



COVID-19 Impact on Yukon Businesses May 2020

Highlights:

- In response to COVID-19, Yukon businesses that responded to the second Canadian Survey of Business Conditions (CSBC) reported that less than a third (29.5%) of their workforce was teleworking or working remotely to some extent on May 31, 2020.
- About 1 in 12 respondents (8.4%) reported laying off their entire workforce due to COVID-19.
- When asked to compare business revenues from April of 2020 to April of 2019, close to a third of the respondents (31.3%) reported that their revenues had decreased by more than 40.0%.

Notes on methodology:

Data in this publication are from Statistics Canada's Canadian Survey on Business Conditions. While the first iteration of this survey crowdsourced data from businesses across Canada, a probability-based sample was selected for the second iteration of the survey. Results from this iteration of the survey are applicable to employer businesses in Canada. This survey will be carried out on an occasional basis to collect information from Canadians more efficiently, more rapidly and at a lower cost compared with traditional survey methods.

The second iteration of this survey collected data from businesses with employees on the current economic situation and will be used to effectively assess the needs of businesses in Canada for the implementation of support measures both during and after the COVID-19 pandemic. Statistics Canada would like to thank Canadians who took the time to answer questions for this survey at this time of crisis and enable a more robust understanding of COVID-19's impact on Canadian businesses and the economy.

In Yukon, there were 203 respondents to this survey and the data reported in this publication cannot be compared to previous edition.

EMPLOYEES

Percentage of workforce teleworking or working remotely, and percentage of workforce expected to continue to telework or work remotely once the COVID-19 pandemic is over

Survey question(s):												
- Prior to February 1st, 2020, what percentage of this business's workforce was teleworking or working remotely?												
- After May 31st, 2020, what percentage of this business's workforce was teleworking or working remotely?												
- What percentage of this business's workforce is expected to continue to telework or work remotely once the COVID-19 pandemic is over?												
0% to less than 1%	1% to less than 10%	10% to less than 20%	20% to less than 30%	30% to less than 40%	40% to less than 50%	50% to less than 60%	60% to less than 70%	70% to less than 80%	80% to less than 90%	90% to less than 100%	100%	Un-known
% of responding businesses												
Percentage of workforce teleworking or working remotely prior to February 1st, 2020												
80.9	2.3	5.5	1.4	0.2	0.0	1.3	0.0	0.1	0.5	0.0	6.4	1.4
Percentage of workforce teleworking or working remotely on May 31st, 2020												
68.8	1.3	4.5	5.6	0.5	1.6	2.8	0.3	1.8	0.8	3.0	7.3	1.9
Percentage of workforce expected to continue to telework or work remotely once the COVID-19 pandemic is over												
77.7	2.5	3.8	2.1	1.1	0.0	1.6	0.1	0.9	0.9	1.1	2.9	5.4

Prior to February 1, 2020, about 1 in 12, or 8.3% of the responding Yukon businesses reported that their workforce was teleworking or working remotely at least half of the time. On May 31, 2020, the workforce of more than 1 in 6 (16.0%) businesses teleworked or worked remotely at least half of the time.

As of May 31, 2020, 68.8% of responding businesses reported that less than 1% of the workforce was teleworking or working remotely, while the entire workforce of about 1 in 14 responding businesses (7.3%) was teleworking or working remotely.

EMPLOYEES, cont'd

Percentage of workforce laid off due to COVID-19

Survey question: What percentage of this business's workforce has been laid off due to COVID-19?											
Percentage of workforce laid off due to COVID-19											
Less than 1%	1% to less than 10%	10% to less than 20%	20% to less than 30%	30% to less than 40%	40% to less than 50%	50% to less than 60%	60% to less than 70%	70% to less than 80%	80% to less than 90%	90% to less than 100%	100%
% of responding businesses											
66.2	1.7	4.4	3.9	2.4	1.2	3.8	2.2	2.7	2.9	0.4	8.4

Businesses were asked what percent of their workforce had been laid off due to COVID-19. Almost 2 of 3 responding businesses (66.2%) reported laying off less than 1% of their workforce. On the other hand, about 1 in 12 respondents (8.4%) reported laying off their entire workforce due to COVID-19.

Percentage of workforce hired back due to Canada Emergency Wage Subsidy program

Survey question: - What percentage of this business's workforce has the Canada Emergency Wage Subsidy (CEWS) allowed this business to hire back?											
Percentage of workforce hired back due to Canada Emergency Wage Subsidy											
Less than 1%	1% to less than 10%	10% to less than 20%	20% to less than 30%	30% to less than 40%	40% to less than 50%	50% to less than 60%	60% to less than 70%	70% to less than 80%	80% to less than 90%	90% to less than 100%	100%
% of responding businesses											
40.6	1.5	6.3	10.4	4.0	6.5	8.4	0.0	4.2	15.2	0.0	2.9

The Canada Emergency Wage Subsidy (CEWS) allowed almost one third of responding businesses (30.7%) to bring back over half of their workforce laid off due to COVID-19; 40.6% of responding businesses were unable to use the CEWS to hire back any (or able to hire back less than 1%) of their workforce.

Staffing actions taken by businesses during the COVID-19 Pandemic

Survey question: Which of the following staffing actions did this business take due to COVID-19?	
Staffing actions taken	% of responding businesses
Reduced staff hours or shifts	35.9
Increased staff hours or shifts	1.4
Reduced salaries or wages	11.0
Froze salaries or wages	4.5
Increased salaries or wages e.g., bonuses for essential workers	5.2
Froze bonus payments	1.5
Delayed payment of salaries or wages	2.5
Hired more staff	3.8
Laid off staff	33.8
Cancelled or delayed planned hiring (Excluding contractors or seasonal workers)	10.9
Cancelled hiring contractors or seasonal workers	14.8
Implemented an Employment Insurance (EI) work-sharing program	1.8
Introduced temporary cost-reduction measures e.g., mandatory vacation	7.5
Altered or changed contributions to pension or benefit plans	0.4
Other	10.8
No changes have been implemented with regards to staffing	31.9
Not applicable e.g., business has no staff	4.2

Respondents were asked what staffing actions their businesses had taken due to the COVID-19 situation. The top 3 responses were almost equal in proportion. The most common response was **reducing staff hours or shifts** (35.9% of responding businesses) followed by **laying off staff** (33.8% of responding businesses). Close to one-third (31.9% of responding businesses) reported **no changes with regard to staffing** due to the COVID-19 situation.

EMPLOYEES, cont'd

Change in size of workforce expected in short-term future

Survey question: Over the next three months, does this business expect its overall number of employees to increase, stay the same, or decrease?			
Expected workforce size over next three months			
Increase	Stays the same	Decrease	Unknown
% of responding businesses			
18.1	61.0	10.3	10.7

Businesses were asked if they expected their workforce size to change over the three month period after survey. While just over 6 in 10 responding businesses (61.0%) expected no change to their workforce size, less than 1 in 5 (18.1%) expected an increase, and 1 in 10 (10.3%) expected a decrease in their workforce.

Challenges to recruitment and training as the economy returns

Survey question: To what extent will each of the following be a challenge for this business with regards to recruitment and training as the economy returns to a normal state of activity?	Extent to which this will be a challenge				
	Very challenging	Somewhat challenging	Not challenging	Not applicable	Unknown
% of responding businesses					
Finding qualified workers	16.1	35.6	12.1	32.0	4.1
Recruiting qualified workers	22.4	29.7	13.0	31.5	3.4
Retaining qualified workers	15.9	28.9	27.9	23.1	4.2
Finding time and resources for training current staff	10.5	21.2	34.0	31.1	3.2
Finding time and resources for training new staff	10.7	30.9	18.7	34.7	5.0
Convincing staff that have been working remotely to return to working on-site	3.2	11.5	17.3	65.8	2.2
Hiring temporary foreign workers	7.0	9.0	4.2	76.1	3.7

With regards to recruitment and training as the economy returns to a normal state of activity, 52.1% of the responding Yukon businesses expect challenges in **recruiting qualified workers**; 51.7% expect challenges in **finding qualified workers** and 44.8% expect challenges in **retaining qualified workers**.

Likelihood of protective measures for employees being implemented

Survey question: Using a scale from 1 to 5, where 1 means "very likely" and 5 means "very unlikely", how likely is this business to implement each of the following measures when it transitions back to on-site work as COVID-19 restrictions are eased?	Likelihood business will implement measure when transitioning back to on-site work						
	Very likely	Likely	Neither likely nor unlikely	Unlikely	Very unlikely	Not applicable	Unknown
% of responding businesses							
Screen employees upon entry into the workplace for a fever, cough, or other signs of illness	32.1	10.8	7.0	4.9	18.2	24.7	2.2
Insist that employees displaying any signs of illness stay home	68.5	4.9	5.8	0.6	1.8	17.5	0.7
Provide facemasks, gloves, and other personal protective equipment to employees	56.0	10.4	7.9	4.4	4.2	15.4	1.8
Increase sanitization of the workplace	67.7	6.2	4.7	3.7	0.4	16.7	0.6
Offer more mental health services to employees	11.1	11.5	10.1	12.5	10.9	31.9	12.0

Businesses were asked how likely or unlikely they will be in implementing certain measures as they transition employees back to on-site work. Nearly three quarters of responding businesses were likely or very likely to: **increase sanitization of the workplace** (73.9% of responding businesses); or **insist that employees displaying any signs of illness stay home** (73.4% of responding businesses). Nearly one quarter of responding businesses were unlikely or very unlikely to: **offer more mental health services to employees** (23.4% of responding businesses); or **screen employees upon entry into the workplace for a fever, cough, or other signs of illness** (23.1% of responding businesses).

BUSINESS OPERATIONS

Business revenues in April 2020, compared with April 2019

Survey question: Compared to April 2019, how did the revenues of this business change in April 2020?												
Revenue change												
Increased 1% to less than 10%	Increased 10% to less than 20%	Increased 20% to less than 30%	Increased 30% or more	Stayed the same	Decreased 1% to less than 10%	Decreased 10% to less than 20%	Decreased 20% to less than 30%	Decreased 30% to less than 40%	Decreased 40% to less than 50%	Decreased 50% or more	Not applicable e.g., started operating after April 30th, 2019	
% of responding businesses												
2.0	2.1	2.3	1.7	31.9	4.0	6.0	9.9	8.7	5.4	25.9	0.0	

When asked to compare business revenues in April 2020 to that in April 2019, slightly less than a third of responding businesses (31.3%) reported that their revenues decreased by more than 40.0%. Conversely, 8.1% of respondents stated that their revenues increased in April 2020 compared to that in April 2019.

Remote sales or orders

Survey question(s): - Prior to February 1st, 2020, which of the following methods did this business use to conduct sales or secure orders remotely? - On May 29th, 2020, which of the following methods did this business use to conduct sales or secure orders remotely?	Methods used to conduct sales or secure orders remotely prior to February 1st, 2020	Methods used to conduct sales or secure orders remotely on May 29th, 2020
% of responding businesses		
Business's own website	25.0	23.0
Business's own app	3.5	2.5
Social media account	11.6	11.2
E-mail	46.5	44.5
Telephone	54.9	48.6
Third-party website, platform, app or online marketplace	13.2	13.1
Business did not conduct sales or secure orders remotely	35.8	40.1

Respondents were asked what method(s) their business used to conduct sales or secure orders remotely prior to February 1, 2020, as well as on May 29, 2020. For all methods, the proportion of businesses that used to conduct sales or secure orders remotely decreased slightly as of May 29, 2020 compared to before February 1, 2020. The largest decrease in proportion of responding businesses was for **telephone orders** (-6.3%).

A small increase in the percentage of responding businesses that **did not conduct remote sales or secure orders remotely** was also noted (4.3%).

Change in expenditures

Survey question: Compared to April 2019, how did the expenses of this business change in April 2020?												
Percentage of expenses increase and decrease in April 2020, compared to April 2019												
Increased 1% to less than 10%	Increased 10% to less than 20%	Increased 20% to less than 30%	30% to less than 40%	40% to less than 50%	50% or more	Expenses have stayed the same	Decreased 1% to less than 10%	Decreased 10% to less than 20%	Decreased 20% to less than 30%	Decreased 30% or more	Not applicable e.g., started operating after April 30th, 2019	
% of responding businesses												
10.0	9.7	7.3	0.8	0.1	4.4	41.5	1.3	7.7	5.7	11.7	0.0	

About one-third of the respondents (32.3%) reported increased expenditures in April 2020 compared to April 2019, while 41.5% of responding businesses reported their expenses remained the same.

Decreased expenditures were reported by 26.4% of responding businesses, with 11.7% indicating decreases of 30.0% or more when comparing April 2020 expenses to one year prior (April 2019).

BUSINESS OPERATIONS, cont'd

Rent or mortgage payments deferred

Survey question: Due to COVID-19, have rent or mortgage payments owed by this business been deferred?				
Rent or mortgage payments deferred				
Yes, payments have been deferred	----- No, payments have not been deferred -----			This business does not make rent or mortgage payments
	Business has not asked or been offered to defer payments owed	Deferral of rent or mortgage payments was rejected	Other	
% of responding businesses				
15.4	38.1	6.6	7.8	32.1

Over half of responding businesses (52.5%) stated they have not had their rent or mortgage payments deferred, 15.4% of respondents have had their payments deferred and the remaining 32.1% of responding businesses do not make rent or mortgage payments.

Approval of credit or funding requests made by businesses due to COVID-19

Survey question: Due to COVID-19, was funding or credit for this business approved from any of the following sources?	
Requested funding or credit approval by source	% of responding businesses
Canada Emergency Business Account (CEBA)	33.2
Temporary 10% Wage Subsidy	19.6
Canada Emergency Wage Subsidy (CEWS)	18.7
Canada Emergency Commercial Rent Assistance (CECRA)	2.1
Export Development Canada (EDC) Small and Medium-sized Enterprise Loan and Guarantee program	1.7
Business Development Bank of Canada (BDC) Co-Lending Program for Small and Medium-sized Enterprises	3.3
Industrial Research Assistance Program (IRAP)	0.0
Regional development agencies ¹	3.6
Provincial, Territorial or Municipal government programs	20.1
Grant or loan funding from philanthropic or mutual-aid sources	0.0
Financial institution	5.2
Other	5.1
None	40.4

¹ Canadian Northern Economic Development Agency (CanNor)

Almost 6 out of 10 of the responding businesses (59.6%) reported they had been approved for some type of funding or credit due to revenue shortfalls caused by COVID-19; 40.4% did not receive approval for requested funding or credit.

Amongst the various types of available funding or credit sources: 33.2% of responding businesses had received approval through the Canada Emergency Business Account (CEBA); 20.1% through provincial, territorial or municipal government programs; 19.6% through Temporary 10% Wage Subsidy; and 18.7% through Canada Emergency Wage Subsidy (CEWS).

Length of time businesses expect to be able to continue to operate before having to consider further staffing actions, closure or bankruptcy

Survey question: How much longer can this business continue to operate at its current level of revenue and expenditures before having to consider further staffing actions, closure or bankruptcy?					
Length of time businesses can continue to operate before considering further staffing actions, closure or bankruptcy					
Less than 1 month	1 month to less than 3 months	3 months to less than 6 months	6 months to less than 12 months	12 months or more	Unknown
% of responding businesses					
1.3	10.6	6.3	12.0	39.2	30.6

Of the responding businesses, 39.2% stated that they would be able to continue their operations at its current level of revenue and expenditures for 12 months or more before considering further staffing actions, closure or bankruptcy. A further 30.6% of the respondents felt it was unknown how much longer they could continue to operate their businesses.

GENERAL

Changes made by businesses during the COVID-19 pandemic

Survey question: Which of the following changes has this business made to adapt to the COVID-19 pandemic?	
Changes made to adapt	% of responding businesses
Altered methods of production	5.0
Altered products or services offered to customers	29.3
Discontinued a product or service	14.8
Added new ways to interact with or sell to customers e.g., curbside pickup, physical distancing measures between staff and customers	46.5
Increased use of virtual connections internally	22.4
Increased use of virtual connections externally or e-commerce	23.7
Voluntarily closed temporarily	20.2
Closed temporarily as mandated by government	22.5
Closed permanently	1.3
Invested in equipment to produce new products or expand existing product lines	4.8
Postponed a merger or acquisition	0.7
Temporarily halted exports	3.1
Cancelled contracts	12.7
Altered research and development	2.0
Increased maintenance costs	18.4
Decreased maintenance costs	11.3
Other	6.7
No changes have been made to adapt to the COVID-19 pandemic	13.6

The most common responses for changes made by responding businesses to adapt to the COVID-19 situation, included: **adding new ways to interact with or sell to customers** e.g., **curbside pickup, physical distancing measures between staff and customers** (46.5% of responding businesses); **altering products or services offered to customers** (29.3%); **increasing the use of virtual connections externally or e-commerce** (23.7%); **closing temporarily as mandated by government** (22.5%); and **increasing use of virtual connections internally** (22.4% of responding businesses).

Only 13.6% of the respondents reported they did not make any changes to their business to adapt to the COVID-19 situation.

Likelihood of businesses to permanently adopt various measures after COVID-19 is over

Survey question: Using a scale from 1 to 5, where 1 means "very likely" and 5 means "very unlikely", how likely is this business to permanently adopt each of the following measures once the COVID-19 pandemic is over?	Likelihood business will permanently adopt measure						
	Very likely	Likely	Neither likely nor unlikely	Unlikely	Very unlikely	Not applicable	Unknown
	% of responding businesses						
Offer more employees the possibility of teleworking or working remotely	10.4	1.2	4.9	7.4	22.2	51.6	2.4
Require more employees to telework or work remotely	5.5	0.5	1.3	4.7	30.1	55.1	2.7
Increase IT telework capacity	3.2	4.7	7.2	4.9	21.7	54.2	4.2
Make investments to increase the security of telework systems	6.1	3.9	10.0	5.5	20.4	51.2	2.8
Automate certain tasks e.g., through the use of robots or computer algorithms	1.6	1.5	5.2	7.0	22.8	58.5	3.5
Adopt shiftwork to increase the distance between employees	10.8	1.3	10.3	9.7	27.8	37.2	2.9
Modify the work space to increase the distance between employees	22.0	7.6	8.7	7.5	23.1	29.7	1.4
Diversify supply chains	8.2	4.3	12.2	8.7	11.3	49.0	6.4
Reduce hiring of temporary foreign workers	1.9	3.7	1.3	2.6	8.1	80.6	1.8
Increase online sales capacity	11.8	5.0	9.3	2.2	7.5	63.6	0.6
Increase contactless delivery or pickup options	12.7	11.7	8.9	4.6	8.2	50.7	3.2
Reduce physical space used by the business	11.4	5.9	6.1	4.5	30.3	39.6	2.1

When businesses were asked about the likelihood of permanently adopting various measures after COVID-19 is over, responses were mixed. While **modifying the work space to increase the distance between employees** was **likely or very likely** for 29.6% of responding businesses, 30.6% of responding businesses were **unlikely or very unlikely** to modify the work space.

GENERAL, cont'd

Increase in cyber security incidents

<i>Survey question:</i> Compared to February 2020, did this business experience an increase in cyber security incidents during the month of May 2020?		
Increase in cyber security incidents		
Yes	No	Unknown
% of responding businesses		
8.9	63.5	27.6

Comparing May 2020 to February 2020, 8.9% of responding businesses reported increased cyber security incidents.

PERSONAL PROTECTIVE EQUIPMENT (PPE)

Personal protective equipment or supply needs

<i>Survey question:</i> What types of personal protective equipment or supplies does this business need or expect to need as physical distancing measures are relaxed?								
Personal protective equipment or supplies businesses need or expect to need								
Masks and eye protection	Gloves	Gowns	Cleaning products	Plexiglass or sneeze guards	Testing kits	Thermometers	Other	None
% of responding businesses								
59.6	52.1	6.4	68.1	30.3	3.7	12.7	3.1	21.8

In response to relaxed physical distancing measures, 78.2% of responding businesses reported a need or expected a need for different types of PPE or supplies. The top types of PPE were: **cleaning products** (68.1% of responding businesses); **masks and eye protection** (59.6%); **gloves** (52.1%); and **plexiglass or sneeze guards** (30.3% of responding businesses).

Sources of personal protective equipment or supplies

<i>Survey question:</i> Where does this business source or expect to source personal protective equipment or supplies from?					
Source(s) from which businesses have obtained or expect to obtain personal protective equipment or supplies					
Domestic producer	International producer	Domestic wholesaler	International wholesaler	Other	Unknown
% of responding businesses					
27.9	2.4	36.9	4.1	13.9	28.5

When asked where the source of PPE and supplies were expected to come from, 64.8% of responding businesses reported domestic producer/wholesalers, while 6.5% reported sourcing from international producers/wholesalers.

Difficulty procuring personal protective equipment or supplies

<i>Survey question:</i> Is this business currently experiencing or does it expect to experience difficulty procuring personal protective equipment or supplies?		
Experiencing or expecting to experience difficulty procuring protective equipment or supplies		
Yes	No	Unknown
% of responding businesses		
20.9	60.1	18.9

When businesses were asked if they were currently experiencing, or expecting to experience, difficulty in obtaining personal protective equipment or supplies, 20.9% of responding businesses reported they were having difficulty; 60.1% were not.

PERSONAL PROTECTIVE EQUIPMENT, cont'd

New products businesses have begun to manufacture

<i>Survey question: Due to the COVID-19 pandemic, which of the following new products has this business begun manufacturing?</i>	
New products businesses began to manufacture	% of responding businesses
Ventilators	0.0
Masks and eye protection	3.5
Gloves	3.7
Swabs	0.0
Disinfectant wipes	1.5
Lab testing equipment or chemicals	0.0
Gowns	0.3
Hospital beds	0.0
Hand sanitizer	4.7
Plexiglass or sneeze guards	1.2
Ear protection e.g. Ear bands, ear guards	0.0
Other	1.7
None	93.8

Businesses were asked about new products they may have begun manufacturing due to COVID-19. Although an overwhelming majority of responding businesses (93.8%) had not manufactured any new products, 4.7% reported manufacturing **hand sanitizer**; 3.7% manufactured **gloves**; and 3.5% of responding businesses began manufacturing **masks and eye protection**.

Note:

The Canada Emergency Business account (CEBA) provides eligible small businesses and non-profits with a loan up to \$40,000, designed to help cover operating costs.

The Canada Emergency Wage Subsidy (CEWS) is a subsidy of 75% of employee wages for eligible businesses, to re-hire previously laid off staff due to COVID-19 and prevent further job losses.

The Temporary 10% Wage Subsidy is a three-month measure that will allow eligible employers to reduce the amount of payroll deductions required to be remitted to the Canada Revenue Agency (CRA)

July 2020