

## COVID-19 Support Uptake Survey

June 29, 2020

**Core Issue:** The novel coronavirus (COVID-19) has disrupted international trade and economies on a massive scale. Rapid and coordinated action by both the federal and provincial government is required to ensure businesses can survive in the post-pandemic era.

The Saskatchewan Chamber of Commerce (SCC), in partnership with local chambers of commerce, conducted a third COVID-19 themed survey from June 10-22, 2020. The purpose of this survey was to gauge member business uptake on a suite of business support programs available at both the federal and provincial level. The survey contained 23 questions across six sections and received a total of 219 responses. Survey questions asked respondents about the Canada Emergency Wage Subsidy (CEWS), the Canada Emergency Commercial Rent Assistance (CECRA) program, and the Canada Emergency Business Account (CEBA) at the federal level, as well as the Saskatchewan Small Business Emergency Payment (SSBEP) offered by the Province. The results of the survey are summarized below:

### **Overview by Business Size, Sector, Region, and Location Ownership Status:**

- In terms of business size, small and medium-sized businesses (1-499 employees) taken together accounted for 93% of all respondents. Breaking this figure down further into its constituent parts, the small and medium-sized business components were 79% and 14% respectively.
- In terms of sectoral representation, the survey enjoyed participation across a broad range of business sectors using the 2017 *North American Industry Classification System* (NAICS).
- In terms of business location by region, the top three were Saskatoon and area (37%); Regina and area (34%); and Prince Albert & North (25%). When taken together, Regina and Saskatoon served as the location for about 71% of all respondent businesses.
- In terms of business location ownership status, about 44% of respondents stated they rented their space, 39% said they owned their space, while about 15% employ a combination of both renting and owning various spaces.

### **Key Findings**

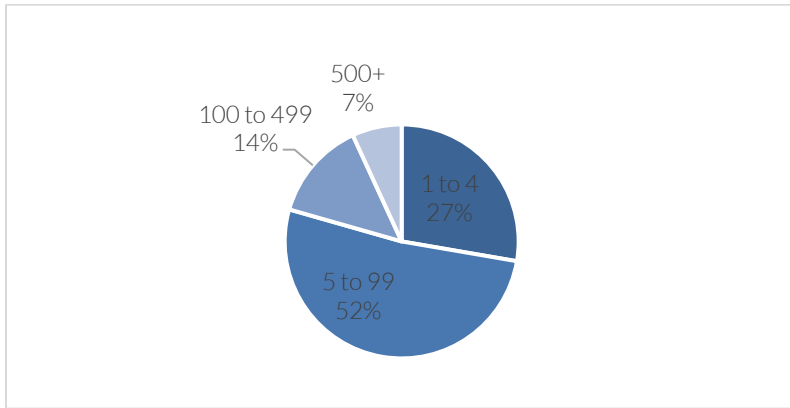
- **Based on survey data, overall business uptake of support programs is low.** Breaking this down across the three federal support programs, about two-thirds or 67% of respondents answered they were not participating in the CEWS; about 87% indicated they were not participating in the CECRA program; and roughly two-thirds (67%) stated they were not participating in the CEBA program. The average non-participation rate across the three federal level support programs was about 74%. Reported business uptake for the SSBEP was even lower with about 83% of respondents indicating they were currently not participating in the program. Generally speaking, a large majority of Saskatchewan businesses surveyed are not participating in the various support programs available to businesses.

- **For those businesses participating in various support programs at both the federal and provincial level, their overall experience thus far has been mixed to positive (but generally positive), depending on the program.** When respondents were asked about their experience overall participating in various federal support programs, slightly more than half or about 57% described their experience with the CECRA program as mixed or neutral, with only about 29% saying it was either *somewhat or very positive*. Both the CEWS and the CEBA programs fared better with about 84% and 92% of respondents respectively describing their experience thus far as either *somewhat or very positive*. Among the relatively small number of respondents participating in the SSBEP, over three-quarters or about 79% described their experience thus far as *somewhat or very positive*.
- **For those business currently not participating in various support programs, the most commonly cited reason was that they do not meet eligibility criteria.** When respondents were asked *why* their business was not participating in a given program offered at the federal level, about 48% of those surveyed said they do not meet CEWS eligibility criteria, while about 52% said they neither applied for it or needed it. For the CEBA program, slightly over half or about 54% of respondents stated they did not meet eligibility criteria, while data for a similar question around the CECRA program was inconclusive. For the provincial level SSBEP program, about 54% said they were ineligible.
- **For those businesses currently not participating in an available support program, going forward it is unlikely that they will participate in a given program between now and when the program's application window closes.** Over three-quarters or about 77% of respondents said they were *somewhat or very unlikely* to participate in the CEWS; about 80% *somewhat or very unlikely* when asked about the CEBA, while data for a similar question asked about the CECRA program was inconclusive. Data around the province's SSBEP program was even more stark with about 89% of respondents saying they were *somewhat or very unlikely* to participate in the program in the near future.
- **While the quantitative data suggests that business uptake for support programs across the board is low and it is more likely than not due to program ineligibility, the qualitative data (open-ended responses) shed some light as to *why* businesses are not meeting eligibility criteria.** Written responses suggest that ineligibility for programs was most pronounced for certain kinds of sectors and business models, like sole proprietorships, pre-revenue companies and seasonal businesses (e.g. resorts) who are unable to demonstrate year-over-year reductions in gross revenue, businesses with third-party payroll arrangements, etc.
- **While many businesses expressed appreciation for the suite of business support programs currently available, several business did state these programs have created additional challenges.** A number of responses cited how the Canada Emergency Response Benefit (CERB) has incentivized some workers (particularly low wage workers) who have been called back by their employer to either request to work less hours in order to retain the benefit or in some cases, decline to return to work altogether. A number of the respondent businesses (particularly small businesses) stated that they are very reluctant to enroll in loan-based support programs because they do

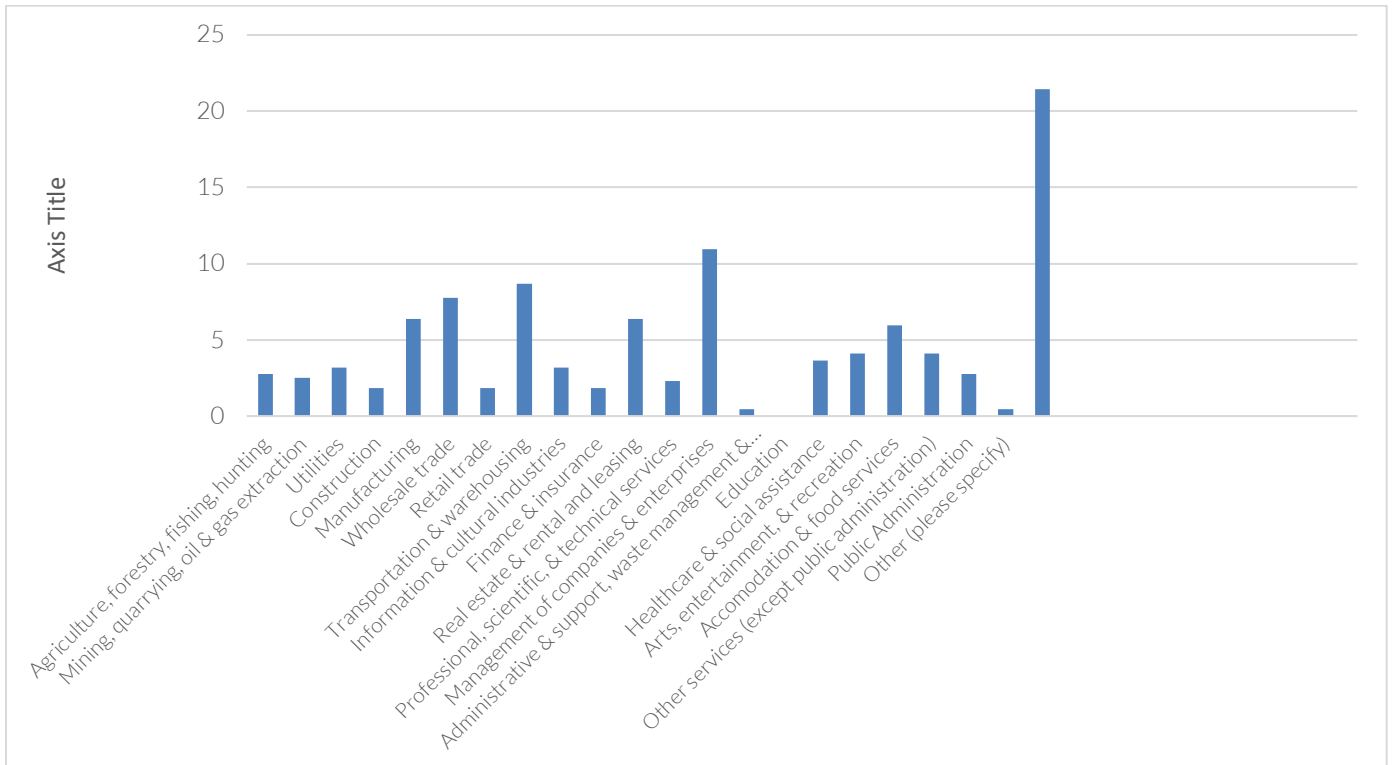
not want to take on any more debt.

- Finally, while many businesses have said in no uncertain terms how challenging these past three months have been, several responses suggest businesses are adapting to the new normal.** For example, respondent businesses reported they are pivoting to a stronger online presence to complement their existing brick-and-mortar offerings, implementing stronger health and safety measures (with incremental costs being incurred here as well), and finding cost savings that would otherwise not happen simply out of necessity.

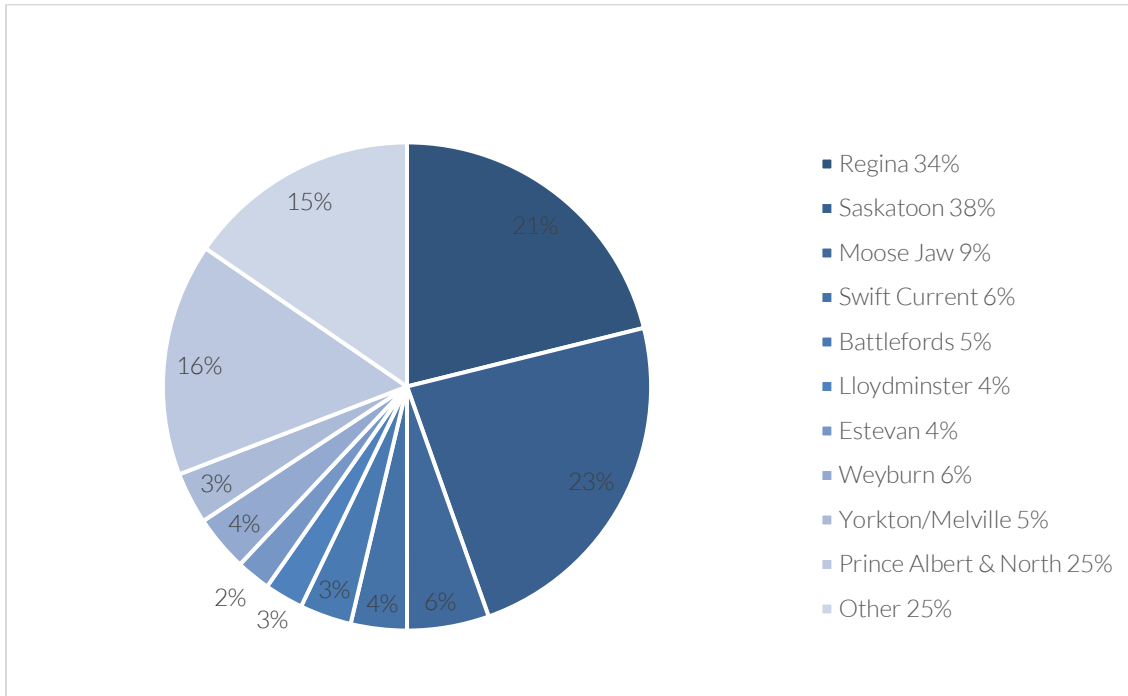
**Q1: How many employees does your business have?**



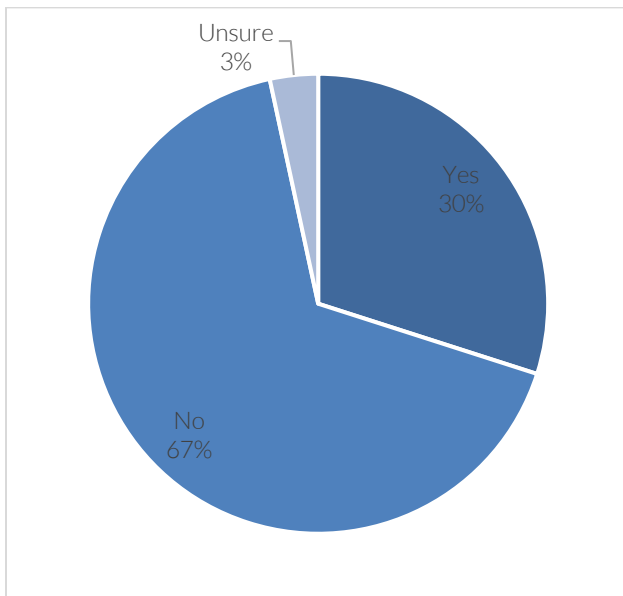
**Q2: Please select one industry that best describes your business:**



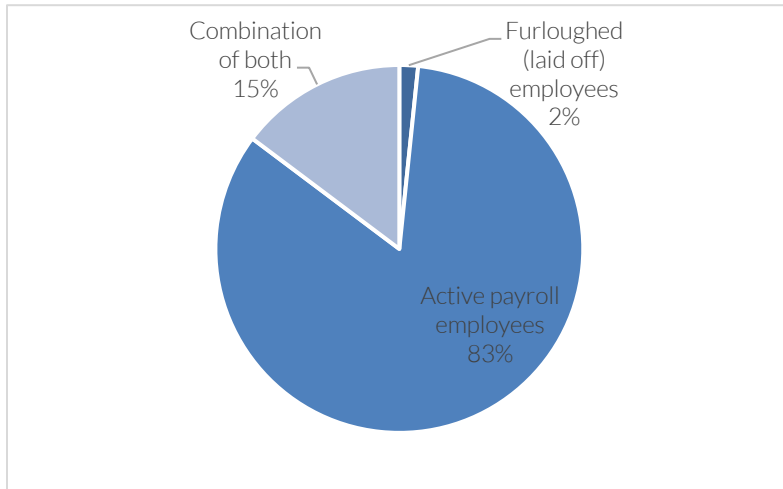
**Q3: Where in Saskatchewan is your business located?**



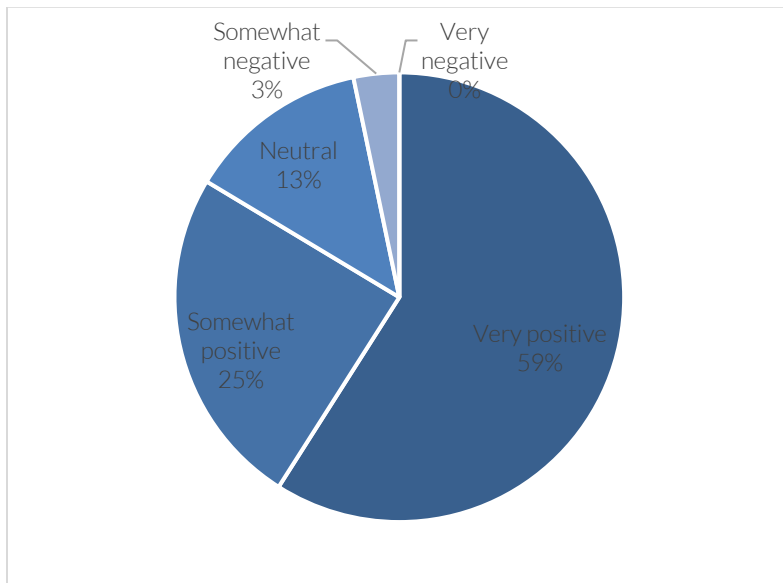
**Q4: Is your business currently using CEWS?**



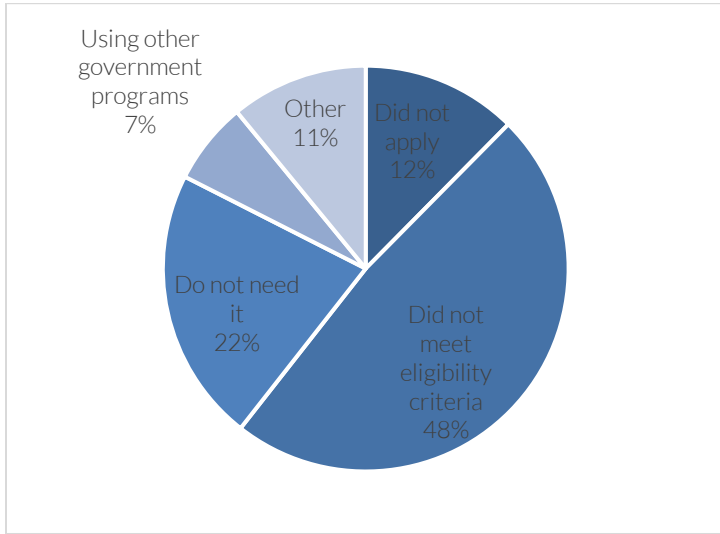
**Q4.1: Which of the following are you claiming the CEWS for?**



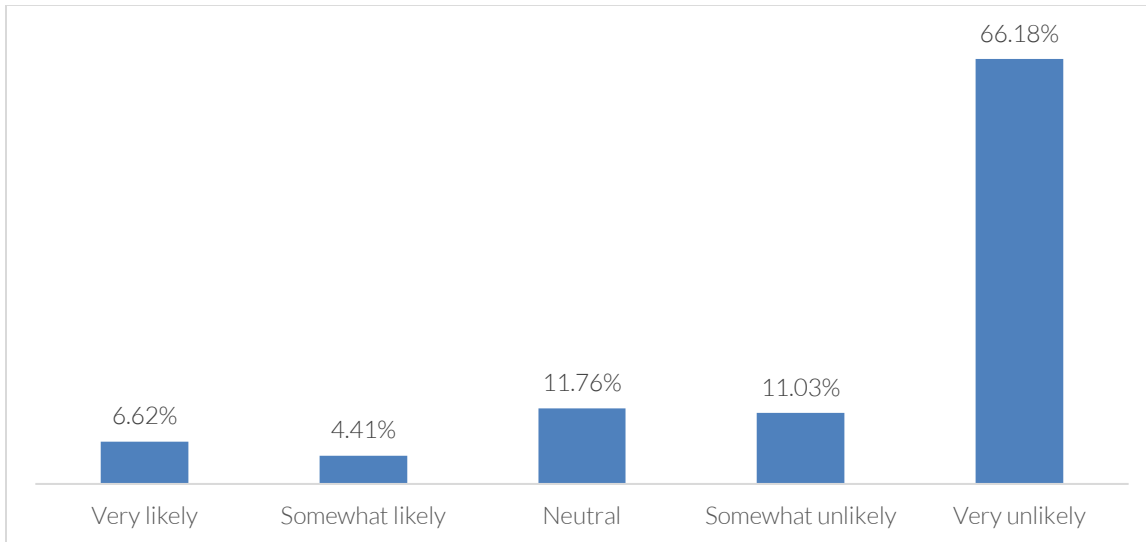
**Q4.1.2: How would your business describe its experience overall using the CEWS?**



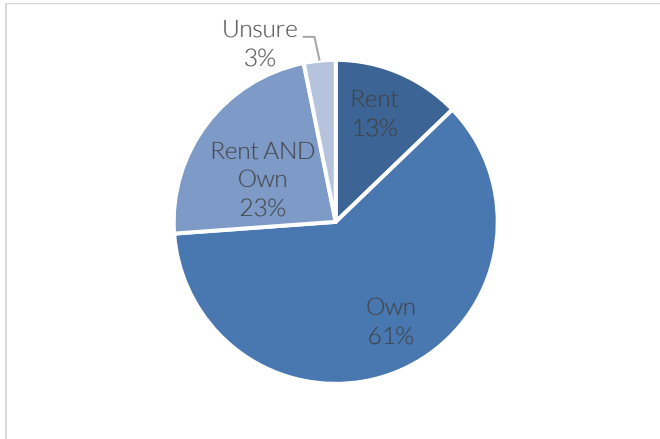
**Q4.2: Why is your business not using CEWS?**



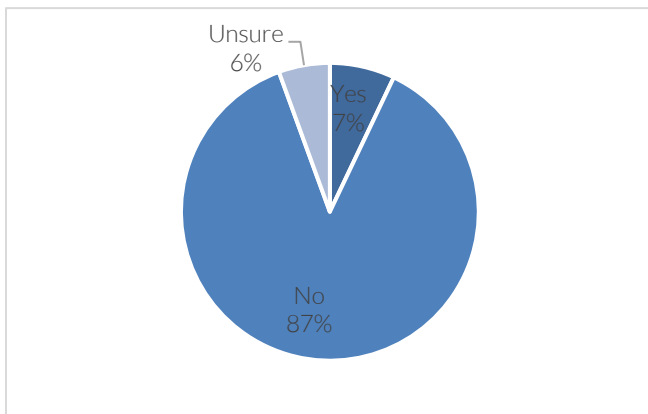
**Q5: What is the likelihood that your business will apply for the CEWS between now and August 29, 2020?**



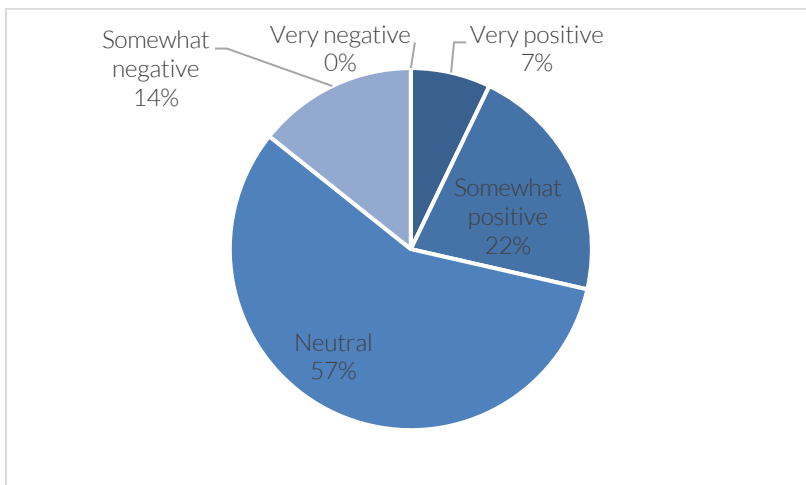
**Q6: Does your business rent or own its space?**



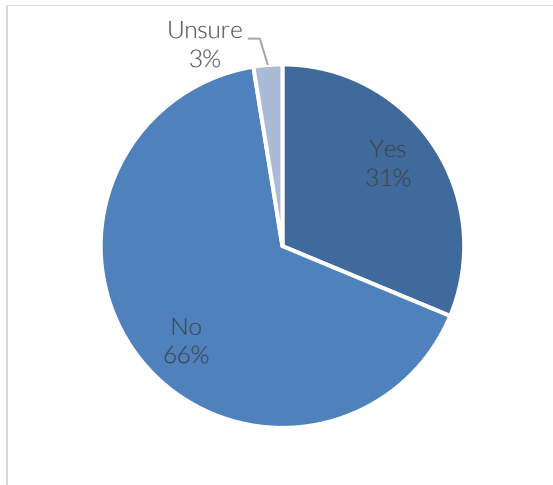
**Q7: Is your business currently participating in the CECRA program?**



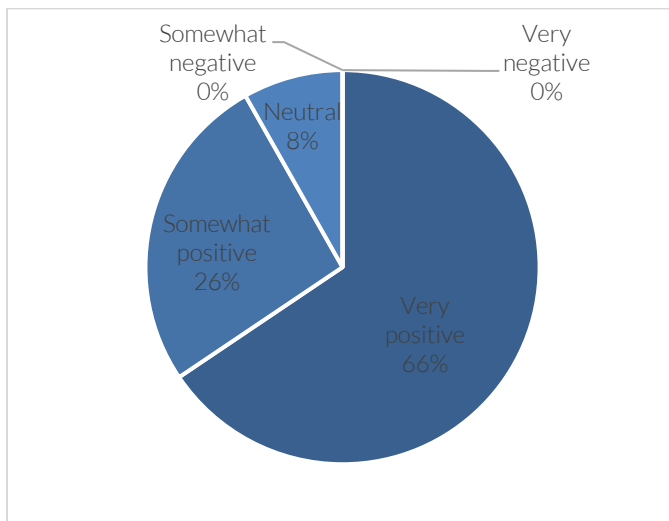
**Q7.1: How would your business describe its experience participating in the CECRA program?**



**Q8: Is your business currently participating in the CEBA program?**

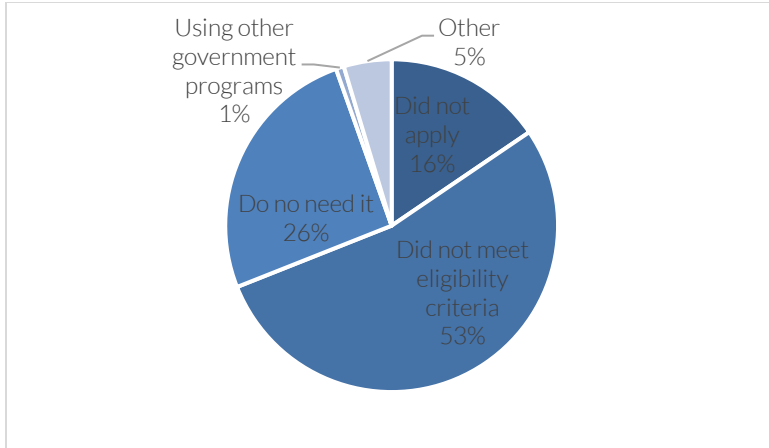


**Q8.1: How would your business describe its experience participating in the CEBA program?**

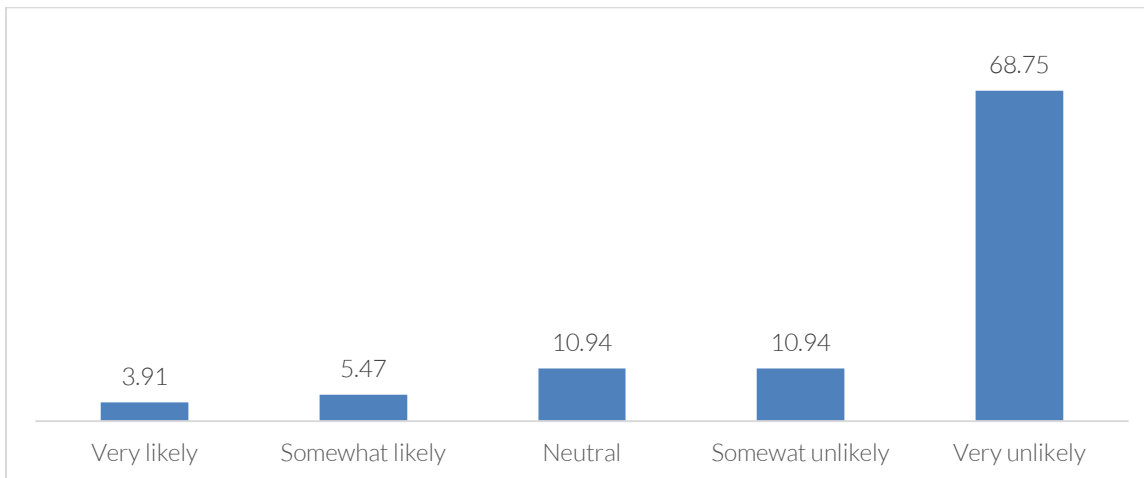


**Q8.2: Why is your business not participating in the CEBA program?**

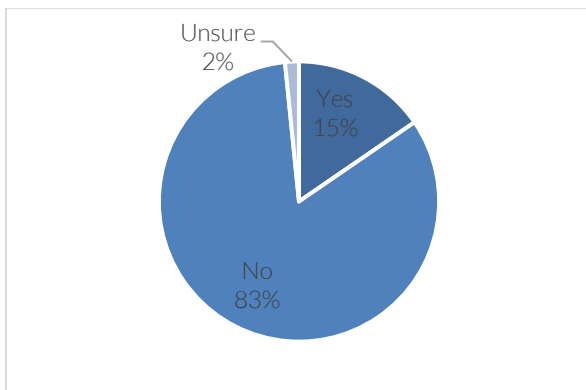




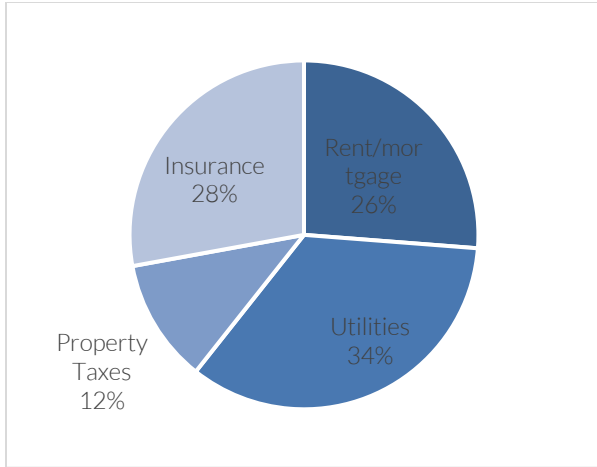
**Q8.3: What is the likelihood that your business will participate in the CEBA program between now and December 31, 2022?**



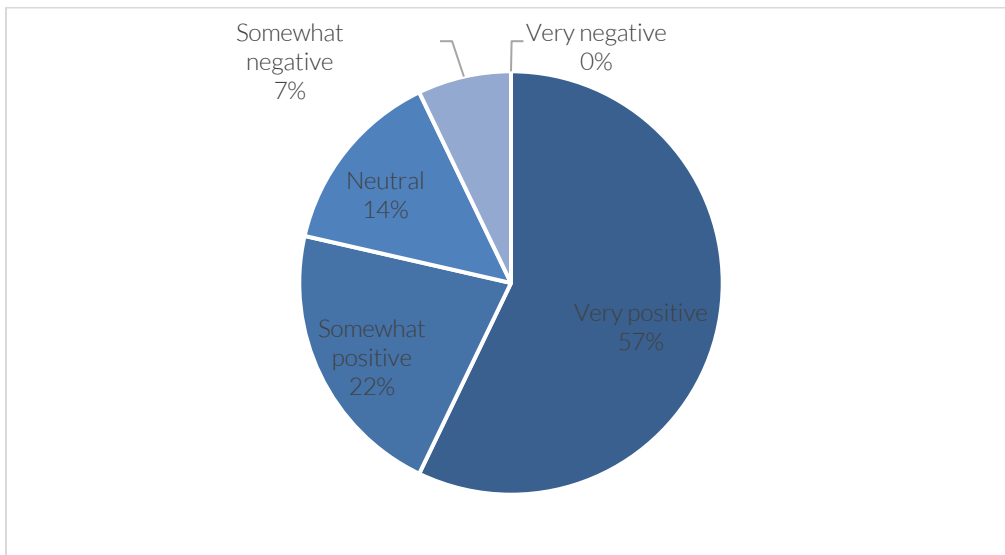
**Q9: Is your business currently participating in the SSBEP program?**



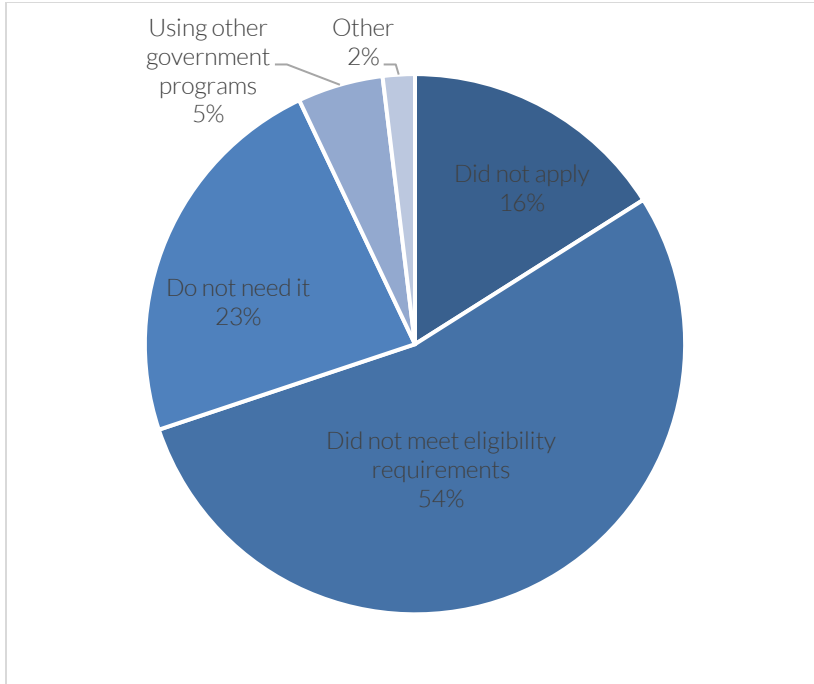
**Q9.1.1: What is your business using the SSBEP for?**



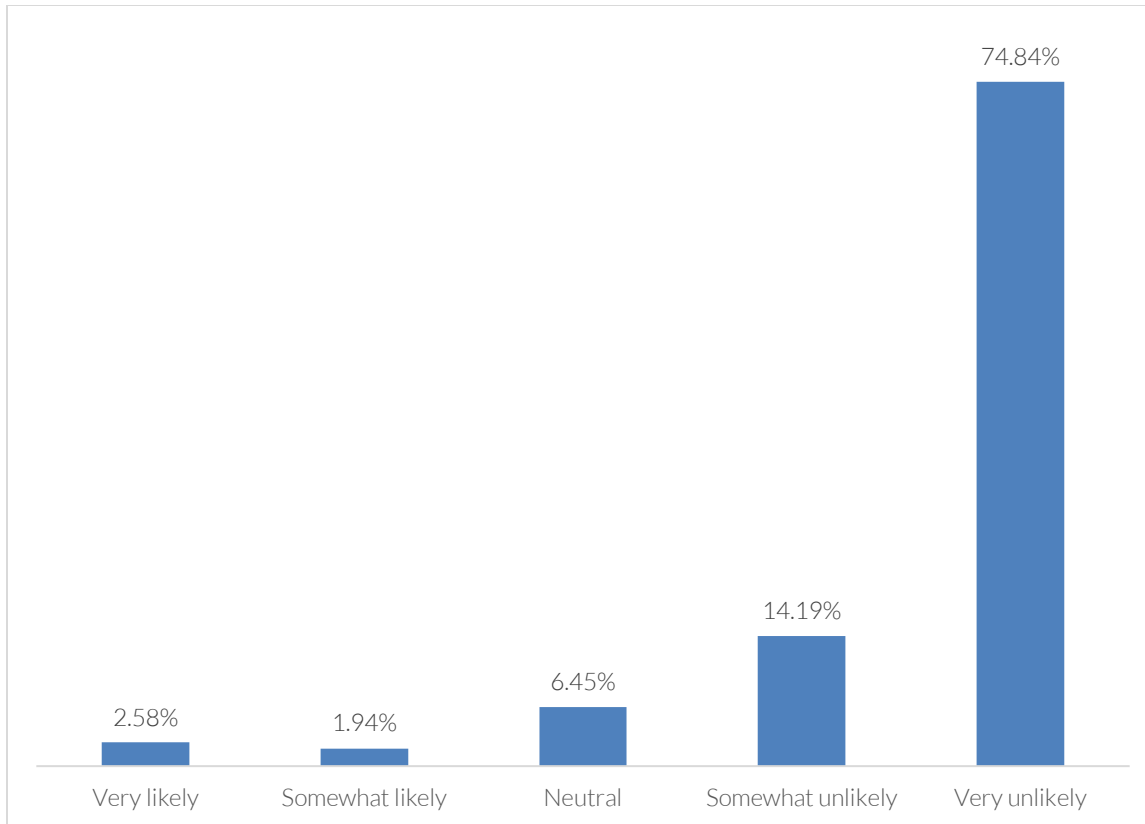
**Q9.1.2: How would your business describe its experience overall using the SSBEP program?**



**Q9.2.1: Why is your business not participating in the SSBEP program?**



**Q9.2.2: What is the likelihood that your business will participate in the SSBEP program between now and July 31, 2020?**



**Note: “Other Comments” were not included in this survey recap.**

Please visit our [website](#) for recommendations and federal/provincial government actions to date.

For a list of resources to assist businesses in preparing and managing through the COVID-19 pandemic, please visit our [website](#).