

City of Brampton

**BRAMPTON MEANS
BUSINESS *NOW***

Deputation to the Standing Committee on Finance and Economic Affairs
Impacts of Covid-19 on Small and Medium Enterprises
August 28th, 2020

INVESTBRAMPTON.ca

Local Economic Impact of Covid-19

Region of Peel Labour force characteristics	Age group	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Jul-20
Employment (x 1,000)	15 years and over	892.9	889.8	854.6	810.3	759.1	749.6	770.3
Unemployment rate (%)	15 years and over	4.9	4.9	6.0	8.8	13.3	15.7	16.3

Source: Statistics Canada, Labour Force Survey

	Total Brampton Businesses	Growth rate
June 2015	54,715	
June 2016	58,757	7.39%
June 2017	63,133	7.45%
June 2018	68,994	9.28%
June 2019	74,800	8.42%
June 2020	76,960	2.89%

Source: Canadian Business Counts, Statistics Canada

Initial Business Community Outreach

The Economic Development Office conducted extensive consultations with the local business community at the onset of the COVID-19 pandemic

Tele Town Halls Indicated That:

- 85% of small businesses had not received any form of rent relief from their landlord
- 28% of restaurants were closed with no plans to offer take-our and/or delivery
- 75% of arts, culture & tourism businesses were unable to access provincial and federal funding support programs

10,194 Touchpoints

WITH LOCAL SMALL BUSINESSES AND

1,030 Business Participants

ATTENDING LOCAL TELE TOWN HALLS

Brampton's Economic Recovery Strategy

Innovation, Technology & Entrepreneurship

We will fully adopt an innovation and technology transformation and capitalize on entrepreneurship.



Arts, Culture & Tourism

We will focus on sector support and industry development to stabilize and transform the city's current cultural environment into a thriving arts scene.



Talent & Diversity



Infrastructure

We will take advantage of stimulus programs and bring a job creation focus to projects.



Investment

We will seize opportunities to attract and retain investment.



Provincial and Federal Response

Both levels of government provided various supports to SMEs throughout the pandemic that helped keep them in business. Highlights include:

- Canada Emergency Commercial Rent Assistance
- Pausing of commercial evictions for businesses eligible for rent assistance until August 31, 2020
- Employers were able to defer WSIB payments for up to six months
- Small business time-of-use customers were charged the lowest rate 24 hours a day until May 31, 2020
- Covid-19 Energy Assistance Program for Small Business

Feedback from Small Sized Businesses

Brampton has over 23,000 businesses that are between 1-10 employees

91% of surveyed small businesses identified grants as being their number one need for support of their business during the pandemic

“This Microgrant and training has to help me pivot my company, and the grant should assist with my digital marketing”

“This Program made me realize that I need to take a step back and work on planning out my business to ensure that I can be online to make money to sustain our retail business”

“Pivoting a company does take time, training and money and the opportunity to get the starter company grant to help this...”

“Why can’t the Starter Company Plus Program have more grants? ... Small businesses need this training and help NOW! ... We have a lot to be dealing with during this shut down and a local grant would help”

Feedback from Small Sized Businesses

Initially, small businesses and startups were not able to apply for the CEBA grant because they were not in business long enough or did not meet the payroll requirement. As changes were made to the program, small businesses did not meet the threshold of capital required to receive the funding

The Regional Relief and Recovery Fund is not applicable to many small businesses as they must be incorporated to apply

“We had to pivot the entire business because we did not get the financial support needed to survive. The advisors at BEC are amazing, and I could not do it without the one-on-on mentorship”

“Rent relief should be extended well into 2021 and expanded for more businesses to qualify and modified to allow tenants to apply for themselves instead of counting on landlords”

“Startups are looking for microloans right now!”

Feedback from Small Sized Businesses

Business consultations during Covid-19 indicated that small businesses need:

1. Financial Training
2. Marketing Training
3. Customer Service Training
4. Leadership Training

There are grass roots “Entrepreneur for Women Groups” pop ups across the City and Region showing there is a demand for programming led by BEC

Examples: Peel Women’s Business Network, Impact Business Hub + Co-Working for Women

“Additional funding for Small Businesses to upskill their staff! Many small businesses need their employees now to wear more hats, but they may not have the skills to do so – for example: marketing, social media and digital marketing”

“A program that is dedicated to using Data such as finances to develop strategies for their businesses. Not a 1-hour workshop, a step by step program tailored specifically for small business owners”



Feedback From Medium Sized Businesses

- Medium sized businesses are experiencing reduced sales and staffing levels:
 - Staff are being laid off due to less work but also to preserve cash on hand
 - Reduced availability of products
- Government programs have helped to keep some staff on payroll
 - Need additional programs that could help medium sized businesses:
 1. Pay for Covid-19 related changes
 2. Invest in their operations (support automation which would help with physical distancing)
- Significant effort was required to comply with new COVID-19 regulations
- Companies identified as essential were grateful that they were able to remain open

Gaps & Further Support Needed

Increase funding to Small Businesses Enterprise Centres (SBECs) and grant programs (ie. Starter Company Plus)

Training and Resources to support SBECs across the Province

Fill the gaps left by Federal funding ie. CEBA, Commercial Rent Relief Program

New grant stream for women and newcomers

1. An exclusive Starter Company stream for Women
2. Summer Company Program for young females and diverse groups
3. Creation of a Women Angel Network that provides funding, mentors and programing
4. Grants specifically for businesses operated by women

Thank You

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