



## Impact of COVID-19 on Yukon Businesses Yukon Labour Demand Survey 2020

### Highlights:

- In the fall of 2020, 80.8% of Yukon businesses were fully operational; 15.6% were partially operational — 11.7% due to COVID-19 restrictions; 3.7% of all businesses were not operating at the time of the survey — 1.6% due to COVID-19 restrictions.
- The Accommodation and food services sector had the highest number of partially operational businesses with 107, or 42.8%, of the 250 businesses in this sector. A further 21, or 8.4%, were not currently operating at the time of the survey.
- More than half of Yukon businesses (52.3%) reported lower revenues for the first half of 2020 compared to the same time period in 2019.

In the fall of 2020, the Yukon Bureau of Statistics (YBS) contacted Yukon businesses, crown corporations, as well as First Nation development corporations, to collect information about their current employment situation, current vacancies and expected vacancies through 2022. These data are presented in the regular report titled *Yukon Labour Demand Survey 2020*.

In this survey, respondents were asked a further series of questions relating to the impact of the COVID-19 pandemic on their businesses. Data based on responses to these questions are reported in this publication.

Note: Throughout this report, values in rows and/or columns may not sum to their respective totals due to weighting and rounding.

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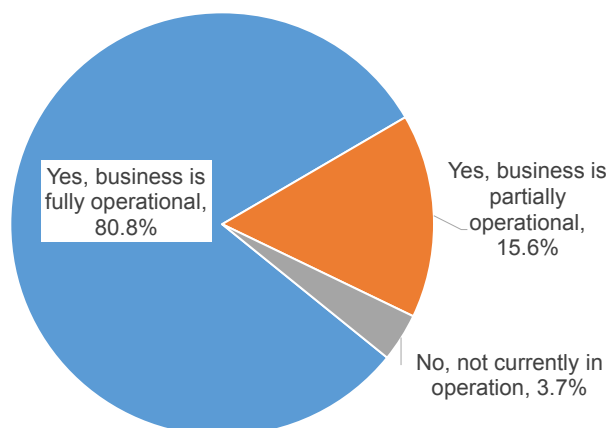
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## The Impact of COVID-19 on Yukon Businesses

In addition to the data collected on labour demand topics as in previous cycles of the survey, the 2020 Labour Demand Survey included additional questions on the impact of COVID-19 on Yukon businesses. While the report titled *Yukon Labour Demand Survey, 2020* is based on data as in previous cycles of the survey, this report is based on data collected on the impact of COVID-19 on Yukon businesses.

### Is your business currently operating?



As of the fall of 2020 when this survey was conducted, there were 2,517 (80.8%) of the 3,116 Yukon businesses, that reported being fully operational. A further 485 businesses, or 15.6% of all businesses, reported that their business was only partially operational; of which 365, or 11.7% of all businesses, were due to COVID-19 restrictions. There were 115 businesses, or 3.7% of all businesses, that were not operational at the time of the survey; of which 51, or 1.6% of all businesses, were due to COVID-19 restrictions.

## Business Operations Impacted by COVID-19 Restrictions, by Industry, 2020

Are you not fully operational or not operating due to COVID-19 restrictions?			Partially operational		Not currently in operation	
NAICS Code	Industry	Number of businesses fully operational	Number of businesses partially operational	Number of businesses partially operational due to COVID-19	Number of businesses not currently operating	Number of businesses not currently operating due to COVID-19
11	Agriculture, Forestry, Fishing & Hunting	101	0	0	10	0
21	Mining, Quarrying, and Oil & Gas Extraction	90	7	7	35	7
22	Utilities	3	0	0	0	0
23	Construction	449	51	27	12	0
31-33	Manufacturing	49	30	28	0	0
41	Wholesale Trade	45	0	0	0	0
44-45	Retail Trade	217	25	21	5	0
48-49	Transportation & Warehousing	91	36	31	0	0
51	Information & Cultural Industries	48	4	4	0	0
52	Finance & Insurance	49	9	2	0	0
53	Real Estate and Rental & Leasing	229	7	7	11	11
54	Professional, Scientific & Technical Services	428	64	41	6	6
55	Management of Companies & Enterprises	25	0	0	0	0
56	Administrative & Support, Waste Management & Remediation Services	156	28	19	6	6
61	Educational Services	29	34	25	0	0
62	Health Care & Social Assistance	176	14	14	4	4
71	Arts, Entertainment & Recreation	39	29	22	5	3
72	Accommodation & Food Services	122	107	91	21	14
81	Other Services (except Public Administration)	173	40	25	0	0
	<b>All Industries</b>	<b>2,517</b>	<b>485</b>	<b>365</b>	<b>115</b>	<b>51</b>

In the fall of 2020, 600 Yukon businesses reported that either their business was only partially operational or was not operating at all: 416, or 13.3%, of all Yukon businesses, were partially operational or not operating at all **due to COVID-19 restrictions**. The Accommodation and food services industry sector had the highest number of businesses reporting either partially operational or not in operation due to COVID-19 restrictions. Of the 105 businesses in this sector affected by COVID-19 restrictions, 91 businesses (86.7%) reported being only partially operational and 14 businesses (13.3%) were not in operation due to COVID-19 restrictions. The majority of businesses that reduced operations due to COVID-19 restrictions, did so in March of 2020. Of the 365 businesses, 240 reduced their operations in March — of the 51 businesses that were not operating at all due to COVID-19 restrictions, 16 ceased operations in March 2020 and 18 in April 2020.

## Business Operations Impacted by COVID-19 Restrictions, by Community, 2020

Community	Number of Businesses <sup>1</sup>	Business is fully operational	Business is partially operational	Business is not currently operating
Alaska Highway North <sup>2</sup>	14	7	8	0
Carcross	48	30	10	8
Carmacks	17	15	2	0
Dawson City	251	164	51	36
Faro	64	61	3	0
Haines Junction	47	29	11	7
Mayo	58	41	17	0
Old Crow	7	7	0	0
Teslin	34	15	7	12
Watson Lake	66	48	18	0
Whitehorse	2,510	2,099	358	52
<b>Yukon</b>	<b>3,116</b>	<b>2,517</b>	<b>485</b>	<b>115</b>

In the fall of 2020, 52 businesses, or 2.1% of all Whitehorse businesses, were not operating at the time of the survey. Of the 251 businesses in Dawson City, 36, or 14.3% were not operating at the time of the survey in the fall of 2020.

## Staffing Actions Due to COVID-19, 2020

<i>Which of the following staffing actions did this business take due to COVID-19? Check all that apply:</i>	<b>Number of businesses</b>
Reduced staff hours or shifts	727
Laid off staff	636
No changes have been implemented with regards to staffing	584
Cancelled or delayed planned hiring	572
Increased salaries or wages (e.g. bonuses for essential workers)	181
Hired more staff	173
Reduced salaries or wages	137
Increased staff hours or shifts	113
Froze salaries or wages	95
Introduced temporary cost-reduction measures (e.g. mandatory vacation)	72
Froze bonus payments	45
Delayed payment of salaries or wages	41
Altered or changed contributions to pension or benefit plans	41
Implemented an Employment Insurance (EI) work-sharing program	34
Not applicable (e.g., business has no staff)	1,054
Don't know	8
Other	110

In the fall of 2020, almost one-quarter (727, or 23.3%) of Yukon businesses had reduced staff hours or shifts in response to COVID-19. About one in five businesses (636, or 20.4%) had laid off staff, while 18.7% (584 businesses) reported they had made no changes to staffing at all in response to COVID-19. There were also 572 businesses, or 18.4%, that had cancelled or delayed planned hiring due to COVID-19.

## Percentage of Workforce Laid Off Due to COVID-19, 2020

<b>For businesses that reported they had laid off staff: What percentage of this business's workforce has been laid off due to COVID-19?</b>	<b>Average percentage</b>
Agriculture, Forestry, Fishing & Hunting	0%
Mining, Quarrying, and Oil & Gas Extraction	15%
Utilities	0%
Construction	48%
Manufacturing	17%
Wholesale Trade	9%
Retail Trade	45%
Transportation & Warehousing	37%
Information & Cultural Industries	31%
Finance & Insurance	10%
Real Estate and Rental & Leasing	35%
Professional, Scientific & Technical Services	39%
Management of Companies & Enterprises	0%
Administrative & Support, Waste Management & Remediation Services	57%
Educational Services	0%
Health Care & Social Assistance	47%
Arts, Entertainment & Recreation	55%
Accommodation & Food Services	63%
Other Services (except Public Administration)	55%
<b>All Industries</b>	<b>46%</b>

Businesses that reported laying off staff due to COVID-19, on average, had laid off 46% of their workforce. The industry sector with the highest percentage of lay-offs was the Accommodation and food services sector where businesses reported that 63% of their workforce was laid off due to COVID-19. There were four industry sectors that reported they had not laid any staff off due to COVID-19: Agriculture, Forestry, Fishing and Hunting; Utilities; Management of Companies and Enterprises; and Educational Services.

## Challenges With Staffing Due to COVID-19, 2020

<b>Are you currently experiencing any of the following challenges for this business with regards to staffing, recruitment and training due to COVID-19? Check all that apply:</b>	<b>Number of businesses</b>
Finding and recruiting qualified workers	499
Retaining qualified workers	287
Finding time and resources for training staff	287
Convincing laid off staff to return to work	128
Convincing staff that have been working remotely to return to working on-site	49
Hiring temporary foreign workers	49
<b>Other</b>	<b>168</b>
Hard to recruit from out of territory due to quarantine requirement	57
Difficult to retain/recruit staff because they make more money on CERB	24
Other	87
None of the above, no challenges	2,194
<b>Total Responses</b>	<b>3,661</b>

While the majority of businesses, 2,194, or 70.4%, reported they were not experiencing any challenges with regards to staffing, recruitment and training due to COVID-19, 499, or 16.0%, businesses reported that they were experiencing difficulty finding and recruiting qualified workers. A further 57 businesses stated that it was difficult to recruit workers from out of the territory specifically due to the two week quarantine requirement. There were 24 businesses that reported they were having difficulty retaining or recruiting staff because workers could make more money on CERB.

## Challenges With Staffing Following COVID-19, 2020

<b>Do you anticipate any of the following challenges for this business with regards to staffing, recruitment and training as the economy returns to a normal state of activity following COVID-19? Check all that apply:</b>	<b>Number of businesses</b>
Finding and recruiting qualified workers	677
Retaining qualified workers	385
Finding time and resources for training staff	203
Convincing laid off staff to return to work	72
Hiring temporary foreign workers	72
Convincing staff that have been working remotely to return to working on-site	34
Other	58
None of the above, no challenges	1,927

The majority of businesses, 1,927, or 61.8%, reported they did not anticipate facing any challenges with regards to staffing, recruitment and training due to COVID-19 as the economy returns to a normal state of activity. About one in five businesses (21.7%) expected they would experience difficulty finding and recruiting qualified workers, and one in eight businesses (12.4%) anticipated difficulty in retaining qualified workers as the economy returns to normal.

## Changes Made to Adapt to the COVID-19, 2020

<b>Which of the following changes has this business made, or is planning to make, to adapt to the COVID-19 pandemic? Check all that apply:</b>	<b>Number of businesses</b>
Add new ways to interact with or sell to customers (e.g., curbside pickup, physical distancing measures between staff and customers)	1,600
Increase use of virtual connections (i.e. Zoom meetings, e-commerce)	1,058
Alter physical location to accommodate physical distancing requirements	841
Alter products or services offered to customers	823
Increase maintenance costs	745
Enhance training for staff	508
Discontinue a product or service	500
Alter methods of production	339
Cancel contracts	253
Produce new products or expansions of existing product lines	214
Decrease maintenance costs	92
Other	360
No changes have been made, or are planning to be made, to adapt to the COVID-19 pandemic	640

More than half of Yukon businesses (51.3%) reported they had added, or planned to add, new ways to interact with or sell to customers in order to adapt to COVID-19 restrictions. The second most common response to this question, with more than one in three businesses (34.0%) stating that they had increased, or planned to increase their use of virtual connections. The Other responses included business closure, quarantine period for out-of-territory workers, etc.

## Business Revenue in January to June 2020 Compared to Same Period in 2019

<b>Compared to the first half (January to June) of 2019, how did the revenue of this business change in the first half (January to June) of 2020?</b>	<b>Revenues were lower in 2020</b>	<b>Revenues remained the same</b>	<b>Revenues were higher in 2020</b>	<b>Not applicable*/ Don't know/Refuse</b>
Agriculture, Forestry, Fishing & Hunting	10	70	21	10
Mining, Quarrying, and Oil & Gas Extraction	44	47	22	19
Utilities	0	2	0	1
Construction	230	172	64	46
Manufacturing	65	4	10	0
Wholesale Trade	29	4	4	8
Retail Trade	130	22	60	36
Transportation & Warehousing	97	22	0	7
Information & Cultural Industries	24	20	0	7
Finance & Insurance	22	22	0	13
Real Estate and Rental & Leasing	76	101	24	46
Professional, Scientific & Technical Services	222	175	46	53
Management of Companies & Enterprises	17	8	0	0
Administrative & Support, Waste Management & Remediation Services	99	58	28	6
Educational Services	54	0	0	8
Health Care & Social Assistance	124	34	20	16
Arts, Entertainment & Recreation	53	13	3	3
Accommodation & Food Services	214	10	19	6
Other Services (except Public Administration)	121	56	19	16
<b>All Industries</b>	<b>1,631</b>	<b>841</b>	<b>342</b>	<b>303</b>

\* i.e. business did not start operations until after June 30, 2019.

More than half of Yukon businesses (52.3%) reported lower revenues for the first half of 2020 compared to the same time period in 2019. For over one-quarter (27.0%) of businesses, revenues remained the same, while more than one in ten businesses (11.0%) reported higher revenues in the first half of 2020 compared to 2019.

## Business Revenue in January to June 2020 Compared to Same Period in 2019

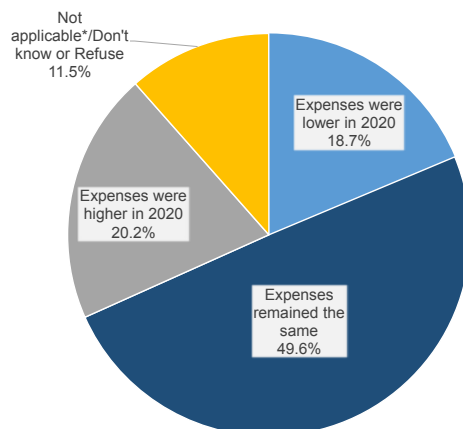
Compared to the first half (January to June) of 2019, how did the <b>revenue</b> of this business increase or decrease in the first half (January to June) of 2020? By what percentage did revenue increase or decrease?	Revenues increased	Revenues decreased
1 to 10%	79	150
11 to 20%	89	186
21 to 30%	55	246
31 to 40%	11	237
41 to 50%	2	145
More than 50%	31	463
Don't know or Refuse	74	204

Of the 342 businesses that reported an **increase** in revenues during the first half of 2020 compared to the same time period in 2019, about half (49.1%) had revenues increased by 20% or less.

Of the businesses (1,631) that reported a **decrease** in revenues in the first half of 2020, more than one-quarter (28.4%) had revenues decreased by more than 50% compared to the same time period in 2019.

## Expenses in January to June 2020 Compared to Same Period in 2019

Compared to the first half (January to June) of 2019, how did **expenses** of this business change in the first half (January to June) of 2020? Please exclude wages and salaries.



By what percentage did <b>expenses</b> increase or decrease?	Expenses increased	Expenses decreased
1 to 10%	189	136
11 to 20%	155	111
21 to 30%	63	76
31 to 40%	10	48
41 to 50%	7	22
More than 50%	25	53
Don't know or Refuse	180	137

Slightly less than half of Yukon businesses (49.6%) reported that their expenses in the first half of 2020 remained the same as in the first half of 2019.

\* i.e. business did not start operations until after June 30, 2019.

## Length of Time Businesses Can Continue to Operate

*This question was only asked if businesses reported a decrease in revenue or an increase in expenditures when comparing the first half of 2020 to the first half of 2019.*

How much longer can this business continue to operate at its current level of revenue and expenditures before having to consider further staffing actions or closure or bankruptcy?	Number of businesses
1 month to less than 3 months	15
3 months to less than 6 months	52
6 months to less than 12 months	101
12 months or more	1,000
Don't know or Refuse	805
<b>Total</b>	<b>1,973</b>

Of the 1,973 businesses that reported a decrease in revenues or an increase in expenses when comparing the first half of 2020 to 2019, over half (50.7%) stated the business would not need to consider further staffing actions, closure or bankruptcy for at least 12 months. There were 15 businesses that reported it would be less than 3 months before they would have to consider these options.

## Business Support Programs for COVID-19

Has this business accessed any of the following COVID-19 support programs? Check all that apply:	Number of businesses
<b>Canada-wide COVID support programs</b>	
Canada Emergency Wage Subsidy (CEWS)	629
Canada Emergency Business Account (CEBA)	587
Temporary 10% Wage Subsidy	274
Regional development agency programs (e.g., CanNor)	138
Canada Emergency Commercial Rent Assistance (CECRA)	56
Financial institution	38
Business Development Bank of Canada (BDC) Co-Lending Program for Small and Medium-sized Enterprises	20
Grant or loan funding from philanthropic or mutual-aid sources	17
Export Development Canada (EDC) Small and Medium-sized Enterprise Loan and Guarantee program	3
Industrial Research Assistance Program (IRAP)	0
Other	129
None of the above – I did not access any Canada-wide COVID support programs	1,868
<b>Yukon-specific COVID support programs</b>	
Yukon Business Relief Program	500
Paid Sick Leave Rebate for Employers	134
Yukon Essential Workers Income Support Program	127
Temporary Support for Events Fund	35
Other	56
None of the above – I did not access any Yukon-specific COVID support programs	2,337
<b>Businesses that <u>did not</u> access any Canada-wide or Yukon support programs</b>	<b>1,757</b>

The most commonly accessed **Canada-wide COVID support program** was the Canada Emergency Wage Subsidy (CEWS) with 629 Yukon businesses, or 20.2% of total businesses. The second-most accessed **Canada-wide COVID support program** was the Canada Emergency Business Account (CEBA) program with 587 businesses, or 18.8% of total businesses.

The most commonly accessed **Yukon-specific COVID support program** was the Yukon Business Relief Program with 500 Yukon businesses, or 16.0% of total businesses.

About 6 in 10 Yukon businesses (59.9%) did not access any **Canada-wide COVID support programs** offered to mitigate the impacts of COVID-19, three-quarters of businesses (75.0%) did not access any **Yukon-specific COVID support programs**, while 56.4% did not access any of these programs.

February 2021