

Edmonton Global- Covid-19 Update

Wednesday, March 25, 2020 9am

Edmonton Global maintains a Covid-19 Business Resources page containing updated information for the Edmonton metro region's business community. https://edmontonglobal.ca/covid-19-resources/.

The contents of this update are not intended to replace the official communications of the Government of Canada, the Province of Alberta, or any official communications of our municipal or other partners.

Government

Federal

- After an <u>all-night negotiation</u>, the <u>House of Commons</u> unanimously passed the COVID-19
 Emergency Response Act at 6am EST. All federal parties were represented in the 32 person vote, intended to maintain social distance. The Act is required to pass the \$82
 billion stimulus package.
 - The initial draft granted the Finance Minister unilateral authority to "create, remove or modify any tax through regulations" until the end of 2021. This was met with resistance by the Opposition Parties.
 - Typically, spending bills and tax measures must be made through legislation and are therefore subject to a Parliamentary vote. Regulations are not subject to voting.
 - The text of the revised bill has not been released to the public, but it is understood that many of the more sweeping power expansions proposed by the Liberals have been removed. The Opposition has also negotiated for regular reports on COVID-19 related spending.
 - The bill is headed to the <u>Senate</u> and is scheduled to be approved today, Wednesday, March 25.
 - The Government's new "Plan to Mobilize Industry" includes prioritizing resources towards companies on the frontlines fighting the spread of the coronavirus, accelerating government procurement and leveraging existing funding programs, including IRAP and the Strategic Innovation Fund.
 - Build the industrial capability needed to manufacture critical supplies at scale in Canada



- Refocus Canada's existing industrial and innovation programs, by adding to their mandate a requirement that they prioritize the fight against COVID-19.
- This includes: Strategic Innovation Fund (SIF), National Research Council
 of Canada (IRAP), Innovation Superclusters, and Innovative Solutions
 Canada, to help companies commercialize
- Deliver direct support to key Canadian companies that are working on large-scale and later-stage research and development projects aimed at producing countermeasures to COVID-19.
- Challenge innovative companies to develop research-based solutions, technologies, and products that can address a variety of COVID-19 issues.
- Source equipment needed to support Canada's response to COVID-19 here in Canada.
- Ministers Bains and Ng have also foreshadowed more measures to be announced for industry in the coming days regarding Regional Development Agencies (FedDev, ACOA, CEDQ, WD).
- The government has also issued a Call to Action to Canadian businesses that can assist Canada in meeting the need of medical supplies.
 See here: https://bit.ly/COVIDCALLTOACT. This is in addition to their callout earlier this week on BuyandSell.gc.ca for companies that can provide services that could help 'flatten the curve' and combat the spread of COVID-19, including technologies and online services: https://buyandsell.gc.ca/forms/help-canada-combat-covid-19-submission-form.

More information can be found here: https://pm.gc.ca/en/news/news-releases/2020/03/20/prime-minister-announces-canadas-plan-mobilize-industry-fight-covid

[If you know of any businesses taking up the COVID-19 innovation challenge, please send the information to cmcleod@edmontonglobal.ca so that Edmonton Global can share the information through our social media and newsletter channels.]

- <u>Parks Canada</u> is closing vehicle access to national parks, national historic sites and marine conservation areas.
- After Dick Pound and other prominent Canadian sports figures took a national stand against Canadian athletes competing in the 2020 Tokyo Olympics, the IOC and the Japanese Government <u>announced today</u> that the games will be delayed for approximately one year, to 2021.



Provincial

- <u>Premier Kenney says</u> the province does not currently plan_to freeze rental evictions in Alberta, but has publicly encouraged landlords to "do the right thing" and extent rent relief. He suggested landlords avoid evicting tenants who cannot pay rent due to income loss from COVID-19.
- <u>Cabinet is considering</u> point-of-entry quarantine orders_for Albertans returning home from abroad, to ensure compliance with 14 day self-isolation. The current fine for violating a quarantine order is \$100, but an increase is being considered.
- Alberta Government is providing \$25 million to support homeless-serving agencies respond to COVID-19. Within the Edmonton Zone, the Edmonton EXPO Centre is being activated as an isolation and care Centre. The Hope Mission and The Mustard Seed will activate additional capacity. As of March 24, no homeless shelters in Alberta have had any confirmed cases of COVID-19.

Elsewhere in Canada

- Ontario has released its <u>list of essential businesses</u>, which includes: grocery stores; gas stations; supply chain operations; research operations; agriculture; health and social supports; certain food-serving restaurants; post office and mailing services; and others. Non-essential businesses must close effective midnight EST March 25.
- Quebec has <u>identified essential businesses</u>. The website notes that from midnight EST March 25 until April 13, "non-essential services, excluding stores, can maintain minimal operations to ensure the resumption of their activities." Minimal operations are not defined on the public site, but the Premier has described actions as a "shut-down."
- British Columbia released its \$5 billion <u>COVID-19 Action Plan</u> which is intended to be
 understood as a "starting point." Similarly, to Alberta, it includes an emergency one-time
 payment to be paid to workers whose ability to work has been hindered by COVID-19 for
 any reason, including sickness, family care, or layoffs.
- Saskatchewan has developed an emergency licensure <u>protocol</u> for nurses, granting eligible applicants a 30 day emergency license, in order to increase healthcare system capacity in the province.
- Manitoba_is working with the Canadian Institutes for Health Research to invest in the <u>Canadian 2019 Novel Coronavirus (COVID-19) Rapid Research Funding Opportunity</u>, which includes efforts to develop a COVID-19 vaccine and additional rapid diagnostic testing.
- Nunavut has <u>closed its territorial borders</u> all non-residents. Nunavut residents returning from elsewhere, including elsewhere in Canada, must enter mandatory 14-day selfisolation prior to boarding any flight for Nunavut. Self-isolation is permitted in Ottawa, Winnipeg, Edmonton or Yellowknife.

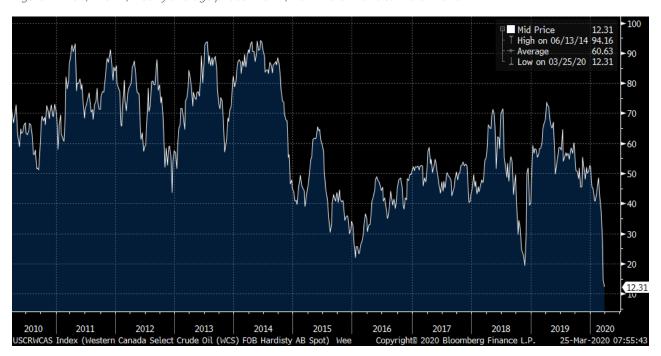


Municipalities

- Data from Alberta Health says that there are 358 cases of COVID-19 in Alberta, of which 86 are in the Edmonton Zone. 57 new cases have been confirmed in Alberta today.
- <u>Edmonton Mayor Don Iveson</u> has entered self-isolation_as he is suffering "mild symptoms" of COVID-19.

Economic

Figure 1. WCS, in CAD, weekly average prices in CAD, from March 2010 to March 2020.



Source: Bloomberg, March 25, 2020.

Last Price 570¹₄ High on 07/20/12 943¹₄ Last Price 900 Average Low on 09/02/16 37314 -800 700 570¹₄ -500 400 -0.3M □ Open Interest 0.144M 0.14412010 2011 2012 2013 2014 2015 2016 2017 2018 2019 2020 Copyright© 2020 Bloomberg Finance L.P. W 1 Comdty (Generic 1st 'W ' Future) Weekly 28MAR2010-25MAR2020 25-Mar-2020 07:59:52

Figure 2. Chicago wheat futures, weekly average prices in USD, from March 2010 to March 2020.

Source: Bloomberg, March 25, 2020.

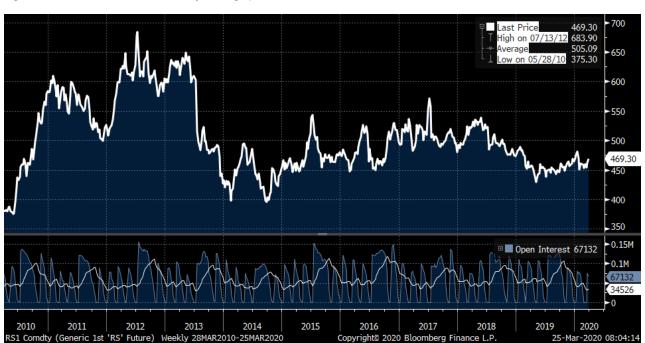


Figure 3. No. 1 Canada canola, weekly average prices in CAD, from March 2010 to March 2020.

Source: Bloomberg, March 25, 2020.



Economic update - layoffs by large employers in Canada, with operations in Alberta

- Cirque du Soleil lay off approx. 4,700 staff
- WestJet/ ONEX lay off 6,900 staff
- Air Canada furlough 600 pilots
- Shutdown projects delayed affecting 10,000 jobs
- Canadian Natural rolling back salaries (source: National Post)
- Suncor cut its capital budget, also impact Edmonton refinery (due to lowered demand) (source: National Post)
- Some companies are hiring in Canada including Amazon.ca

Stakeholder/Community

Organizations with active surveys/survey results:

GREATER PARKLAND REGIONAL CHAMBER

- Survey link: https://www.surveymonkey.com/r/SLBX5VW
- Results link: https://www.surveymonkey.com/stories/SM-B38M29T9/

EDMONTON CHAMBER OF COMMERCE

COVID Member Survey Results – Week 1 (March 16-20)



Survey Details - Week 1

- The Edmonton Chamber designed a member survey, which was sent out to all members viaemail and through the Chamber's social media feeds.
- Unlike previous Chamber surveys, this survey was not conducted with a random sample of Edmonton businesses, but was made open for any business to fill out.
- Responses were collected between March 16 and March 20, 2020
- · 270 respondents filled out the survey.

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| Business Impacts of COVID-19 | | | | | |
|---|-------|---|-------|--|--|
| How has COVID-19 impacted your business? | | How will COVID-19 impact your business in the future? | | | |
| Decrease in revenues | 88.1% | Decrease in revenues | 92.9% | | |
| Increase in revenues | 1.9% | Increase in revenues | 2.6% | | |
| Staff absences due to self-isolation | 48.9% | Staff absences due to self-isolation | 55.1% | | |
| Staff absences due to childcare | 39.2% | Staff absences due to childcare | 43.1% | | |
| Cancellation of trivial work gatherings | 55.2% | Cancellation of trivial work gatherings | 53.9% | | |
| Cancellation of non-trivial work gatherings | 57.1% | Cancellation of non-trivial work gatherings | 59.2% | | |
| Encouraging staff to work from home | 42.2% | We will encourage staff to work from home | 36.7% | | |
| We have shut down office(s) | 23.5% | We will shut down office(s) | 31.1% | | |
| Disruptions in supplies/materials | 29.5% | Disruptions in supplies/materials | 39.0% | | |
| Disruptions in moving/shipping our goods | 12.3% | Disruptions in moving/shipping our goods | 20.2% | | |
| Gone out of business | 1.1% | We will go out of business | 9.7% | | |
| | | | | | |



| What can governments do to support your business during the COVID-19 outbreak? | | | | | |
|--|-------|----|--|--|--|
| Reduce taxes (incl. payroll taxes) | 69.9% | | | | |
| Zero-interest loans, loan guarantees, or lines of credit | 67.3% | | | | |
| Elimination of late fees & penalties for tax remittances | 66.9% | | | | |
| Economic stimulus package(s) | 66.2% | | | | |
| Enhance E.I. access or wage replacement for employees | 66.2% | | | | |
| Provide advice & guidance to business owners | 50.9% | | | | |
| Suspend loan payments | 49.8% | | | | |
| Cut interest rates | 46.5% | | | | |
| Funding and/or incentives for technology to support remote work for staff | 39.8% | | | | |
| Expedite government payments (e.g. to vendors and contractors) | 39.0% | | | | |
| Provide advice & guidance to employees | 38.3% | | | | |
| Incentives for import/export of essential supplies | 16.0% | | | | |
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Survey link (results not yet released):
 http://survey.constantcontact.com/survey/a07egzbw33vk7yynlu4/_tmp/questions?fbclid
 =IwAR3JP7HD6_8q7qWVx0BInN-EduR4QdX72zPzkBooGc5rfU6T3REpV_OHaaA

Toolkits and other resources:

CODEVID-19 HACKATHON

- Members of the Dev Edmonton Society have organized a virtual hackathon called <u>CODEVID-19</u>, dedicated to creating apps that will help citizens, businesses and service providers through the COVID-19 outbreak.
- In teams of five or less, try to solve the most pressing problems in areas such as health care, retail, education and emergency management. Need help finding teammates? <u>Use</u> <u>this tool</u>.

Alberta Emergency Management Agency

• Launched an online form for entities seeking to offer support to Albertans: https://survey123.arcgis.com/share/4d1261e6d08f4d2eb530c53cc089242c



Alberta's Industrial Heartland

• DOW has announced deferral of major maintenance turnaround on their Fort Saskatchewan site.

Assembly of First Nations

• The <u>Assembly of First Nations</u> has declared a state of emergency regarding the pandemic and has requested increases in funding for First Nations to support emergency preparedness.