 26,657 | 26,934 | 25,604 | -1,330 | -4.9% | 24,191 | -1,413 | -5.5% | 25,493 | 1,302 | 5.4% | 26,491 | 998 | 3.9% | -443 | -1.6% |
| Wholesale & Retail trade | 48,589 | 50,571 | 45,364 | -5,207 | -10.3% | 43,572 | -1,792 | -3.9% | 44,500 | 928 | 2.1% | 43,762 | -738 | -1.7% | -6,809 | -13.5% |
| Transportation & Warehousing | 28,739 | 27,731 | 24,350 | -3,381 | -12.2% | 22,204 | -2,146 | -8.8% | 23,277 | 1,073 | 4.8% | 23,764 | 488 | 2.1% | -3,967 | -14.3% |
| Finance, Insurance, Real Estate (rental & leasing) | 21,170 | 18,545 | 16,806 | -1,739 | -9.4% | 16,000 | -806 | -4.8% | 16,680 | 680 | 4.2% | 17,407 | 727 | 4.4% | -1,138 | -6.1% |
| Professional, Scientific & Technical Services | 19,396 | 19,321 | 19,183 | -138 | -0.7% | 19,822 | 639 | 3.3% | 19,797 | -25 | -0.1% | 19,709 | -88 | -0.4% | 388 | 2.0% |
| Business, Building & Other Support Services | 16,729 | 13,904 | 13,543 | -361 | -2.6% | 9,946 | -3,597 | -26.6% | 12,408 | 2,462 | 24.8% | 13,760 | 1352 | 10.9% | -144 | -1.0% |
| Educational Services | 15,652 | 16,495 | 15,446 | -1,049 | -6.4% | 13,915 | -1,531 | -9.9% | 12,954 | -961 | -6.9% | 14,005 | 1051 | 8.1% | -2,490 | -15.1% |
| Health Care & Social Assistance | 33,453 | 33,328 | 32,286 | -1,042 | -3.1% | 32,078 | -208 | -0.6% | 31,870 | -208 | -0.6% | 32,411 | 542 | 1.7% | -917 | -2.8% |
| Information, Culture & Recreation | 10,921 | 9,564 | 8,144 | -1,420 | -14.8% | 7,811 | -333 | -4.1% | 8,181 | 370 | 4.7% | 8,860 | 679 | 8.3% | -704 | -7.4% |
| Accommodation & Food Services | 18,964 | 19,642 | 14,141 | -5,501 | -28.0% | 14,214 | 73 | 0.5% | 19,735 | 5,521 | 38.8% | 20,688 | 954 | 4.8% | 1,046 | 5.3% |
| Other Services (except public administration) | 13,926 | 15,134 | 11,510 | -3,624 | -23.9% | 8,120 | -3,390 | -29.5% | 10,414 | 2,294 | 28.3% | 10,820 | 406 | 3.9% | -4,314 | -28.5% |
| Public Administration | 10,422 | 9,778 | 8,671 | -1,107 | -11.3% | 8,631 | -40 | -0.5% | 9,255 | 624 | 7.2% | 9,838 | 583 | 6.3% | 60 | 0.6% |

Table 1: Estimated Employment by Industry[1] – 2019, February 2020 through October 2020

Adapted from Table 14-10-0097-01, Statistics Canada

[1] Estimates based on Surrey share of Metro Vancouver (Census Metropolitan Area) by Industry in 2016.

The key information to note from this table is as follows:

- Overall, in Surrey peak job loss was seen by July at over 37,000 jobs, with the greatest losses occurring in March and April of 2020. Since the end of July, Surrey has recovered over 17,000 jobs (nearly 48%), with 5,618 of those being attributed to the month of October. This is a total net deficit since February of almost 20,000 jobs or (6.6%).

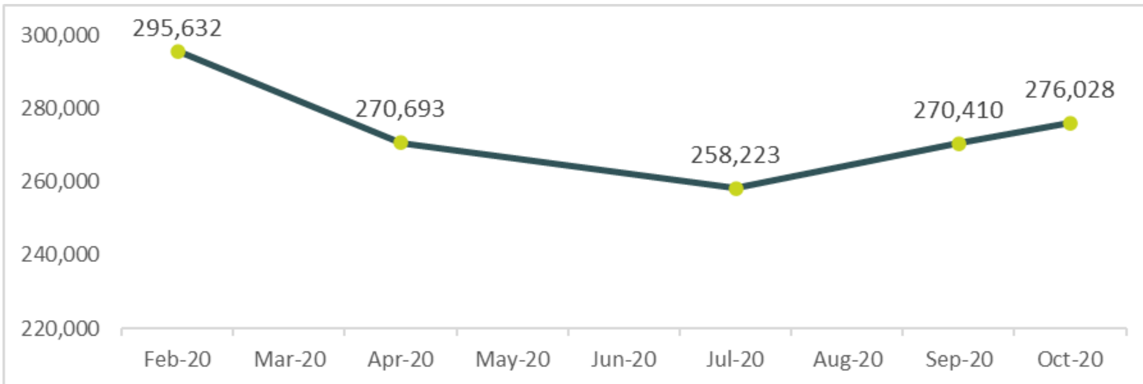


Figure 1: Employment In Surrey (Feb 2020 - Oct 2020)

- The greatest gains since February 2020 continue to be in Utilities (58.7% increase) and Natural Resources (13.4% increase) industries, though both of these industries suffered a small loss of jobs in October (decreases of 2.1% and 5.2%, respectively).

- The greatest recovery since July was seen in Accommodation & Food Services with 6,747 (45.5%) jobs recovered since July, and 954 of those in October 2020:

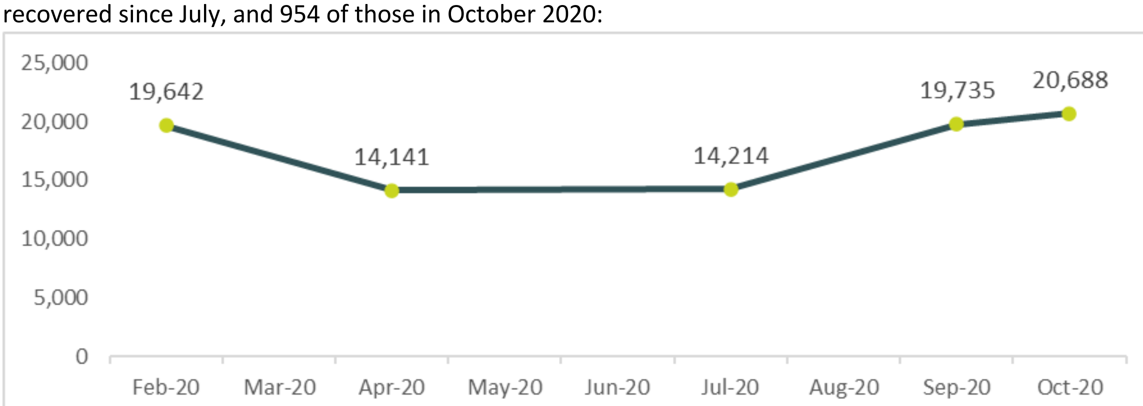


Figure 2: Gain/Loss of Jobs in Accommodation & Food Services in Surrey (Feb 2020 - Oct 2020)

- Other industries that have seen a strong recovery, in terms of number of jobs recovered since July, include: Business, Building and Other Support (approximately 3,800 job); Manufacturing (approximately 2,300 job); Transportation and Warehousing (approximately 1,500 jobs); Finance, Insurance & Real Estate (approximately 1,400 jobs).

- The greatest gains in the number of jobs recovered in October 2020 were seen in Manufacturing; Business, Building & Other Support; Educational Services; and Accommodation & Food Services; making up over 77% of the jobs recovered in October (or roughly 4,355 of the net 5,618 total jobs recovered).

- The greatest overall losses since March 2020 were seen in the following industries: Wholesale & Retail; Transportation & Warehousing; Educational Services; Information, Culture & Recreation; and 'Other' Services.

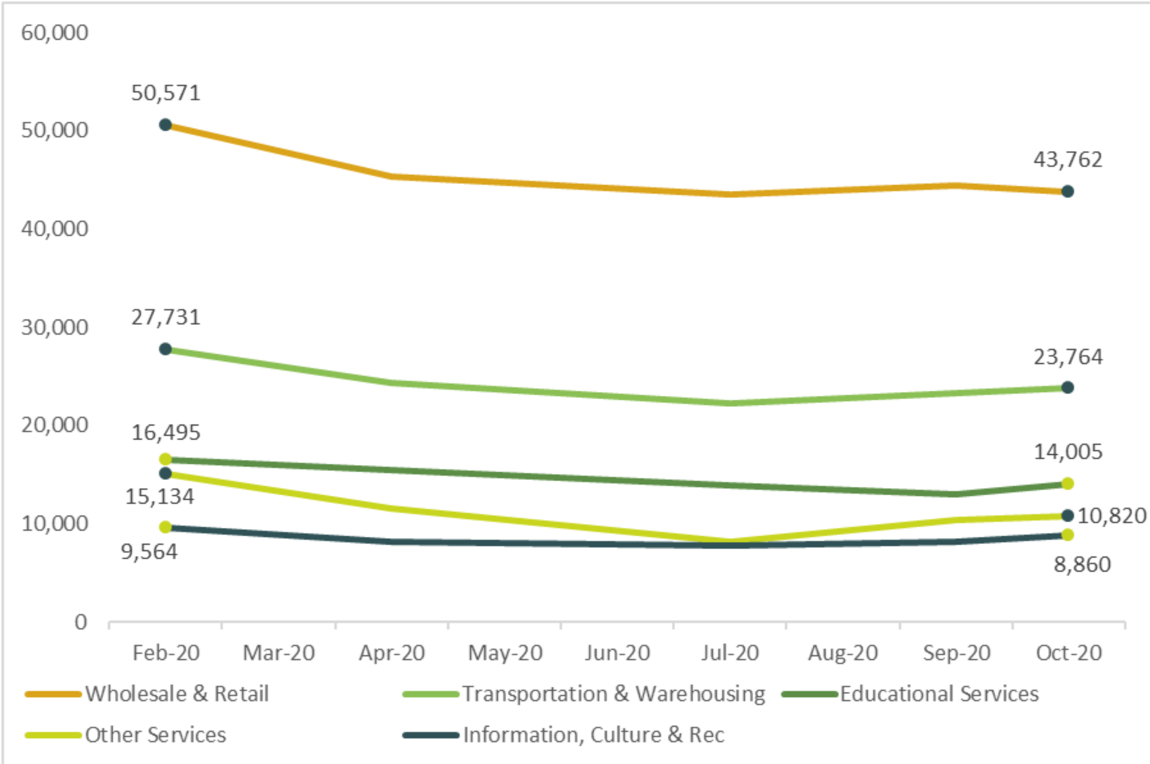


Figure 3: Industries with the Greatest Overall Job Loss Since February 2020

- The Construction Industry saw the greatest loss of jobs in October at almost 2,000 jobs, though some of this loss could be attributed to seasonal work.
- Though Wholesale & Retail Trade jobs seemed to be recovering between July and September, the industry lost most of that gain (738 of the 928 jobs) in October 2020.

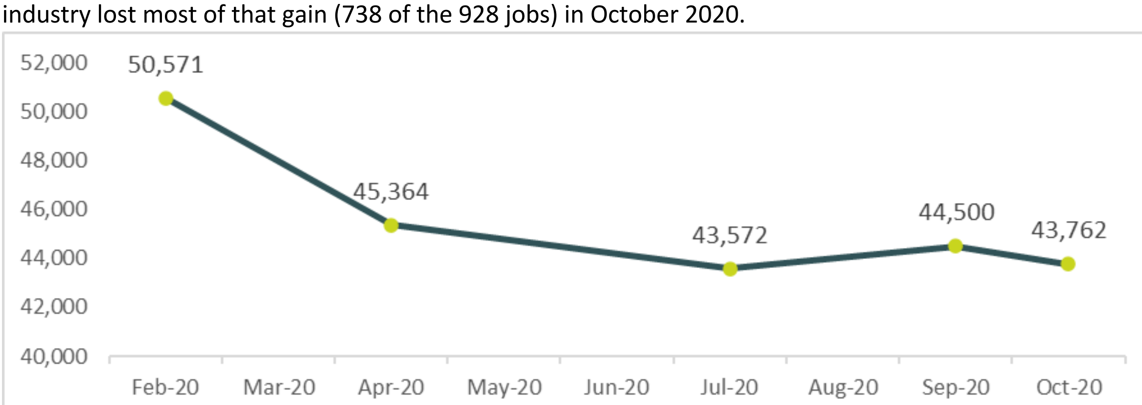


Figure 4: Gain/Loss of Jobs in Wholesale & Retail Trade in Surrey (Feb2020 - Oct 2020)

This program is funded by the Government of Canada and the Province of British Columbia.

**<u>Surrey Employment COVID-19 Impacts BY OCCUPATION – 2019 to October 2020</u>**

When we consider employment by occupation in Surrey and impacts by occupation, Table 2, below, shows the greatest number of positions were in Sales & Services (over 83,000), Trades, Transport & Equipment Operators (over 55,000), Business, Finance & Administration (over 44,500), Education, Law, Social, Community & Government Services ( almost 26,000) and Management Occupations (over 23,500) as of 2019.

Table 2 shows employment change between February 2020 and October 2020 in Surrey, by Occupation.

| National Occupational Classification One-Digit Categories | 2019 | Feb 2020 | April 2020 | Change February to April Jobs | Change February to April % | July 2020 | Change April to July Jobs | Change April to July % | Sept 2020 | Change July to September Jobs | Change July to September % | October 2020 | Change Sept to October Jobs | Change Sept to October % | Change Feb to October Jobs | Change Feb to October % |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Total Employed (all occupations) | 297,895 | 295,632 | 270,693 | -24,939 | -8.4% | 258,223 | -12,470 | -4.6% | 270,410 | 12,187 | 4.7% | 276,028 | 5,618 | 2.1% | -19,604 | -6.6% |
| Management | 23,521 | 22,572 | 22,688 | 116 | 0.5% | 22,855 | 167 | 0.7% | 21,655 | -1,200 | -5.3% | 21,888 | 233 | 1.1% | -684 | -3.0% |
| Business, Finance & Administration | 44,567 | 41,700 | 40,535 | -1,165 | -2.8% | 40,947 | 412 | 1.0% | 43,420 | 2,473 | 6.0% | 43,151 | -269 | -0.6% | 1,451 | 3.5% |
| Natural & Applied Sciences and related | 19,276 | 19,670 | 17,729 | -1,941 | -9.9% | 17,898 | 169 | 1.0% | 20,330 | 2,432 | 13.6% | 21,722 | 1,392 | 6.8% | 2,052 | 10.4% |
| Health | 19,511 | 20,733 | 20,206 | -527 | -2.5% | 23,388 | 3,182 | 15.7% | 21,892 | -1,496 | -6.4% | 20,881 | -1,011 | -4.6% | 148 | 0.7% |
| Education, Law & Social, Community and Government Services | 25,946 | 26,195 | 24,584 | -1,611 | -6.1% | 21,945 | -2,639 | -10.7% | 21,015 | -930 | -4.2% | 22,642 | 1,627 | 7.7% | -3,553 | -13.6% |
| Art, Culture, Recreation & Sport | 6,715 | 6,557 | 5,305 | -1,252 | -19.1% | 4,960 | -345 | -6.5% | 5,956 | 996 | 20.1% | 6,064 | 108 | 1.8% | -493 | -7.5% |
| Sales & Services | 83,179 | 82,882 | 68,403 | -14,479 | -17.5% | 56,387 | -12,016 | -17.6% | 65,049 | 8,662 | 15.4% | 67,788 | 2,739 | 4.2% | -15,094 | -18.2% |
| Trades, Transport & Equipment Operators & related | 55,223 | 58,549 | 55,680 | -2,869 | -4.9% | 49,609 | -6,071 | -10.9% | 49,456 | -153 | -0.3% | 50,616 | 1,159 | 2.3% | -7,933 | -13.5% |
| Natural Resources, Agriculture & related Production | 4,150 | 3,368 | 4,992 | 1,624 | 48.2% | 5,533 | 541 | 10.8% | 4,511 | -1,022 | -18.5% | 3,909 | -601 | -13.3% | 541 | 16.1% |
| Manufacturing & Utilities | 14,982 | 13,359 | 11,012 | -2,347 | -17.6% | 15,430 | 4,418 | 40.1% | 16,120 | 690 | 4.5% | 15,188 | -932 | -5.8% | 1,829 | 13.7% |

Table 2: Estimated Employment by Occupation[2] – 2019, February 2020 and October 2020 Surrey, BC

Adapted from Table: 14-10-0313-01, Statistics Canada

The key information to note from this table is as follows:

- The greatest employment losses by occupation in October 2020 were seen in Natural Resources occupations (13.3%), Health occupations (4.6%), and Manufacturing & Utilities occupations in Surrey. Despite the losses in October for these sectors, they have seen an overall gain in jobs compared to February 2020.

[2] Estimates based on Surrey share of Metro Vancouver (Census Metropolitan Area) by Industry in 2016.

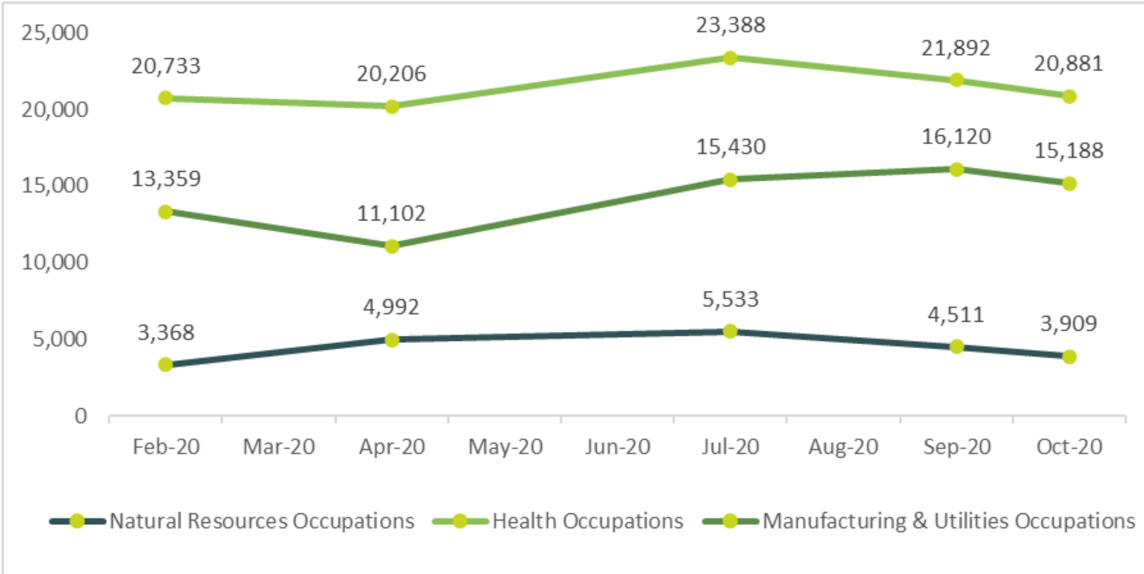


Figure 5: Gain/Loss of Jobs in Natural Resources, Health, Manufacturing & Utilities (Feb 2020 - Oct 2020)

- While occupations in Education, Law & Social, Community & Government Services and Trades, Transport & Equipment Operators have seen a decline every month since February 2020, in October 2020 both sectors saw a recovery of over 1,000 jobs in Surrey.
- Natural & Applied Sciences saw an early drop in jobs between February and April, however, these occupations have continued to see an increase in jobs since and are at 10% more than in February 2020.
- The greatest net loss of jobs in Surrey to date comes from Sales & Services Occupations at 18.2% since February 2020, however, a majority of this loss came between March 2020 and July 2020 (almost 32% of jobs lost). Since July, over 43% of jobs lost in the first five months of COVID-19 have been recovered in this sector.

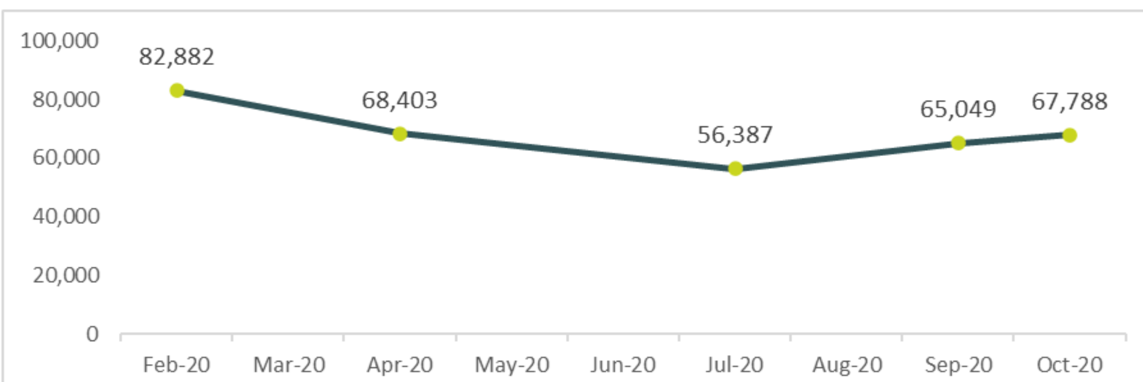


Figure 6: Gain/Loss of Jobs in Sales & Services Occupations (Feb 2020 - Oct 2020)

**COVID-19 Employment Impacts BY INDUSTRY IN CANADA – February 2020 to October 2020**

Figure 1 and Table 3, below, shows the change in hours worked, by Sector and Industry respectively, between February 2020 (Pre-COVID) and October 2020 in Canada. The key information to note from this table is as follows:

- The Goods-Producing Sector started recovery at a faster pace than the Services-Producing Sector between May 2020 and July 2020.

- The Services-Producing Sector has outpaced the Goods-Producing Sector in recovery of working hours since July 2020.

- The Educational Services industry, Professional, Scientific & Technical Services industry, and Utilities industry are showing a small gain in the number of hours worked.

- The greatest number of worked hours lost come in the following industries: Accommodation & Food Services (23.82%); Transportation & Warehousing (13.81%); and Business, Building & Other Support (13.53%).

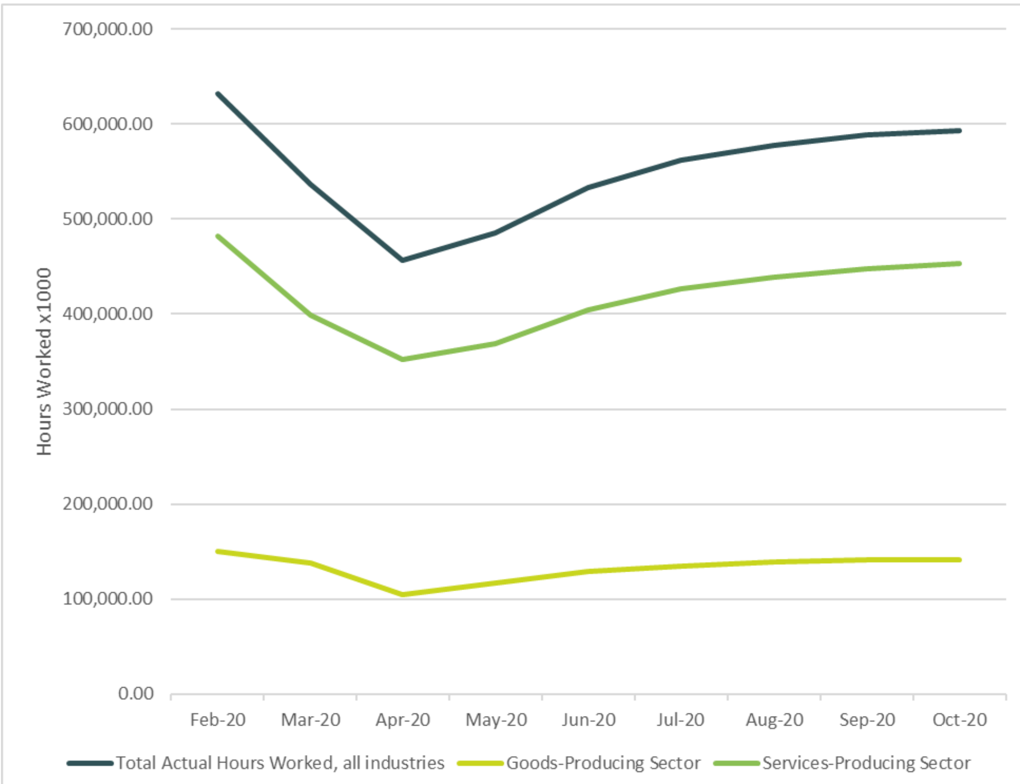


Figure 7: Hours Worked at Main Job by Sector in Canada – February 2020 to October 2020
Adapted from Table: 14-10-0289-01, Statistics Canada

| Classification System (NAICS) | Feb-20 | Mar-20 | Apr-20 | May-20 | Jun-20 | Jul-20 | Aug-20 | Sep-20 | Oct-20 | Percent Change Since Feb 2020 |
|---|---|---|---|---|---|---|---|---|---|---|
| Total actual hours worked, all industries | 632,365.70 | 536,710.10 | 456,983.80 | 485,951.20 | 533,461.80 | 561,705.90 | 577,782.20 | 588,654.50 | 593,491.30 | -6.15% |
| Agriculture | 12,208.40 | 11,622.50 | 10,908.50 | 10,995.90 | 11,096.30 | 10,920.00 | 11,025.30 | 11,687.00 | 11,064.80 | -9.37% |
| Forestry, fishing, mining, quarrying, oil & gas | 12,543.70 | 12,476.70 | 10,387.50 | 11,342.00 | 11,411.70 | 11,974.30 | 11,953.50 | 11,898.50 | 12,175.70 | -2.93% |
| Utilities | 5,217.20 | 4,928.80 | 4,764.70 | 4,922.40 | 5,023.60 | 5,108.20 | 5,119.30 | 5,127.10 | 5,232.10 | 0.29% |
| Construction | 55,112.80 | 48,179.30 | 32,185.40 | 38,314.70 | 44,119.30 | 47,138.60 | 49,465.70 | 49,201.60 | 49,613.70 | -9.98% |
| Manufacturing | 65,487.00 | 60,855.90 | 46,343.90 | 51,393.00 | 57,905.70 | 59,963.60 | 61,110.10 | 63,389.90 | 62,669.00 | -4.30% |
| Wholesale & Retail trade | 90,184.10 | 77,315.60 | 62,226.50 | 69,101.30 | 78,303.50 | 82,940.30 | 84,169.40 | 82,819.90 | 85,206.70 | -5.52% |
| Transportation & Warehousing | 37,784.40 | 33,109.80 | 27,337.90 | 27,222.40 | 30,217.30 | 32,285.30 | 32,082.30 | 32,637.60 | 32,565.20 | -13.81% |
| Finance, Insurance, Real Estate (rental & leasing) | 42,511.40 | 39,668.60 | 36,854.50 | 38,328.40 | 39,446.50 | 40,385.20 | 40,417.60 | 41,378.90 | 41,643.70 | -2.04% |
| Professional, Scientific & Technical Services | 53,964.10 | 49,648.40 | 47,230.90 | 47,651.80 | 47,932.20 | 50,808.00 | 53,027.50 | 53,344.70 | 54,175.00 | 0.39% |
| Business, Building & Other Support Services | 24,081.50 | 20,834.10 | 16,783.70 | 16,624.10 | 19,362.00 | 20,373.70 | 20,489.00 | 20,344.20 | 20,822.90 | -13.53% |
| Educational Services | 39,392.20 | 28,027.70 | 30,110.90 | 32,935.70 | 35,265.40 | 34,585.40 | 35,880.40 | 39,981.00 | 39,784.50 | 1.00% |
| Health Care & Social Assistance | 76,261.90 | 62,618.60 | 59,254.40 | 61,796.00 | 66,958.50 | 72,079.60 | 73,331.90 | 72,564.20 | 74,234.90 | -2.66% |
| Information, Culture & Recreation | 23,991.20 | 16,639.70 | 15,001.60 | 15,087.10 | 17,214.90 | 18,012.50 | 18,888.50 | 21,196.80 | 22,235.30 | -7.32% |
| Accommodation & Food Services | 33,505.20 | 19,739.20 | 12,120.80 | 12,408.80 | 17,745.40 | 20,033.40 | 23,502.00 | 26,063.40 | 25,522.60 | -23.82% |
| Other Services (except public admin) | 26,430.60 | 20,541.70 | 13,672.20 | 15,473.90 | 18,849.10 | 21,837.30 | 24,205.90 | 23,458.20 | 23,319.90 | -11.77% |
| Public Administration | 33,689.90 | 30,503.70 | 31,800.50 | 32,353.60 | 32,610.40 | 33,260.50 | 33,113.60 | 33,561.60 | 33,225.40 | -1.38% |

Table 3: Actual Hours Worked (x 1000) at Main Job by Industry – February 2020 to October 2020, Canada

Adapted from Table: 14-10-0289-01, Statistics Canada

The analysis by Statistics Canada in the LFS released on November 6, 2020, states that overall employment growth has slowed in October 2020 with the increased restrictions due to COVID-19. However, British Columbia is one of only five provinces that have seen a growth in employment in the last month. The LFS also states that employment growth has been concentrated in full-time work and the growth in hours worked is outpacing employment.

## 2. Insights into the Surrey Workforce

In order to best serve businesses in this context, SBOT is conducting a series of bi-monthly short and focused pulse surveys to find out business impacts, business needs and how their economic situation evolves over the course of the pandemic. The goal is to offer solutions and connections.

On behalf of SBOT, Human Capital Strategies (HCS) is collecting and analyzing real-time labour market information to identify those employers, sectors and workers most impacted and most in need of support in Surrey. The following is a highlight of the Pulse Survey Results:

### COVID-19 Impacts on Business

According to responses to this question, it is encouraging that no businesses have closed permanently; however, 5.3% have reported a temporarily closure.

The other respondents are on a continuum in terms of degree of opening.

- 18% have partially re-opened

- 26.5% have mostly or fully re-opened
- 9% have seen their business increased
- 14.3% have experienced no impact.

While about half of the respondents indicated they were mostly or fully open, and/or business increased and/or there has been no impact from the pandemic, in reviewing the comments, many businesses have experienced staffing and/or revenue impacts and have had to pivot to change their business model or move to digital platforms. Comments from those who selected “Other” are listed below so the reader can see them first-hand.

- Many respondents referred to modifying their operations, providing online services or shortening their operating hours to remain open;
- A number of respondents referred to staff layoffs and/or revenue losses;
- Some referred to sector-specific impacts (seniors living sector, performing arts, finance, accommodation, etc.); and,
- A few respondents experienced difficulty in finding and/or hiring employees.

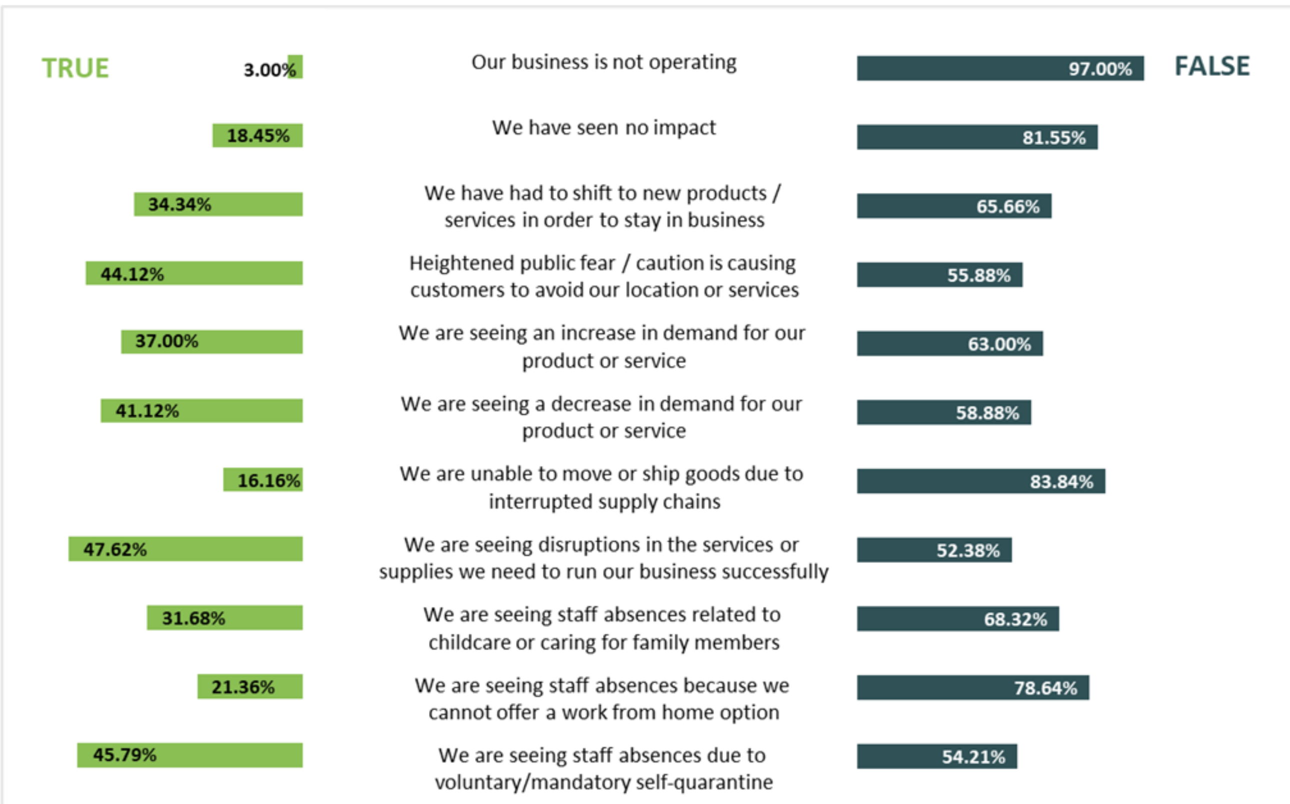


Figure 8: Impacts on Survey Respondents' Businesses

## Revenue Changes

While 11% of respondents have experienced an increase in revenue over the same period last year, a majority of them (56%) have experienced a decline in revenue of 20% or more since last year.

Twenty-one percent of respondents have seen a decrease in revenue of 60% to 100%

## Shift to E-commerce or Digital Work

In this environment, it is interesting that 39% of respondents indicated that none of their business has shifted to e-commerce or digital work. On the other hand, more than half had shifted their business in this direction: 26% had shifted 75% to 100% of their business; and 28% of respondents had shifted by 25% to 50%.

### Staffing Changes
An encouraging 44% of respondents are currently at pre-pandemic staffing levels *or* above (4% are above pre-pandemic levels). However, a significant almost 20% of responding businesses have experienced 40% to 100% of their being laid off and/or shifting to part-time/temporary/ seasonal status. One in six business have the majority of their staff laid off or shifted to non-regular/non-full-time work.

### Key Barriers to Getting Employees Back to Work (and Retaining)
The key barriers to bringing back and/or retaining workers most cited by respondents were (percentages are the proportion of respondents that selected each barrier):

1. Employee safety concerns (41%)
2. Social distancing requirements (40%)
3. Other (29%) (see below)
4. CERB/Government benefits have discouraged employees from returning (22%)
5. Requirement for fewer workers to be operating (21%)
6. Staffing costs (14%)
7. Difficulty for employees to get safely to and from work (12%)

### Extent of Certain Challenges
The most significant impacts reflected by the proportion of respondents were:

- Disruptions in services or supplies need to run one's business (48%)
- Staff absences due to voluntary/mandatory self-quarantine (46%)
- Heightened public fear causing customers to avoid their location or services (44%)
- Decreased demand for businesses' products or services (41%)

Almost four-in-ten businesses experienced an increase in demand for their products or services.

### Use of Existing Government Relief Programs
- Thirty-five percent of businesses have used or are using the Canada Emergency Wage Subsidy program, and a further 5% plan to use it. The balance either do not need it (31%) or do not qualify (29%).
- More than one-quarter (26%) of Surrey businesses are using or have used Canada Emergency Business Account and a further 9% plan to do so. Two-thirds either do not need it (39%) or do not qualify (26%) for it.
- An equal number of Surrey businesses are either using/did use (6%) or plan to use (6%) the Canada Emergency Commercial Rent Assistance. Half of businesses do not need it and another 38% do not qualify.
- Business Credit Availability Program is being used or have been used by 8% of Surrey businesses, with a further 10% planning to use it. More than half (52%) indicate they do not need it and a further 30% do not qualify for it.
- Only 1 (1%) responding business is using or has used Large Employer Emergency Financing Facility (LEEFF), while an additional 3% are planning to do so. Half of businesses indicate they do not qualify and 46% indicate they do not need LEEFF support.

Overall:
- CEWS and CERB are the most used in Surrey
- BCAP and CERB are the programs most planned to be used
- BCAP, CECRA and LEEFF are the most not needed programs
- The programs where Surrey businesses do not quality the most are LEEFF and CECRA

### Usefulness of Types of Assistance Programs
The most popular types of assistance among Surrey businesses are:

1. General tax credits/cuts (81% believe very or somewhat useful)
2. Greater economic stimulus funding like business improvement grants (80%)
3. Better/more payroll tax breaks (78%)
4. Reduced interest rates (79%)

The options of least interest to Surrey employers are:
1. Business counselling (56% not useful at all)
2. Suspension of loan payments (43%)
3. Delayed municipal property tax payments (42%)
4. Better/more rent or lease assistance (41%)

### Comments on Assistance Programs

- Some businesses' comments related to improving or increasing existing programs such as CEBA, CEWS and CECRA, arts/tourism supports and the BC SBRG.
- A few businesses' comments suggested the need for rapid and on-site testing, including SBOT setting up a testing centre; and educating smaller employers in the Fraser Valley on COVID-19 health and safety practices.
- A few businesses' comments referred to various types of economic stimulus efforts.

### Expectations on Returning to Pre-COVID Staff and Revenue Levels

When asked when they expect business to return to pre-COVID staffing and revenue levels, 37% of Surrey businesses responded that they thought this would happen by or before Q1 or Q2 of 2021.

Another 37% of businesses believe this will not happen until Q3 or Q4 in 202.

27% percent were even less optimistic and expect that they will not see pre-COVID levels in staffing and revenue until 2022, later or never (3%):

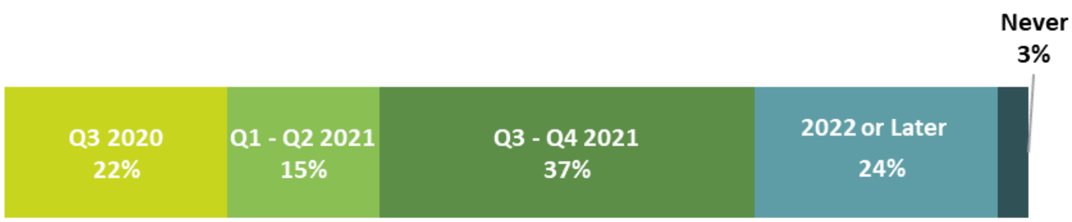


Figure 9: Survey Respondents' Expected Return to Pre-COVID Levels of Staffing and Revenue

Link?

## 3. A Focus on the Most Impacted Labour Force Participants

**As Surrey is such a diverse city, a look at the specific sectors of the labour force and the impacts of the pandemic on them needs to be factored into employer and labour market strategies.**

**Impact of COVID-19 on Visible Minorities**

Statistics Canada's *Crowdsourcing Survey* has collected and reported on a number of variables affecting visible minorities.

Between May 26 and June 8, 2020, of those that were employed prior to COVID-19, one-third of all groups reported job loss of reduced hours. However, The Filipino and West Asian Communities showed 42% and 47% loss, respectively. Compared to White participants, more visible minorities reported a strong or moderate negative financial impact of COVID-19, with Arabs, West Asians and Filipinos reporting the greatest impact. Figure 4, below shows the results of the survey, broken out by group.

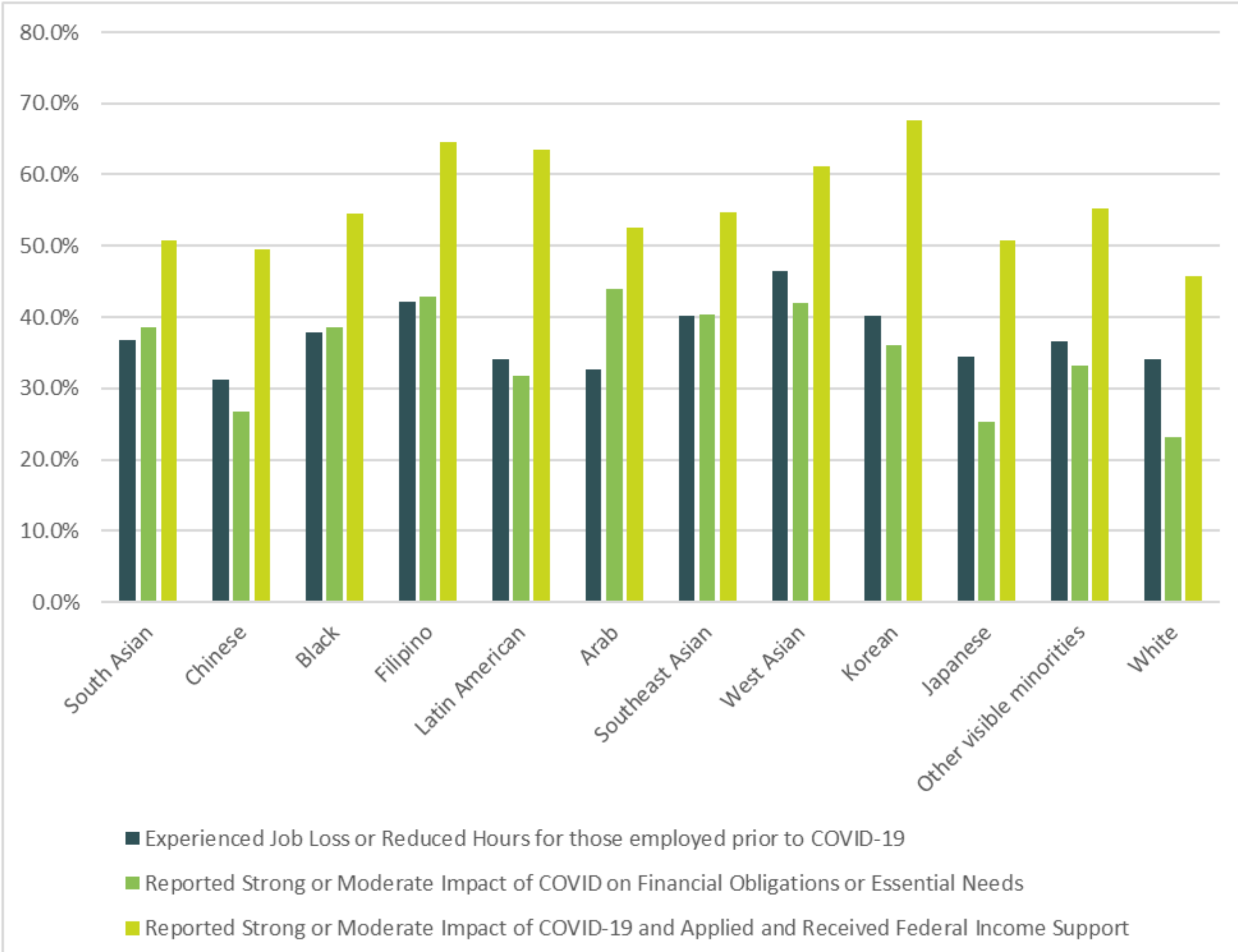


Figure 10: Financial Impacts on Visible Minorities by Group, Canada
Adapted from Statistics Canada, Impacts of COVID-19 on Canadians - Trust in Others: Data Collection Series (5323).

Statistics Canada has pointed out that high poverty rates among most visible minority groups prior to COVID-19 make them more vulnerable to financial impacts due to the disruption of the labour force market. In the article, "COVID-19 Mortality Rates in Canada's Ethno-Cultural Neighbourhoods", published on October 28, 2020, Statistics Canada also points out that mortality rates resulting from the pandemic were higher in Canadian neighbourhoods that had a higher proportion of visible minorities in their population. The same *Crowdsourcing Survey* administered in September found that visible minorities have been reporting poorer mental health than White participants.

Further, the October 2020 *Labour Force Survey* from Statistics Canada shared that visible minorities who were not considered Indigenous have an unemployment rate in October of 11.7% compared to those of non-Indigenous, non-visible minorities, which have an unemployment rate of 6.7%. While the unemployment rate for non-visible minorities fell 0.3%, the South Asian community saw an increase of unemployment by 1.4% for a total 13.8% in Canada.

**Impact of COVID-19 on Immigrants**

Statistics Canada reported that recent immigrants were more likely than Canadian-born workers to lose employment in the early months of the pandemic, due to their shorter job tenure and likelihood of being in lower-wage jobs. Female immigrants, specifically, faced the greatest job loss in March and April, at 7% higher than their Canadian-born counter parts. Figure 5, below, from the Statistics Canada website shows the effect on short-term immigrants compared to long term immigrants and Canadian-born individuals:

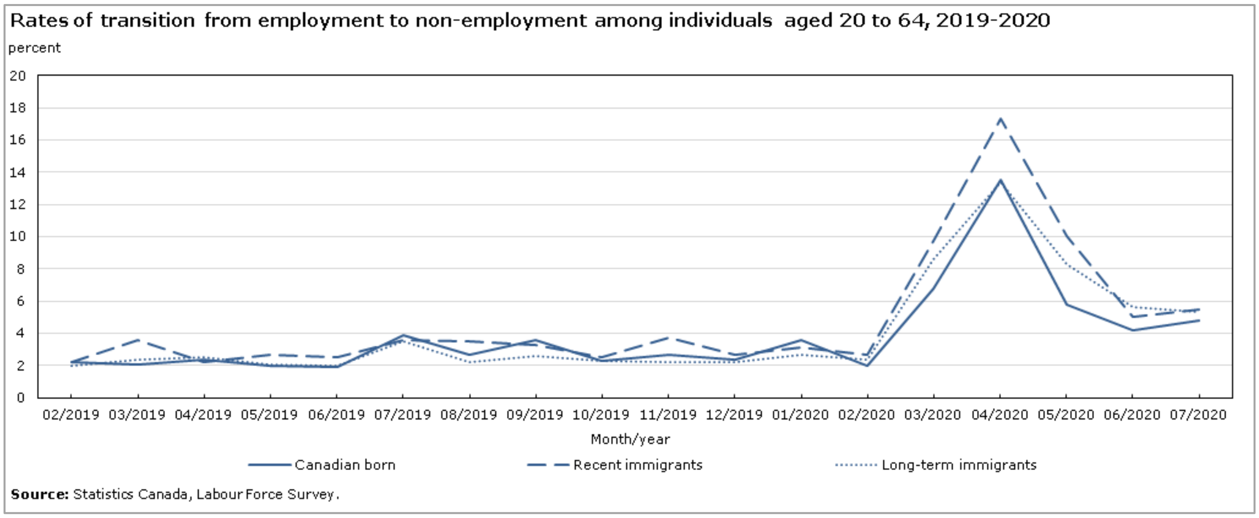


Figure 11: Rates of Transition from Employment to Non-Employment Among Individuals by Immigration Status
Statistics Canada, Labour Force Survey

**Impact of COVID-19 on Indigenous People**

Statistics Canada release an article titled, “Labour market Impacts of COVID-19 on Indigenous People: March to August 2020”, in November 2020, in which they highlighted the significant and disproportionate health and socio-economic impact on Indigenous people. They report that though, the initial decrease in employment trended similarly to those of non-Indigenous identity during COVID-19, the employment rate among Indigenous has not recovered at the same pace as that for non-Indigenous individuals. Similarly, Indigenous women have seen greater impact, as Indigenous men saw an increase in employment between June and August, while women saw their employment rate fall further to 48.4% and remain further from the pre-pandemic levels of their male counterparts.

Also, Statistics Canada reports that Indigenous people are over-represented in occupations that saw larger declines in employment during COVID-19, such as trades, transport, equipment operations and sales & service.

## 4. URGENT POST-SCRIPT: Statistics Canada's October 2020 Labour Force Survey Results

SURREY BUSINESS LEADERSHIP PERSPECTIVE
BC Labour Force Survey Data
Statistics Canada Labour Force Survey, October 2020 (Released November 6, 2020)

| | |
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| Overall – Canada | • Employment recovery continued across most of the country but at a slower pace. Saskatchewan and Manitoba saw small declines in October, and Quebec lost almost 13,000 jobs – perhaps mostly because of rising COVID-19 cases. BC (see below), Ontario and Alberta led the way in job growth since September.<br>• Canada gained 83,600 jobs between September and October 2020, +0.4% growth compared to a monthly average of +2.7% since May. 83% of this job growth was in full-time employment. The back to work trend has increased employment by almost 2.37 million jobs for a 14.6% increase since April.<br>• The unemployment rate dropped to 8.9% in October from 9.0% in September, however it remains appreciably higher than the 5.6% in February 2020.<br>• Employment in Canada still remains 636,000, or -3.3%, lower than pre-pandemic levels in February 2020. |
| Overall - BC | • BC saw the largest job growth in Canada in October – a +1.4% increase or 33,500 jobs since September. However, unlike nationally, most (+77%) of this increase was in part-time employment.<br>• This means BC has had an increase in employment of almost 335,200 jobs (or +15.6%) since the BC recovery started in April.<br>• BC's unemployment rate dropped to 8.0% in October from 8.4% in September, however it remains higher than the rate of 5% in February 2020. The drop in BC's rate of 2.3% points was the second highest across the country, behind Nova Scotia's 2.4% points decrease.<br>• Employment is still down by over 61,000 jobs since February, a -2.4% deficit. |
| Goods-Producing Industries | • After losing 10,000 jobs in September, goods-producing industries (one exception) bounced back with a gain of 11,000 jobs for an increase of +2.4% in employment. Collectively, goods industries have gained over 37,000 jobs since April but are still down -1.9% or -9,300 jobs since February.<br>• This is driven by lagging construction job growth, as well as dropping 900 jobs in October. It has only recovered 200 jobs since April and is still down -16.7% or over 40,000 jobs since the pandemic.<br>• Employment levels in agriculture, natural resources, utilities and manufacturing are all now at pre-pandemic levels or higher than in February 2020.<br>• Collectively, after gaining 12,000 jobs in October, these four industries gained 36,900 jobs since April and are above February employment levels by almost 31,000. This was led by manufacturing which gained 5,900 jobs (+3.5%) in October and stands at almost +9.0% above pre-pandemic levels with 14,200 more jobs than in February. Despite a small drop of 600 jobs in October, utilities is up +38.5% or 5,700 jobs since February. |
| Service-Producing Industries | • Employment in the service sector in BC grew by 22,500 jobs (+1.1%) in October, meaning a total recovery of over 298,000 (+17.4%) since April. However, employment in the sector is still 52,000 lower than in February 2020 (-2.5%).<br>• Four key service industries are still down from pre-pandemic job levels:<br>- Despite a recovery of +13.1% or almost 43,000 jobs since April, and a small uptick of 700 jobs in October, retail and wholesale trade employment is down almost 33,000 jobs (-8.1%) since February.<br>- Other services (many high-touch personal services and automotive retail) grew by 2,300 jobs (+0.7%) in October and a huge almost 69,000 jobs since April; however, its employment remains down 21,400 jobs or -6.2% since before the pandemic. |

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| | - Accommodation and food gained a modest 2,100 jobs in October and has recovered a massive 97,600 (+117.6%) since April. Its employment remains at 14,500 (-7.4%) below February 2020 levels.<br>- Jobs in transportation and warehousing slipped by 1,400 jobs (-1.1%) in October after gaining 900 jobs since April and remains at an almost 14,000 job deficit (-10.1%) since February.<br>• The five other service-producing industry categories are all showing continued job recovery and growth, to the extent their employment in October exceeds pre-pandemic job levels to varying degrees. These industries' growth in October ranged from +1.1% (educational services) to +2.7% (health care & social assistance) and all exceed February 2020 employment levels:<br>- Professional, scientific and technical services (PSTS) exceed pre-COVID levels by 12,800 jobs or +5.9%;<br>- Health care & social assistance has 6,600 or +2.1% more jobs in October than in February;<br>- Educational services employed 6,500 more workers (+3.7%) in October than in February; and,<br>- Public administration and finance & related industries employed 2,500 and 2,300 more people in October 2020 compared to pre-pandemic levels, respectively. |
| Occupations | • Employment growth and changes in unemployment rates was mixed in occupational categories in BC. While the BC unemployment rate has dropped to 8.0%, half of the job categories have rates under the provincial average and ranging from 1.0% for health to 4.9% for business, finance and administration; and half have higher rates ranging from 6.1% (manufacturing and utilities) to 12.5% for art, culture, recreation & sport (ACRS). The latter category is the only occupation grouping with a rate that exceeds the overall BC unemployment rate.<br>• The biggest gains in jobs over the last month were in positions in trades, transport and equipment operators (+18,900 or +5.8%), in education, law, social, community & government (ELSCG) (+16,400 or +6.4%) and in natural resources and agriculture (+5,000 or +9.2%).<br>• The biggest employment losses in September were in a number of occupational categories: natural resources/agriculture (-10,500 or -16.1%); trades, transport & equipment operators (-10,200 or -3.0%); health (-9,400 or -4.7%); and business, finance & administration (-6,300 or -1.6%).<br>• The biggest changes in unemployment rates in October by occupation were:<br>- ACRS rate decreased from 17.0% to 12.5%<br>- Natural resources and agriculture increased to 7.3% from 4.4%<br>- Management rate doubled from 1.7% to a still-low 3.3%<br>- Sales and service dropped from 9.1% to 7.6%<br>• Employment in five occupational categories in BC are now at levels above February 2020 (pre-pandemic):<br>- Natural & applied sciences: +37,000 (+18.7%)<br>- Manufacturing & utilities: +19,000 (+29.5%)<br>- Natural resources/agriculture: +17,300 (+40.9%)<br>- Education, law, social, community & government: +9,200 (+3.5%)<br>- Health: +3,100 (+1.7%)<br>• Two job categories account for a deficit of over 92,100 jobs lost since February. Sales and service employment is still down by over 67,700 jobs and trades, transport & equipment operators are down by over 24,400. The former driven by the 'high-touch' and big-event services and the latter by reduced construction employment. Interestingly, as indicated above, the latter category (trades, etc.) saw a +5.8% job growth in October.<br>• Jobs in the management category are also down since February by -11,700 or -4.8%. |
| Regions | • Most of the non-Mainland/Vancouver Island regions experienced a decline in unemployment rates in October – Northeast region has the lowest rate in BC at 5.6% in October. Collectively, the Cariboo (+3,700), Kootenay (+2,600), North Coast & Nechako (-500), Northeast (-200) and |

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| | Thompson/Okanagan (+7,500) regions grew by 13,100 jobs in October. They are perhaps less impacted by COVID-19 cases.<br>• While Vancouver metro area gained over 27,800 jobs (+2.1%) in October, its employment level is still almost 97,000 lower than in February (-6.6%) and its unemployment rate is higher than most other regions (except Cariboo's 10.5%) at 9.7%.<br>• Victoria (+9,600) and Kelowna (+6,700) have recovered significant jobs since April and had unemployment rates of 7.7% and 6.8%, respectively, in October<br>• Employment in the Vancouver Island/Coast region dropped slightly in October (-2,800 jobs); however, it still has 10,600 more jobs now than in February<br>• While despite growth of over 29,400 jobs in the Mainland/Southwest region in October, its employment is still down by almost 91,400 jobs (a -5.5% deficit driven by Vancouver metro numbers). |
| Age, Gender and Other | • The youth (15-24) unemployment rate in BC dropped slightly to 15.6% in October from 15.9% in September. Female youth unemployment rate remained at 13.1% in October, almost double the 6.8% February rate; and the male youth rate decreased to 18.0% from 18.6%, and it is still significantly higher than the 11.2% pre-pandemic rate. The rate for all ages of women (6.8%) was below men of all ages (9.1%) in October.<br>• Overall, over 33,400 less youth are employed in BC now compared to February (-15,900 males and -17,600 females); and there are 22,900 more unemployed youth (12,400 males and 10,500 females) since the pandemic started.<br>• Of the 61,300 jobs lost since February in BC, 78% were filled by men and 22% by women.<br>• In terms of part-time work as a percentage of total employment in BC, it has crept up slowly since the recovery and was at 23.5% in October, up from 22.8% in September and up from 21.4% in February. For men in BC, part-time employment was 16.2% of total jobs; while this was almost double for women at 31.4% in October. These rates are similar and only slighter higher in each gender compared to February 2020.<br>• More troublesome perhaps, or an indication of more unstable or flexible employment, the part-time employment as a percentage of total during the April-October recovery period in BC has been 54.4% - almost 182,400 of new jobs were part-time compared to 152,800 full-time ones.<br>• In terms of 'class of worker,' a significant impact has been experienced by those self-employed, losing 1,900 jobs in the last month for 0.4% drop; but more significantly, while the BC labour market has seen substantial growth in job recovery since April, self-employed positions have declined by 26,300 or 5.7% during that period.<br>• While private sector employment increased by +2.7% in October in BC, and public sector jobs decreased by -1.0%, private sector jobs are down by 69,000 (-4.2%) since February and public sector jobs are up 23,900 (+5.1%). |
| Summary | • Since April 2020, the job recovery in Canada and BC has continued but is slowing, with less growth in jobs in October than in previous recent months. BC led job growth in October 2020 and includes 'bright spots' with several goods and service industries and occupational categories showing employment levels higher than before the pandemic.<br>• In terms of job losses, BC's economy is still in a job-deficit from impacts of the pandemic (over 61,000 jobs lost and not yet recovered) and the recovery is variable across industries and occupations:<br>- Almost all goods-producing industries are solidifying their job recovery and exceed February employment levels, with the exception of construction in BC, which is down -16.7% or over 40,000 since the pandemic started. |

- While hard-hit service-producing industries have been showing steady recovery in jobs, transportation, retail, accommodation & food services and 'other' services are down by almost 83,000 jobs since February 2020.
- On the other hand, PSTS, educational services, health and public administration are all ticking along with continuing job growth.
- At the occupational level, despite short-term growth, sales & service and trades, etc. and management employment have almost 104,000 less jobs in October than in February 2020.
- Conversely, employment in natural & applied sciences, ELSCG, natural resources and agricultural, manufacturing and health occupations have all increased job levels before those in February.

* As we said last month, BC continues to be well-positioned fiscally, economically and public health-wise to 'survive and thrive' through this pandemic. However, our economy and labour market are in a volatile period of uncertainty with increasing COVID-19 cases and health care pressures, the onset of cold and flu season and more pressures on high-touch and service businesses, households and social networks to double-down. One only has to look at Alberta, Manitoba and Quebec about rising infection rates and risks of business lockdowns and resulting economic impacts.
* Governments, employers and employees, consumers and parents, students and educators, households, extended families and social groups all have important roles in mitigating COVID-19 impacts and averting an economic and employment contraction.
* The October 2020 LFS data provides continued positive momentum for BC. As our October analysis warned, "economic recovery that will require effective public policies and support, innovative business practices, increased digital transformation, business resilience and a collaborative approach to economic recovery among governments, businesses, workers and public sector service providers."

Source: BC Stats – *Statistics Canada, Labour Force Survey, October 2020*. Released November 6, 2020. Retrieved from https://www2.gov.bc.ca/gov/content/data/statistics/employment-labour/labour-market-statistics.

WORKFORCE RESET

*Surrey Labour Market Intelligence and Impact Reports*

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