

**From:** "Johnston, Sadhu" <[Sadhu.Johnston@vancouver.ca](mailto:Sadhu.Johnston@vancouver.ca)>

**To:** "Direct to Mayor and Council - DL"

**CC:** "City Manager's Correspondence Group - DL"  
"City Leadership Team - DL"

**Date:** 5/11/2020 4:09:22 PM

**Subject:** VEC Economy Report - May 8, 2020

**Attachments:** 2020 05 08 - VEC ECONOMY REPORT - FINAL.PDF

Memo to Mayor Council - Economic Impact of COVID-19 - Monthly Labour Fo....pdf

Dear Mayor and Council,

Attached is the VEC Economy Report and the Monthly Labour Force Survey –

**1. VEC Economy Report, Apr 24-May 8, 2020.**

- a. Includes additional Vancouver centric sector specific statistics in both the Vancouver at a Glance and Sector Summary sections:
  - Revenue Impact: 27% drop in business revenue in Vancouver as of April 2020 (equivalent to \$2 billion less revenue generated each month)
  - Employment stats: Approximately 90,000 Vancouver jobs in Vancouver (22% of the workforce) has been laid off as of April 2020
    - a. 5.9% decrease in employment in Vancouver since March 2020
    - b. 8.7% decrease in employment equivalent to an year-over-year (comparing April 2019 to April 2020) Statistics Canada [[statcan.gc.ca](https://www.statcan.gc.ca)]
  - Business Closures: Approximately 13,400 (40%) businesses have temporarily or permanently closed in Vancouver as a result of COVID-19
- b. The next Economy report will be May 22

**2. PDS's monthly memo to Council outlining Statistics Canada's monthly Labour Force Survey (LFS).**

Highlights: Monthly Labour Force Survey Data, April 2020:

- The unemployment rate in Metro Vancouver increased by 3.2 percentage points to 10.8%
- Nationally, the unemployment rate increased by 5.2 percentage points to 13.0%
- Employment in the region decreased by 136,400 (-10.1%) between March and April
- Sectors with the largest employment losses between March and April include:
  - o Accommodation and food services (-19,100 workers, -19.9%)
  - o Wholesale and retail trade (-16,800 workers, -7.2%).
- Overall, employment in the region has decreased by 251,200 (-17.2%) since February

If you have any questions on the Labour Force Survey please connect with Gil Kelley, General Manager of Planning, Urban Design & Sustainability at [Gil.Kelley@vancouver.ca](mailto:Gil.Kelley@vancouver.ca) or 604.873.7456. Any questions on the report, please contact Eleena Marley at [emarley@vancouvereconomic.com](mailto:emarley@vancouvereconomic.com).

Best,  
Sadhu

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Pronouns: he, him, his



*The City of Vancouver acknowledges that it is situated on the unceded traditional territories of the Musqueam, Squamish, and Tsleil-Waututh peoples.*

# Vancouver Economic Commission

## COVID-19 Economic Update to City of Vancouver and VEC Staff

**May 8, 2020**

*Updated 4:00 pm PDT – 8-May-2020*

This document is a bi-weekly roundup of the COVID-19-related impacts, mitigations and recovery planning for the Vancouver economy with additional global insights and thought-leadership. The purpose is to provide a Vancouver-centric briefing to City of Vancouver Leadership and staff at the Vancouver Economic Commission.

### **Purpose**

1. Provide an overview of the Vancouver economy including key COVID-19 related economic impacts, mitigations and recovery planning efforts, where able by sector
2. Consolidate and escalate the outstanding priority industry asks of all levels of government, including COV
3. Provide key regional and global insights by sector including thought leadership, innovations and evolving economic recovery plans to inform COV and VEC's own recovery efforts

### **Disclaimer**

1. The information contained in this report is updated with continually evolving quantitative and qualitative data from various reputable sources.
2. There are significant issues and compromises in the data collected by various organisations — particularly in translating to timely city specific metrics versus regional, however the best Vancouver centric data is now included.
3. All effort has been undertaken to capture the best relevant available data and intelligence, but the findings may not be fully representative of all businesses and sectors.
4. Key assumptions have been made to develop the most accurate metrics at a point in time. These metrics and assumptions are under continuous review.
5. Where applicable, VEC's analysis of impact on revenues, employment and business closures have been calculated using inputs from Statistics Canada, BC Chamber of Commerce surveys and more.

### **Further Information:**

For the latest Government support and industry guidance to businesses and individuals, please refer to VEC's COVID-19 webpages: <https://www.vancouvereconomic.com/covid-19>



## Executive Summary

### A. COVID-19 impacts clear in latest Statistics Canada data and Vancouver specific metrics

This report now includes more [Vancouver centric metrics](#), using the latest available data, including the latest results from the *Canadian Survey on Business Conditions from Statistics Canada*. The [preliminary analysis of the results](#), shines a light on the breadth and depth of COVID-related economic impacts with a focus on impacts to revenues, employment, and business closures in Vancouver.

Key Vancouver statistics include:

- Revenue Impact: 27% drop in business revenue in Vancouver as of April 2020 (equivalent to \$2 billion less revenue generated each month)
- Employment stats: Approximately 90,000 jobs in Vancouver (22% of the workforce) has been laid off as of April 2020
- Business Closures: Approximately 13,400 (40%) businesses have temporarily or permanently closes in Vancouver as a result of COVID-19

### B. Various Provincial Reopening and Recovery Plans Announced

The [Provincial Reopening & Recovery Plans summary table](#) provides an overview of the economic recovery plan announcements and economic restart timelines of various Provinces across Canada. The [BC announcement](#) of reopening highlights that Phase Two will begin mid-May with the opening of more non-essential businesses and permitting small gatherings.

A more fulsome overview of the detailed reactions and responses from local industry groups, government agencies and nonprofit associations to various provincial reopening plans will be provided in the next report, on May 22.

### C. Industry Requests to Government

Ongoing industry requests to governments continue to center around economic reliefs for operational and overhead costs. Refer to [Government Asks](#) for more details.

The last two weeks saw several long anticipated and welcomed **government support application portals opening**, and announcements of various improvements and iterations of existing **federal supports**.

## Contents *(with hyperlinks)*

1. [Industries' Priority Asks of Government](#)
2. [Key Government Announcements Affecting the Business Community](#)
3. **Economy at a Glance**
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4. [Local Industry-led Innovations and Mitigations](#)
5. [Thought Leadership Resources](#)
6. **Sector Summaries**
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## 1. Industry's Priority Asks for Government

Industry feedback has been collected through key VEC stakeholder channels and partners with respect to current Government stimulus packages and outstanding needs of the business community.

### 1.1 Latest government announcements identified as most beneficial / having the most positive impact

- Provinces announcing their reopening and recovery plans allow for businesses to begin to put in place an operational strategy
- Extension of the temporary layoff period to 16 weeks provides grace period where temporary layoffs avoid being automatically converted to permanent ones
- Deferred payment of property taxes to September 30, 2020
- Ability to apply for CEWS benefit with the opening of the application

### 1.2 Top Outstanding Asks to Government

Asks of the City of Vancouver	
Type of Ask	Ask
Health/Safety	<a href="#">Close of roads</a> in the DTES to facilitate physical distancing practices
Financial Support	Establish a municipal-backed <a href="#">Startup In Residence Program</a>
Financial Support & Recognition	Continue support and recognition for the film and TV industry from the City and key departments such as the City Special Events Office and VPD
Increasing Capacity	Expand standard hours of construction will ensure social distancing protocols at job sites to be followed to a higher degree
Provincial Government Asks	

## COVID-19: Impact on The Vancouver Economy

<b>Financial Support</b>	Support <a href="#">TransLink's</a> efforts to seek emergency relief funding to offset the costs incurred when providing essential transit services despite reduced ridership; currently losing \$75 million a month
<b>Rent</b>	<a href="#">Landlords BC</a> have requested an enhancement for the rent supplement program to better meet the needs of their tenants, increased the amount to \$750 - \$1,0000
<b>Rent</b>	Implement a moratorium on evictions before May 15
<b>Sharing Data</b>	Share data on the current and forecasted demands of PPE so manufacturers can ramp up production or re-tool facilities
<b>Federal and Provincial Government Asks</b>	
<b>Financial Support</b>	Temporarily suspend provincial hotel tax before lifting restrictions, and continue to work with federal government to fund tourism associations to support regrowth in the sector
<b>Federal Government Asks</b>	
<b>Financial Support</b>	Provide aid for the tourism sector to help them have better access to government financial programs and address immediate liquidity needs
<b>Financial Support</b>	Have governments purchase from Canada and BC-made products and services to support local economy
<b>Financial Support</b>	Address the ongoing challenges to live performance venues, which will need to stay closed longer than other businesses
<b>Financial Support</b>	Provide targeted aid and assistance from the Ministry of Canada Heritage for film and TV small medium enterprises that may not qualify for existing programs
<b>Financial Support</b>	Deploy federal funding to infrastructure projects first, as municipal funding may be delayed
<b>Financial Support</b>	Provide GST/HST relief waiver for the first quarter of 2020 to relieve the financial stress for the tourism sector



## 2. Key Government Announcements Impacting the Business Community

### 2.1 Provincial Reopening and Recovery Plans


Ten provinces announced reopening and recovery plans. An overview with quick-links are included below:












Provincial Reopening & Recovery Plans	
Province (with link)	Summary
<a href="#">Alberta</a>	<ul style="list-style-type: none"> <li>Launching stage one of recovery as early as May 14, including opening farmers markets, museums and galleries, daycares, and out-of-school care with occupancy limits</li> <li>Prior to stage one, a few restrictions have been lifted such as boat launch access in some Provincial parks and opening golf courses</li> </ul>
<a href="#">British Columbia</a>	<ul style="list-style-type: none"> <li>BC is currently in phase one of recovery</li> <li>Phase two will begin in mid-May and includes: permitting small social gatherings, restoring non-urgent surgery, opening provincial parks for day use and opening more non-essential businesses with safe operating plans</li> </ul>
<a href="#">Manitoba</a>	<ul style="list-style-type: none"> <li>Two phases have been announced, with more to come</li> <li>Phase one began May 4, including the restoration of non-urgent surgery, retail businesses reopened, hair salons and barbers reopened, and museums, galleries and libraries reopened</li> </ul>
<a href="#">New Brunswick</a>	<ul style="list-style-type: none"> <li>Each business has the responsibility to ensure they have an operational plan that outlines how they will manage the safe opening and operation of business/service/organization in line with health requirements</li> <li>Public health measures are applicable to phased reopening</li> </ul>
<a href="#">Newfoundland and Labrador</a>	<ul style="list-style-type: none"> <li>Regulated childcare services can reopen from only allowing children of essential workers (Alert Level 5), to limited expansion of childcare services (Alert Level 4)</li> </ul>
<a href="#">Nova Scotia</a>	<ul style="list-style-type: none"> <li>Initial steps, as of May 1, in reopening include reopening: Provincial and Municipal parks, trails, people can travel to cottages and drive-in religious services will be allowed</li> </ul>
<a href="#">Ontario</a>	<ul style="list-style-type: none"> <li>A three-stage approach slowly opening more workplaces and public spaces/gatherings.</li> <li>For each stage there are many considerations, including two-to-four week decrease in the number of new daily COVID-19 case.</li> </ul>
<a href="#">Prince Edward Island</a>	<ul style="list-style-type: none"> <li>PEI has four distinct phases, lifting measures over three-week periods (May 1, May 22, June 12 and the fourth is TBD)</li> <li>In phase one, limited outdoor gatherings will be allowed for up to five individuals from different households, while maintaining physical distancing</li> </ul>

















<a href="#">Quebec</a>	<ul style="list-style-type: none"> <li>Has a gradual sector approach to reopening, including that all retail trade and supply chain (except the Metropolitan Community of Montreal) reopened May 4 if the store had access to the outside</li> </ul>
<a href="#">Saskatchewan</a>	<ul style="list-style-type: none"> <li>Phase 1 began May 4 and includes previously restricted medical services and guidelines for parks, campgrounds, boat launches, fishing, and golf courses</li> <li>There are five phases, phase two begins May 19 with the re-opening of retail</li> </ul>

## 2.2 New key announcements by all levels of government include:

Click on  for link to government news release.

City of Vancouver Government Updates	
Type of Update and Link 	Update
 <b>Payment Deferral</b>	Property tax payment deadlines have been deferred to September 30
 <b>Reopening</b>	Fraserview Golf Course, McCleery Golf Course and VanDusen Botanical Gardens are set to reopen May 1
 <b>Reopening</b>	City will resume all parking enforcement as of April 1
Provincial Government Updates	
 <b>Employment</b>	The temporary layoffs period has been extended to 16 weeks
 <b>Financial Support</b>	Doubling funding into Family Caregivers of BC to \$1 million to support caregivers and seniors
 <b>Financial Support</b>	The Provincial government will contribute \$80 million in addition to the \$300 million from the federal government for the Canada Emergency Commercial Rent Assistance ("CECRA") program for BC small business rent relief.
 <b>Financial Support</b>	May 1, British Columbians could apply for BC Emergency Benefit for Workers ("BCEBW") online
 <b>First Nations</b>	Joint statement on memorandum of understanding on Wet'suwet'en rights and title between Wet'suwet'en Hereditary Chiefs, BC Minister of Indigenous Relations and Reconciliation and Federal Minister of Crown-Indigenous Relations
 <b>Health/Safety</b>	State of Emergency has been extended for the third time, until May 12
 <b>Health/Safety</b>	Further spaces have been secured to transition people living in encampments to temporary accommodations, including 45 pop-up pods at the Save-On-Foods

## COVID-19: Impact on The Vancouver Economy

	Memorial Centre
 <b>Payment Deferral</b>	BC government is deferring stumpage fee to help forest companies, the deferral will save eligible companies \$80 million
 <b>Payment Deferral</b>	Liquor licensing fees will be deferred for those businesses experiencing hardships
 <b>Reopening</b>	Details of BC's reopening plan are detailed in Provincial Reopening & Recovery Plans table
<b>Federal Government Updates</b>	
 <b>Budget Projection</b>	COVID-19-related measures and spending will result in the Federal government running a budget deficit of as much as \$252.1 billion
 <b>Financial Support</b>	Canada Emergency Wage Subsidy ("CEWS") application portal opened April 27
 <b>Financial Support</b>	\$252 million allocated to support farmers, food businesses and food processors, and an additional \$200 million in borrowing capacity granted for the agricultural sector
 <b>Financial Support</b>	\$50 million allocated for a Surplus Food Purchase Program: Federal government to purchase large quantities of products at risk of going to waste and redistribute to organizations facing food insecurity
 <b>Financial Support</b>	Government of Canada will provide up to \$3 billion in support to increase the wages of low-income essential workers
 <b>Financial Support</b>	Families receiving the Canada Child Benefit ("CCB") will get an extra \$300 in May to help deal with the added pressures of COVID-19, delivering \$2 billion in extra support across the country
 <b>Financial Support</b>	The Federal government is waiving tariffs on certain medical goods, including PPE such as masks and gloves
 <b>Financial Support &amp; Health/Safety</b>	\$62.5 million was allocated to Canada's fish and seafood processors to purchase PPE for employees and implement social distancing
 <b>Financial Support &amp; Health/Safety</b>	\$240.5 million to develop, expand and launch virtual care and mental health tools to support Canadians
 <b>Financial Support &amp; Health/Safety</b>	Trudeau announced joining global leaders in the launch of the Coronavirus Global Response that Canada has already invested over \$850 million into
 <b>Reopening</b>	Federal, Provincial and Territorial governments have jointly agreed upon a reopening framework



### 3. Economy at a Glance

Quick-links to the *Economy at a Glance* sections:

[3.1 Vancouver](#)

[3.2 British Columbia](#)

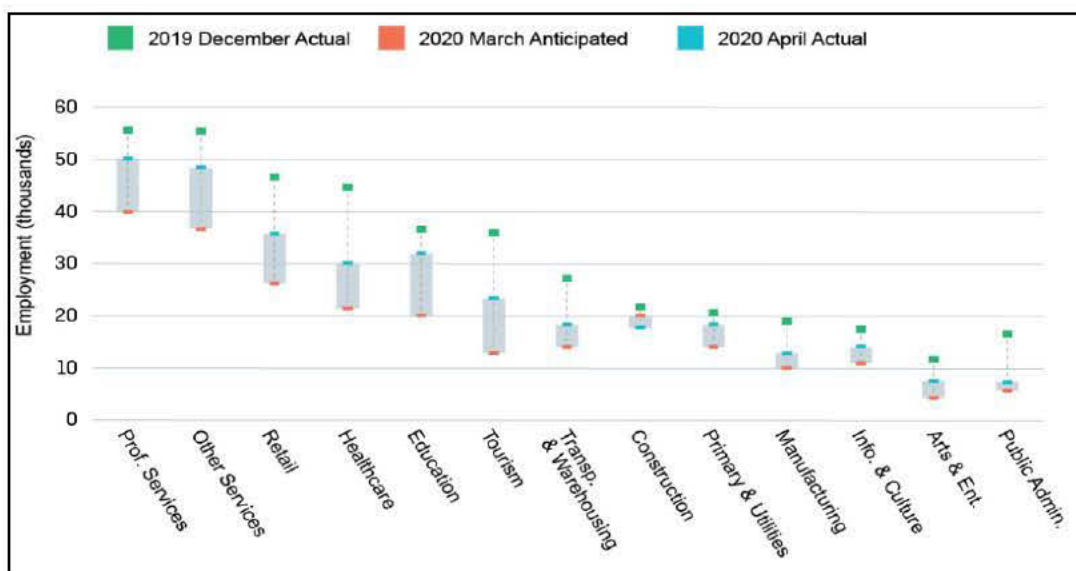
[3.3 Canada and Global](#)

#### 3.1 Vancouver Economy at a Glance

##### 3.1.1 Employment:

- ~410,000 jobs existed in Vancouver prior to COVID
- ~90,000 jobs in Vancouver (22% of the workforce) have been laid off as of April 2020<sup>[1]</sup>
  - 5.9% decrease in employment in Vancouver since March 2020
  - 8.7% decrease in employment equivalent to an year-over-year (comparing April 2019 to April 2020) [Statistics Canada](#)
  - ~172,000 workers in Vancouver anticipated to be laid off – note this was in March, prior to the announcement of the federal government 75% wage subsidy<sup>[2]</sup>
- The biggest employment losses (by number of people laid off) have been in Healthcare and Social Assistance, Accommodation & Food Services (including in Tourism) and Retail Trade, all of which are estimated to have each laid off more than 20,000 people in Vancouver

**Graph 1: Employment (Pre-, Post- Anticipated and Actual)**

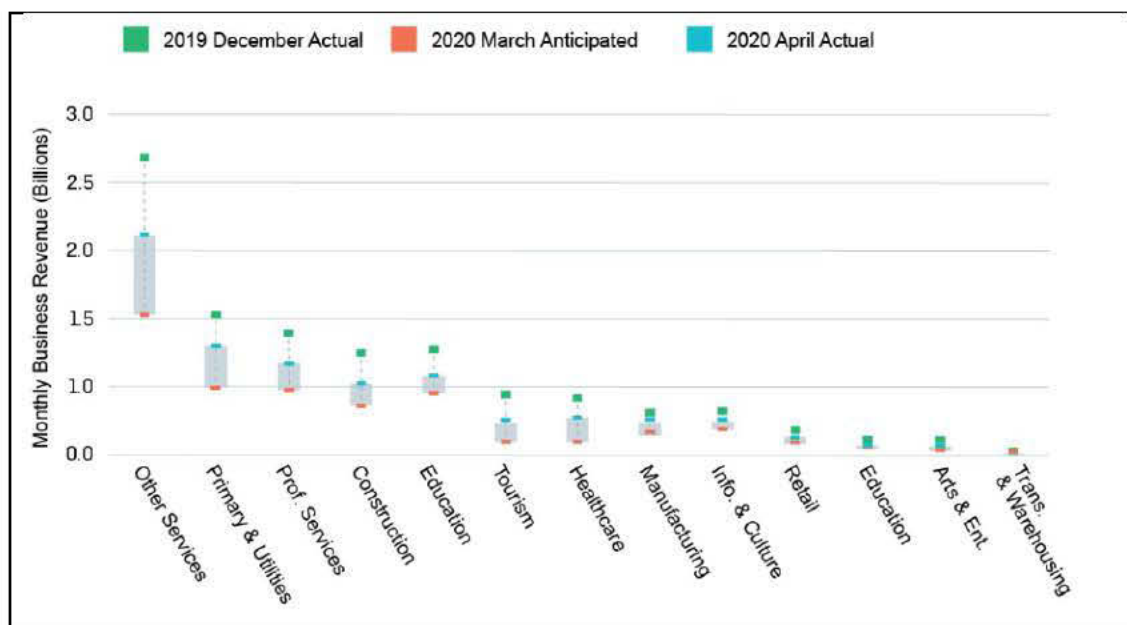




### 3.1.2 Revenue:

- Pre-COVID, the Vancouver economy was estimated to be bring in **\$89 billion in revenues this year** from small and medium-sized enterprises <sup>[3]</sup>
- **27% drop in business revenues** in Vancouver as of April 2020.
  - Equivalent of about **\$2 billion less revenue** generated per month
- Retail, Construction and Professional and Scientific Services have seen the biggest drops in revenue overall (by total decreased monthly earnings), each dropping by more than **\$200 million** in revenue generation over the last month

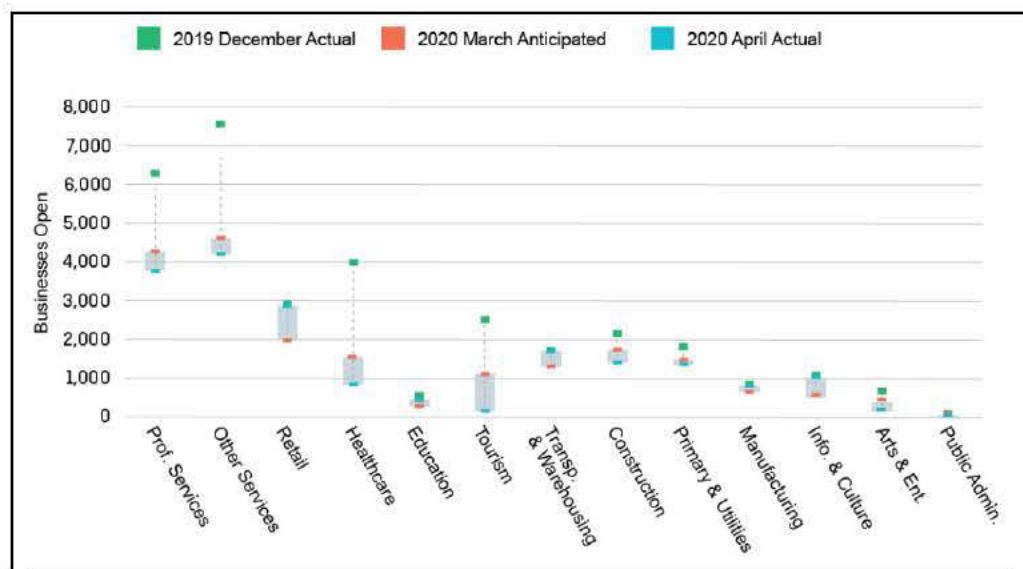
**Graph 2: Small Medium Enterprises Revenues (Pre-, Post- Anticipated and Actual)**



### 3.1.2 Businesses:

- **~ 32,300 businesses** in Vancouver pre-COVID
  - in addition to approximately 100,000 sole proprietors / self-employed individuals
- **~ 13,400 businesses have temporarily or permanently closed** in Vancouver as a result of COVID (approximately 40%). Although the long-term impacts of COVID remain to be seen, the vast majority of these are currently filed as temporary closures.
- This includes more than 2,000 accommodation and food service businesses, 2,500 professional, scientific & technical firms and more than 3,000 healthcare and social assistance organizations

**Graph 3: Businesses Open (Pre-, Post- Anticipated and Actual)**



<sup>[1]</sup> Based on application of national survey on COVID impacts conducted by StatsCan in April to Vancouver baseline economic data

<sup>[2]</sup> Based on application of BC Chamber March survey on anticipated COVID impacts to Vancouver baseline economic data

<sup>[3]</sup> There are approximately 250 business in Vancouver that bring in more than \$50 million in annual revenues, adding an additional \$14 billion to \$44 billion in annual revenues to Vancouver's economy

## 3.2 British Columbia Economy at a Glance

### 3.2.1 Employment

- BC employment fell 15.6 percent in April 2020 over February - Statistics Canada.

### 3.2.2 Revenues

- **\$5B provincial deficit** triggered by COVID-19, estimated by Royal Bank of Canada economists - [Royal Bank of Canada](#)
- **-4 to -7.3 estimated reduction in BC 2020 GDP**: Revised downwards since April's estimates. B.C. forecasts for 2020 range from -4 (RBC) to -7.3 (Central 1 Credit Union). Most analysts forecast a significant bounce back in 2021.
- **2.9% climb in Consumer Price Index**: The cost of food in B.C. climbed 2.9 percent year on year in March 2020, while Rented Accommodation increased 3.8 percent (see Page 19 for further details). Business confidence also dropped to the lowest level ever.

## COVID-19: Impact on The Vancouver Economy

- The Federation of Canadian Municipalities' research shows that municipalities across Canada are facing a combined total of \$10–15 billion in near-term, unrecoverable losses from foregone revenue and unaccounted-for costs due to COVID-19 – [Federation of Canadian Municipalities](#)

### Potential impact *(all numbers rounded and approximate):*

Municipality	Preliminary net losses*	Base allocation (GTF formula)	Supplementary allocation (transit)	Total allocation
City of Toronto	\$1.690B	\$575M	\$575M	\$1.150B
Metro Vancouver**	\$900M	\$510M	\$290M	\$795M
City of Calgary	\$400M	\$255M	\$115M	\$370M

\* preliminary estimates assuming full year impact of six months of physical distancing

\*\* extrapolation of data provided by City of Vancouver (local government not including transit) and TransLink (transit)

*Federation of Canadian Municipalities, Protecting vital municipal services, 23-APR-2020*

- [City of Surrey Council](#) approves COVID-19 Surrey Economic Action and Recovery Plan

### 3.2.3 Businesses

- 20.9% of businesses in British Columbia requested credit from a financial institution; these requests were universally fully or partially approved – [Statistics Canada, COVID Survey](#)
- As the economy shifts to recovery, it will be crucial to support local economies through increased interprovincial trade – [Consider Canada City Alliance | COVID-19 Action Plan – Phase 2](#)
- Economy begins to see sentiment and psychological shift across all sectors as prevailing mindset moves from initial panic to adaptation of the new normal – [Central 1](#)
- Northern Development Initiative Trust created a [Small Business Recovery \(SBR\) Consulting Rebate](#) to reimburse businesses for a portion of fees paid to contracted consulting services to help keep operations running



## Balanced Scorecard of Key Economic Metrics

● Improved    □ Neutral    ● Worsened

□ **1.1%**

**Consumer Price Index**  
y-o-y Mar 2020  
Vancouver CMA

● **2.9%**

**Consumer Price Index, Food**  
y-o-y Mar 2020  
British Columbia

● **7.5%**

**Unemployment rate**  
Apr 2020  
Vancouver CMA

● **\$2.8B**

**Exports**  
Total, Feb 2020  
British Columbia

● **-16.7%**

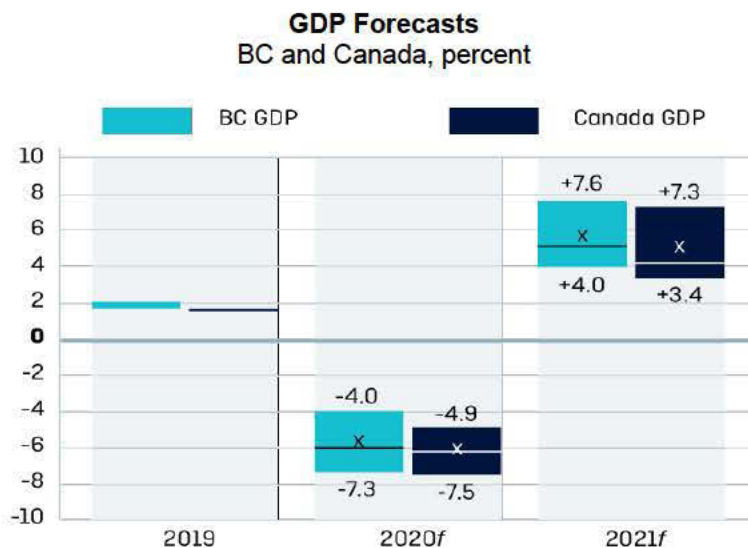
**Exports**  
y-o-y Feb 2020  
British Columbia

● **-19%**

**Greenfield FDI**  
y-o-y Q1 2020  
Global & Canada

● **-48%**

**Business Confidence Index**  
y-o-y Q1 2020  
Canada



**Other Economic Metrics**

● **-48%**

**Vehicle Traffic**  
y-o-y April 2020  
Downtown Vancouver

● **-48%**

**Container Traffic**  
y-o-y Mar 2020  
Port M. Vancouver

● **-48.3%**

**Enplaned/Deplaned Passengers**  
y-o-y Mar 2020  
YVR

Sources: BC Stats, Stats Canada, fDi Markets/Wavteq, Conference Board of Canada, Port Metro Vancouver, YVR. GDP: TD, RBC, Central 1, IMF

## 3.3 Global and Canadian Economy at a Glance

### 3.3.1 Employment

- Job losses impact low paid workers the hardest, half of those making under \$16/hr lost their jobs while only 1 percent of those making over \$48/hr suffered job losses – [Canadian Centre for Policy Alternatives](#) and [Statistics Canada](#)
- 1.6 billion people employed in the informal economy could see their livelihoods destroyed

due to the spread of COVID-19, representing half of the global workforce – [United Nations](#)

### 3.3.2 Revenues

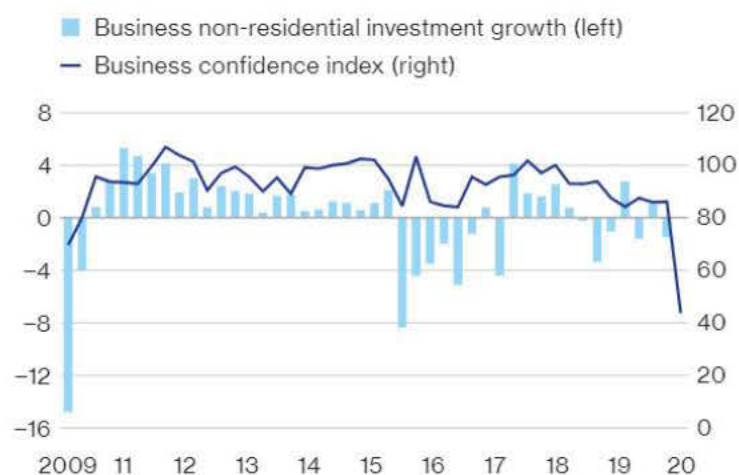
- To help stabilize the economy, the Bank of Canada is working to keep inflation close to target through monetary policy and by supporting key financial markets – [Bank of Canada](#)
- United States: In Q1, real consumption dropped 7.6% and real GDP dropped 4.8% (annualized) – [Desjardins](#)
- IMF estimates global GDP will fall 3% in 2020, rebounding 5.8% in 2021. They estimate 8.3% unemployment for advanced economies in 2020 – [International Monetary Fund](#)

### 3.3.3 Businesses

- Globally, over the course of Q1 2020, greenfield investment experienced a decline of 20% compared to 2019, actively declining by 50% at the end of March – [Consider Canada City Alliance | COVID-19 Action Plan – Phase 2](#)
- COVID-19 drops business confidence to lowest level ever – [The Conference Board of Canada](#)

## Index of business confidence

(investment, percentage change; index, 2014 = 100)



Source: Conference Board of Canada, 29-APR-2020

## COVID-19: Impact on The Vancouver Economy

- Remote working increased on average 23 percent across Canada, with 63 percent of the workforce still able to carry out the majority of their duties – [Statistics Canada](#)

<sup>1</sup>Canadian workforce teleworking or working remotely, pre- and post-COVID, and ability to carry out majority of duties remotely

	Workforce working remotely or teleworking		Change (abs %)	Workforce able to carry out majority of duties (%)
	Pre COVID-19	Post COVID-19		
	Prior to Feb 1	31-Mar		
	Weighted average (%) (calc)	Weighted average (%) (calc)		
<b>Canada (all industries)</b>	13	35	23	63
Information and cultural industries	35	82	47	80
Finance and insurance	20	66	47	85
Educational services	11	53	42	57
Arts, entertainment and recreation	15	51	37	49
Public administration	4	40	37	75
Professional, scientific and technical services	30	66	36	77
Real estate and rental and leasing	21	56	34	70
Management of companies and enterprises	40	72	33	76
Utilities	10	37	27	78
Mining, quarrying, and oil and gas extraction	14	39	26	70
Wholesale trade	14	38	24	69
Other services (except public administration)	15	38	23	60
Health care and social assistance	6	28	22	51
Manufacturing	5	21	16	68
Administrative & support, waste mgmt, remediation serv	19	34	14	70
Construction	6	19	13	58
Retail trade	5	17	12	59
Transportation and warehousing	8	20	12	71
Agriculture, forestry, fishing, hunting	6	14	7	74
Accommodation and food services	5	10	5	44

*National data set led by Statistics Canada and Canadian Chamber of Commerce*



### 3.3.4 Key Findings from survey on Conditions for Canadian Businesses

Approximately 13,000 businesses across Canada responded to these surveys during April 4 - April 24. The released survey results may be found [here](#).

Led by Statistics Canada and Canadian Chamber of Commerce

How much of a cash buffer did businesses have going into COVID-19?	% of Businesses Reported	Length of time businesses can remain partially or fully open amid social distancing measures	% of Businesses Reported
Could not operate longer than 60 days	42.2%	No amount of time	17.5%
Could not operate longer than 90 days	51.1%	No longer than three months	22.2%
<b>Decreased demand</b>		Stay open between 3 – 6 months	11.9%
Medium to high drop in demand for services or products	80.9%	Remain open longer than 3 months	32.1%
<b>Change in business revenue in Q1 2020 compared to Q1 2019</b>		<b>Resiliency of Canadian Businesses</b>	
Increase in revenue	10.5%	Altered methods of production	17.9%
No change in revenue	14.3%	Altered products or services offered	35.4%
Decrease in revenue up to 20%	17.9%	Using new methods to interact with customers	45.4%
Decrease in revenue of over 20%	53.5%	Testing working from home	44.5%
<b>Staffing Decisions</b>		Testing e-commerce	11.6%
Reduced staff hours of shifts	38.1%	Trying new staff training	10.6%
Laid off staff	40.5%	Can return to normal state within one month of social distancing measures being removed	62.3%

## 4. Local Industry-led Innovations and Mitigations

Businesses and industry associations are moving quickly to support the survival of the businesses, innovate, and turn to recovery. Some recent local examples include:

- **Local SME promotion:** Many organizations such as [London Drugs](#) and the [Postmedia Network Inc.](#) are using their platforms to help promote and connect small local business
- **Car-Free Day Vancouver:** The platform is requesting a [call](#) to the City of Vancouver for permanent road closures in the DTES to facilitate physical distancing practices
- **Community Organizations and Social Enterprises:** Are now being supported through a [new partnership](#) between Scale Collaborative, United Way of Greater Vancouver and Vancity to support them through the impacts of COVID-19
- **AbCellera:** A local Vancouver-based company will receive [\\$175 million](#) in Federal funding for their antibody therapy testing
- **JUDI.AI:** a Vancouver-based fintech startup is working with financial institutions to [leverage AI and machine-learning](#) software to underwrite business loans more quickly
- **Vantage Point:** is providing [support](#) to non-profit organizations to help them apply for the Federal CEWS program
- **Performing Arts Venues:** [GVPTA](#) is convening venues and performances-based orgs to discuss recent reopening announcements and create cohesive sector response

## 5. Thought Leadership Resources

Key economic reports, blog posts and webinars published by VEC and other key stakeholders:

Source	Highlights
<a href="#"><u>Bank of Canada</u></a>	Monetary Policy Report – April 2020
<a href="#"><u>Bloomberg</u></a>	Canadian Trade Gap Widens in March on Falling Oil, Auto Exports
<a href="#"><u>Canadian Chamber of Commerce</u></a>	Canadian Chamber identifies Five Keys to Reopening the Economy
<a href="#"><u>Canadian Federation of Independent Business</u></a>	Business Barometer, April 2020
<a href="#"><u>Deloitte</u></a>	Economic Outlook, May 2020 – An update on the Canadian economic and financial quarterly forecast
<a href="#"><u>International Monetary Fund</u></a>	WTO and IMF call for lifting trade restrictions on medical supplies and food
<a href="#"><u>Office of the Parliamentary Budget Officer</u></a>	Costing of Canada's COVID-19 Economic Response Plan
<a href="#"><u>Policynote</u></a>	A progressive macroeconomic response to the coronavirus crisis in British Columbia
<a href="#"><u>Vancouver Economic Commission</u></a>	Interview: SPUD's "Stay Home" Program is a Model of Economic Resilience
<a href="#"><u>Vancouver Economic Commission</u></a>	Newsletter: The Lens: Perspectives on Economic Resilience
<a href="#"><u>Vancouver Economic Commission</u></a>	Opinion: Why tech could form the backbone of BC's economic recovery (and some key considerations for discussing its role and significance)
<a href="#"><u>World Economic Forum</u></a>	How to rebound stronger from COVID-19: Resilience in manufacturing and supply systems



## 6. Sector Summaries

Quicklinks:

- A. [Accommodation and Food Services](#)
- B. [Agriculture](#)
- C. [Creative Industry](#)
- D. [Manufacturing, Supply Chain and Wholesale](#)
- E. [Real Estate & Construction](#)
- F. [Tech](#)
- G. [Tourism and Recreation](#)
- H. [Transportation and Warehousing](#)
- I. [Other Sectors \(Academia & Education, Finance, Healthcare, Retail \[large\], Primaries & Utilities\)](#)

## A. Accommodation and Food Services

### Sector Profile

<b>Strategic Forum</b>	Tourism Response and Recovery Taskforce
<b>GDP</b>	\$4,576.7 million <sup>1</sup>
<b>Employed</b>	Approx. 96,200 employed in Lower Mainland SW <sup>2</sup>
<b>Activity</b>	Hotelier; other accommodations; restaurants; bars; other food services
<b>COVID-19</b>	Significant impact to accommodation and hospitality services experiencing unprecedented low capacity levels and full closure with exception on delivery services

### Economic Impacts

- Estimated **\$3 billion** of revenues lost in Q2 for BC restaurants <sup>7</sup>
- Since February 2020, the accommodation and food services sector has lost 10.2% of its jobs in the Vancouver CMA <sup>3</sup>
- Approximately 121,500 people are out of work in the restaurants and food services sector across BC <sup>4</sup>
- 64% of hotels are closed, displacing 64,700 employees across BC <sup>6</sup>
- **Food preferences and habits** are changing due to COVID:
  - Prior to COVID, British Columbians spent 30–40% of their monthly food budget dining out
  - Now, 55% of adults under 35 say they intend to cook more at home after the pandemic

### Primary Asks to Government and Government Response

#### Asks to Federal government:

- Aid for the tourism sector to better access government programs and help address immediate liquidity needs

#### Asks to Federal and Provincial governments:

- Temporarily suspend hotel tax before lifting restrictions, and continue to work with the federal government to support regrowth in the sector by funding tourism associations

### Innovations and Recovery Planning

- Councillor Kirby-Yung will be bringing a **Flexible, Innovative & Expedited Patio Permitting motion** to Council on May 12<sup>th</sup> as part of a potential recovery and reopening strategy
- Hundreds of homeless encampments will be moved into eight hotels and two community centres in Vancouver

[Click to return to list of sector summaries](#)

## B. Agriculture

### Sector Profile

<b>Strategic Forum</b>	No local forum identified
<b>GDP</b>	To be confirmed
<b>Employed</b>	Approx. 7,300 employed in Lower Mainland SW <sup>2</sup>
<b>Activity</b>	Primary agriculture and aquaculture and related businesses
<b>COVID-19</b>	Decrease in temporary foreign workers (TFWs) has resulted in reduced local food production, with potential food security and pricing inflation consequences.

### Economic Impacts

	Consumer Price Index		
	Index	% Change From	
	March 2020	February 2020	March 2019
Canada - all items	152.8	-0.1	2.3
BC - all items	132.3	-0.5	1.2
BC - food	148.7	0	2.9
BC - Meat	170.4	1	6.4
BC - Fresh Fruit	127.8	-1.6	-5.3
BC - Fresh Vegetable	162.2	-0.3	5.7
BC - Cost of eating out	158.1	-0.3	3.1
Vancouver - all items	134.7	-0.4	1.1

- At the [provincial](#) level, the highest increase in cost can be seen in meat (increase of 6.4%) and fresh vegetables (increase of 5.7%)
- The seasonally adjusted CPI for Canada has had the [largest decline](#) comparing March 2020 to February 2020 since 1992
- [BC potato farmers](#) are hoping consumers will embrace imperfect No. 2-grade Kennebec potatoes – originally intended for French fries

### Primary Asks to Government and Government Response

- BC Fruit Growers Association considers the federal assistance programs unveiled May 5 “profoundly underwhelming.” The \$252 million of federal assistance relief announced May 5 is less than 10% of the \$2.6 billion requested by the Canadian Federation of Agriculture in March <sup>5</sup>

### Innovations and Recovery Planning

- [Columbia Basin Producer Loans](#) are being provided to those food producers who need help to expand operations due to increased pandemic-related demand: applications open May 6
- Temporary Foreign Workers continue to arrive, and farm inspections are underway; 1,440 additional workers are expected to arrive between May and June <sup>4</sup>

[Click to return to list of sector summaries](#)



## C. Creative Industry (incl. arts, culture, film, entertainment)

### Sector Profile

<b>Strategic Forum</b>	Canadian Film & TV Industry Taskforce, Vancouver Film, TV Animation and VFX Taskforce. New VEC/COV-led forum under development.
<b>GDP</b>	\$7,627.8 million <sup>1</sup> CBOC classifies this in Information and Culture
<b>Employed</b>	Varies on health of industry; recent numbers TBD ( <i>note: trades jobs specific to the industry are often classified under construction, so determining numbers is challenging</i> )
<b>Activity</b>	Film and TV; BC Arts and Culture
<b>COVID-19</b>	Significant impact with widespread venue closures and production cessation

### Economic Impacts

- GVPTA's survey (V3) of BC arts and cultural organizations & arts workers is ongoing; 823 total responses to date.
  - Almost half (49%) of total respondents from City of Vancouver
  - Note reported numbers comprise a fraction of total impact given the monthly addition of new questions.
  - Live & comprehensive survey responses for COV may be [viewed here](#).
- Within COV, GVPTA survey reports lost income, lost revenues, and lost expenses:
- Confirmed net loss of \$18 million to date** (from 403 responses: 285 individuals; 118 orgs)
  - Additional **potential net losses of \$5 million** through to Dec (from 86 total responses: 59 individuals; 27 orgs):
    - \$1.78 million** through to end of Aug
    - \$3.24 million** between Sep-Dec
  - 27 orgs **confirmed 371 lost jobs** to date and reported the **potential loss of another 1585 jobs** through Dec.

### Primary Asks to Government and Government Response

#### Asks to Federal and Provincial governments:

- That any economic relief measures (esp. operational relief & subsidies) consider the ongoing challenges to live performance venues, which will need to stay closed longer than other businesses
- Aid from the Ministry of Canadian Heritage for film and TV SMEs that may not qualify for existing programs
- Continued support & measures to reduce business costs and keep sector's SMEs/other businesses solvent
- Automatic extensions to TFWs who have lost their jobs from COVID to find new employment within the same sector, and to release them from working exclusively for one company

#### Ask to Municipal government:

- Continued recognition from the City of Vancouver of the economic importance of the film and TV industry
- Support from key City departments, such as FASE and the VPD, to allow for a quick restart of the sector
- Property tax and business rate reliefs

### Innovations and Recovery Planning

- [Greater Vancouver Professional Theatres Alliance](#) (GVPTA) convening performance venues/organizations to discuss cohesive approach for sector

[Click to return to list of sector summaries](#)

## D. Manufacturing, Supply Chain and Wholesale

### Sector Profile

<b>Strategic Forum</b>	<a href="#">BC Open Source COVID-19 Medical Supplies</a> COVID Supply Chain Working Group
<b>GDP</b>	\$10,800 million Metro Vancouver ( <i>Conference Board of Canada, January 2019</i> ) \$10,678.9 million ( <i>Note: CBOC rate for only Manufacturing</i> ) \$6,102.2 million ( <i>Note: CBOC rate for only Wholesale</i> ) <sup>1</sup>
<b>Employed</b>	Approx. 97,500 Manufacturing employed [only Manufacturing] Approx. 232,000 Wholesale employed [includes Retail] <sup>2</sup>
<b>Activity</b>	Manufacturing; supply chain; wholesale
<b>COVID-19</b>	Medium Impact – varies depending on type of supplies and current demand

### Economic Impacts

- Vancouver CMA jobs comparing March 2020 to Feb 2020
- 0.3% increase in manufacturing sector jobs<sup>3</sup>
- 3.3% decrease in wholesale and retail sector jobs<sup>3</sup>
- Toyota's extension of North American suspension impacts 160+ employees in Delta<sup>4</sup>
- Continued [e-commerce](#) growth will drive high demand from fulfillment and logistics tenants; this may increase competition in Vancouver's industrial land, with long-term impacts/increases in land values and lease rates

### Primary Asks to Government and Government Response

#### Asks to Provincial government:

- Ensure that the process for obtaining priority PPE items is streamlined and protocols are developed for who can access these materials
- Manufacturers are asking for current and forecasted demands of PPE as they consider considering ramping up supply or retooling their facilities

### Innovations and Recovery Planning

- Supply of N95 masks and other PPE equipment is matching industry and medical demand, according to the BC Alliance for Manufacturing
- BC Manufacturers Association and the Food and Beverage Association are working with major retailers to localize the supply chain and help put more local businesses on their shelves
- [Surrey Makes PPE](#) program was launched to help authorities buy large quantities of PPE and medical supplies direct from local manufacturers. Nine Surrey manufacturers are currently producing, and 11 are in the process of retooling<sup>4</sup>

[Click to return to list of sector summaries](#)



## E. Real Estate and Construction

### Sector Profile

<b>Strategic Forum</b>	BC Council of Construction Associations COVID-19 Cabinet
<b>GDP</b>	Construction – Approx. \$12.2 billion Real Estate – <i>TBC</i> (CBOC rate for contribution to Vancouver CMA GDP, included in Finance and Insurance) <sup>1</sup>
<b>Employed</b>	Approx. 120,400 employed in construction; Approx. 112,800 employed in real estate (includes finance and insurance) <sup>2</sup>
<b>Activity</b>	Real estate; construction; housing
<b>COVID-19</b>	Significant slowdown in construction; construction projects proceed with social distancing protocols in place  Real estate numbers, when released May 1, expected to be at standstill.

### Economic Impacts

- BC has seen over 142 construction projects valued at \$2.07 billion delayed, including the \$1.6 billion Woodfibre LNG project<sup>4</sup>
- The housing starts are forecast to drop 21.4% in 2020 and rise 7.8% 2021<sup>4</sup>
- Five-year mortgages have seen decreases since last year: fixed rate has decrease by 0.12% to 2.81%, and variable rate by 0.02% to 2.43%<sup>8</sup>
- 3.1% of jobs lost since February 2020 in construction sector; and a 1.1% loss compared to March 2019<sup>3</sup>
- [Canadian banks](#) are likely to tighten access to home equity lines of credit once COVID-19 related government programs end
- Metro Vancouver April [home sales](#) were down 39.4% from April 2019, and down 56.1% from March 2020

### Primary Asks to Government and Government Response

#### Asks to Federal government:

- To deploy federal funding to infrastructure projects first, as municipal funding may be delayed

#### Asks to City of Vancouver:

- Expanded standard hours of construction will enable social distancing protocols at job sites to be followed to a higher degree

### Innovations and Recovery Planning

- BC Real Estate Association is expecting an increase in home sales during Q4

[Click to return to list of sector summaries](#)



## F. Tech Industry

### Sector Profile

<b>Strategic Forum</b>	Tech Industry COVID-19 Taskforce
<b>GDP</b>	\$12,204.5 million <sup>1</sup> (Note: CBOC classifies this as Professional, Scientific and Technical Services)
<b>Employed</b>	Approx. 152,700 employed (incl. Professional, Scientific and Technical services) <sup>2</sup>
<b>Activity</b>	Businesses involved in the manufacturing of electronics, creation of software, computers or products and services relating to information technology, and clean technologies
<b>COVID-19</b>	Impact to be determined – Many businesses in this sector have not been as dramatically impacted relative to other sectors of the economy.

### Economic Impacts

- Vancouver CMA has lost 1.0% of jobs since February 2020 in the professional, scientific, and technical sector <sup>3</sup>
- Eventbrite will lay off 450 of employees, including those from Vancouver-based Picatic, which they acquired in August 2018 <sup>4</sup>
- [BC Tech Association](#) summarization of surveys:
  - 90% of surveyed BC tech companies have implemented measures to cut costs to extend the runway of existing capital
  - 60% of tech companies have pivoted their business because of COVID: many to provide pro bono services and support to others, some to launch new products and services on their platforms

### Primary Asks to Government and Government Response

#### Ask to Federal, Provincial and Municipal governments:

- Support BC-made tech through government purchasing power
- Design/create policy interventions incentivizing the flow of private capital through a matching program with venture capital companies for businesses who may not qualify for Federal financial programs

#### Ask to Municipal government:

- Creation of municipal-backed ecosystem hub to support startups focused on enabling smart city solutions and initiatives
- A municipal-backed [Startup In Residence Program](#)

### Innovations and Recovery Planning

- [JUDI.AI](#), a Vancouver based FinTech start-up is working with financial institutions to leverage AI and machine-learning software to underwrite business loans more quickly
- AbCellera: A local Vancouver-based company will receive [\\$175 million](#) in Federal funding for their antibody therapy testing

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## G. Tourism and Recreation

### Sector Profile

<b>Strategic Forum</b>	Tourism Response and Recovery Taskforce
<b>GDP</b>	\$1,525.6 million <sup>1</sup> <i>Note: CBOC classifies as Arts, Entertainment and Recreation</i>
<b>Employed</b>	Approx. 74,600 employed (includes Information, Culture and Recreation) <sup>2</sup>
<b>Activity</b>	Tourism; conferencing; event spaces; recreation and sporting organisations and centres
<b>COVID-19</b>	Significant adverse impact on tourism and recreation services, with sector effectively at a standstill

### Economic Impacts

- Holland America has cancelled 2020 Gulf of Alaska cruises, leading to the cancellation of itineraries for eight vessels homeported in Vancouver <sup>4</sup>
  - Port of Vancouver is forecasting a 66% decline in revenue passengers for 2020, and a 64% decrease in volume of ships. This will **cost the BC economy nearly \$1.5 billion in economic output and over 9,000 jobs** – assuming cruises recommence July 1, 2020.
- In 2019, BC Tourism generated \$21.5 billion in revenue and employed 166,000 people <sup>9</sup>
- Scenarios for 2020/2021 fiscal year:**
- Best case: **\$9.8 billion in revenue loss**, incl. 75,000 jobs
  - Most likely: **\$16.8 billion in revenue loss**, incl. 130,000 jobs
  - Worst case: **\$19 billion in revenue loss**, incl. 147,000 jobs

### Primary Asks to Government and Government Response

#### Ask to federal government (same as last week):

- Request for GST/HST relief waiver for the first quarter of 2020 to relieve financial stress for businesses.
- \$10 billion loan to increase liquidity across all areas of tourism, including hospitality and restaurants

### Innovations and Recovery Planning

- BC Tourism Resiliency Network** has been launched for long-term resiliency across the province, providing support to BC tourism businesses that have been impacted by COVID-19.
- Vancouver Whitecaps** are selling non-medical grade masks to raise money for the Vancouver Aquarium, raising \$1 million to date through the sale of 100,000 masks

[Click to return to list of sector summaries](#)



## H. Transportation and Warehousing

### Sector Profile

**Strategic Forum** No specific local, sector-wide forum identified

**GDP** \$10,678.9 million <sup>1</sup>

**Employed** Approx. 80,000 employed <sup>2</sup>

**Activity** Transportation; warehousing and storage; postal services

**COVID-19** Significant layoffs and supply chain disruption

### Economic Impacts

#### Economic impact metrics under development

- The transportation and warehousing sector saw a 6.2% decline in job count since February 2020 <sup>3</sup>
- Air Transat and Sunwing Airlines have cancelled all trips until May 31, 2020 <sup>4</sup>
- Air Canada has cancelled all flights to the U.S. until May 22, 2020 <sup>4</sup>
- Union representatives from the Union of Canadian Transportation Employees have stated that YVR staff will be reduced by 25–30%

### Primary Asks to Government and Government Response

#### Ask to Federal government (same as last week):

- A stimulus package to 119 transit operators for lost revenue from public transit fare, valued at approximately \$400 million letter, requested via a letter to the Federal Minister of Transportation

#### Ask to Federal and Provincial government (same as last week):

- [TransLink](#) is seeking emergency relief funding to offset the costs incurred when providing essential transit services despite reduced ridership; currently losing \$75 million a month

### Innovations and Recovery Planning

- [Food trucks](#) have been setup at Provincially owned locations throughout BC to support truck drivers
- Beginning on June 1, [TransLink](#) will resume collecting fares and allowing front-door boarding
- [BC Ferries](#) is opening some previously designated cargo sailings to accept passengers as of May 7, until at least June 30 – at 50% capacity

[Click to return to list of sector summaries](#)



## I. Other Sectors (Academic & Education, Finance, Healthcare, Retail, Primaries & Utilities)

### Sector Profile

<b>Strategic Forum</b>	No local sector-wide forums identified
<b>GDP</b>	<p>\$7,627 million in Academia and Education; \$45,766.7 million in Finance; \$9,153.33 million in Healthcare; \$7,627.8 million in Retail (large); \$6,102.2 million in Utilities &amp; Primaries <sup>1</sup></p> <p><i>Note: CBOC Includes Finance, Insurance and Real Estate as one category; classifies as Retail Trade as one category and as Primaries and Utilities as one category</i></p>
<b>Employed</b>	<p>Approx. 108,400 employed in Academia &amp; Education</p> <p>Approx. 112,800 employed in Finance [includes Real Estate Rental and Leasing]</p> <p>Approx. 156,800 in Healthcare</p> <p>Approx. 232,000 employed in Retail [includes wholesale]</p> <p>Approx. 5,200 for Resources; approx. 9,900 employed for Utilities <sup>2</sup></p>
<b>Activity</b>	<p>Healthcare and social assistance; education; banking</p> <p>Utilities: Electric power; natural gas; water, sewage and other systems; Forestry, fishing, Primaries: Mining, quarrying, oil and gas</p>
<b>COVID-19</b>	Impact to be determined

### Economic Impacts

#### Vancouver CMA Employment Feb–Mar 2020 <sup>3</sup>

- 1.1% decrease in Academia & Education
- 3.8% decrease in Finance, Insurance, Real Estate, Rental & Leasing
- 2% decrease in Healthcare & Social Assistance
- 3.3% decrease in Wholesale and Retail
- 2% increase in Primaries
- 13.5 increase in Utilities

- At the end of March, TECK reduced staffing at four BC coal mines by 50% <sup>4</sup>
- Jones Lang LaSalle is forecasting that 20% of fashion retailer tenants won't reopen, resulting in excess space and vacancy in malls <sup>10</sup>

### Primary Asks to Government and Government Response

- No new or outstanding asks have been communicated

### Innovations and Recovery Planning

- [HealthAlerts.io](https://healthalerts.io) maps COVID-19 testing sites across Canada, the U.S. and Mexico. The Vancouver-based creators of this platform were among the winners of the global [#buildforCOVID19](#) hackathon, a global competition across 175 countries

[Click to return to list of sector summaries](#)

## 7. Cross-Sectoral

### J. Small Medium Enterprises and BIAs

#### Sector Profile

<b>Strategic Forum</b>	<ol style="list-style-type: none"> <li>1. Small Business COVID-19 Economic Taskforce (terms of reference under review with industry)</li> <li>2. BIA Partnership</li> </ol>
<b>GDP</b>	34% of GDP in BC <sup>11</sup>
<b>Employed</b>	Approx. 1,090,700 employed in BC small business in 2018 <sup>11</sup>
<b>Activity</b>	Small (5–49) & Medium (50–199) businesses and Business Improvement Areas
<b>COVID-19</b>	High Impact – Business closures, significant impact to operations, layoffs, all contributing to financial crisis.

#### Economic Impacts

##### [Startup Genome](#) has released key findings from its monthly COVID-19 Founder Survey:

- 65% of startups have less than 6 months' worth of runway
- 74% of startups have let go of full-time employees
- 26% have let go of 60% or more of full-time employees
- One in 10 startups are experiencing growth

##### [Canadian Federation of Independent Business](#), Small Business Survey from April 24–27

- 27% of respondents are fully open
- 51% of respondents are partially open
- 20% of respondents are fully closed

##### A [CIBC](#) study completed from April 17–21 of 1,020 small business owners:

- Of the 26% of business owners with online operations, 30% saw an increase in sales and 25% have maintained consistent sales with pre-COVID-19 levels

#### Primary Asks to Government and Government Response

##### Ask to Federal and Provincial government:

- Coordination between Federal and Provincial governments for a new tier of CECRA, covering businesses that have lost between 30–70% of revenue

##### Ask to Provincial government:

- Ensure a moratorium on evictions is instituted before May 1<sup>st</sup>
- Make CECRA automatic/mandatory for all small businesses who have lost more than 70% of revenue

#### Innovations and Recovery Planning

- [London Drugs](#) is opening more shelf space for local suppliers and to support SMEs
- [Futurepreneur](#) announced a support package to cover loan payments for each of its 3,200 start-up program clients whose loan was disbursed prior to April 1, 2020

[Click to return to list of sector summaries](#)



## 8. Appendices

### Appendix A – Strategic Forums

A list of industry strategic forums focused on economic impacts and recovery (COVID-19) that VEC is actively engaged with:

Forum	Lead Organisation	High-level mandate	Membership
<b>Established</b>			
<b>BC Economic Disaster &amp; Relief Programming – COVID Economic Response &amp; Restart</b>	BC Economic Development Association	Convening weekly calls to knowledge share best practices and have guest speakers provide economic updates on various sectors.	BC EDA member. Have been averaging about 110 economic developers every week
<b>BC Open Source COVID-19 Medical Supplies</b>	Consortium of Medical Supply Stakeholders	A primary contact for the BC hardware engineering and manufacturing community to communicate with Canadian and US counterparts, governments, local hospitals and Tier 1 medical device manufacturers.	300+ businesses
<b>Building Operators and Managers Association of Canada COVID-19 Taskforce</b>	BOMA Canada	Established to share information and create efficient channels to work towards a coordinated industry response.	BOMA Canada members
<b>C40 Green Economy Forum on COVID Economic Response</b>	C40	To share best practices in the recovery at the city level while keeping climate policy and green economic programs at the top of emerging agenda	Approximately a dozen C40 cities participate
<b>Canadian Film &amp; TV Industry Taskforce</b>	CMPA	Provincial and municipal representatives and national funding agencies. Sharing intelligence and briefing relevant federal minister	50+ orgs from across Canada
<b>City of Vancouver COVID-19 Business and Community Economic Recovery Steering Committee</b>	City of Vancouver	Coordinate and align COVID-19 economic recovery efforts across City of Vancouver and Vancouver Economic Commission	City of Vancouver and Vancouver Economic Leaders
<b>City of Vancouver Economic Impact Task Force</b>	City of Vancouver	Coordinate and align COVID-19 impact and mitigate efforts across CoV and VEC	City of Vancouver and Vancouver Economic Leaders



## COVID-19: Impact on The Vancouver Economy

<b>Consider Canada City Alliance</b>	CCCA	Top Canadian city EDOs working with the Minister of Small Business on recovery plan	Peers at Vancouver, Calgary, Edmonton, Saskatoon, Winnipeg, Ottawa, Toronto, Hamilton, Waterloo, Montreal, Quebec, Halifax
<b>COVID-19 Cabinet</b>	GVBOT, BCBC, BC Chamber	Advocate to all levels of government; Procurement and supply chain needs; Public safety while keeping the economy going	Founding members are BCBC, GVBOT and BC Chamber of Commerce (33 members in total as at March 20)
<b>COVID-19 National Think Tank</b>	EY	National think tank engaging thought leaders and Municipalities specific to COVID-19 mitigations and recovery plans	Canadian municipalities and thought leaders – TBC
<b>COVID Supply Chain Working Group</b>	Canadian Manufacturers and Exporters	Identify key shortages and inventory for the health care industry and external industries	Various levels of government and industry associations
<b>DTES Frontlines</b>	Community Impact Real Estate	Coordinate activities and support for social services (9 NPOs) in DTES	CIRES, EIC, Vancouver Foundation, EMBERS, VEC, Potluck, HAVE Café, Eastside Works, Mission Possible, HXBIA, Strathcona BIA
<b>Marine Ferries</b>	Transport Canada	Daily phone call to triage actions.	Canadian Ferries Association, Seaspan, ...others
<b>Moving in a Livable Region</b>	SFU Centre for Dialogue	Convening to advocate to save regional transit and other forms of mobility, see <a href="#">link</a>	Steering committee members are roughly 50 stakeholders across the region
<b>Regional Economic Prosperity Management Board</b>	Metro Vancouver	Metro municipal economic development leaders focused on data collection/analysis and targeted metro-wide and high-impact investment strategies	Metro Vancouver municipalities' economic development leaders
<b>Regional Metro Leaders Economic Recovery</b>	Pacific Northwest Economic Region (PNWER)	Convening calls every two weeks to knowledge share best practices and learn from other metro regions	PNWER members include EDOs, Chambers and related ministries, approximately 25 people
<b>SFU Community COVID-19 Response &amp; Recovery Network</b>	SFU	To mobilize the capacity and creativity of the SFU communities beyond the academy, they are building a network to help people connect, share resources, and act to enhance their collective	Roughly 80 people from across SFU

## COVID-19: Impact on The Vancouver Economy

		impact	
<b>Small Medium Businesses and BIAs</b>	BIA Partnership	Coordinate asks to government and recovery plans among Vancouver BIAs	22 BIAs
<b>Tech Industry COVID-19 Taskforce</b>	UBC/VEC	Bi-weekly meetings to share info on impact on the tech sector and development of mitigation and recovery strategies.	VEC, UBC, Innovate BC, BC Tech, SFU and Digital Supercluster
<b>Tourism Response and Recovery Task Force</b>	Tourism Vancouver	Response and Recovery Task Force for Metro Vancouver's tourism & hospitality industry	
<b>Vancouver Film, TV, Animation and VFX Taskforce</b>	MPPIA & Creative BC	Impacts, mitigations and recovery plans across Vancouver's creative industries	Creative BC, VEC, MMPIA.
<b>Vancouver Pathfinders</b>	VEC / NRC	Data sharing platform for cleantech companies.	15 members

**Other economy focused forums under development / consideration or where VEC is not an active member, include:**

1. Creative Economy (*terms of reference and membership under review*)
2. Green Friends (looking to advocate for positive climate-friendly policy)
3. Small Business COVID-19 Economic Taskforce (*terms of reference under review by industry members*)

## APPENDIX B - REFERENCES

<sup>1</sup> 2019 Contribution to Vancouver CMA GDP – Conference Board of Canada, Vancouver CMA GDP Calculations

<sup>2</sup> Lower Mainland SW, Statistics Canada March 2020 Employment by Industry

<sup>3</sup> Statistics Canada, Table 14-10-0097-01, Employment by industry, three-month moving average, unadjusted for seasonality, census metropolitan areas (x 1,000)

<sup>4</sup> Ministry of Jobs, Economic Development & Competitiveness, Economic Policy Unit

<sup>5</sup> Western Economic Diversification Canada

<sup>6</sup> BC Hotel Association

<sup>7</sup> Restaurants Canada

<sup>8</sup> BC Real Estate Association

<sup>9</sup> Destination BC, VP Global Marketing

<sup>10</sup> Jones Lang LaSalle Executive Vice President and Head of Retail, Tim Sanderson

<sup>11</sup> Ministry of Jobs, Trade and Technology, 2019 Small Business Profile



## MEMORANDUM

May 8, 2020

TO: Mayor and Council

CC: Sadhu Johnston, City Manager  
Paul Mochrie, Deputy City Manager  
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Rena Kendall-Craden, Civic Engagement and Communications Director  
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FROM: Gil Kelley  
General Manager, Planning, Urban Design and Sustainability

SUBJECT: Economic Impact of COVID-19 - Monthly Labour Force Data: April 2020

### Highlights: Monthly Labour Force Survey Data, April 2020

- The unemployment rate in Metro Vancouver increased by 3.2 percentage points to 10.8%
- Nationally, the unemployment rate increased by 5.2 percentage points to 13.0%
- Employment in the region decreased by 136,400 (-10.1%) between March and April
- Sectors with the largest employment losses between March and April include:
  - o Accommodation and food services (-19,100 workers, -19.9%)
  - o Wholesale and retail trade (-16,800 workers, -7.2%).
- Overall, employment in the region has decreased by 251,200 (-17.2%) since February

### Purpose of this memo

This memo highlights the monthly Labour Force Survey (LFS) data published by Statistics Canada released on May 8<sup>th</sup>, 2020 for the reference period of April 12<sup>th</sup> to April 18<sup>th</sup>. The LFS provides estimates for the unemployment rate and employment totals by industry and occupation on a monthly basis. The information presented in this memo provides a snapshot of the impact COVID-19 has had on Vancouver's labour force and economy in the short period of time since the Pandemic began. Staff in Planning, Urban Design and Sustainability will provide an updated monthly memo as new data is released. This information is meant to be viewed in conjunction with other socio-economic and community statistics to form a cohesive picture of

the City's current state and assist with recovery and resilience planning. This information will be posted to the City website and shared with the business community.

### Important notes about the data

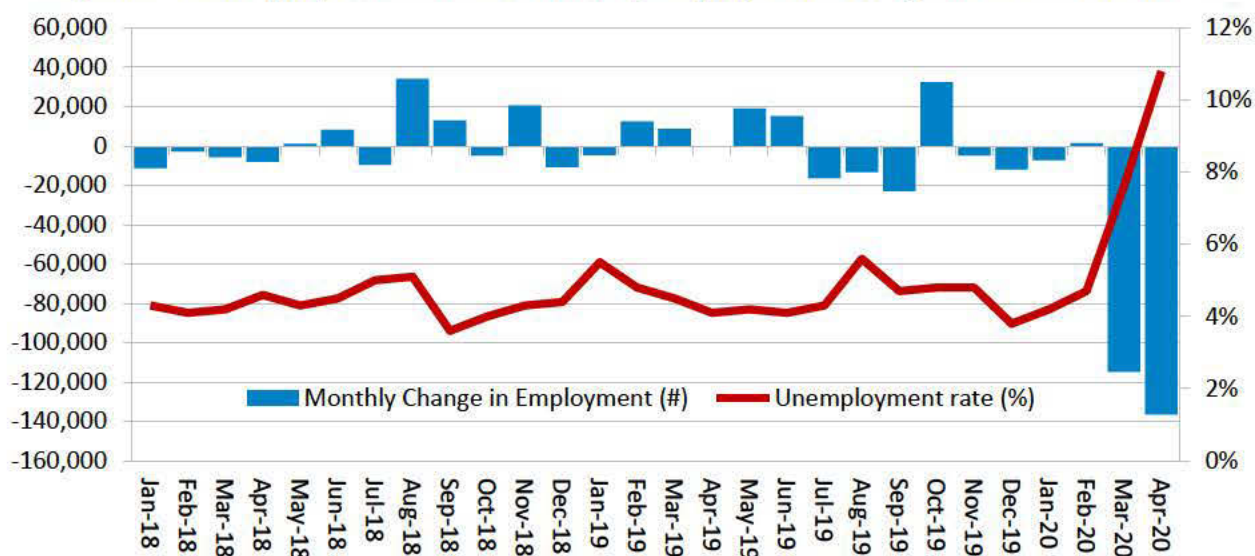
The statistics presented in this memo are for the Metro Vancouver region as the Census Metropolitan Area (CMA) is the smallest geography level available for LFS data tables published by Statistics Canada. LFS data for the city of Vancouver proper is not available. Throughout this memo, the term "Vancouver" refers to the Vancouver CMA. The LFS data used to create the statistics presented in this report are not seasonally adjusted<sup>1</sup>.

### Changes in employment totals and unemployment rate

Employment in Vancouver decreased from 1,346,600 in March to 1,210,200 in April for a loss of 136,400 (-10.1%) jobs. Overall, employment has decreased by 251,200 (-17.2%) since February; about 61% of employment losses since February were in full-time positions. Since March, the unemployment rate increased 3.2 percentage points to 10.8%, the highest unemployment rate for the region on record<sup>2</sup>. Nationally, the unemployment rate increased by 5.2 percentage points, to 13.0%.<sup>3</sup>

A number of major orders related to the COVID-19 pandemic issued by various levels of government were active during this reference week (April 12<sup>th</sup> to April 18<sup>th</sup>). Please see Figure 6 for a full list. The next labour force survey release will be on June 5<sup>h</sup> (for the reference week May 10<sup>th</sup> to 16<sup>h</sup>).

**Figure 1 – Unemployment rate and monthly employment change in Metro Vancouver**



Source: Statistics Canada. Table 14-10-0295-01 Labour force characteristics by census metropolitan areas, unadjusted for seasonality.

<sup>1</sup> Seasonal adjustments to labour force data are done to eliminate the effect of seasonal and calendar influences (e.g. seasonal shopping or agricultural work).

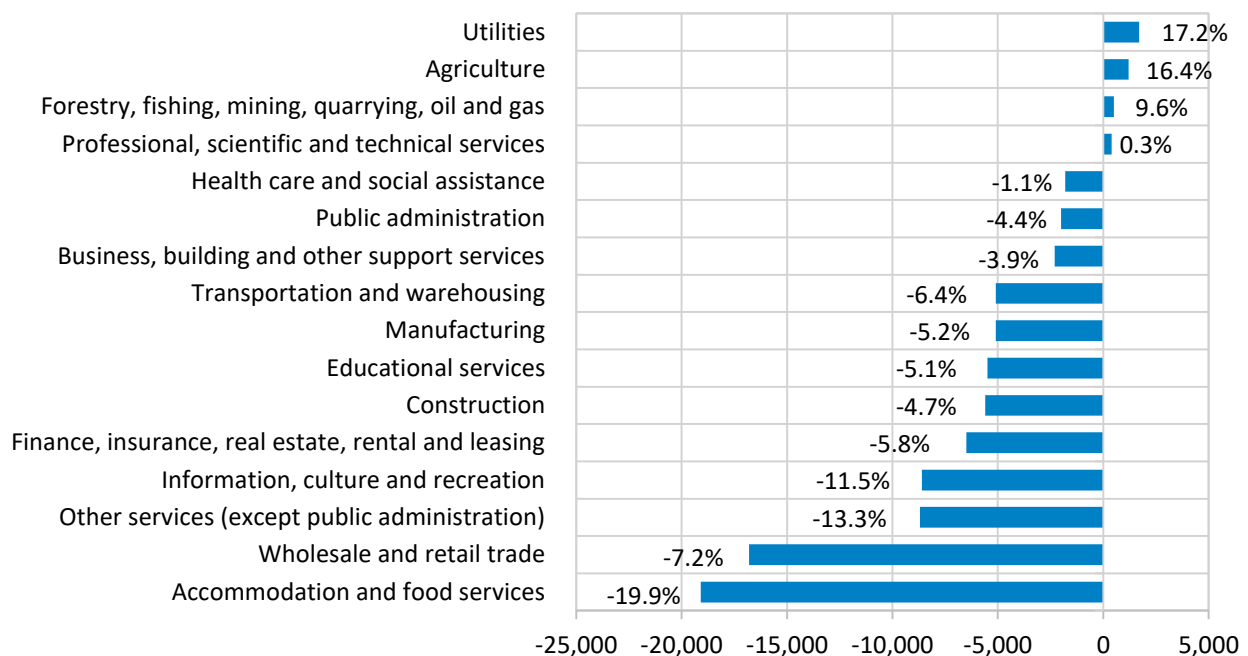
<sup>2</sup> Metropolitan employment data is only available back to January 2001.

<sup>3</sup> Nationally, the seasonally unadjusted unemployment rate increased by 5.1 percentage points to 13.5%

## Industry overview

Employment in accommodation and food services sector experienced the largest month to month (March to April) loss in Metro Vancouver, declining by 19,100 jobs (-19.9%). The second largest sector employment decline was in wholesale and retail trade, which lost 16,800 workers (-7.2%). The third largest employment loss was in other services<sup>4</sup>, which declined by 8,700 jobs (-13.3%). Between March and April, employment in utilities grew by 1,700 people, an increase of 17.2% to its workforce. Employment for the agriculture sector also increased by 1,200 people (+16.4%).

**Figure 2 – Employment change by industry in Metro Vancouver, March to April**



Source: Statistics Canada. Table 14-10-0097-01 Employment by industry, three-month moving average, unadjusted for seasonality, census metropolitan areas.

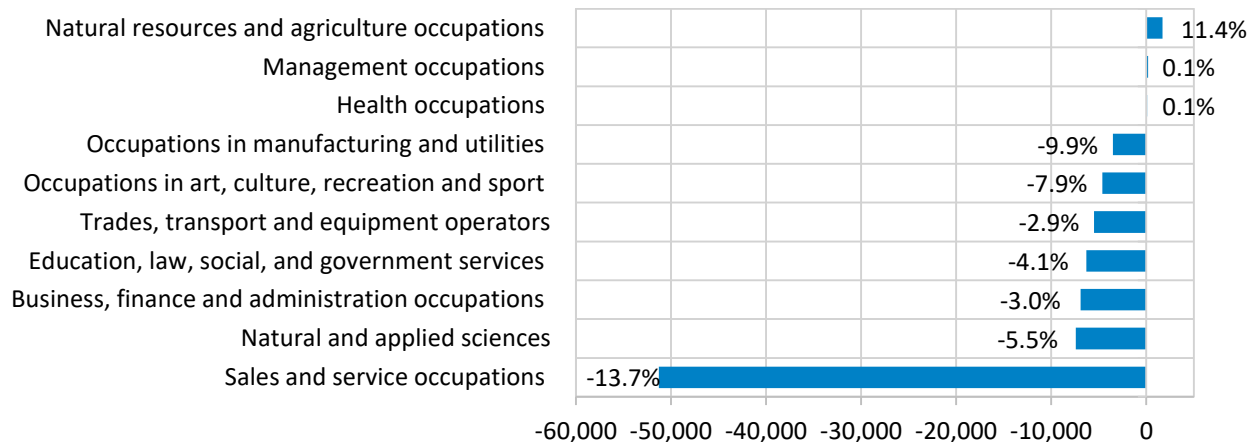
## Occupation overview

Employment in sales and service occupations experienced the largest month to month loss in Metro Vancouver, declining by 51,300 jobs (-13.7%) between March and April. The second greatest decline was attributed to occupations in natural and applied sciences, which lost 7,400 workers (-5.5%). The third largest employment losses were in business, finance and administration occupations, which declined by 6,900 jobs (-3.0%). Employment in natural resources and agriculture grew by 1,700 workers (+11.4%).

<sup>4</sup> This other services sector includes establishments engaged in repairing, or performing routine maintenance on motor vehicles, machinery, equipment; providing personal care services, funeral services, and laundry services to individuals, such as pet care and photo finishing services; organizing and promoting religious activities; supporting various causes through grant-making, advocating social and political causes, and promoting and defending the interests of their members.



**Figure 3 – Employment change by occupations in Metro Vancouver, March to April**

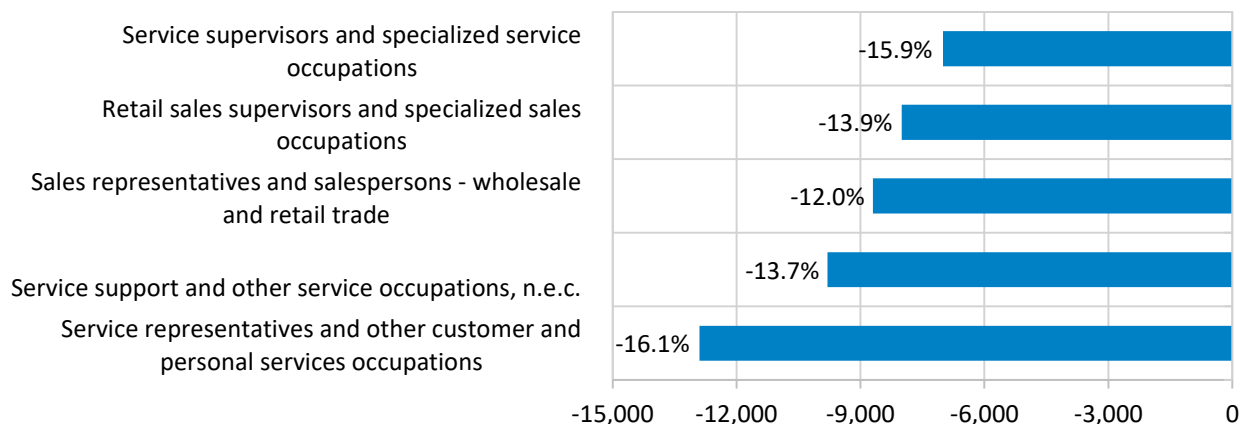


Source: Statistics Canada. Table 14-10-0313-01 Employment by occupation, three-month moving average, unadjusted for seasonality, census metropolitan areas.

The largest decrease in employment by detailed occupations was service representatives and other customer and personal services occupations, which lost 12,900 (-16.1%) workers since the previous month. Other occupations with significant employment losses include:

- Service support and other service occupations (-9,800; -13.7%)
- Sales representatives and salespersons - wholesale and retail trade (-8,700; -12.0%)
- Retail sales supervisors and specialized sales occupations (-8,000; -13.9%)
- Service supervisors and specialized service occupations (-7,000; -15.9%)

**Figure 4 – Most employment losses by detailed occupation, March to April**

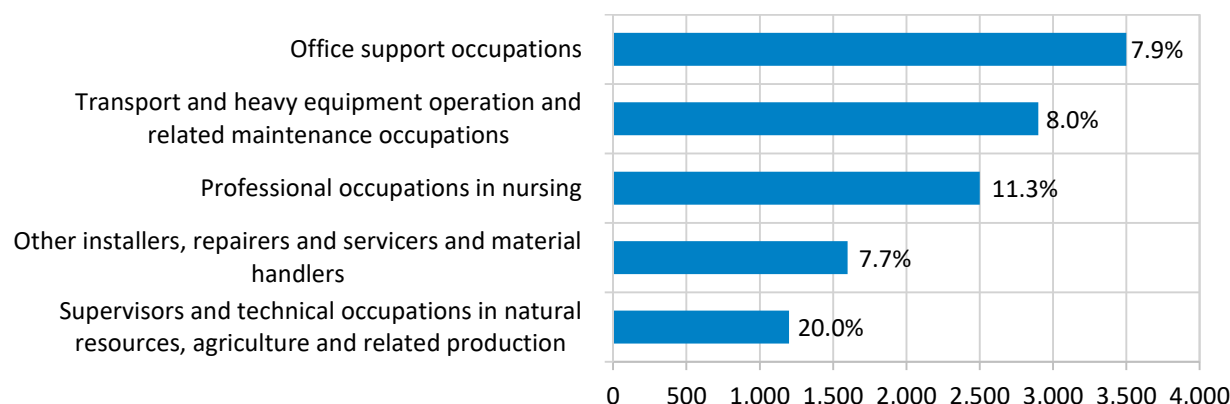


Source: Statistics Canada. Table 14-10-0313-01 Employment by occupation, three-month moving average, unadjusted for seasonality, census metropolitan areas.

The largest increase in employment by detailed occupations was for office support occupations, which gained 3,500 (+7.9%) workers since the previous month. Other occupations with employment gains from March to April include:

- Transport and heavy equipment operation occupations (+2,900; +8.0%)
- Professional occupations in nursing (+2,500; +11.3%)
- Other installers, repairers and servicers and material handlers (+1,600; +7.7%)

**Figure 5 – Most employment gains by detailed occupation categories, March to April**



Source: Statistics Canada. Table 14-10-0313-01 Employment by occupation, three-month moving average, unadjusted for seasonality, census metropolitan areas.

### Government orders

A number of major orders related to the COVID-19 pandemic were issued by various levels of government prior to and during this reference week (April 12<sup>th</sup> to 18<sup>th</sup>). Please see Figure 6 for a full list. The next labour force survey release will be on June 5<sup>th</sup> (for reference week May 10<sup>th</sup> to 16<sup>th</sup>). The data provided in the June 5<sup>th</sup> release will provide important insights into the impacts that senior government mitigation measures taken after April 18<sup>h</sup> have had on employment and the economy.

**Figure 6 – Labour and business-related Government orders and announcements in place during the April 12<sup>th</sup> to April 18<sup>th</sup> reference period**

Government	Date declared	Announcements/Orders
Province of British Columbia	March 12 <sup>th</sup>	Gatherings of over 250 people prohibited
Canada	March 13 <sup>th</sup>	Cruise ships with over 500 people prohibited from docking at any Canadian port
Province of British Columbia	March 16 <sup>th</sup>	Gatherings of over 50 people prohibited
Canada	March 17 <sup>th</sup>	Bank of Canada lowered the interest rate by 50 basis points to 0.75%
Canada		Canada closed its border to non-citizens (with some exceptions); inbound travelers must self-isolate
City of Vancouver / Parks Board		All VPL, Civic Theatre, and Park Board facilities closed
Province of British Columbia		State of emergency declared
Province of British Columbia		Those travelling on or after March 12 <sup>th</sup> must self-isolate
Province of British Columbia		Order to shut down all restaurant and bar dine-in service
Province of British Columbia		Notice to close casinos
Canada	March 18 <sup>th</sup>	Income tax payment deferral for business to after August 31 <sup>st</sup>
Canada		10% wage subsidy for small employers and non-profits for three months
City of Vancouver	March 19 <sup>th</sup>	State of emergency declared
Canada	March 20 <sup>th</sup>	Canada-U.S. border closed to all non-essential travel starting March 20 <sup>th</sup>

<b>Government</b>	<b>Date declared</b>	<b>Announcements/Orders</b>
City of Vancouver		Order to shut down all restaurant table service starting March 20 <sup>th</sup>
Province of British Columbia	March 21 <sup>st</sup>	Order to shut down personal service establishments (salons, spas, massage and tattoo parlors)
City of Vancouver	March 23 <sup>rd</sup>	Order to shut down personal service establishments (salons, spas, massage and tattoo parlors)
Province of British Columbia		BC Emergency Benefit for Workers provides a tax-free \$1,000 payment starting May 1 <sup>st</sup>
Province of British Columbia	March 24 <sup>th</sup>	School Tax reduction for businesses in property classes 4, 5, 6
Canada	March 27 <sup>th</sup>	Deferral of GST and HST tax payment, and taxes and duties owed on imports until June
Canada		Bank of Canada lowered the interest rate by 25 basis points to 0.50%
Canada		Canada Emergency Business Account provides up to \$25 billion to eligible financial institutions so they can offer \$40,000 interest-free loans to small businesses guaranteed and funded by the Government of Canada; up to \$10K forgivable.
Canada		Canada Emergency Wage Subsidy: 75% wage subsidy up to \$847/week if your business revenue has decreased by 30% because of Covid-19
Canada	March 30 <sup>th</sup>	Small and Medium-sized Enterprise Loan and Guarantee program that will enable up to \$40 billion in lending
Province of British Columbia	April 1 <sup>st</sup>	BC Hydro announces series of targeted bill relief programs across all customer types
Province of British Columbia	April 2 <sup>nd</sup>	\$300 monthly top-up for income assistance or disability assistance
City of Vancouver	April 3 <sup>rd</sup>	COVID-19 Business Communications and Support Office launched to assist local businesses
Province of British Columbia	April 8 <sup>th</sup>	Emergency Relief Support Fund providing \$225 per month for parents of children with special needs
Province of British Columbia	April 9 <sup>th</sup>	Temporary rental supplement of \$300 per month for eligible households with no dependents (\$500 with dependents)
Province of British Columbia		Residential rental eviction ban
Province of British Columbia	April 14 <sup>th</sup>	Requirement for 14-day self-isolation for all temporary foreign workers arriving in BC for seasonal farm work
Province of British Columbia	April 15 <sup>th</sup>	Provincial state of emergency is extended to April 28 <sup>th</sup>
Province of British Columbia		Additional services for commercial truck drivers



Government	Date declared	Announcements/Orders
Province of British Columbia	April 16 <sup>th</sup>	Further reduction to school property tax rate for commercial properties, enhancement to 50% reduction to provincial school property tax rate that was originally announced for classes 4, 5, and 6
Province of British Columbia		Postponing the date that late payment penalties apply for commercial properties in classes 4,5,6,7 and 8 to Oct. 1, 2020
Canada / Province of British Columbia	April 16 <sup>th</sup>	The Canada Emergency Commercial Rent Assistance program (CECRA) to provide 75% commercial rent relief to tenants
Canada	April 17 <sup>th</sup>	\$675 million for small and medium-sized businesses through Canada's Regional Development Agencies
Canada		\$500 million in funding for Culture, Heritage and Sports
Canada	April 18 <sup>th</sup>	\$306.8 million in funding to help small and medium-sized Indigenous businesses

### Upcoming LFS data releases

Statistics Canada is scheduled to release LFS data on a monthly basis. The following table illustrates the upcoming LFS data releases and their reference period.

**Figure 7 - Schedule of Labour Force Survey release dates**

Release dates	Reference period
June 5, 2020	May 10 to 16, 2020
July 10, 2020	June 14 to 20, 2020

### Additional Data Sources: Employment Lands and Economy Review

The Employment Lands and Economy Review team has also prepared 30 fact sheets using a variety of data sources detailing the economic structure of the city of Vancouver and the role of the city within the regional economy. These fact sheets are available on the City's website here: <https://vancouver.ca/employment-lands>.

### City of Vancouver business support webpage launch

On Friday, April 3<sup>rd</sup>, City staff established the COVID-19 Business Communications and Support Office (BCSO) to assist local businesses at this critical time. The office is a single point of contact for Vancouver's local business owners to get information from the City of Vancouver regarding business support programs, to learn what City-run business services are currently available, and to make suggestions to the City concerning business and the economy. The webpage is available here: <https://vancouver.ca/home-property-development/covid-19-coronavirus-support-for-local-businesses.aspx>.

Staff in the City-Wide & Regional Planning division of the Planning, Urban Design and Sustainability department is supporting the BCSO, ensuring that information for business remains current and accessible as well as assisting with developing resources for responding to concerns raised by local business operators.

If you have any questions or require further information, please contact me or Chris Robertson, Assistant Director, City-Wide & Regional Planning, at 604-873-7684 or [chris.robertson@vancouver.ca](mailto:chris.robertson@vancouver.ca).

A handwritten signature in black ink, consisting of a large, stylized 'G' followed by a horizontal line extending to the right.

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