



Surrey Board of Trade Pulse Survey

**COVID-19 Employer and Workforce
Impacts and Needs
Summary of January 2021 Survey Findings**



Prepared by Human Capital Strategies



*Funding provided through the Canada-British Columbia
Labour Market Development Agreement.*



SUMMARY

As part of its support to Surrey businesses in responding to COVID-19 pandemic workforce, workplace and operational challenges, the Surrey Board of Trade (SBOT) has been conducting a series of short and focused pulse surveys to find out business impacts, needs and how their economic situation evolves over the course of the pandemic. On behalf of the SBOT, Human Capital Strategies (HCS) is collecting and analyzing the only real-time labour market information in Surrey to identify those employers, sectors and workers most impacted and most in need of support in Surrey. The results of this survey will provide SBOT with the facts to build, tailor services and advocate for Surrey businesses and their workforce.

The first pulse survey was launched by SBOT on October 5, 2020 and closed October 23rd, 2020. This second pulse survey was launched on January 11th, 2021 and closed January 22nd, 2021.

RESPONDENT SECTORS AND SIZE

Goods-producing Surrey businesses totaled 17.1% of total respondents; and service-producing Surrey businesses totaled 82.9% of all respondents. This is similar to Metro Vancouver and BC proportions. The largest industries in the survey responses were:

- Other Sectors – 16.04%
- Finance & Insurance – 13.37%
- Health Care & Social Assistance – 10.16%
- Manufacturing – 9.63%
- Other Services – 7.48%

The breakdown of respondents by business size was similar to the results of the October 2020 survey, with over 75% of respondents having less than 50 employees and over 95% having less than 500 employees. 60% of respondents have less than 20 employees.

COVID-19 IMPACTS ON BUSINESS

Of the survey respondents, 1.16% have closed their Surrey businesses permanently, while 6.4% have temporarily closed. These numbers have increased when compared to the responses from October 2020, up from 0% and 5.3%, respectively. The other respondents are on a continuum in terms of degree of opening.

- 12.79% have partially re-opened;
- 23.84% have mostly or fully re-opened;
- 15.12% have seen their business increased; and,
- 15.12% have experienced no impact.

While many respondents stated that their business is either maintaining or thriving currently, a quarter



of the survey respondents selected the 'other' option and provided comments to clarify. In reviewing the comments, many Surrey businesses have experienced a significant reduction in volume and/or revenues, shifted their business models and/or moved to remote working, or reduced staff or staff salaries.

REVENUE CHANGES

While over 12% of respondents have experienced an increase in revenue over the same period last year, almost 45% have experienced a decline in revenue of 20% or more since last year. This number is down by almost 10% since the October 2020 Survey.

Over 14% percent of respondents have seen a decrease in revenue of at least 60%, compared to 21% of respondents in October.

SHIFT TO E-COMMERCE OR DIGITAL WORK

The number of respondents that have shifted to 100% digital has doubled since fall 2020, while the proportion of business reporting at least some degree of a digital shift are similar in both periods.

When asked specifically about remote work, respondents indicated an expectation that the proportion of staff working remotely will decline over the next year. However, 15% of respondents indicated that at least 80% of their staff will be working remotely a year from now.

STAFFING CHANGES

40% of respondents indicated that they are at/or exceeding pre-pandemic levels of full-time staff, down from 44% in the fall. There was also a decrease in the number of Surrey businesses that reported that 40% or more of their full-time staff had been reduced.

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 employees' concerns about safety concerns at work and the rising number of virus cases in the community. After this, Surrey businesses cited staffing costs and social distancing requirements as the next greatest barriers in retaining staff. When it comes to getting staff to return to work during the pandemic, Surrey businesses shared that Provincial Health Orders/closures and employee preference to continue working remotely were their next greatest barriers.



EXTENT OF CERTAIN CHALLENGES

The most significant impacts reflected by the proportion of respondents were:

- Disruptions in services or supplies needed to run one's business (44%, down from 48% in October)
- Staff absences due to voluntary/mandatory self-quarantine (38%, down from 46% in October)
- Heightened public fear causing customers to avoid their location or services (42%, down from 44% in October)
- Decreased demand for Surrey businesses' products or services (47%, up from 41% in October)
- Staff absences related to childcare or family care (37%, up from 32% in October)
- Staff absences because the business cannot offer a work from home option (37%, up from 21% in October).

The number of Surrey businesses experiencing an increase in demand for their products or services also increased slightly, from 37% in the fall to 41% in January 2021.

USE OF EXISTING GOVERNMENT RELIEF PROGRAMS

The most used government programs continue to be Canada Emergency Wage Subsidy (CEWS), Canada Emergency Business Account (CEBA) and Canada Emergency Rent Subsidy (CERS). All others are either not needed or Surrey businesses do not qualify.

USEFULNESS OF TYPES OF ASSISTANCE PROGRAMS

The most popular types of assistance among Surrey businesses are:

1. General tax credits/cuts (85% believe very or somewhat useful)
2. Better/more payroll tax breaks (81%)
3. Zero interest loans (81%)
4. Greater economic stimulus funding like business improvement grants (80%)

The options of least interest to Surrey employers are:

1. Business counselling (40% not useful at all)
2. Better/more rent or lease assistance (39%)
3. Assistance with better/more technology implementation (37%)
4. Suspension on loan repayments (32%)

EMPLOYEE TRAINING PROGRAMS

Almost 60% of Surrey businesses in January 2021 have offered employee training in mental health/wellness and about 55% have offered training in skills for new products/services. Just over 50% provided soft skills training for manager and just over 15% offered workplace health & safety training.

40% of Surrey businesses indicated they need help with health & safety training and 30% indicated need help for employee training in technology related to remote work.

QUESTIONS ABOUT VACCINES



Over 25% of respondents indicated that they were unclear on what their responsibilities are in ensuring their employees get vaccinated and 21% would like to know about their rights when it comes to employees refusing vaccines. 20% of respondents also wanted to know how they could ensure their employees are vaccinated.

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, 22% of Surrey businesses indicated that they were now back to pre-pandemic levels and another 14% expected this to be the case within the first half of 2021. 37% of respondents indicated that they do not expect to reach pre-pandemic levels of staffing and revenue until at least 2022, while another almost 2% indicated that they do not expect to ever reach the same levels.

Of those who had responded to both the January 2021 survey and the October 2020 survey, 39% are feeling more optimistic than they were in October 2020, while 45% are feeling more pessimistic. 16 percent of respondents to both surveys are feeling similarly to that in the fall.

DETAIL

The coronavirus pandemic (COVID-19) has precipitated the most widespread and deepest job loss and disruption to Canada and BC's economies in our history. Surrey's economy and its labour market have not escaped the huge impacts of the pandemic.

Therefore, with BC Ministry of Social Development and Poverty Reduction funding, the Surrey Board of Trade (SBOT) initiated the *"Immediately Building and Supporting Surrey Employer Capacity to Respond to COVID-19 Workforce Needs"* project (July 27, 2020 – July 23, 2021). Then and now many challenges exist for Surrey businesses and workers:

"The key barriers to getting employees back to the office or workplace are social distancing requirements (38%), employees' reluctance to return to the workplace due to safety concerns at the workplace (35%) and, to a slightly lesser extent, getting to and from work (22%). Over 50% of large Surrey businesses report these challenges. The complexity and cost of safety measures are other issues."

The goals of this project are to:

1. Support and build capacity among Surrey employers to plan, prepare for and take action on re-opening of the BC economy to mitigate risks and seize on workforce-related opportunities in the new normal during and after the coronavirus pandemic.
2. Work with workforce groups and employment and training service providers in Surrey to help support, build and coordinate their capacity to serve Surrey employers and workers. Employers will need help and to develop a capacity for being nimble, agile and responding to changes in workforce supply and demand driven by lockdowns, public health guidelines, re-openings and economic recovery. This project responds to this need.

The key project deliverables will be:

- A Playbook for Workforce and Employer Resilience (regularly updated) which includes several tools, templates, checklists, and hyperlinks to specialized information and resources.
- A Rapid-Response Centre to outreach and respond to individual employer needs for planning, preparing and executing recovery and back-to-work strategies.
- Real-time Labour Market Intelligence function through pulse surveying and other intelligence-gathering methods and regular LMI Reports to Surrey employers.
- The project will culminate in a final report identifying key trends, needs, and lessons learned from the use of the Playbook and other tools including recommendations for future use of the Playbook and additional resources for working with employers to address priority labour market needs as a result of COVID-19.



SURVEY OVERVIEW

To best serve Surrey 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 results of this survey will provide SBOT with the facts to build and tailor services and advocate for Surrey businesses and their workforce.

The first pulse survey was launched by SBOT on October 5th, 2020 and closed October 23rd, 2020. This second pulse survey was launched on January 11th, 2021 and closed January 22nd, 2021.

The survey was distributed in the following ways:

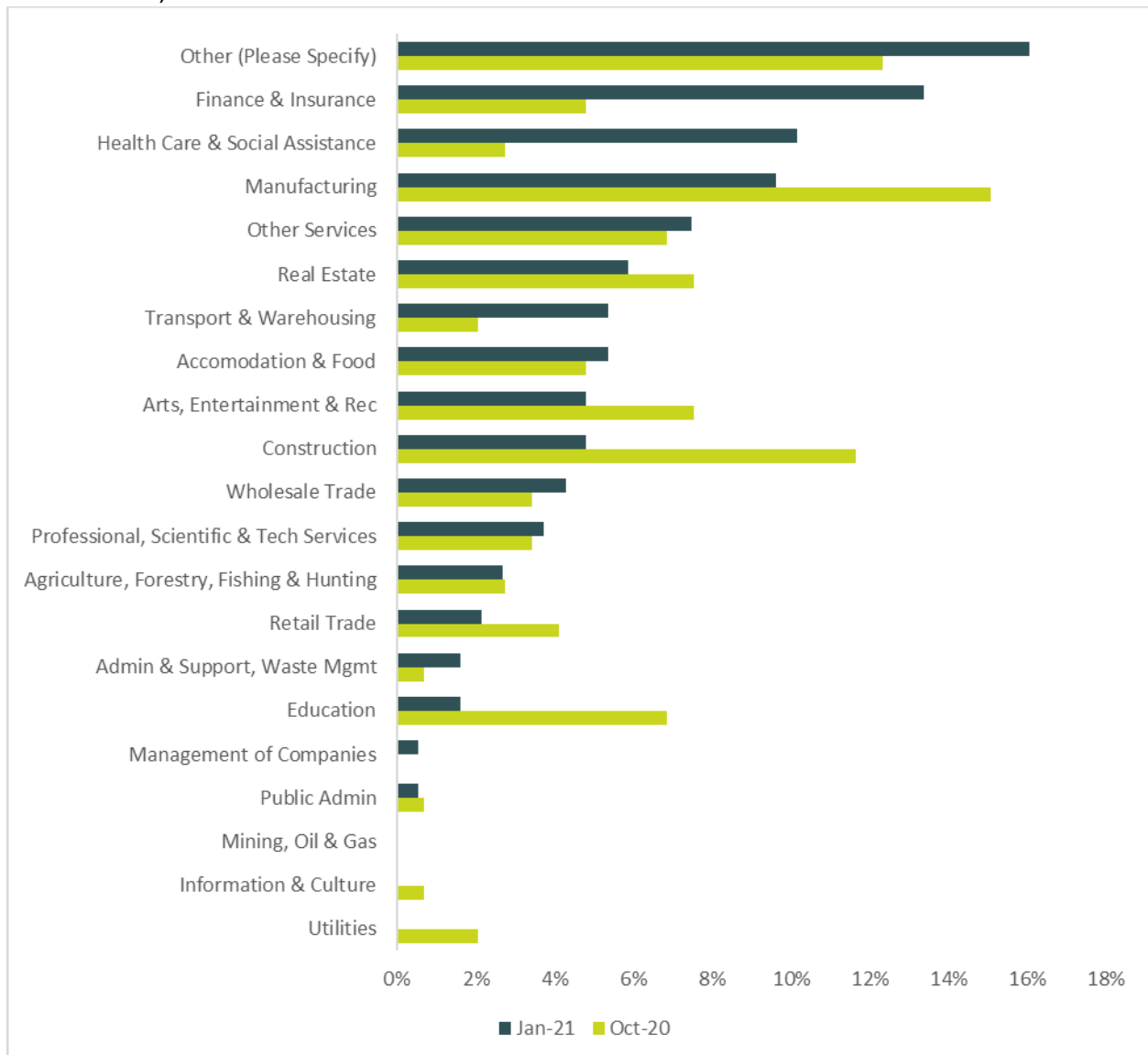
- To 6,000 SBOT member contacts with a cover email and survey link. This was repeated as a reminder 5 times;
- To several Surrey stakeholder organizations who represent and/or work with individual Surrey businesses;
- To several business associations and industry associations with members in Surrey;
- Through SBOT social media channels; and,
- Through other SBOT channels and events.

The goal of the pulse surveys is to obtain responses to a small sample of representative (e.g. size, sector, Surrey region) Surrey businesses in a short period of time with a view to repeat some questions and cover new emerging topics every two months over the next year.

SURVEY FINDINGS

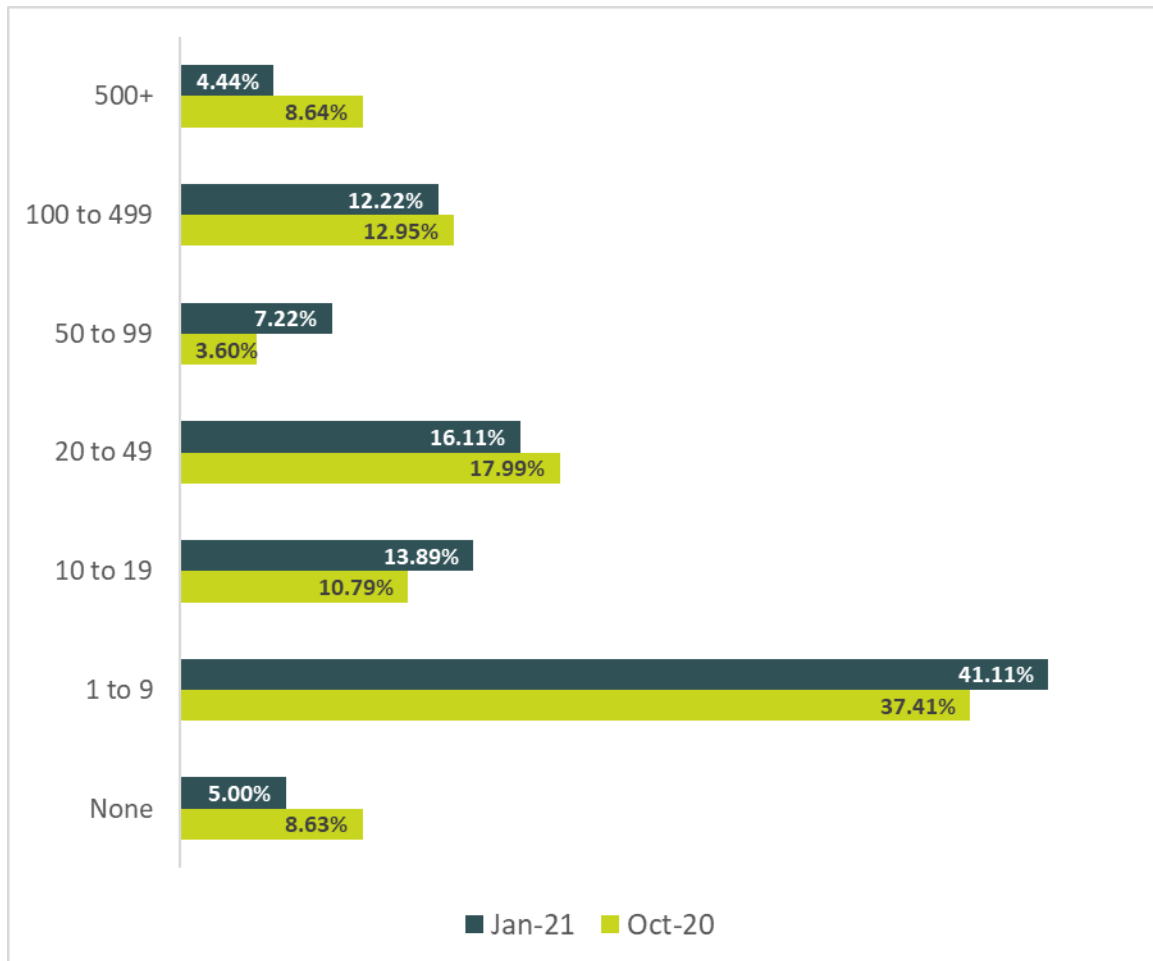
Q1. In which industry is your business in (select one)?

In the first survey, the largest sectors responding were manufacturing, construction, other, real estate and arts, entertainment and recreation. In the second one, responses came more from other, finance and insurance, health care and social assistance and other services.



Q2. Number of employees in February 2020 that my business had (select one):

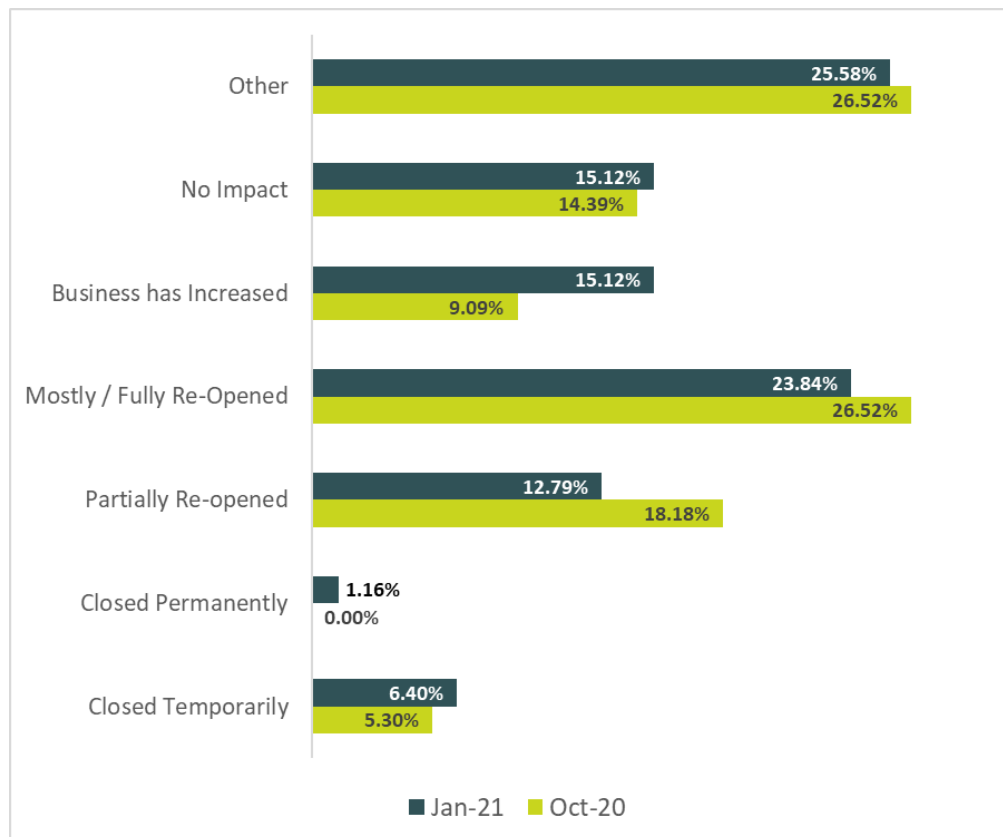
In the January 2021 survey responding Surrey businesses reported slightly lower numbers of employees in February 2020 than October 2020 respondents. In January 2021, 76.1% of Surrey businesses reported less than 50 employees, compared to 74.8% among Surrey businesses in October 2020.



Q3. How has COVID-19 impacted your business (select one)?

The January 2021 survey responses seem to reflect the increased COVID-19 cases and outbreaks in the Fraser Health Region. October 2020 responses showed less closed temporarily, less closed permanently and more Surrey businesses partially or mostly/fully re-opened than in January 2021.

However, more respondents reported business increasing in January 2021 compared to October 2020; and about the same reported no impact in both surveys.



In October 2020, of the 27% of business respondents who selected “other” in response to this question, their main points were:

- 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,



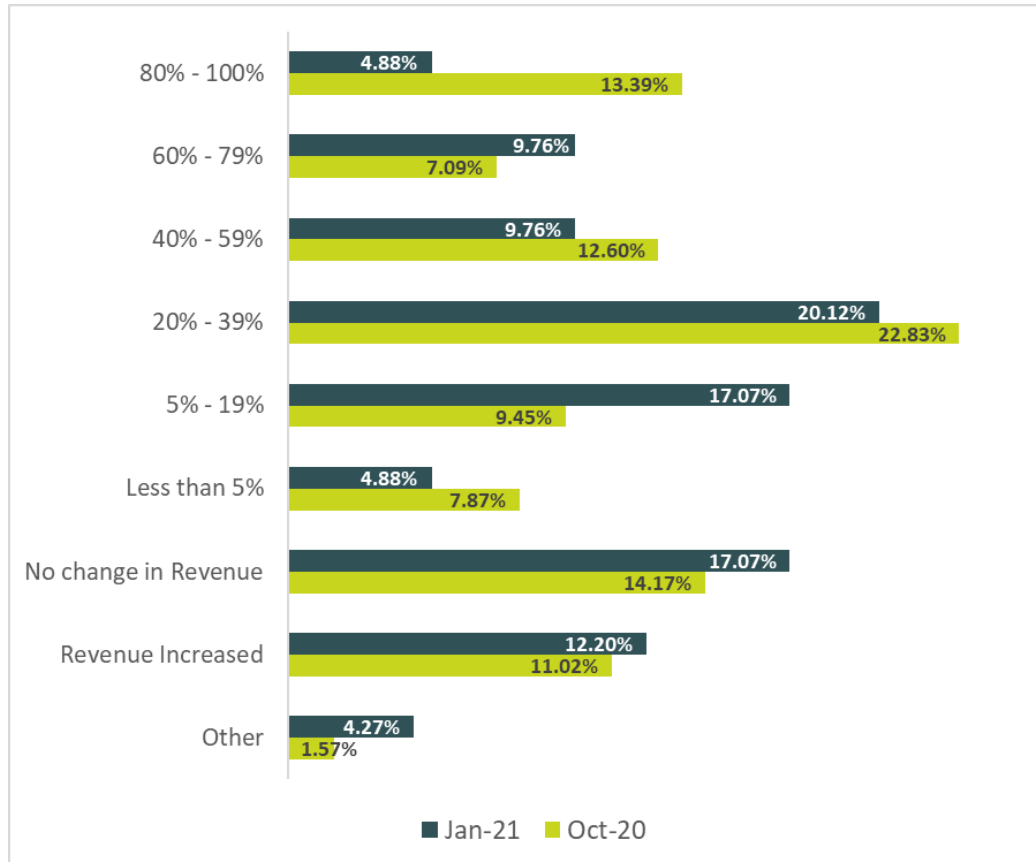
- A few respondents experienced difficulty in finding and/or hiring employees.

In January 2021, of the 26% of businesses who selected “other”, key themes were:

- Many respondents reported varying degrees of reduction in sales and revenue and to some extent in employees, and many of these have remained open or reopened;
- A number of respondents shared that they have pivoted to virtual work/work from home, different ways of providing services and serving customers and to new revenue streams;
- Many respondents reported many challenges and fluctuation of impacts with ongoing uncertainty;
- A few businesses in these comments indicated they had temporary or permanent closures or delayed or cancelled projects; and,
- Most of these responses reflected a prevalent concern among Surrey businesses of protecting employees and customers while doing their best to continue services and production in some shape or form.

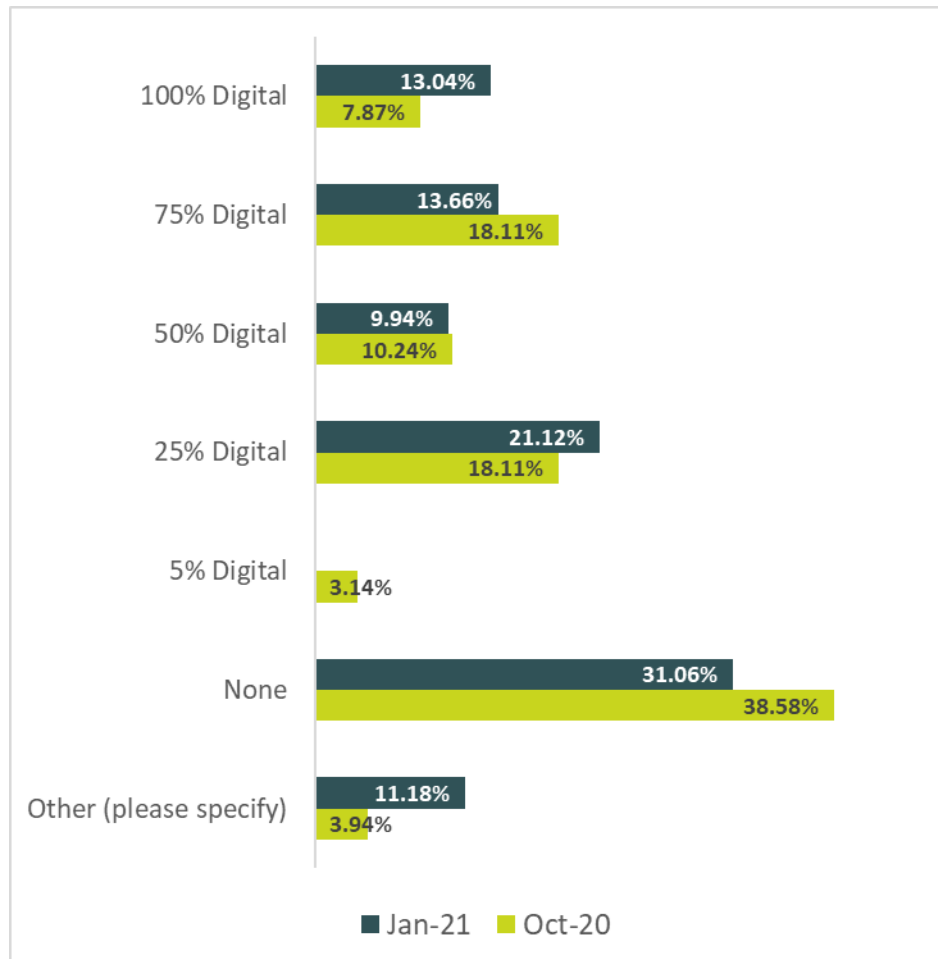
Q4. Relative to the same period last year, we have seen a reduction in revenue of (select one):

Surrey businesses in January 2021 showed a slight revenue increase compared to October 2020 and reflected lower revenue decreases since responses in the fall. Less Surrey businesses saw declines of 80-100% in January 2021 but higher in the smaller drops of 5-19%.



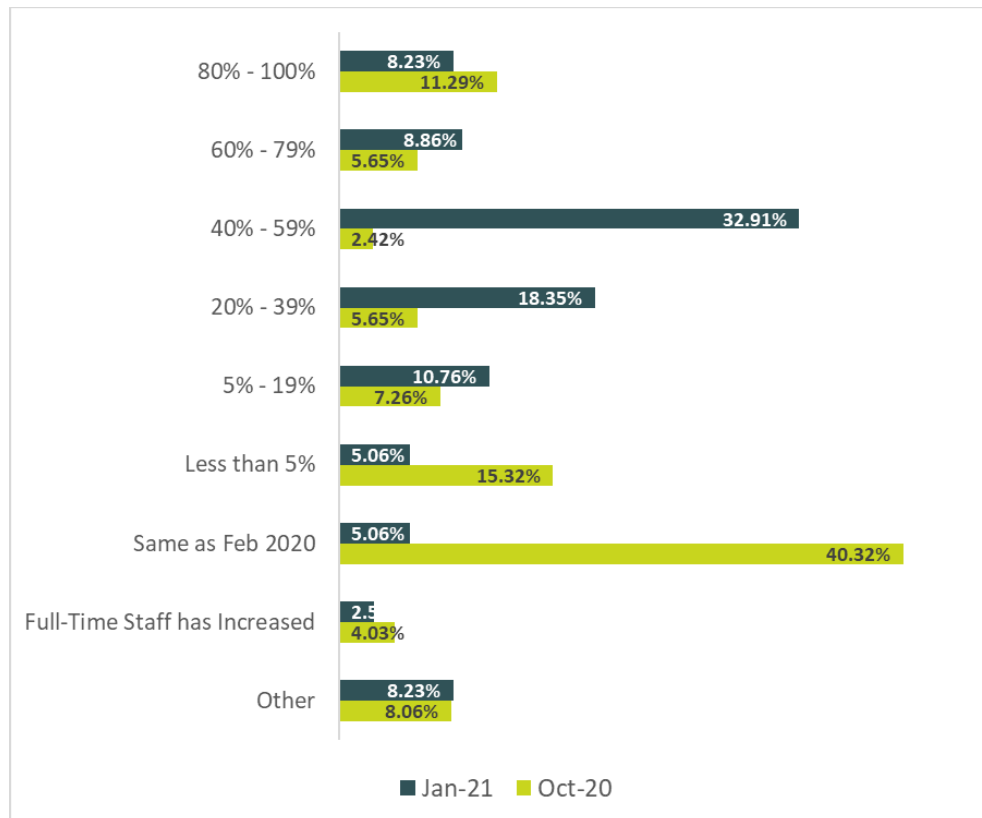
Q5. How much of your business has shifted to e-commerce or digital work (select one)?

More Surrey businesses in January 2021 reported shifts to 100% digital than in October 2020 and less reported no shift than in October 2020. The proportion of Surrey businesses reporting some degree of digital shift (5-100%) was similar in both period (58% vs. 57%).



Q6. What percentage of your full-time staff has been shifted to part-time, temporary, seasonal or laid off status since February 2020 (select one)?

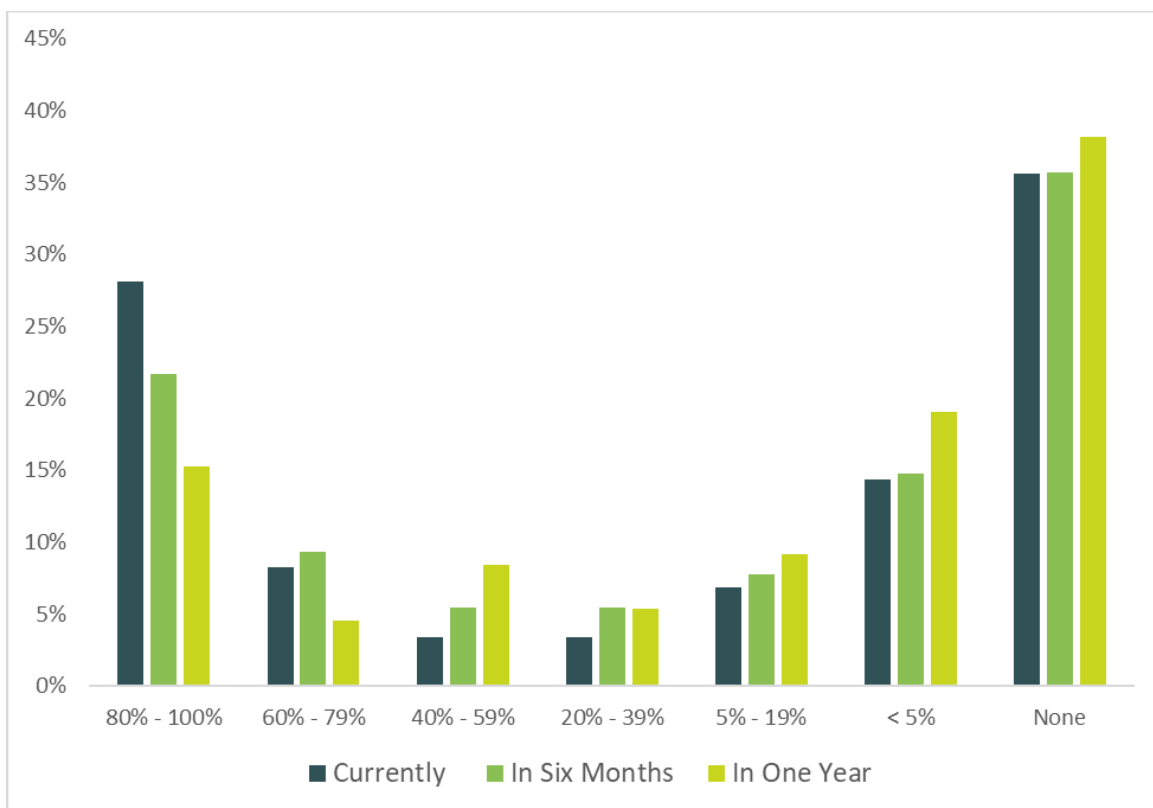
Surrey businesses reported full-time staff complements increasing more in January 2021 than in October 2020 (almost 9% vs. 4%). Full-time staff decreases of 60 to 100% were lower in January 2021 than in October 2020, but generally higher for the lower decrease categories (less than 5% to 59%).



Q7. What proportion of your staff is currently working remotely?

While generally, the January 2021 survey responses show a business expectation that the proportion of staff working remotely will decline over the next year, it also shows that significant numbers will remain working remotely in a year's time.

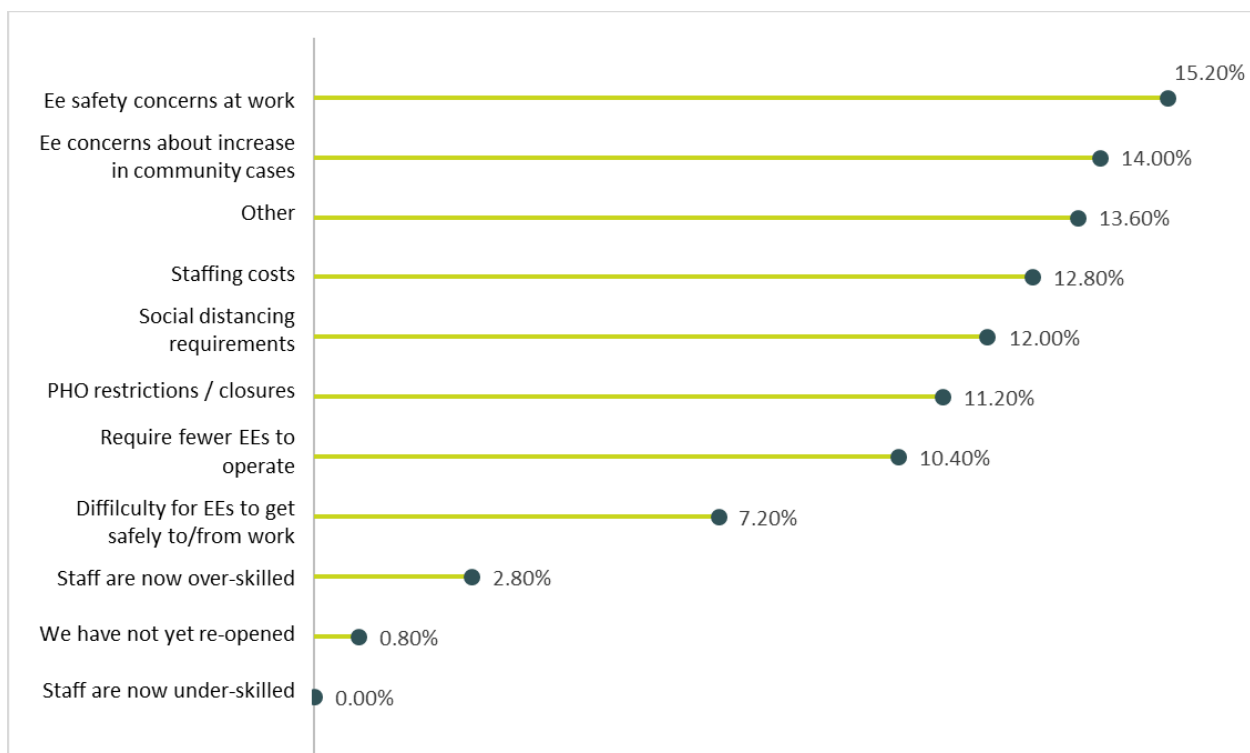
While 36% of Surrey businesses' staff are not working remotely now, this is expected to only increase to 38%. 15 percent of Surrey businesses expect that 80-100% of their staff will still be working remotely in a year.



Q8. The key barriers to retaining staff during the pandemic are (select all that apply):

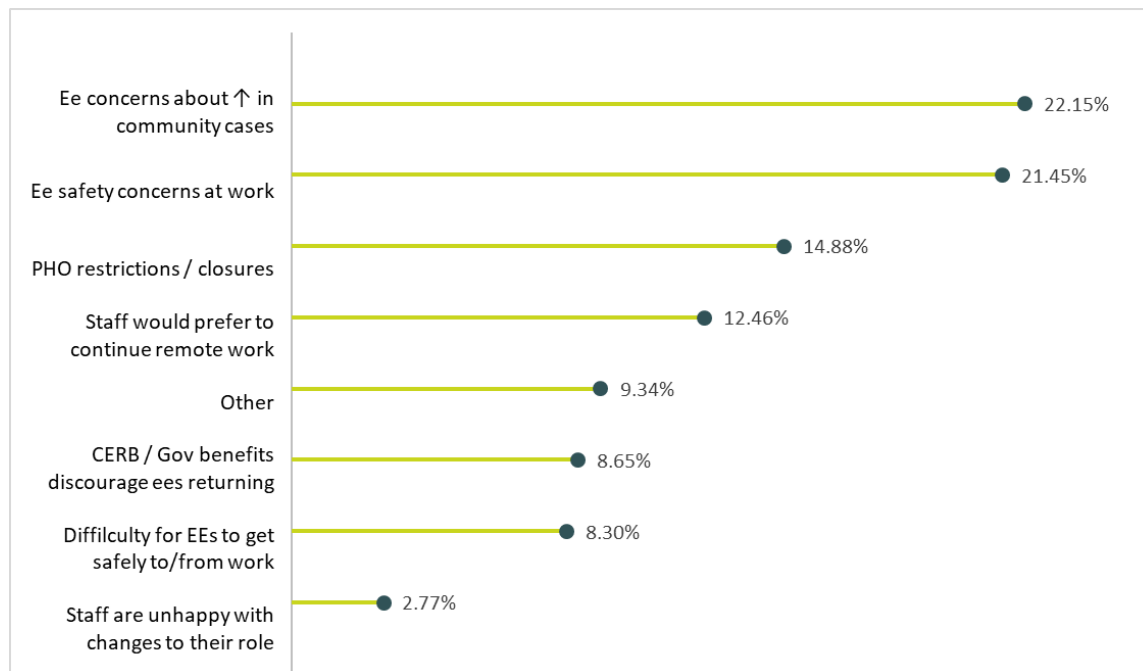
In terms of retaining staff, Surrey businesses in January 2021 highlighted a number of barriers such as employee workplace safety concerns, employee concerns about rising COVID-19 community cases, staffing costs, social distancing requirements, PHO restrictions/closures and requiring fewer employees to operate.

Interestingly, of those Surrey businesses who selected 'other,' 20 of them reported no retention issues as of January 2021.



Q9. The key barriers to getting staff to return to work during the pandemic are (select all that apply):

In January 2021, Surrey businesses identified key barriers to getting staff to return to work as employee concerns about increased COVID-19 community cases, employee workplace safety concerns, PHO restrictions/closures and staff preferences for continue to work remotely.



Q10. Please mark the following statements as True or False as they relate to your business:

The chart below shows January 2021 responses (dark green/top bar) and October 2020 responses (light green/bottom bar). The left side are those proportions of Surrey businesses that indicated the statement is true; and the right side is those that said it was false for their business.

Generally, the responses were similar for both periods. Minor to moderate differences were:

- 4.7% indicated their business was not operating in January 2021, while only 3% indicated that in October 2020.
- While 47% of Surrey businesses in 2021 indicated they are seeing a decrease in demand for the product/service, only 41% reported this in 2020.
- More Surrey businesses reported staff absences related to childcare or caring for family members in 2021 than in 2020 (37% vs. 32%).

The two biggest areas of changes were in more Surrey businesses reporting staff absences because they cannot offer a work from home option (37% in 2021 vs. 21% in 2020) and in staff absences due to voluntary/mandatory self-quarantine (38% in 2021 vs. 46% in 2020).

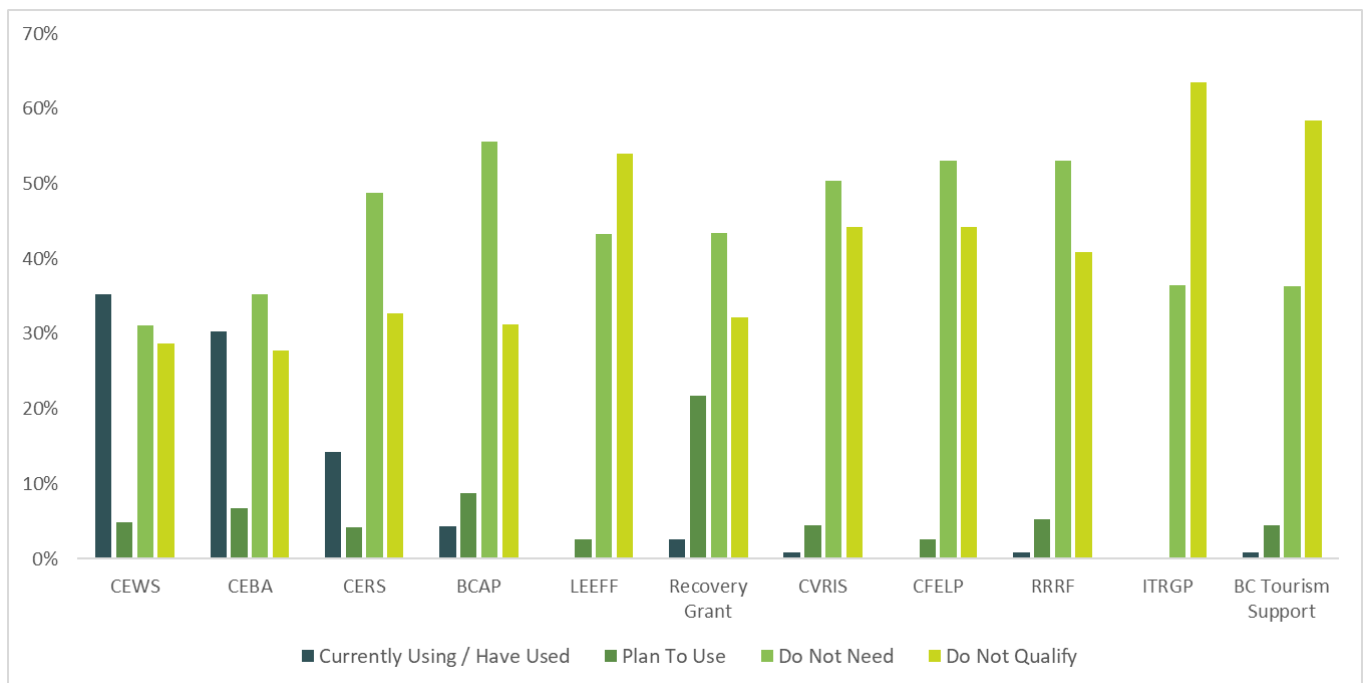


Heightened public fear/caution causing customers to avoid our location/services, a decrease in demand for products/services, disruptions in the services or supplies need to run the business successfully all remain significant experiences reported by Surrey businesses in January 2021.

Q11. Has your business used or intend to use the following existing government relief programs?

The most used government programs by Surrey businesses continue to be Canada Emergency Wage Subsidy (CEWS), Canada Emergency Business Account (CEBA) and Canada Emergency Rent Subsidy (CERS).

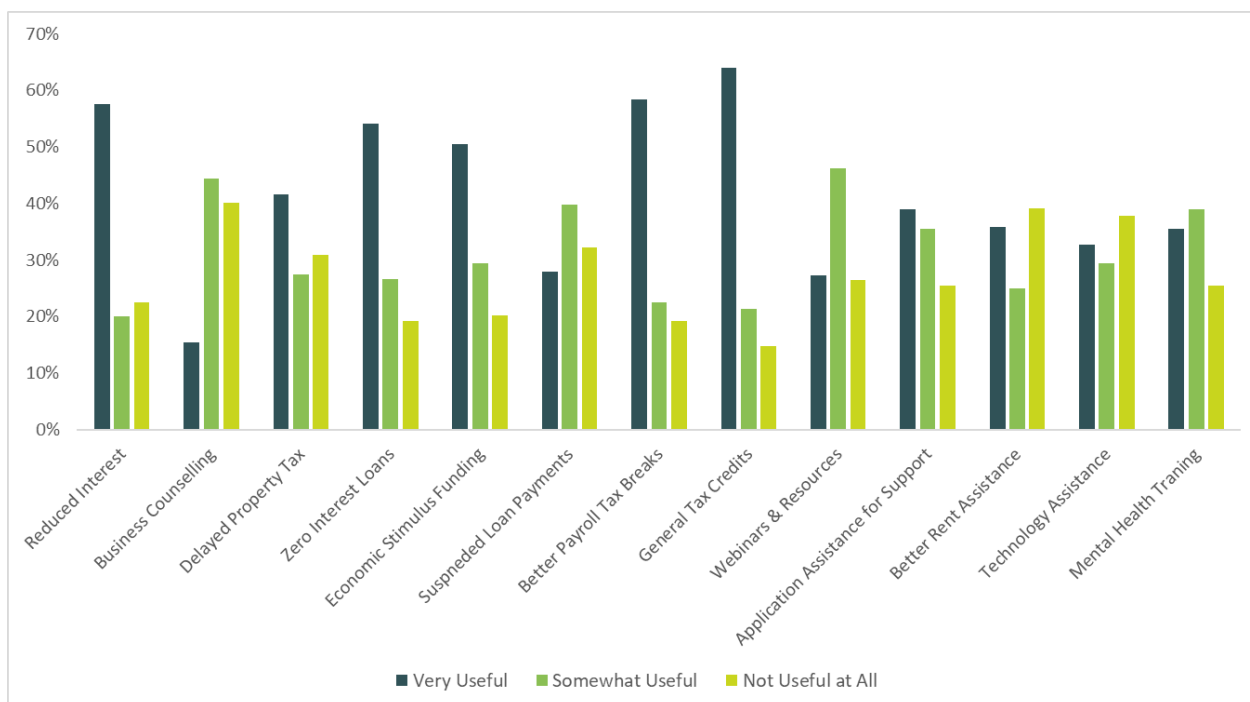
All other programs are either not needed or Surrey businesses do not qualify (i.e. Business Credit Availability Program, Large Employer Emergency Financing Facility, Small and Medium-sized Business Recovery Grant, COVID-19 Resilience Infrastructure Stream, Community Futures Emergency Loan Program, Regional Relief and Recovery Fund, Indigenous Tourism Relief Grant Program and BC Support for Tourism Sector).



Q12. Please rate how useful each of these types of assistance programs would be to your business:

In January 2021 the most useful types of assistance programs identified by Surrey businesses were (in order of “very useful” responses) general tax credits, better payroll tax breaks, reduced interest, zero interest loans, economic stimulus funding and delayed property tax.

The least popular were technology assistance, webinars and resources and business counselling.



In comparison, the most popular types of assistance among Surrey businesses in October 2020 were:

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

The options of least interest to Surrey employers are:

- Business counselling (56% not useful at all)
- Suspension of loan payments (43%)
- Delayed municipal property tax payments (42%)



- Better/more rent or lease assistance (41%)

Other supports or programs about which Surrey businesses commented on in January 2021 including the following:

- Interest forgiveness from banks. If the banks were required to suspend interest charges for six months to a year, we could finally gain some ground here; business loans with no or 2% interest rate
- Open up business; I'm not sure closing business is the best way to handle this issue
- Social media and digital marketing assistance
- More provincial assistance for hiring new employees
- Relaxed restrictions on in-person gatherings and online concerts, music grants, access to presenters, festivals
- Action on vaccinations – greatly accelerate the roll-out activities related to giving vaccine shots. Get the army, police forces, fire safety forces, volunteers heavily involved. Our hospital workers and all support workers need less pressure
- Subsidize out of pocket costs to set up home office
- Helping to write grants and find funding for non-profits
- Having the compliance authorities, PHO, WorkSafeBC, Fraser Health, RCMP COVID team and especially Surrey Bylaw to stop threatening us with 'we will shut you down'
- Educating employers and managers to advise employees to continue to work from home during pandemic whether there is a decrease or not
- An easy to read, resource library or dashboard that list all available federal and provincial government financial assistances and the qualifications for each. Concrete information as to when we will be able to be 'open' for business
- Tax relief – we are greatly in debt and want to be able to survive in today's times, lower Income taxes to Surrey businesses, lower property taxes, carbon tax, give tax credit on GST, etc.
- Accounting, legal, tax, HR webinars to go through some details of available programs

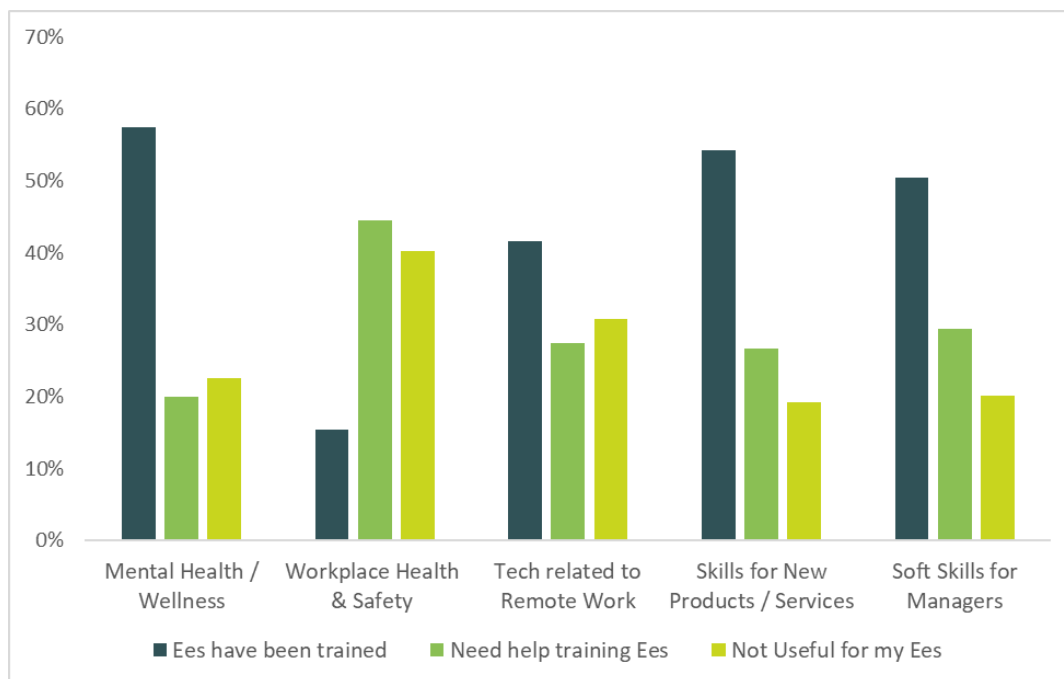
"Other" comments offered by Surrey businesses in October 2020 revolved around the following:

- Some related to improving or increasing existing programs such as CEBA, CEWS and CECRA, arts/tourism supports and the BC SBRG
- A few 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 comments referred to various types of economic stimulus efforts

Q13. Have you offered or would you like assistance with offering your employees the following types of training?

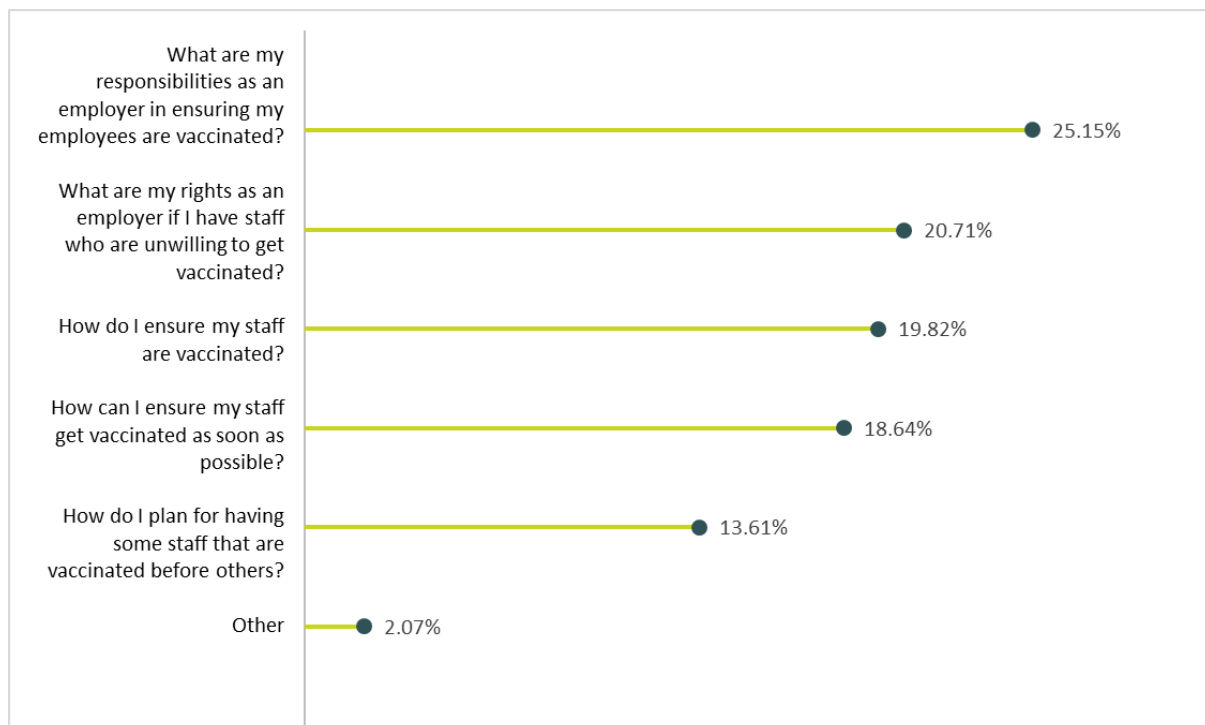
Almost 60% of Surrey businesses in January 2021 have offered employee training in mental health/wellness and about 55% have offered training in skills for new products/services. Just over 50% provided soft skills training for managers and just over 15% offered workplace health and safety training.

40 percent of Surrey businesses indicated they need help with health and safety training and 30% indicated they need help for employee training in technology related to remote work.



Q15. With the impending introduction of two or more viable COVID-19 vaccinations, what questions do you have as they relate to your business and workforce planning? (select all that apply)

One-quarter and one-fifth of Surrey businesses in January 2021 had questions about employer responsibility in ensuring employees are vaccinated and about what rights employers have if staff are unwilling to get vaccinated, respectively. 20 percent of Surrey businesses asked how to ensure their staff are vaccinated and 19% wanted to know how to ensure staff get vaccinated as soon as possible.



Questions Surrey businesses responding to the “other” option in January 2021 included the following:

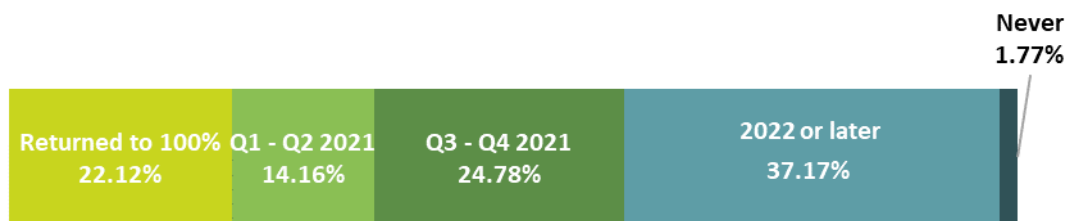
- As an employer do I need to enforce vaccination to employees?
- Will the vaccines be mandatory?
- Very concerned with PHO now saying they will only do the one shot and not the booster so more people get at least one dose. Huge mistake by all those doing that for political reasons.
- What is the employer's liability if we make vaccination a condition of employment and employee suffers side effects?
- Understanding that vaccines are a personal choice, what education/incentives can we offer employees to encourage them to take the vaccine?

Q16. When do you expect to see your business return to pre-COVID levels for staffing and revenue (select one)?

When asked about expectations of when Surrey businesses will return to pre-COVID levels of staffing and revenue, 22% of Surrey businesses in January 2021 indicated they have returned to 100%.

Expectations of those levels returning by Q1-Q2 2021 were similar among Surrey businesses in January 2021 (14%) October 2020 (15%).

A higher proportion of business expect pre-COVID staff and revenue levels to not be reached until 2022 or later in January 2021 (37%) than in October 2020 (24%).



Q17. Please select which option applies to you in regard to optimism/pessimism about the future:

When Surrey businesses were asked about their optimism/pessimism in January 2021 55% of them had not responded to this survey before. Of the 44% who had, 45% were more pessimistic than in October 2020 (i.e. 20% responded this way which represents 45% of those who had responded to the previous survey).

Of those who had previously completed the survey in October 2020, 39% were more optimistic and 16% were feeling similar.



Question 18. Is there any other information you would like to share with us about how your business has been impacted or what your business needs as a result of change related to COVID-19?



Comments in response to this question from Surrey businesses in January 2021 – in their own voices – included:

- Open up business; it is devastating to our economy and every avenue of life.
- My business has boomed as I am working remotely.
- There is nothing that addresses charitable organizations and non-profits.
- I need help to find partners in ICT, CleanTech and Agriculture sectors.
- One of the struggles with working remotely is the challenge in maintaining corporate culture. We've worked hard to increase communication, team meetings, 1:1 with direct reports, increased meetings with Board Executive and Executive Director but back to back Zoom meetings are exhausting and some team members are still not comfortable in that environment, particularly in larger group settings. We had a virtual holiday party and paint party and had 'coffee meetings' but it's still a challenge to keep the engagement, particularly across functional areas/departments.
- My business will return to normalcy only when there is no more COVID situation.
- More frequent transit service and more stops to industrial areas as employees are hesitant to use crowded buses.
- Non-profits need to receive funding that does not need to be paid back. Help with switching over to online fundraising, and to receive that funds ask for through the BC Community Grant.
- Tell Surrey Bylaw to go after the problem of those transmitting not compliant businesses that has proven after every visit by any authority.
- Still hard to find people because of government payments to potential workers.
- Have been in the tourism industry for the last few years and never saw such sluggishness in the tourism industry as of now. Anxious whether my business will get stronger enough to sustain this financial stress and would be relieved if my business gets approved for the BC Recovery Grant.
- Because we do business in several provinces, the difference in restrictions between provinces has impacted Surrey businesses very differently. As all of our clients are business owners, we've lost a disproportionate number of clients in Ontario, as opposed to BC or Alberta.
- Though we had an incredible year with an 3X increase in revenue, the stress of safety measures, listening to the news and worry about COVID in general has just started to show up in the past couple of months; we were quite busy for most of the year. We thought we were handling things well but mentally, we realize now, it has taken a toll. We are feeling more overwhelmed than before. We will get through this but the surprise of realizing we have been negatively impacted mentally is eye-opening. We realize it has also impacted our ability to run our business properly.
- Less fearmongering from government and PHOs. Give us stats on what age is exactly not recovering or has to be hospitalized! More transparency.
- British Columbia needs to do more for export promotion campaign to East Europe, South America and Africa.
- Clients were hesitant in the beginning but have 'found their groove', so it's hardly an issue.
- Hotel industry has been hit the most and will be the last industry to get started which will take another 8 years to come to pre-COVID levels.
- Opening had to be postponed, no more trade shows to promo and market directly to the customers, limited/lower sales volumes.



- As a new start up, it has been difficult to meet with the community or be able to recruit business to the sector we service.