OTTAWA NOW to NEXT

A snapshot on Ottawa-Gatineau businesses.

Presented by Patrick Gill, Sr. Director Tax & Financial Policy, Canadian Chamber of Commerce

Presented April 2021
Ottawa-Gatineau businesses are changing for COVID-19, but staying put.

The majority of Ottawa-Gatineau businesses have made changes because of COVID-19.

Due to COVID-19, what actions or measures does this organization have currently in place or have plans to implement?

% of all respondents (OG n=647)

**Top 5 new actions or measures:**

- Providing personal protective equipment to employees. Providing hand sanitizer to customers. (71%)
- Frequent cleaning of surfaces. Insisting ill employees go home. Restricting the number of people allowed in the space. (62%)
- Requesting customers displaying illness to go home. (51%)
- Hosting virtual meetings with clients and customers. (47%)
- Screening employees upon entry of the workplace. (46%)

Of Ottawa businesses have implemented at least one new action in response to COVID-19.

92%

The base of Ottawa-Gatineau businesses remains stable.

Number of Ottawa-Gatineau CMA businesses

Statistics Canada, Table 33-10-0270-01, Experimental estimates for business openings & closures

The vast majority of businesses don’t intend to reduce their space & will require employees to return to on-site work.

Two questions: 1) Using a scale from “very unlikely” to “very likely”, how likely is this business to permanently reduce the amount of physical space it uses once the pandemic is over? and 2) Require employees to return to on-site work?

Y-axis: % of all respondents who answered “very unlikely” and “unlikely” and “not relevant to this business” to reduce space
X-axis: % of all respondents who answered “likely” and “very likely” to require employees to return to on-site work

Source: Statistics Canada, Canadian Survey on Business Conditions, Jan-Feb 2021; Canadian Chamber analysis
THEME #2: PEOPLE
Can Ottawa-Gatineau capitalize on being Canada’s most remote working inclined regions?

THE MAJORITY OF CANADIAN BUSINESSES DON’T PLAN TO INCREASE THEIR WORKFORCE OVER THE NEXT FEW MONTHS
Over the next three months, how is the number of employees expected to change for this organization?
% of all respondents (OG n= 647 & National n=15,431)

<table>
<thead>
<tr>
<th>Location</th>
<th>Stay about the same</th>
<th>Increase</th>
<th>Decrease</th>
<th>Not applicable</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ottawa</td>
<td>73%</td>
<td>6%</td>
<td>13%</td>
<td>9%</td>
</tr>
<tr>
<td>Montreal</td>
<td>69%</td>
<td>10%</td>
<td>11%</td>
<td>10%</td>
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<tr>
<td>Toronto</td>
<td>62%</td>
<td>7%</td>
<td>15%</td>
<td>16%</td>
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<tr>
<td>Calgary</td>
<td>71%</td>
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<tr>
<td>Vancouver</td>
<td>75%</td>
<td>11%</td>
<td>9%</td>
<td>6%</td>
</tr>
<tr>
<td>National</td>
<td>71%</td>
<td>9%</td>
<td>12%</td>
<td>9%</td>
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OTTAWA-GATINEAU BUSINESSES ARE 2X AS LIKELY TO FILL SKILL NEEDS WITH EXISTING WORKERS THAN HIRE NEW STAFF OR CONTRACTORS
Over the next three months, how are each of the following expected to change for this organization?
% of all respondents (OG n= 647 & National n=15,431)

<table>
<thead>
<tr>
<th>Activity</th>
<th>Ottawa</th>
<th>National</th>
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</thead>
<tbody>
<tr>
<td>Provide training to current employees</td>
<td>23%</td>
<td>10%</td>
</tr>
<tr>
<td>Hire staff who have other skills or knowledge that current employees lack</td>
<td>10%</td>
<td>9%</td>
</tr>
<tr>
<td>Hire external contractors who have skills or knowledge that current employees lack</td>
<td>9%</td>
<td>8%</td>
</tr>
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OTTAWA-GATINEAU EMPLOYERS ALMOST 2X LIKELIER THAN NATIONAL RESPONSE TO OFFER REMOTE WORK OPPORTUNITIES AND TO SEEK TALENT OUTSIDE OF THE REGION
Two questions: 1) Using a scale from “very unlikely” to “very likely”, how likely is this business to permanently offer more employees the possibility of working remotely?; and 2) Hire employees living outside of this business’s immediate vicinity to carry out work?

Y-axis: % of all respondents who answered saying they planned to hire employees outside of immediate vicinity
X-axis: % of all respondents who answered “likely and “very likely” to permanently offer remote work
(OG n= 647 & National n=15,431)

Plan to Hire Employees Living Outside Immediate Vicinity

Plan to Permanently Offer Employees to Ability to Work Remotely

The per cent of Ottawa-Gatineau businesses that say teleworking or working remotely is NOT a possibility for any employees.

Source: Statistics Canada, Canadian Survey on Business Conditions, Jan-Feb 2021; Canadian Chamber analysis
**THEME #3: PROFITABILITY**

While impacting their bottom line, Ottawa-Gatineau businesses are surviving.

**EXPECTED PROFITABILITY OF OTTAWA-GATINEAU BUSINESSES BETTER THAN NATIONAL AVERAGE OVER THE NEXT FEW MONTHS**

Over the next three months, how is the organization’s profitability expected to change?

% of all respondents (OG n=647 & National n=15,431)

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<thead>
<tr>
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<th>Decrease</th>
<th>Stay about the same</th>
<th>Increase</th>
<th>Not applicable</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ottawa</td>
<td>37%</td>
<td>46%</td>
<td>10%</td>
<td>8%</td>
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<tr>
<td>Montreal</td>
<td>35%</td>
<td>47%</td>
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<td>Toronto</td>
<td>54%</td>
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<td>Vancouver</td>
<td>43%</td>
<td>42%</td>
<td>6%</td>
<td>9%</td>
</tr>
<tr>
<td>National</td>
<td>42%</td>
<td>42%</td>
<td>8%</td>
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**THE MAJORITY OTTAWA-GATINEAU BUSINESSES HAVE NO PLANS TO TRANSFER, SELL OR CLOSE IN THE NEXT YEAR**

In the next year, are there any plans to transfer, sell or close the business?

% of all respondents (OG n=647)

- Sell to family: 0%
- Sell to Employees: 1%
- Sell to external parties: 8%
- Close the business: 2%
- No plan to transfer, sell or close: 77%
- Unknown: 12%

Source: Statistics Canada, Canadian Survey on Business Conditions, Jan-Feb 2021; Canadian Chamber & Deloitte Canada analysis

**AT A NATIONAL LEVEL, WHILE THE NUMBER OF BUSINESS EXPERIENCING HIGH REVENUE IMPACTS APPARES TO HAVE STABILIZED ON AVERAGE, SOME INDUSTRIES CONTINUE TO BE SEVERELY IMPACTED**

Compared to this time in 2019, how have the revenues of this business or organization changed?

% of all respondents who answered that revenues had decreased by 30% or more compared with the year before. (National n=15,431)