



# Small Business Workforce Support Program

Program Statistics & Data Analysis Report

Published March 27, 2017



Data Analysis Prepared by Marsh Canada Ltd.

# Small Business Workforce Support Program Overview

## Objective

On August 2, 2016, the Regional Municipality of Wood Buffalo (RMWB) Council allocated funding to support small businesses affected by the 2016 Alberta Wildfires. A \$5 million *Small Business Workforce Support Program* was created to directly respond to the most urgent needs identified by our small business community. The objective of the Program was to help small business employers by providing timely financial assistance to offset costs related to attracting, hiring, and keeping employees.

## Minimum Requirements

The following Program eligibility minimum requirements had to be met:

- Be a small business, defined as having 1 – 49 employees<sup>1</sup>
- Have an active 'resident' RMWB business license
  - exceptions for businesses located on First Nations' lands
  - equivalents outlined in Alberta's Provincial Acts
- Was operating within the RMWB on May 3, 2016
- Filed a tax return within the last three years reporting business income with the Canada Revenue Agency
- Completed the survey questions in the application

## Program Duration & Delivery

The Program ran from October 19, 2016 to December 16, 2016 and was specifically designed to intake all applications online at [YMMsmallbizrecovery.ca](http://YMMsmallbizrecovery.ca). However, to assist those without access to a computer or internet, a Helpline was set up at 1-855-RMWB-BIZ and in-person support was offered at the Back to Business Resource Centre, located at 9816 Hardin Street.

To ensure rural communities received similar support in completing an application, a mobile office was brought to each of the following communities to provide in-person and equipment/internet support: Anzac, Conklin, Draper, Fort Chipewyan, Fort McKay, Gregoire Lake Estates, Janvier, and Saprae Creek Estates.

The Program was delivered through a third party administrator, Marsh Canada Ltd., to ease the process for businesses to apply simultaneously to both the RMWB Program and Canadian Red Cross Phase 2 *Support to Small Business Program*. Having a third party administrator allowed business owners to complete only one application to apply for both programs.

## Marketing

Partnering with the Canadian Red Cross to have one application for both programs created marketing cost savings for both parties, consistent messaging, and an increased communication reach. A variety of marketing channels were utilized, with the top channels being: over 4,000 direct emails to participants of the Canadian Red Cross Phase 1 Support to Small Business Program, news releases, radio ads and interviews, digital highway signage, social media, business walks, Wood Buffalo Economic Development Network emails and promotion to stakeholders' membership bases.

<sup>1</sup> The Program defines small business based on the Government of Alberta's definition of having "between 1 and 49 employees." Sourced from: Government of Alberta. (2014, October). *Alberta Small Business Profile 2014*. Retrieved from: <http://www.smallbusiness.alberta.ca/media/6291/smallbusinessprofile2014.pdf>

## Public and Stakeholder Engagements & Information Sessions

To launch the Program, multiple engagements and information sessions were held to ensure a reach across various audiences. The top engagement sessions held included:

- a community stakeholder orientation meeting in advance of the launch,
- a public launch at a Small Business Week breakfast, and
- daily group information sessions for businesses and stakeholders on how to apply.

## Program Statistics

### Program Disbursement Statistics

Below are the statistics for the final disbursement of the Small Business Workforce Support Program<sup>2</sup>.

All eligible applicants (applicants that met the minimum requirements) received funding within the funding range outlined below.

Total Number of Applicants	1,555 businesses
Total Eligible Applicants Paid Out	692 small businesses
Total Disbursement Amount	\$4,636,808
Funding Range	\$5,386 to \$7,916

*Note: The large gap between the total number of applicants and the total number of eligible applicants is primarily due to applicants being encouraged to apply for both programs (the RMWB Program and the Canadian Red Cross Program), even if the minimum requirements were not met.*

### Key Dates

The following are key dates after the Program close of December 16, 2016:

- January 13, 2017: Program Eligibility Letters Sent Out
- January 24, 2017: Notification of Funding Amount to Eligible Applicants
- January 31, 2017: Cheques Mailed Out

### Application Traffic Statistics

The following statistics are the totals the Program Administrator received over the period of October 19, 2016 to January 31, 2017 which includes both the RMWB's Small Business Workforce Support Program and the Canadian Red Cross' Phase 2 Support to Small Business Program.

Number of unique visits to Website <sup>3</sup>	27,718
Number of calls to the Helpline	4,274
Number of Back to Business Resource Centre Walk-ins <sup>4</sup>	1,756

*Note: The application traffic statistics have been reported on until January 31, 2017 as these resources continued to be utilized until the cheque mail out date of January 31, 2017.*

<sup>2</sup> Final disbursement statistics were adjusted after January 31, 2017 due to application reviews, resulting in the adjustment of the total number of eligible applicants from 675 to 692, which increased the total disbursement amount from \$4,540,000 to \$4,636,808.

<sup>3</sup> Refers to the [YMMsmallbizrecovery.ca](http://YMMsmallbizrecovery.ca) website where applicants could access the online application system to apply for both programs.

<sup>4</sup> This number only reflects the Back to Business Resource Centre (Centre) walk-ins that were specific to the funding programs, it does not capture the walk-ins accessing the Centre for other supports.

# Program Data Analysis

## Executive Summary

Review of the Program application data from the 692 eligible applicants noted the following findings:

- Across the eligible applicants, substantial workforce reductions of 37% were seen in the period between December 2015 and April 2016, indicating a significant decline due to the economic downturn. From April 2016 (pre-wildfire) to September 2016 (post-wildfire), there was a 6% decrease in employees indicating a further decline due to the economic downturn and the 2016 Alberta Wildfires.
- Corporations made up 71% of the eligible applicants, followed by sole proprietors with 21%.
- The length of time eligible applicants had been in operation was split, with almost 50% of businesses either below or above the five year mark.

## Program Application Data

The following Program data analysis is based on the 692 eligible applicants that met the minimum requirements for the Small Business Workforce Support Program. Therefore, in all of the following data analysis charts, please keep the following in mind:

### The Program data represents the following sampling:

- the 692 eligible applicants that met the minimum requirements<sup>5</sup>
- small businesses defined as 1 – 49 employees<sup>6</sup>
- small businesses located within the Regional Municipality of Wood Buffalo

*Please note that the Program data analysis for this report is unable to separate the impact of the 2016 Alberta Wildfires and the impact of the economic downturn when reporting on statistics post-wildfire. Therefore, for the purposes of this report, post-wildfire statistics represent an impact by both the economic downturn and the 2016 Alberta Wildfires.*

<sup>5</sup> The minimum requirements for the Program:

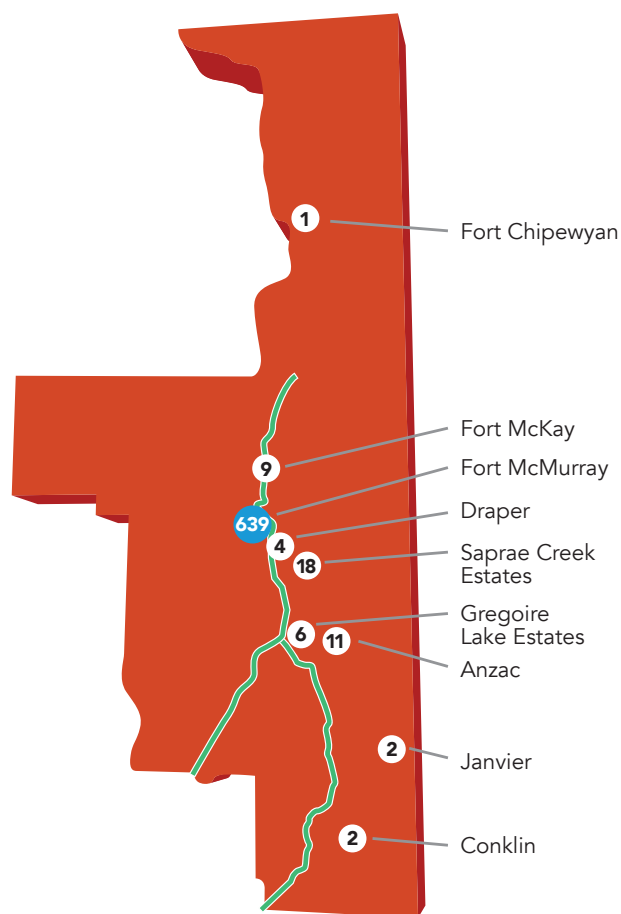
- Be a small business, defined as having 1 – 49 employees
- Have an active 'resident' RMWB business license
  - exceptions for businesses located on First Nations' lands
  - equivalents outlined in Alberta's Provincial Acts
- Was operating within the RMWB on May 3, 2016
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<sup>6</sup> The Program defines small business based on the Government of Alberta's definition of having "between 1 and 49 employees." Sourced from: Government of Alberta. (2014, October). Alberta Small Business Profile 2014. Retrieved from: <http://www.smallbusiness.alberta.ca/media/6291/smallbusinessprofile2014.pdf>

## Community Distribution

The following table illustrates the breakdown of the 692 eligible applicants by regional community.

COMMUNITY	NUMBER OF ELIGIBLE APPLICANTS	AS A PERCENTAGE OF 2015 MUNICIPAL CENSUS <sup>7</sup>
Anzac	11	1%
Conklin	2	1%
Draper	4	2%
Fort Chipewyan	1	0%
Fort McKay	9	18%
Fort McMurray	639	1%
Gregoire Lake Estates	6	3%
Janvier	2	1%
Saprae Creek Estates	18	2%
<b>TOTAL ELIGIBLE APPLICANTS</b>	<b>692</b>	



The following table illustrates the breakdown of the number of eligible applicants that were located within the three Restricted Areas in the RMWB.

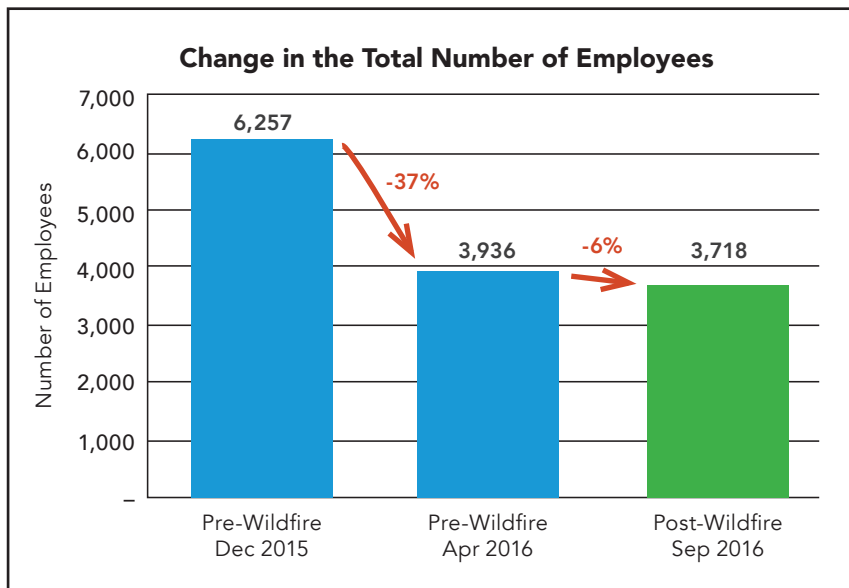
Neighborhood	Number of Eligible Applicants
Abasand	22
Beacon Hill	17
Waterways	12

<sup>7</sup> The municipal census information is sourced from: Regional Municipality of Wood Buffalo. (2015). Census 2015, Executive Summary. Retrieved from: <http://www.rmwb.ca/Assets/Corporate/Census+Reports/Executive+Summary+-+Municipal+Census+2015.pdf>

### Program Workforce Statistics

The below chart illustrates the change in the total number of employees for the 692 eligible applicants across three periods of time:

- December 2015 (pre-wildfire)
- April 2016 (pre-wildfire)
- September 2016 (post-wildfire)



Total employee counts for the 692 eligible applicants were reported as follows:

Pre-wildfire December 2015:	6,257 employees
Pre-wildfire April 2016:	3,936 employees
Post-wildfire September 2016:	3,718 employees

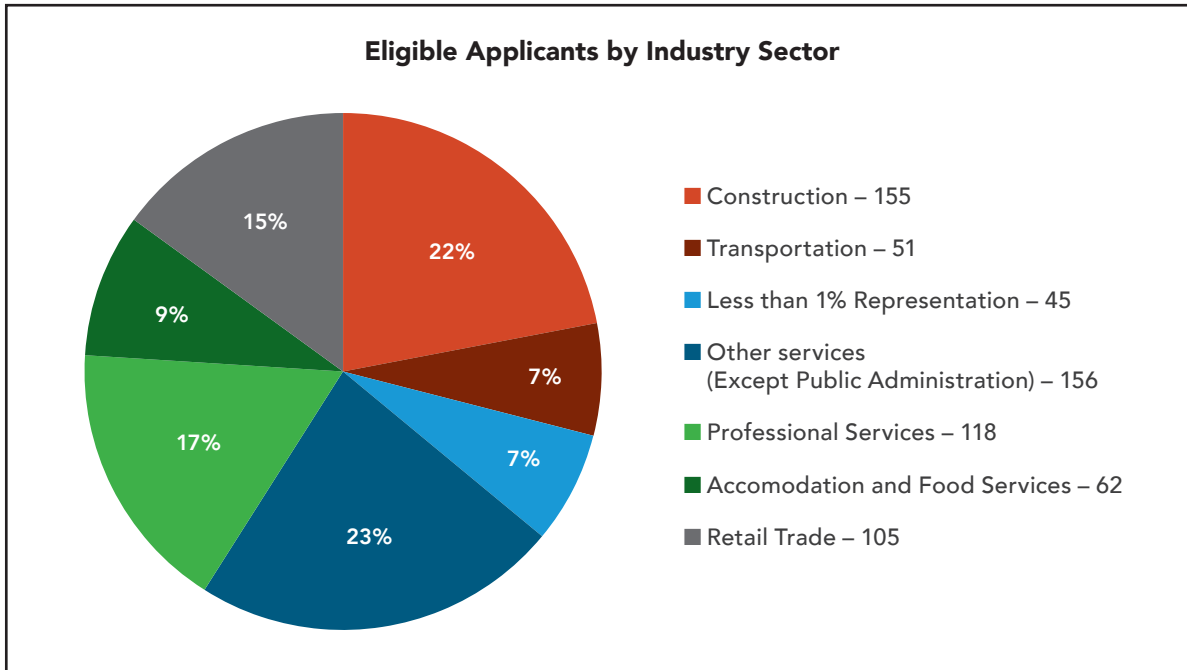
### Findings

- Across the 692 eligible applicants, substantial workforce reductions were seen in the period between December 2015 (pre-wildfire) and April 2016 (pre-wildfire), indicating a decline due to the economic downturn.
- The period between December 2015 (pre-wildfire) and April 2016 (pre-wildfire) represents a 37% decrease in the workforce that occurred prior to the 2016 Alberta Wildfires.
- Further decrease of 6% in the workforce occurred post-wildfire between April and September 2016, indicating a further decline due to the economic downturn and the 2016 Alberta Wildfires.

*Note: The Program data analysis for this report is unable to separate the impact of the 2016 Alberta Wildfires and the impact of the economic downturn when reporting on statistics post-wildfire. Therefore, for the purposes of this report, post-wildfire statistics represent an impact by both the economic downturn and the 2016 Alberta Wildfires.*

## Eligible Applicants by Industry Sector

The below chart illustrates the 692 eligible applicants by industry sector, as defined by Canada Revenue Agency. Eligible applicants self-identified their business as belonging to one of the following industry sectors.



- Professional Services represents 17% of the eligible applicants and includes:
  - Health Care, Real Estate and Professional, Scientific and Technical Services
- 23% of eligible applicants self-identified with "Other Services" as an industry sector, meaning they didn't identify with any of the industry categories offered as a choice in the survey.
- The 45 eligible applicants represented in the "Less than 1% Representation" category is a grouping of those industries that accounted for less than 1% of the total number of eligible applicants. The industries comprising the less than 1% representation include:
  - Agriculture, forestry, fishing and hunting
  - Information and cultural industries
  - Management of companies and enterprises
  - Utilities
  - Wholesale trade
  - Finance and insurance
  - Administrative services
  - Arts and entertainment

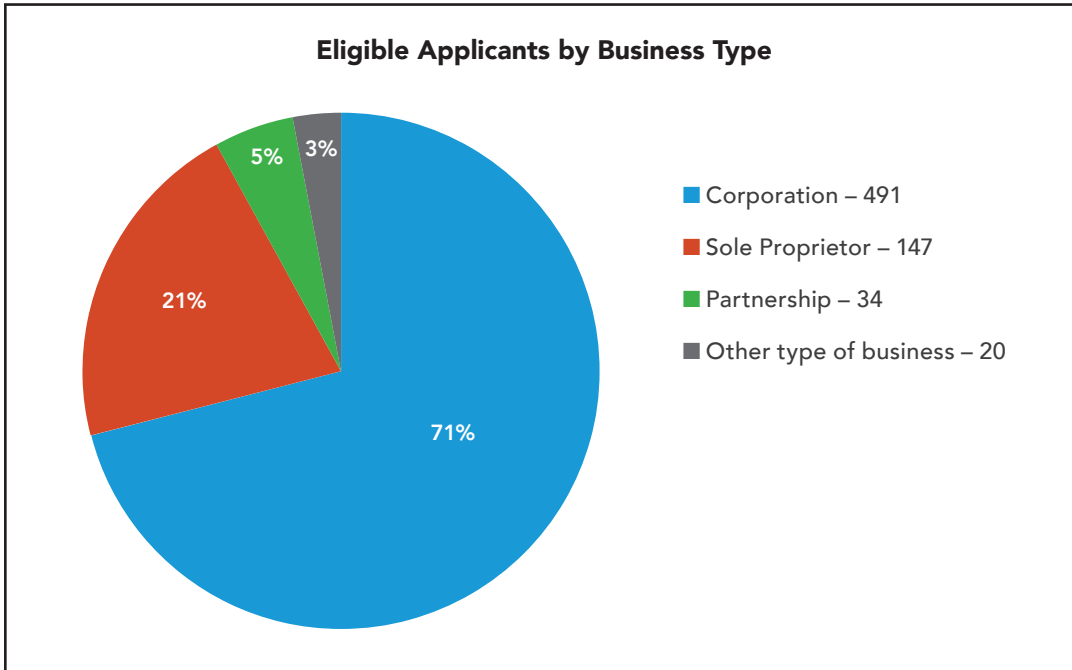
## Findings

- The Construction sector, with 22% of the eligible applicants, was the largest individual industry sector that was eligible for the Program.

### Eligible Applicants by Business Type

The below chart illustrates the 692 eligible applicants by type of business. There are three types of businesses:

- Corporation
- Partnership
- Sole Proprietor



The 692 eligible applicants identified their business type as follows:

- Corporation – representing the largest business type at 71%
- Sole Proprietor – representing 21%
- Partnership– representing 5%

An option of "other" was provided in the application and 20 eligible applicants selected this option.

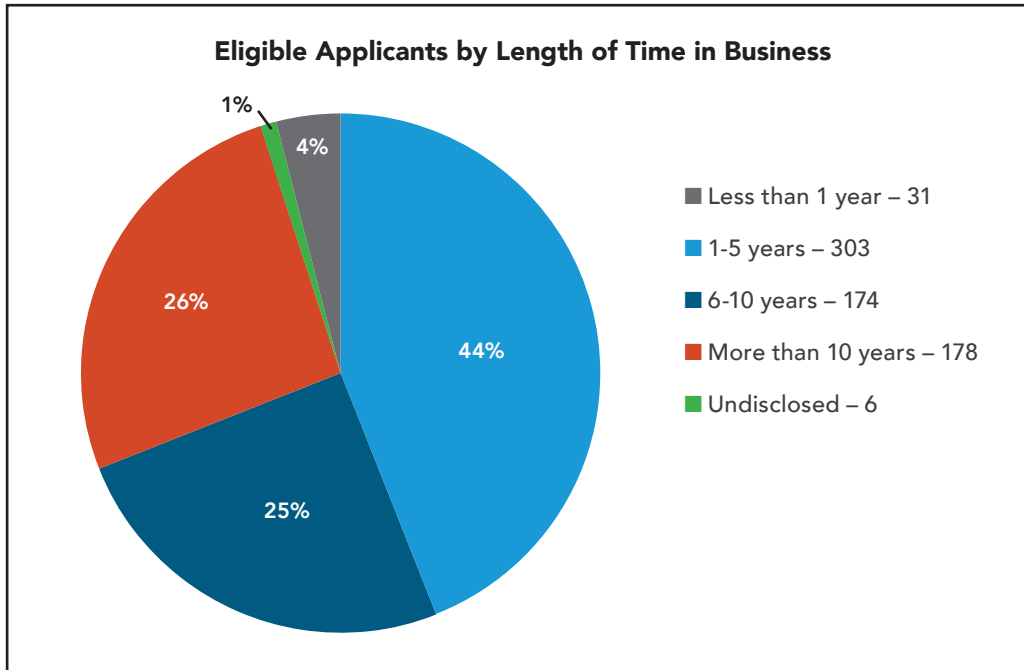
### **Findings**

- The majority of eligible applicants were incorporated companies.



### Eligible Applicants by Length of Time in Business

The below chart illustrates the 692 eligible applicants by length of time that their business had been in operation at the time of their application.



The 692 eligible applicants identified the length of time that their business was in operation, resulting in:

- The largest group of eligible applicants was in the 1 to 5 year range at 44%.
- The number of eligible applicants with 6 to 10 years in operation was almost equal to the number that had ten or more years, which were 25% and 26% respectively.

### Findings

- The length of time each eligible applicant had been in operation was split, with almost 50% of businesses either below or above the five year mark.



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