

BC Restart Plan Survey Results – June 17 ‘21

Introduction

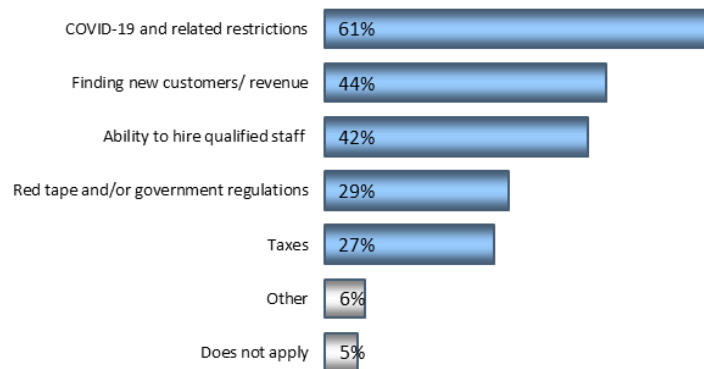
Mustel Group conducted a survey of the Greater Vancouver Board of Trade’s members to measure opinions about BC’s Restart Plan and impacts of COVID-19 on businesses. A total of 175 members completed the survey from June 7-11, 2021. The margin of error on the sample is +/-7% at the 95% level of confidence.

Key Findings

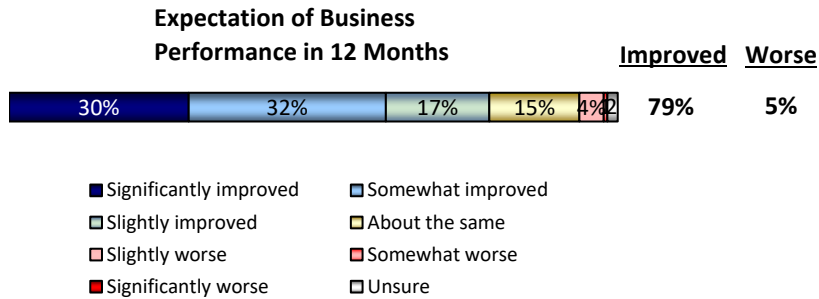
Impacts on Businesses

- Just over four-in-ten businesses (41%) report that revenues are either at 100% of pre-pandemic levels or above. Of the 59% of businesses that are still experiencing reduced revenues, 33% report revenues of less than 60% of pre-pandemic levels. Companies with under 50 employees report greater revenue loss than larger companies.
- Close to half of businesses (46%) have reduced the number of staff compared to pre-pandemic. This is offset to some extent by 21% of businesses that have increased their staff.
- A large proportion of businesses that are increasing their staffing levels, 49%, have had challenges in finding candidates with appropriate or adequate skills. The larger the company, the greater the challenge.
- And of *all* companies, 48% anticipate having difficulties filling positions in the future.
- COVID-19 and related restrictions is the primary factor impacting businesses’ ability to grow, followed by finding new customers/revenue and ability to hire qualified staff. For smaller companies, revenue is a larger challenge than hiring, whereas the opposite is the case for larger companies.

Factors Impacting Businesses’ Ability to Grow

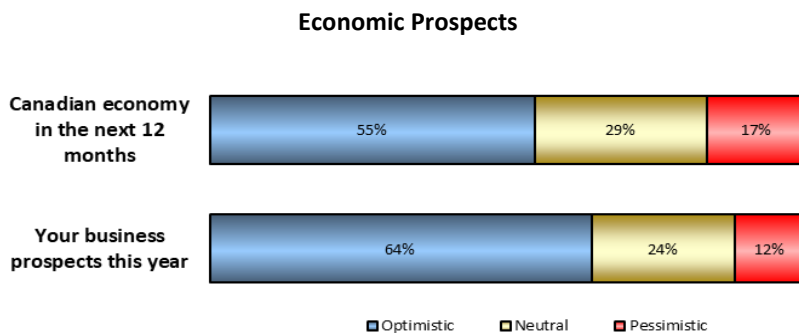


- Over four-in-ten businesses (43%) have experienced challenges securing products or inputs due to supply-chain issues with the majority expecting the challenges to continue 6 or more months.
- But businesses are optimistic about the coming year, with eight-in-ten (79%) expecting their business performance to improve, 30% anticipating the improvement to be 'significant' in 12 months. These findings are consistent regardless of company size.



Future Economic Recovery

- Businesses are optimistic about the Canadian economy and their business prospects in the coming year.



- And concern is high about the new government debt incurred to pay for COVID response measures with 82% very or somewhat concerned, 48% 'very' concerned.

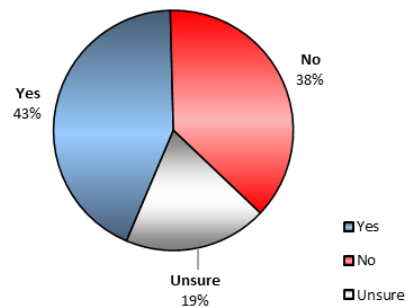
Government Support

- Three-in-ten businesses (31%) are concerned about government support programs phasing out in the fall, such as the Canada Emergency Wage Subsidy or the Canada Emergency Rent Subsidy.
- Of those concerned, only one-quarter expect to return to business as usual. Of others, 33% expect to layoff or reduce staff hours, and 26% expect to take on debt or loans. 39% are unsure of what they will do when the programs are phased out.

BC Restart Plan

- Businesses tend to believe the BC Restart Plan is on the right track in addressing the reopening of the BC economy (59% right track, 21% wrong track, 20% unsure).
- But for 38% of businesses, the BC Restart plan does *not* provide enough certainty and clarity for the upcoming months for their business to plan effectively. Another 20% are unsure.

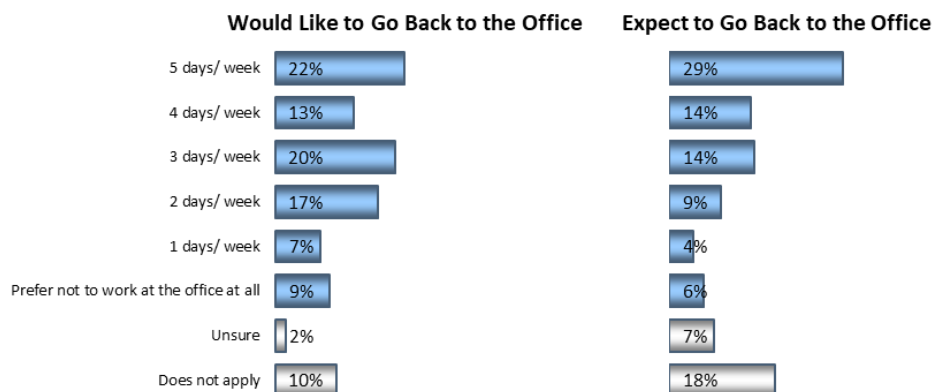
BC Restart Plan Provide Enough Clarity and Certainty



- However, when we enter Stage 4 of the BC Restart Plan (Sept 2021) the majority of businesses, 78%, expect to be at least fully or mostly fully open.

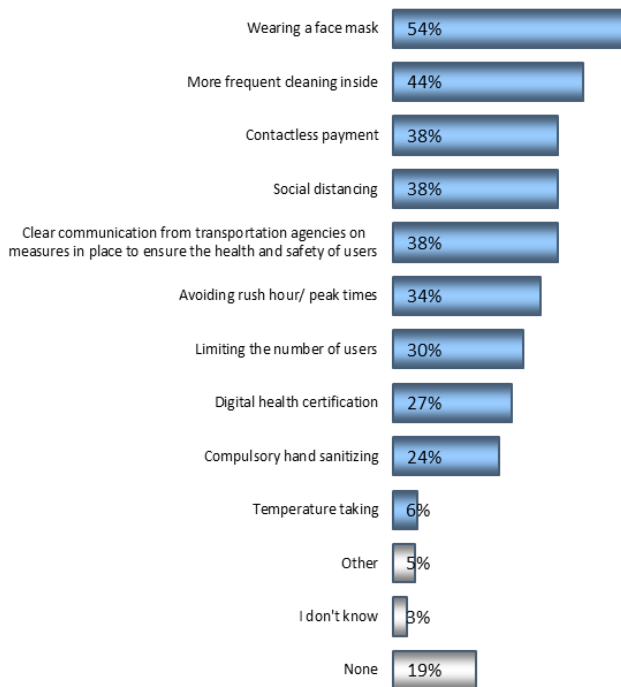
Office Space, Commuting and Work from Home Policies

- Of businesses that work in an office setting, 54% anticipate their office space requirements to *decrease* after the pandemic, in contrast to only 7% that expect their needs to increase (34% no change, 4% unsure).
- Currently over half of businesses, 53%, are working from home almost everyday and another 14% a few days a week.
- There is high interest in working at home at least part of the time, with 22% preferring everyday.
- And only a small group, 29%, believe they will be *expected* to go into the office everyday and most believe they will be working at home at least part of the time.



- Most expect to be back at the workplace at least some of the time by fall of 2021, if they are not already.
- Prior to the COVID-19 pandemic, 63% used a single occupancy vehicle most often to get to and from work; 20% used transit.
- Among those who used transit, three-in-ten (29%) are *unlikely* to use transit like they did before the pandemic.
- The majority (71%) are confident that public transit will be safe in the coming months but 20% are not confident and another 10% are unsure.
- Wearing a mask and frequent cleaning are the two top measure that will restore confidence in the transit system in addition to a number of other measures.

Measure to Encourage Public Transit Usage



Environmental, Social and Governance

- Half of businesses (51%) of businesses report to made investments or implemented processes, changes or initiatives to further environmental, social or governance factors in the past 12 months; 53% plan to implement or invest in *more* ESG measures.