

2021 Manitoba Business Outlook Survey



Methodology & Respondent Profile

METHODOLOGY

The Manitoba Chambers of Commerce (MCC) retained Leger to conduct the 4th annual Manitoba Business Outlook survey of its members and partners. The primary purpose of the research was to provide MCC statistically reliable feedback from Manitoba businesses that can be used to develop policies and positions to approach the various levels of government on their behalf for effective recovery strategies and support.

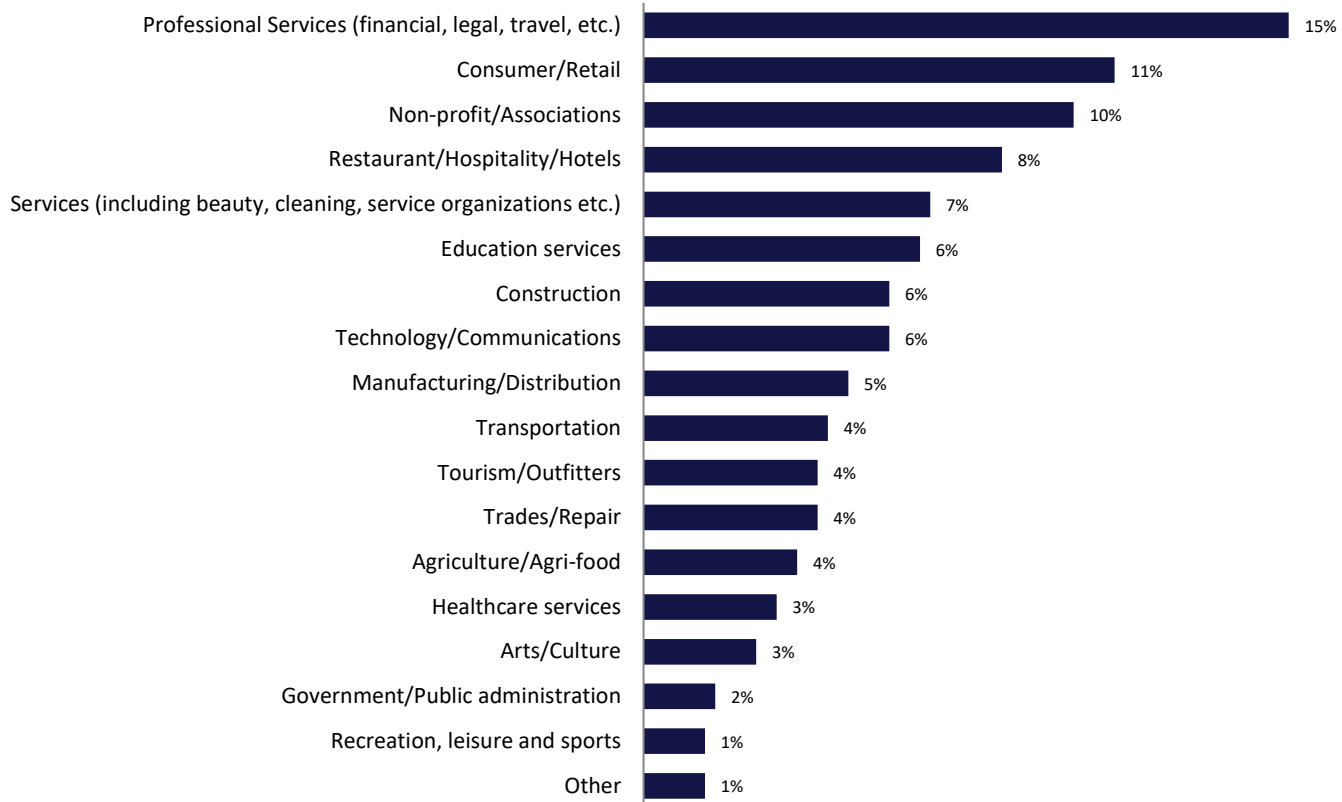
MCC provided the contact information for its members and also shared an open link with partner organizations to encourage survey responses. From these sources, 419 Manitoba business decision-makers successfully completed the survey. Since much of the research was conducted from a list database, the sample is considered to be non-probability and therefore, margins of error are not applicable. For contextual purposes, a probability sample of a survey size of 419 cases with this sample frame theoretically carries a confidence interval of approximately +/- 4.7 percent, 19 times out of 20.

The survey was available online from November 9th through November 30th, 2021.

If you have questions about the data presented in this report, please contact **Andrew Enns**, Executive Vice President, at the following email address:
aenns@leger360.com

SURVEY RESPONDENT PROFILE

QIND: Principal Business Type Base: All respondents (n=419)

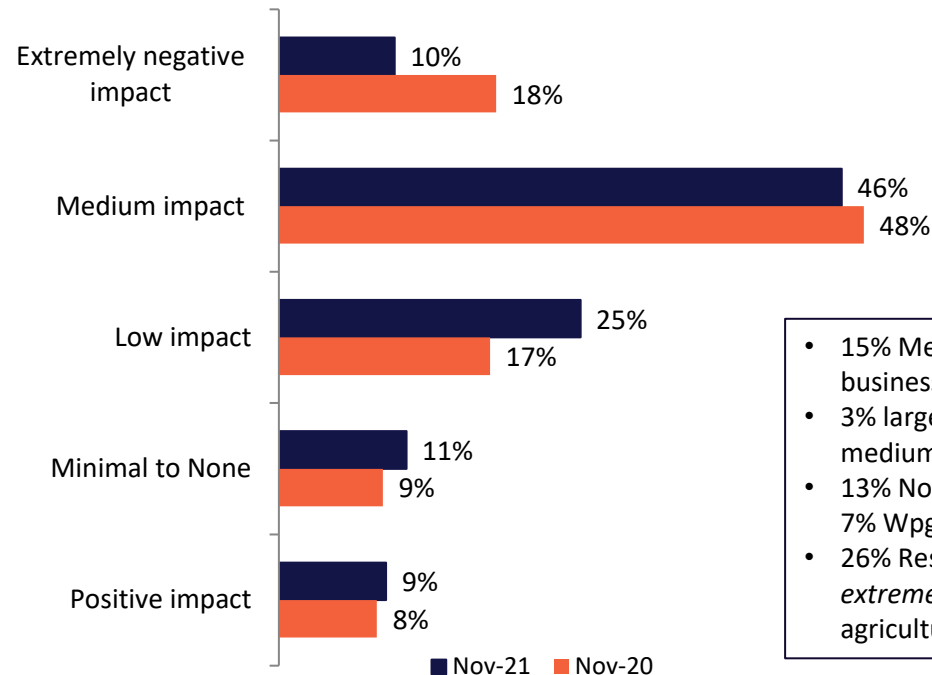


Impact of COVID-19 on Businesses

Impact of Pandemic

Q1: COVID-19 has delivered unprecedented challenges. How would you describe the impact of the pandemic on your business performance and operations in 2021?

Base: All respondents (n=419)

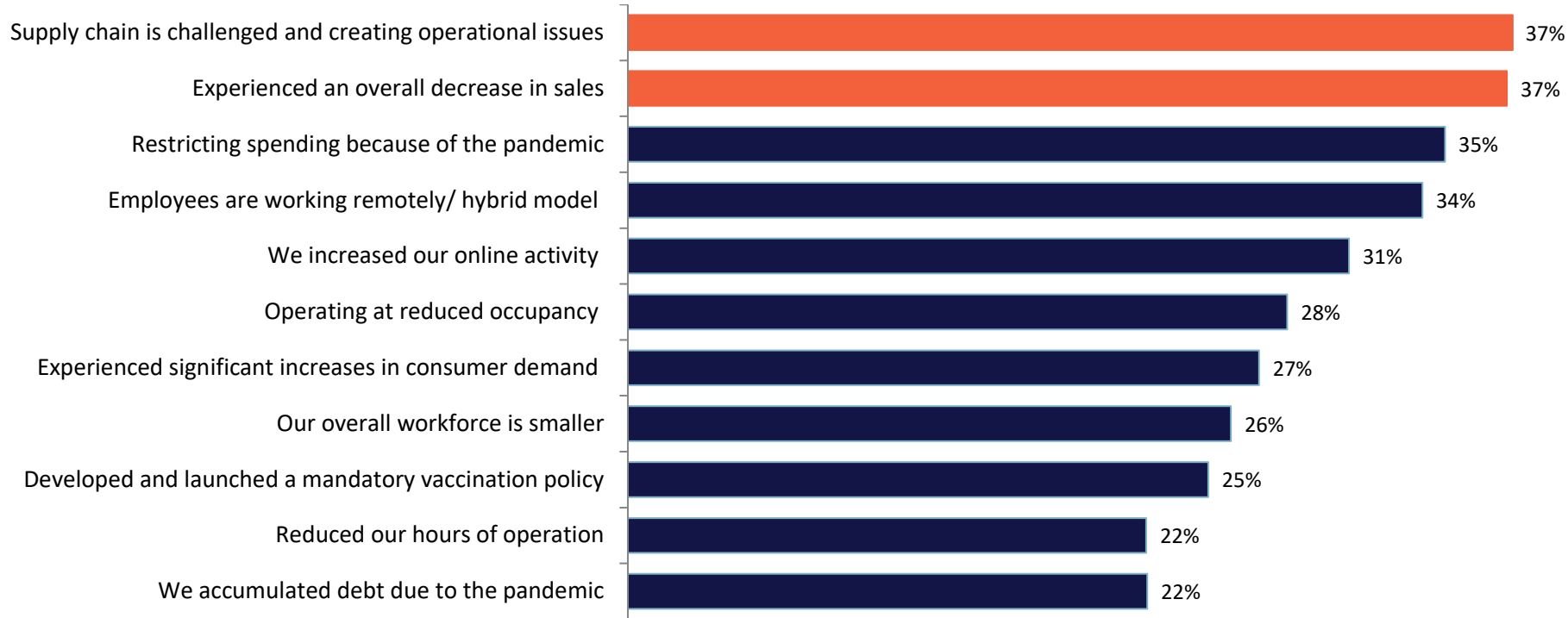


- 15% Medium businesses described the impact as positive vs. 7% large businesses.
- 3% large businesses were impacted extremely negatively vs. 16% small-medium, 15% medium businesses.
- 13% Non-Wpg businesses had extremely negative impact as compared to 7% Wpg businesses.
- 26% Restaurant/ Hospitality / Recreation businesses were impacted *extremely* negatively as compared to 3% construction/ manufacturing/ agriculture businesses.

Changes in Operations (top mentions)

Q2: Thinking of your business today, how have operations changed as a result of COVID-19? [FREQUENT RESPONSES]

Base: All respondents (n=419)

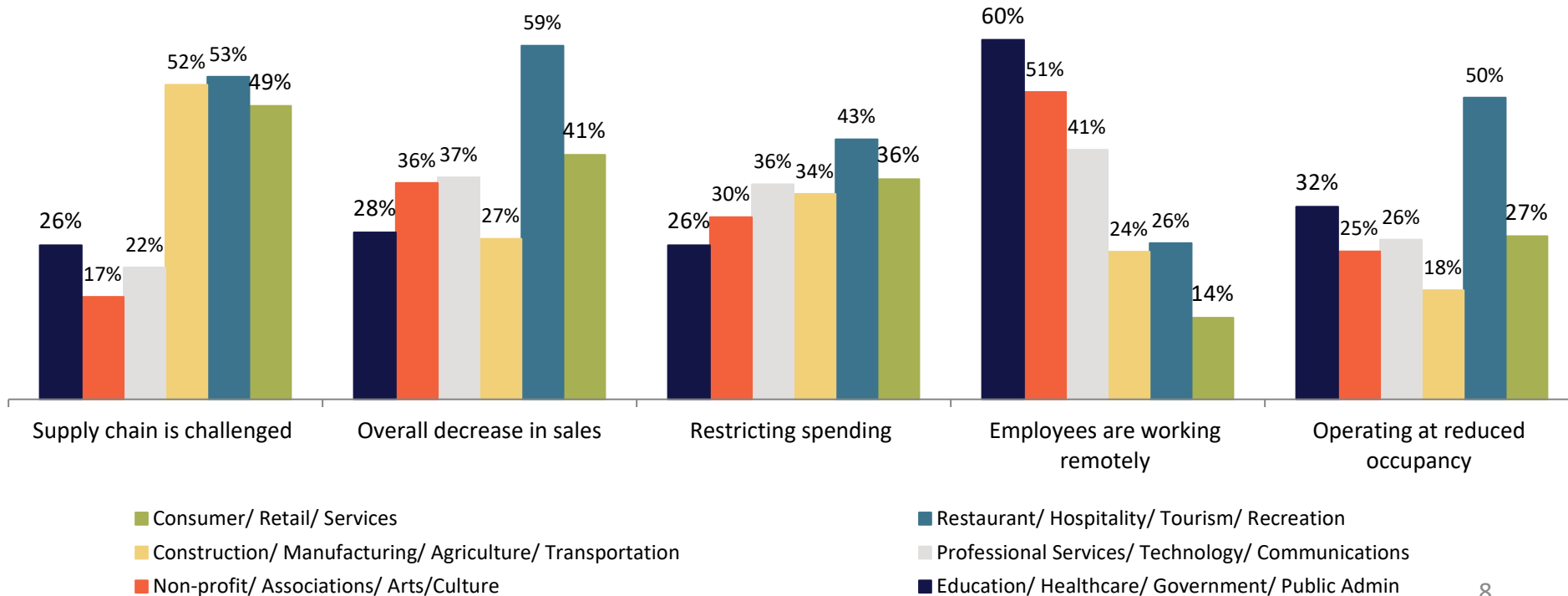


- In Nov 2020, 60% mentioned *restricted spending* and 54% were experiencing a *decrease in sales*.
- 34% businesses in Winnipeg have launched a mandatory vaccination policy, vs. 14% business outside Winnipeg.

Changes in Select Operations – By Sector

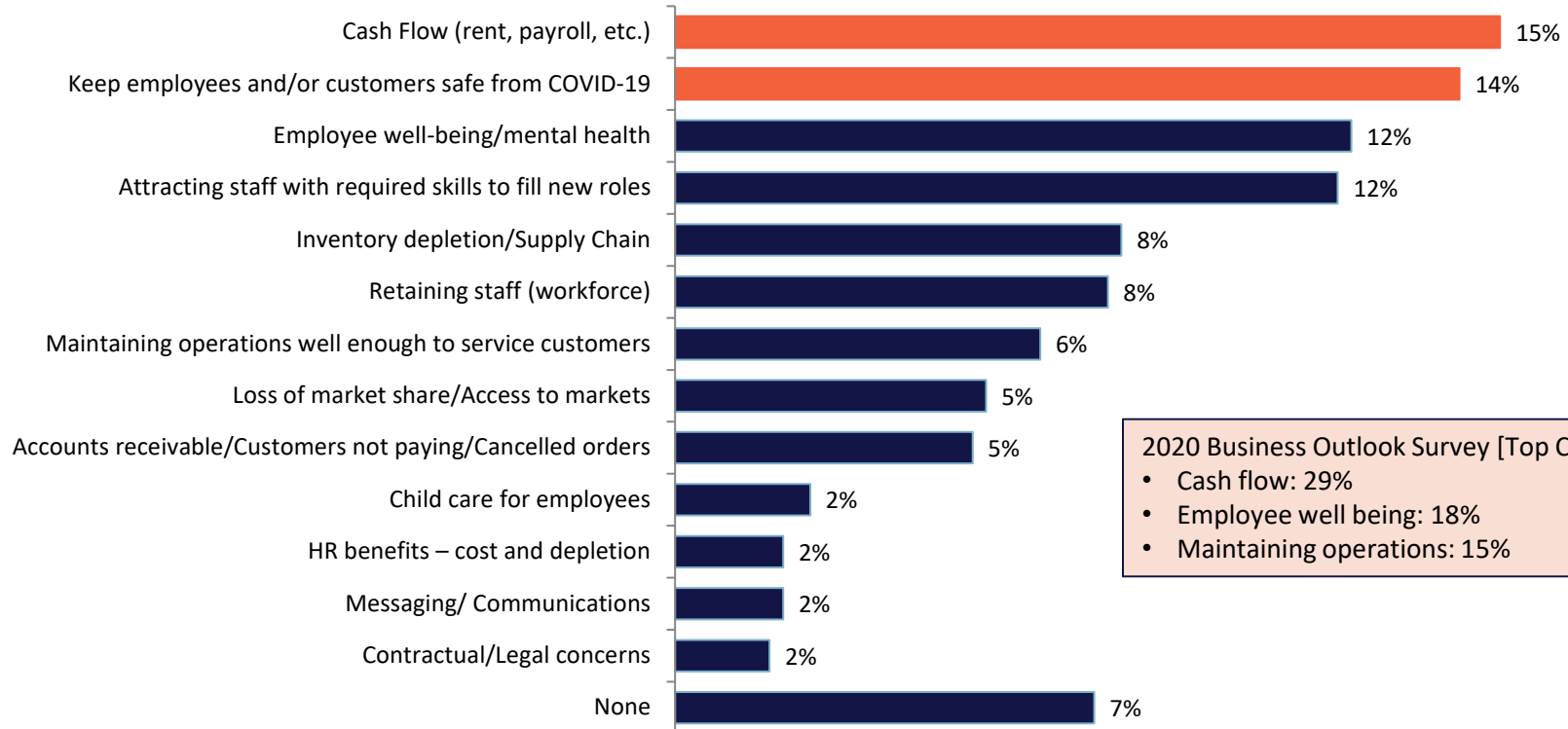
Q2: How have your operations changed as a result of COVID-19? [TOP RESPONSES]

Base: All respondents



Current Business Concerns

Q3. Please rank/sort the items below in terms of what you are most worried about right now as it relates to the internal operations of your business? [TOP CONCERN] Base: All respondents (n=419)

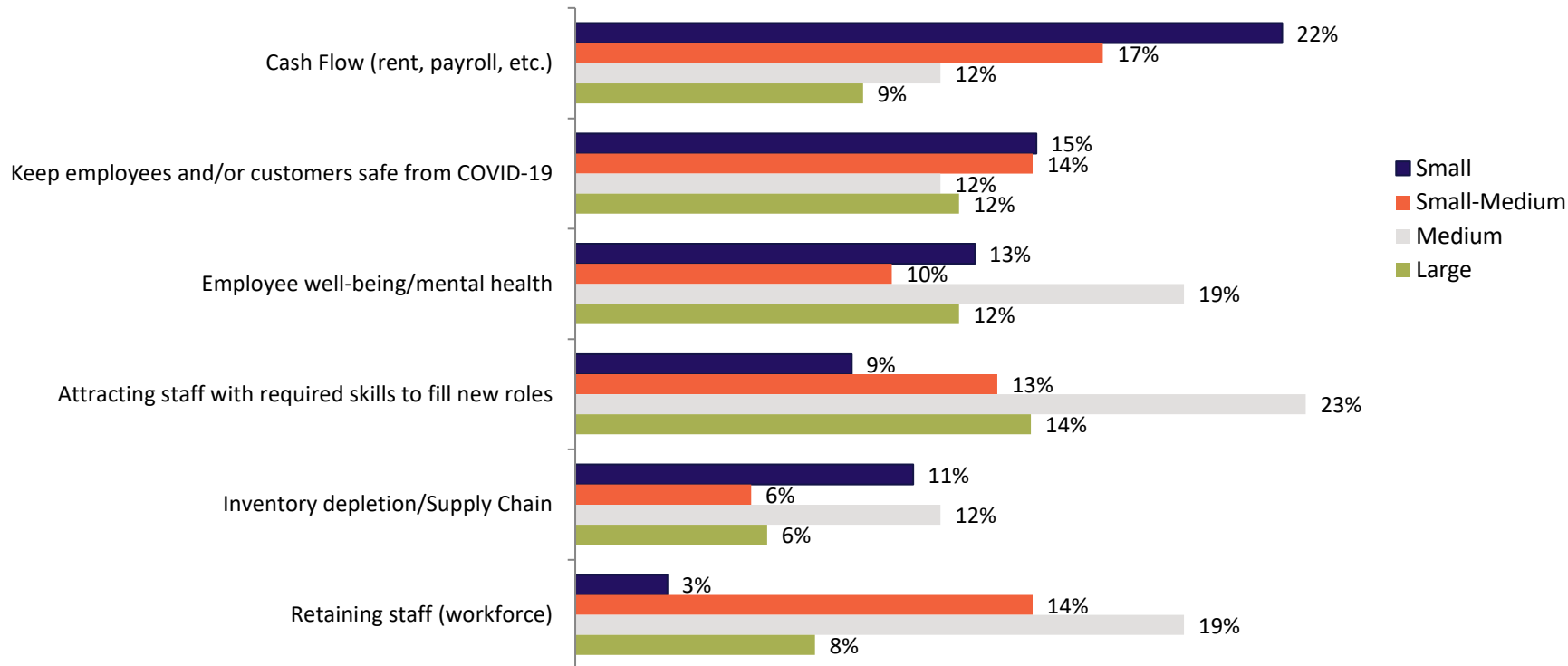


2020 Business Outlook Survey [Top Concerns]:

- Cash flow: 29%
- Employee well being: 18%
- Maintaining operations: 15%

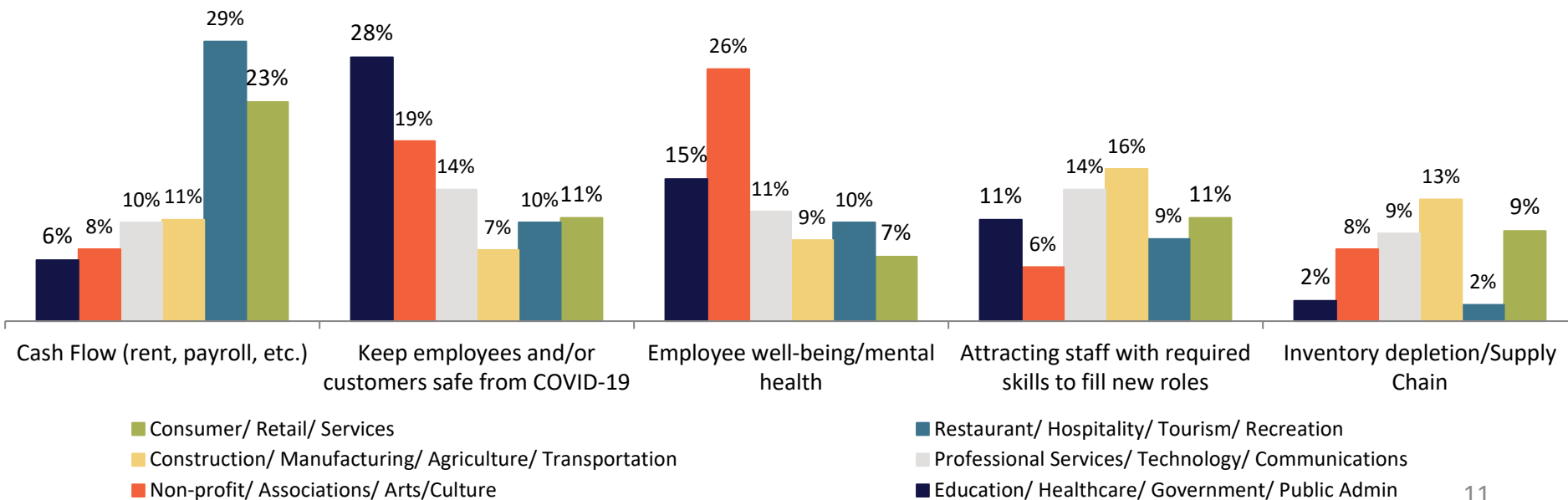
Current Business Concerns – By Employee Size

Q3. Please rank/sort the items below in terms of what you are most worried about right now as it relates to the internal operations of your business? [TOP CONCERN] Base: All respondents (n=419)



Current Business Concerns [TOP SELECTIONS] – By Sector

Q3. Please rank/sort the items below in terms of what you are most worried about right now as it relates to the internal operations of your business? [TOP CONCERN] Base: All respondents (n=419)



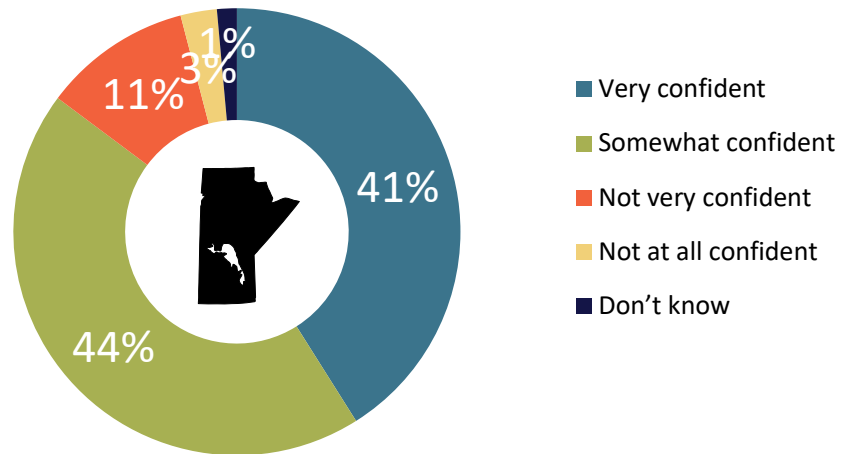
Confidence Handling Virus Exposure

Q5: How confident are you that your business is prepared to handle a potential virus workplace exposure?

Base: All respondents (n=419)

Total CONFIDENT, 85%

Total NOT CONFIDENT, 14%

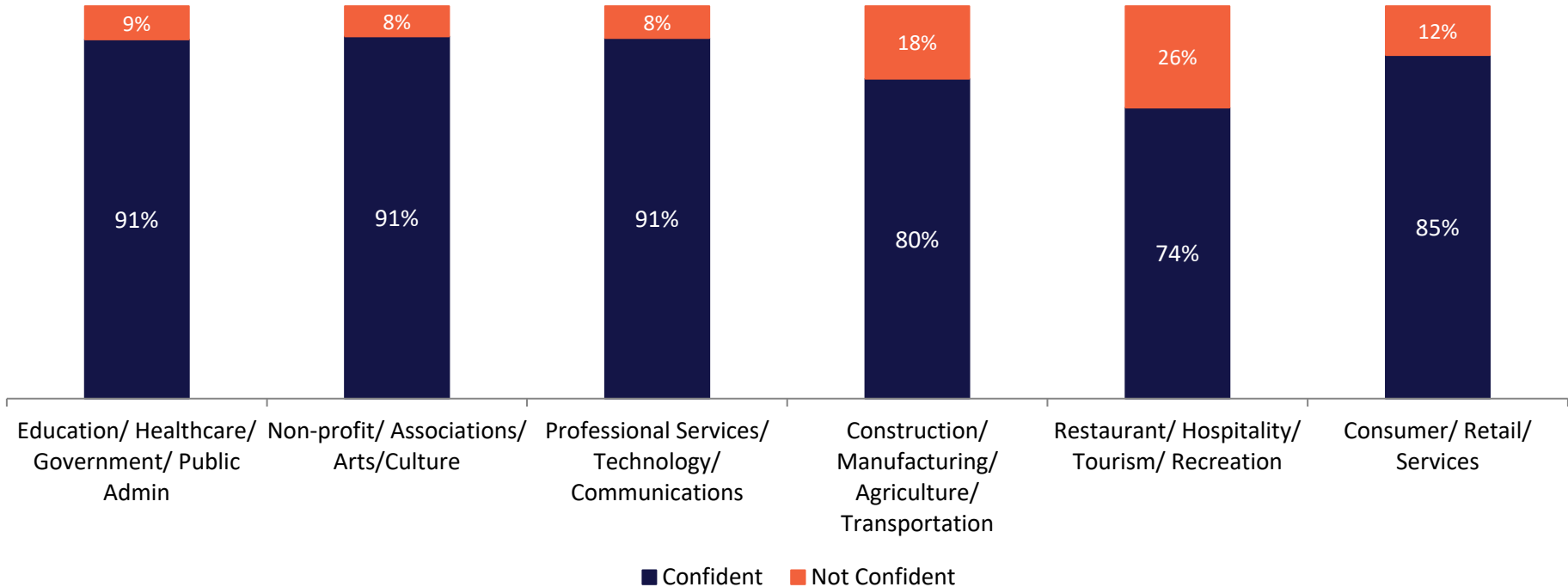


96% Medium sized business are confident that they can handle virus exposure as compared to 82% small-medium businesses.

Confidence Handling Virus Exposure – By Sector

Q5: How confident are you that your business is prepared to handle a potential virus workplace exposure?

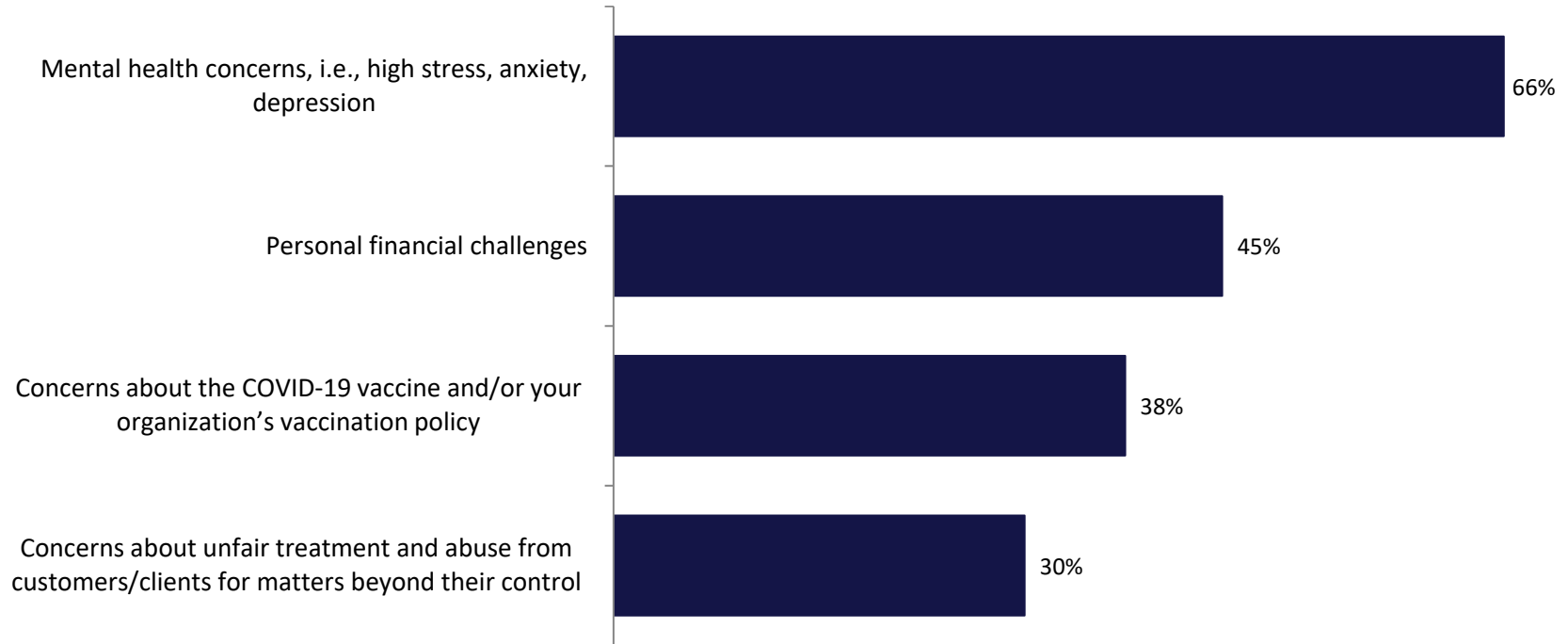
Base: All respondents (n=419)



Employees' Concerns

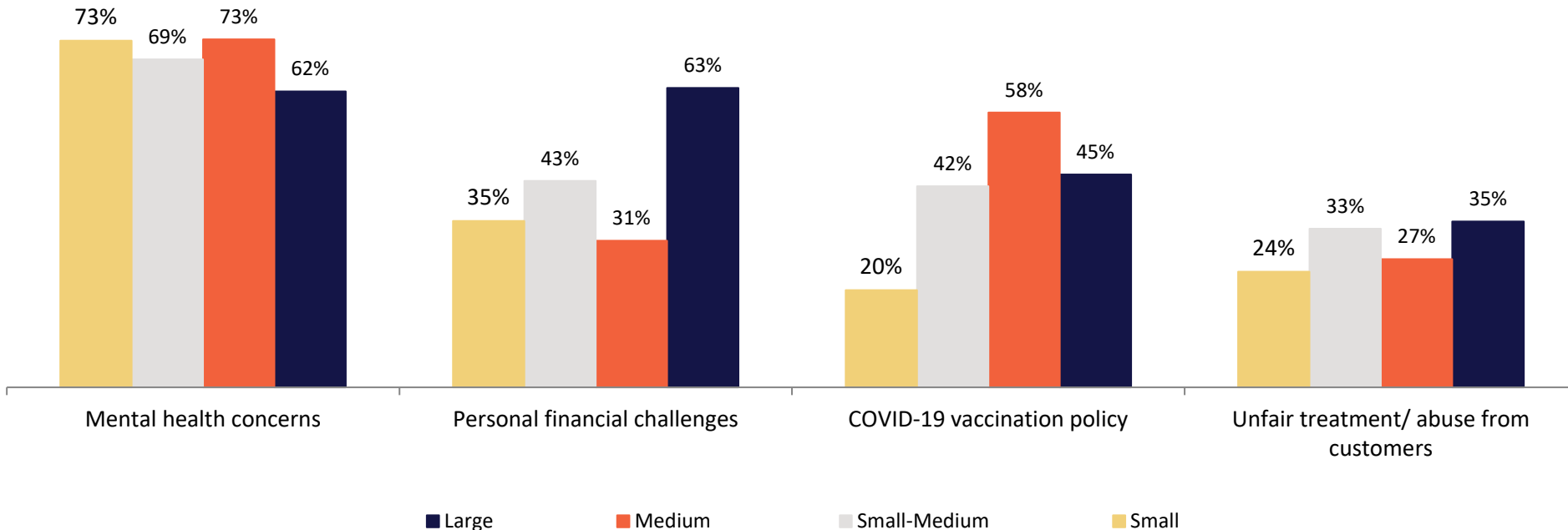
Q6: Since the start of the pandemic, have employees at your business expressed any of the following...?

Base: All respondents (n=419)



Employees' Concerns – By Employee Size

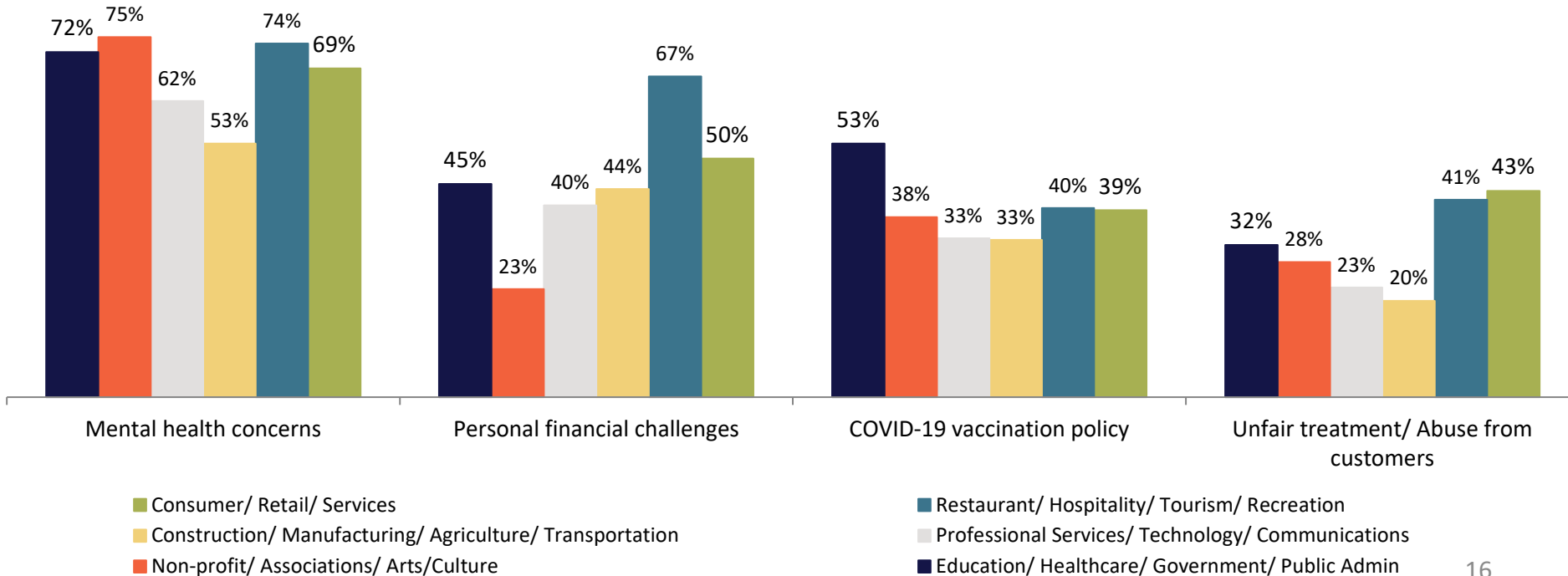
Q6: Since the start of the pandemic, have employees at your business expressed...? Base: All respondents (n=419)



Employees' Concerns – By Sector

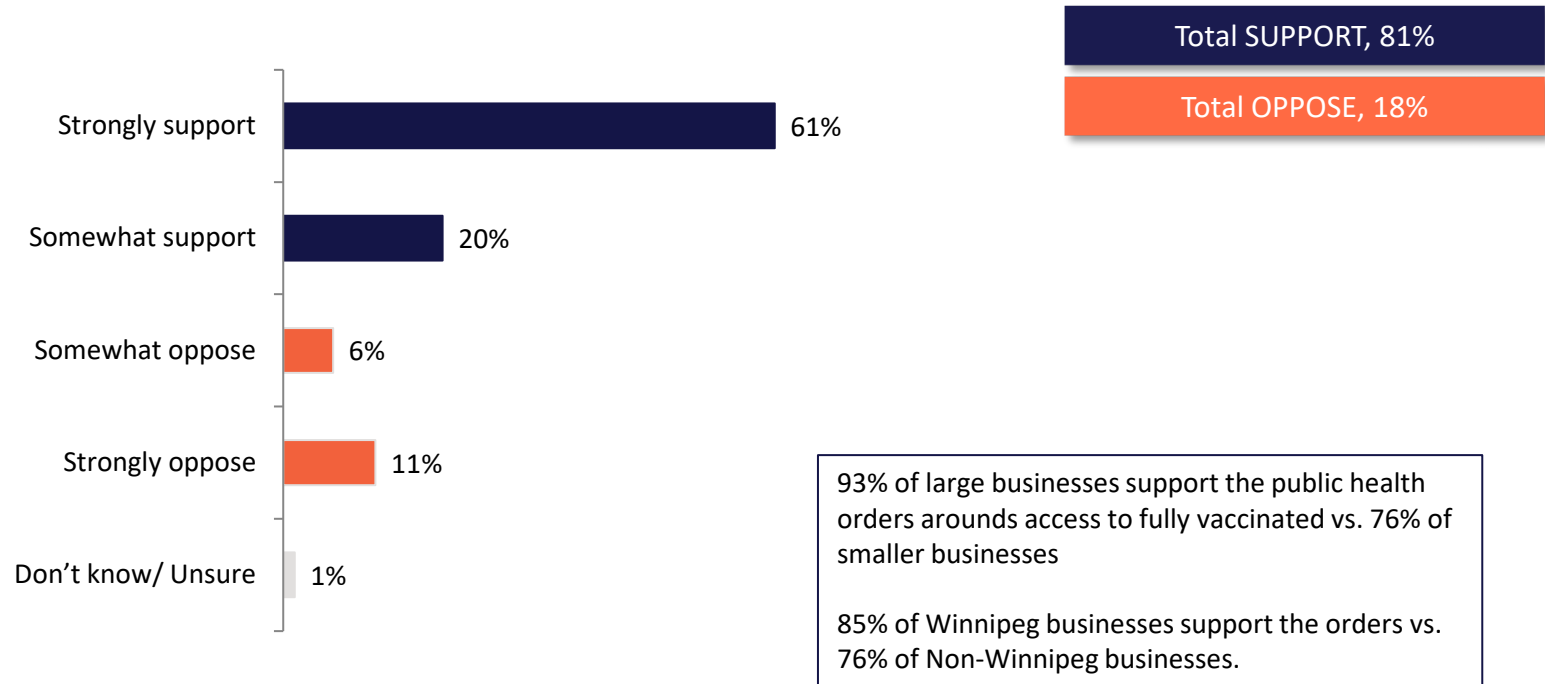
Q6: Since the start of the pandemic, have employees at your business expressed...?

Base: All respondents (n=419)



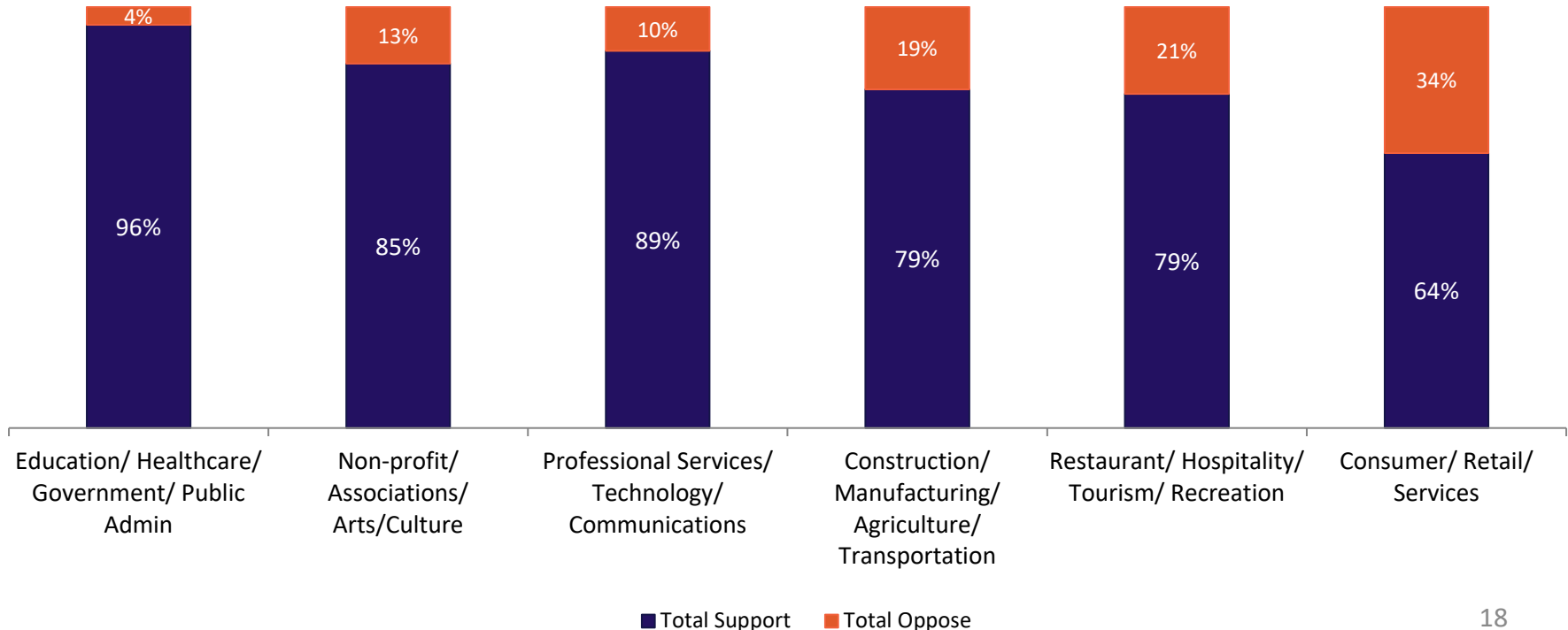
Public Health Orders: Support/ Oppose

Q28: Do you support or oppose Manitoba Public Health orders that restrict certain activities or access to certain business to only Manitobans who are fully vaccinated? Base: All respondents (n=419)



Public Health Orders: Support/ Oppose – By Sector

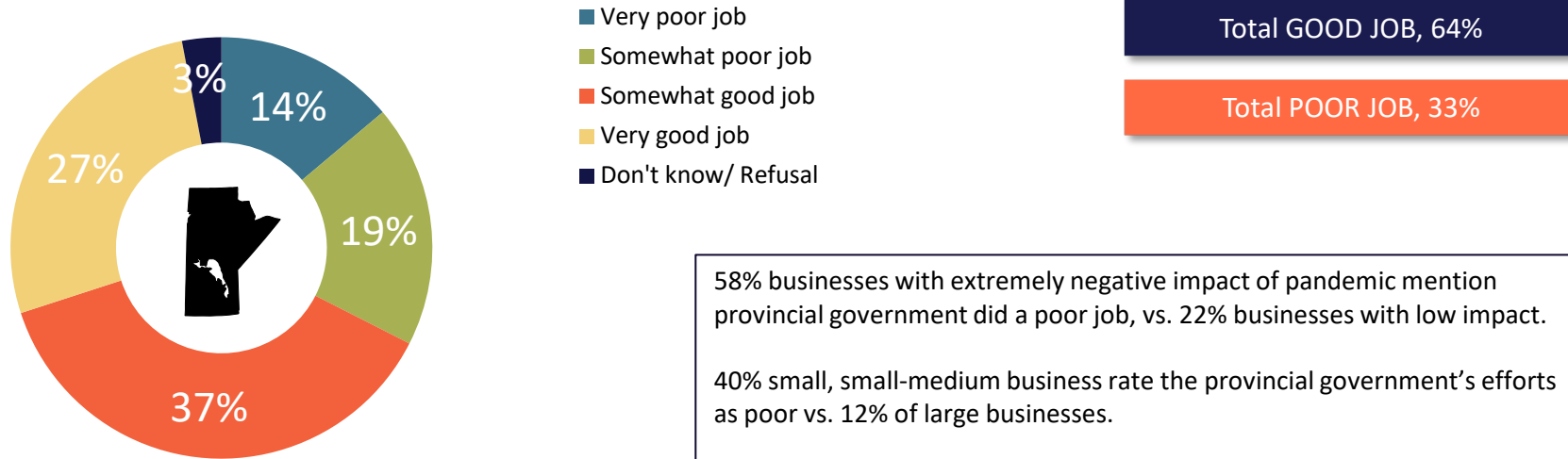
Q28: Do you support or oppose Manitoba Public Health orders that restrict certain activities or access to certain business to only Manitobans who are fully vaccinated? Base: All respondents (n=419)



Governments' response to Pandemic

Impression of Pandemic Management: *Government of Manitoba*

Q8r03: The Government of Manitoba - How would you rate the following organizations in terms of their efforts and commitment to manage the province through the pandemic? Base: All respondents (n=419)



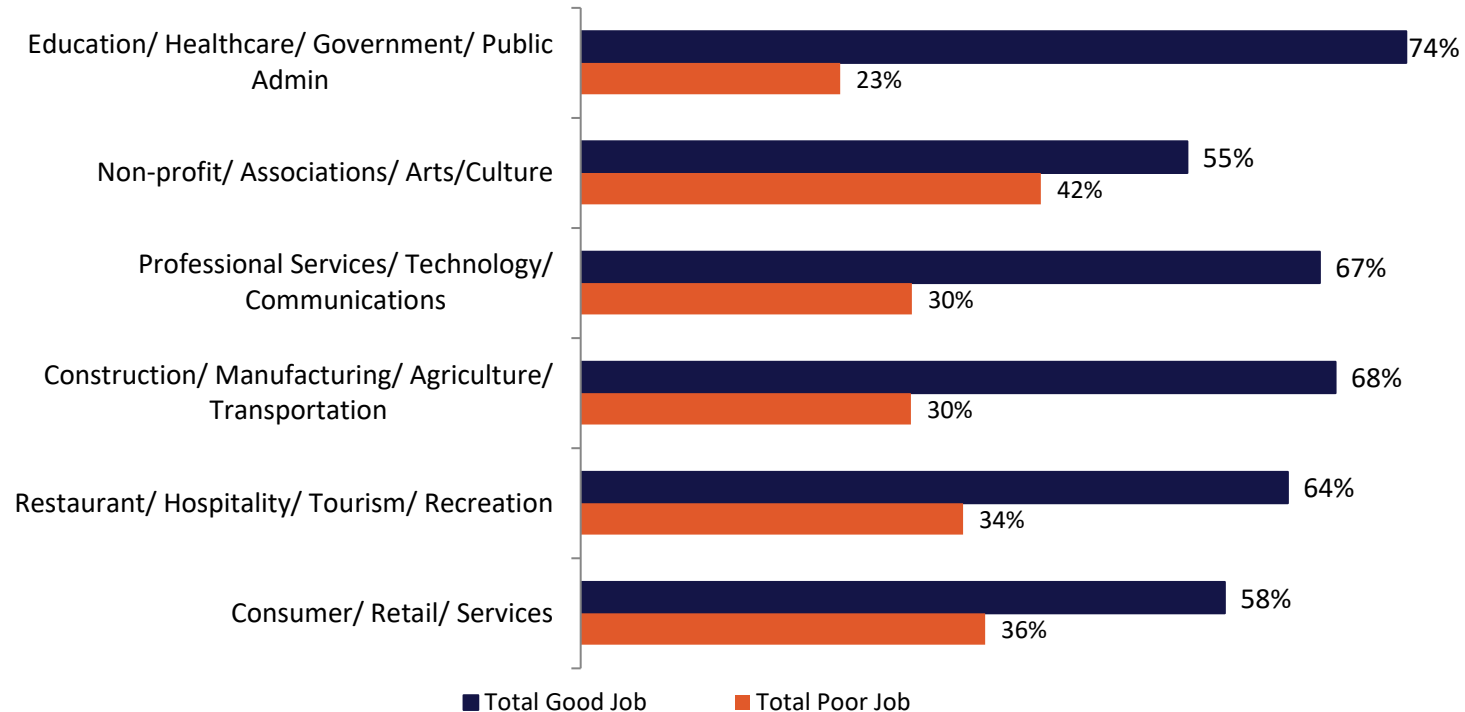
58% businesses with extremely negative impact of pandemic mention provincial government did a poor job, vs. 22% businesses with low impact.

40% small, small-medium business rate the provincial government's efforts as poor vs. 12% of large businesses.

83% Eastern Manitoban businesses rate the efforts as good, compared to 56% in Southern Manitoba.

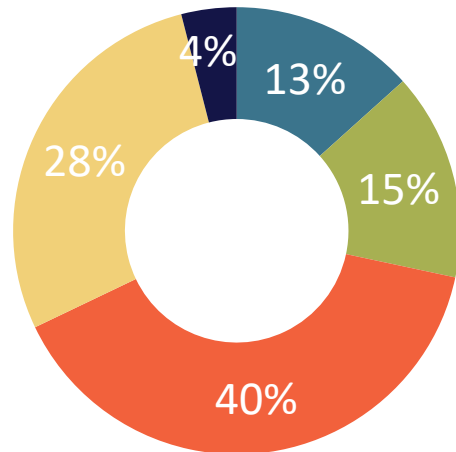
Pandemic Management: *Government of Manitoba* – By Sector

Q8r03: The Government of Manitoba - How would you rate the following organizations in terms of their efforts and commitment to manage the province through the pandemic? Base: All respondents (n=419)



Pandemic Management: *Government of Canada*

Q8r04: The Government of Canada- How would you rate the following organizations in terms of their efforts and commitment to manage the country through the pandemic? Base: All respondents (n=419)



- Very poor job
- Somewhat poor job
- Somewhat good job
- Very good job
- Don't know/ Refusal

Total GOOD JOB, 68%

Total POOR JOB, 28%

44% small-medium businesses rate the federal government's efforts as poor vs. 12% of large businesses.

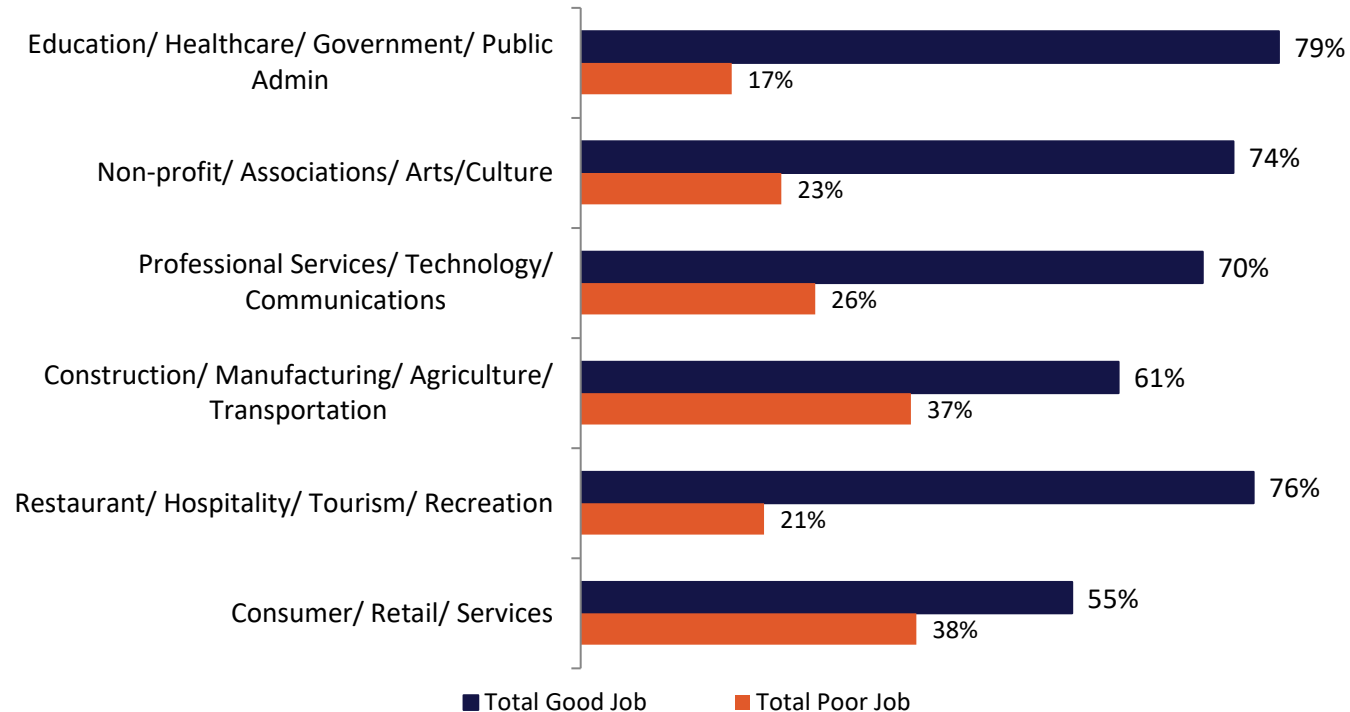
36% Non-Wpg businesses rated the efforts as poor vs. 22% Wpg businesses.

85% Eastern Manitoban businesses rate the efforts as good, compared to 47% in Southern Manitoba.

Pandemic Management: *Government of Canada* – By Sector

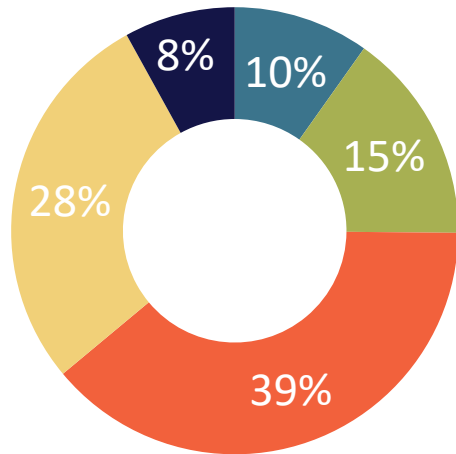
Q8r04: The Government of Canada- How would you rate the following organizations in terms of their efforts and commitment to manage the country through the pandemic?

Base: All respondents (n=419)



Pandemic Management: *Municipal Government*

Q8r05: Your Local Municipal Government- How would you rate the following organizations in terms of their efforts and commitment to manage through the pandemic? Base: All respondents (n=419)



- Very poor job
- Somewhat poor job
- Somewhat good job
- Very good job
- Don't know/ Refusal

Total GOOD JOB, 67%

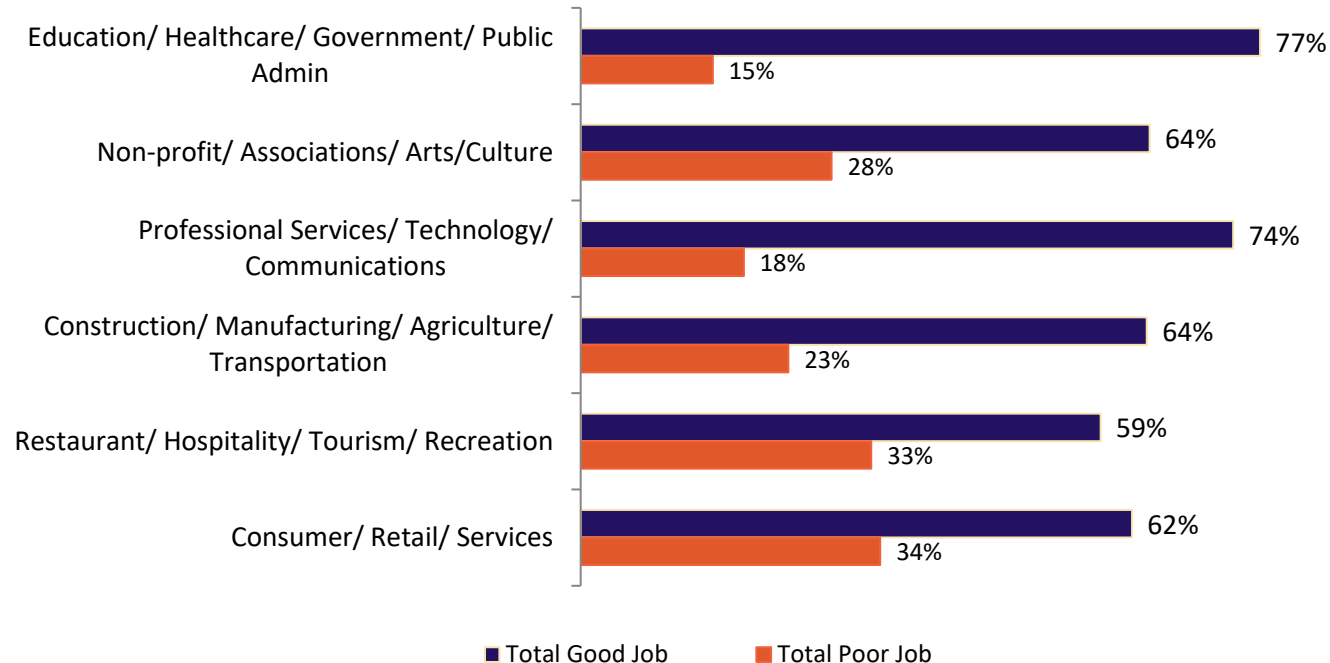
Total POOR JOB, 25%

38% Medium businesses rate the local government's efforts as poor vs. 13% of large businesses.

79% Eastern Manitoban businesses rate the efforts as good, compared to 62% in Southern Manitoba.

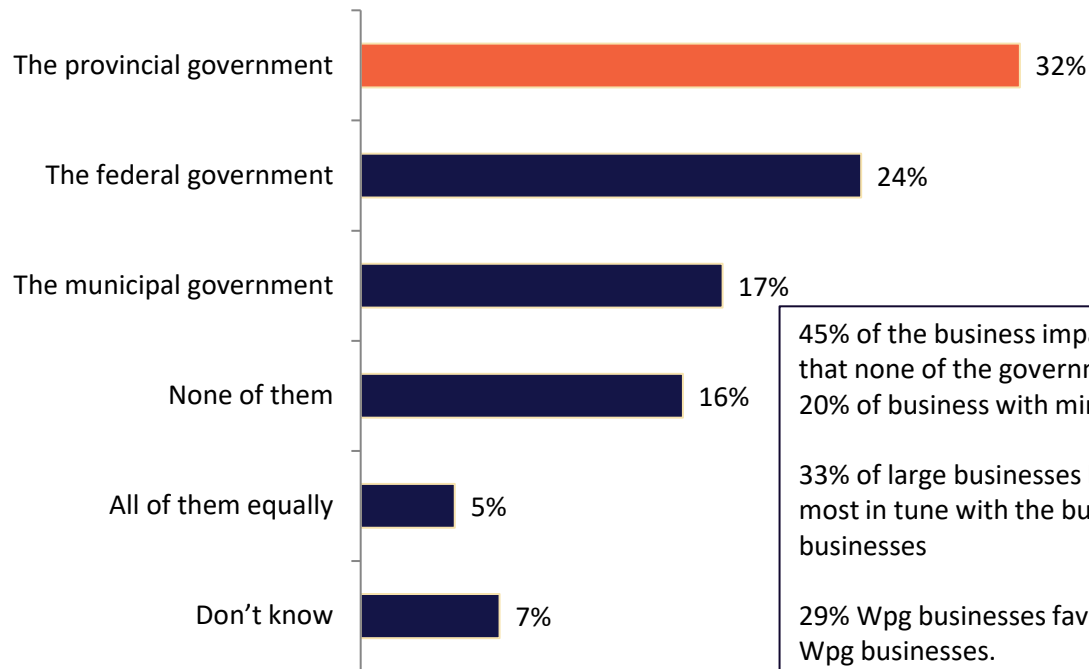
Pandemic Management: *Municipal Government* – By Sector

Q8r05: Your Local Municipal Government- How would you rate the following organizations in terms of their efforts and commitment to manage through the pandemic? Base: All respondents (n=419)



Level of Government Most in Tune with Business

Q18C: Taking into account the pandemic experience, in Manitoba, which level of government is most in tune with business needs and makes an effort to work well with businesses? Base: All respondents (n=419)



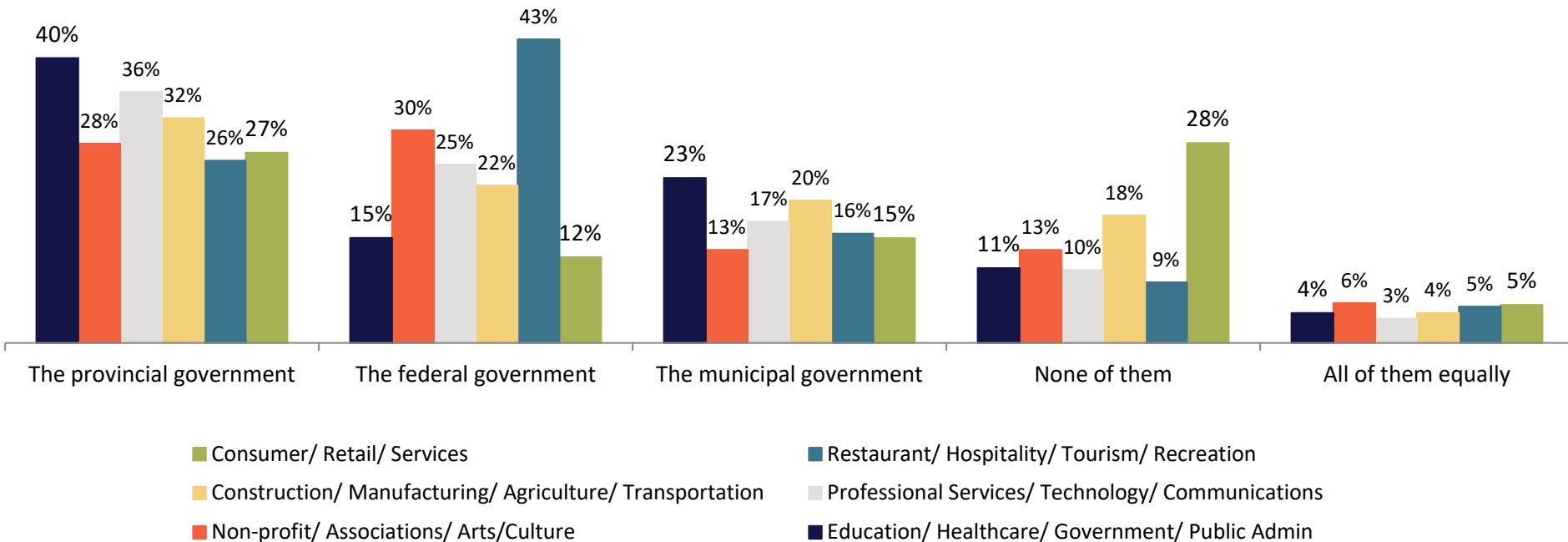
45% of the business impacted extremely negatively by pandemic feel that none of the government were in tune with the business needs vs. 20% of business with minimal impact

33% of large businesses believe the municipal governments were the most in tune with the business needs, vs. 9% of small or medium businesses

29% Wpg businesses favour the Federal government vs. 19% of non-Wpg businesses.

Level of Government Most in Tune with Business – By Sector

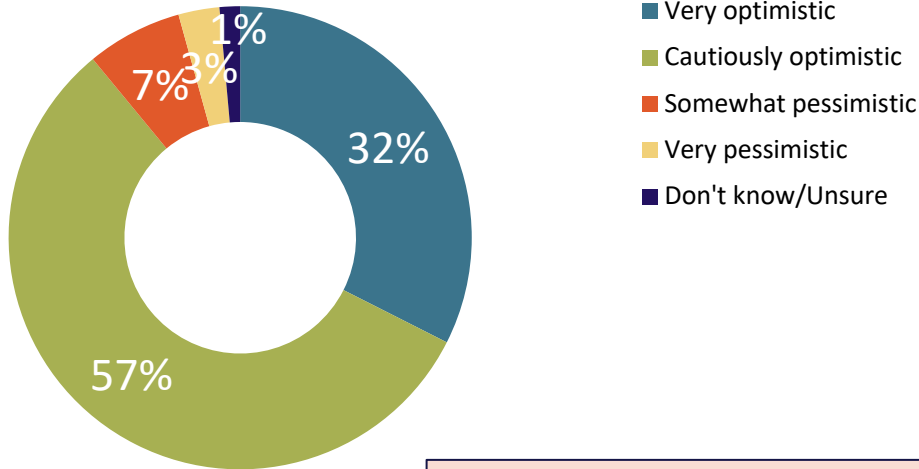
Q18C: Taking into account the pandemic experience, in Manitoba, which level of government is most in tune with business needs and makes an effort to work well with businesses? Base: All respondents (n=419)



Business Expectations for the Future

Business Optimism

Q16: At this point in time, how do you feel about your business and its performance? Are you generally optimistic or pessimistic? Base: All respondents (n=419)



In the 2020 Business Outlook Survey:

- Very Optimistic – 9%
- Cautiously Optimistic – 59%
- Somewhat Pessimistic – 19%
- Very Pessimistic – 7%
- Don't Know – 5%

Total OPTIMISTIC, 89%

Total PESSIMISTIC, 10%

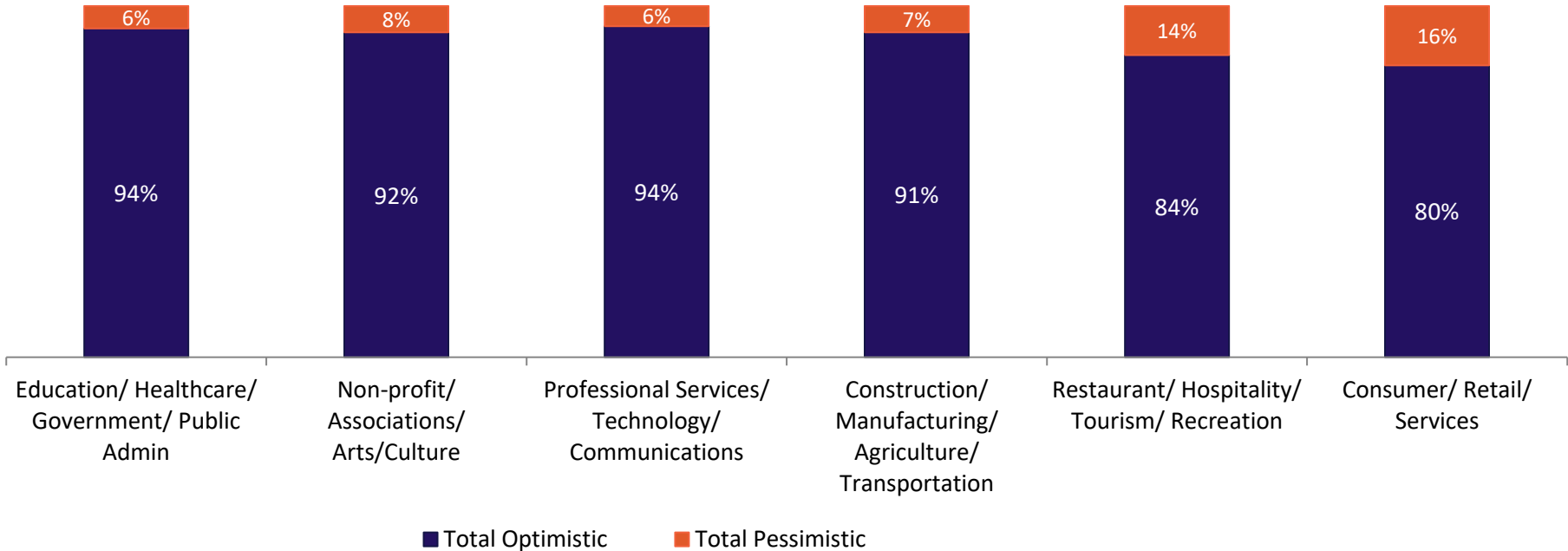
Only 55% of businesses impacted extremely negatively by pandemic are optimistic vs. 98% of businesses with low impact.

Small Businesses rate slightly low on optimism compared to medium businesses (83% vs. 96% optimistic)

Eastern Manitoba businesses are slightly less optimistic as compared to other regions (85% vs. 93% North, 91% South, 89% East)

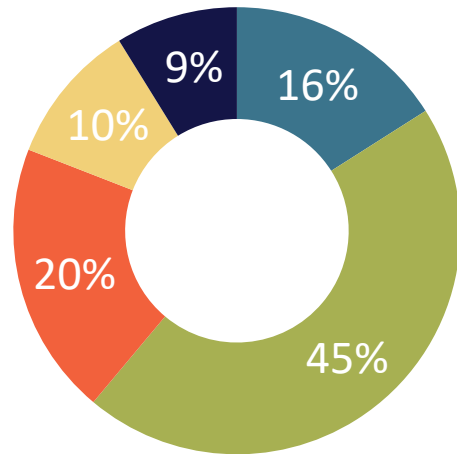
Business Optimism – By Sector

Q16: At this point in time, how do you feel about your business and its performance? Are you generally optimistic or pessimistic? Base: All respondents (n=419)



Competitiveness of Manitoba Business Climate

Q17: Do you agree or disagree with the following statement: Manitoba's business climate is competitive with other provinces? Base: All respondents (n=419)



- Strongly agree
- Somewhat agree
- Somewhat disagree
- Strongly disagree
- Don't know

Total AGREE, 61%

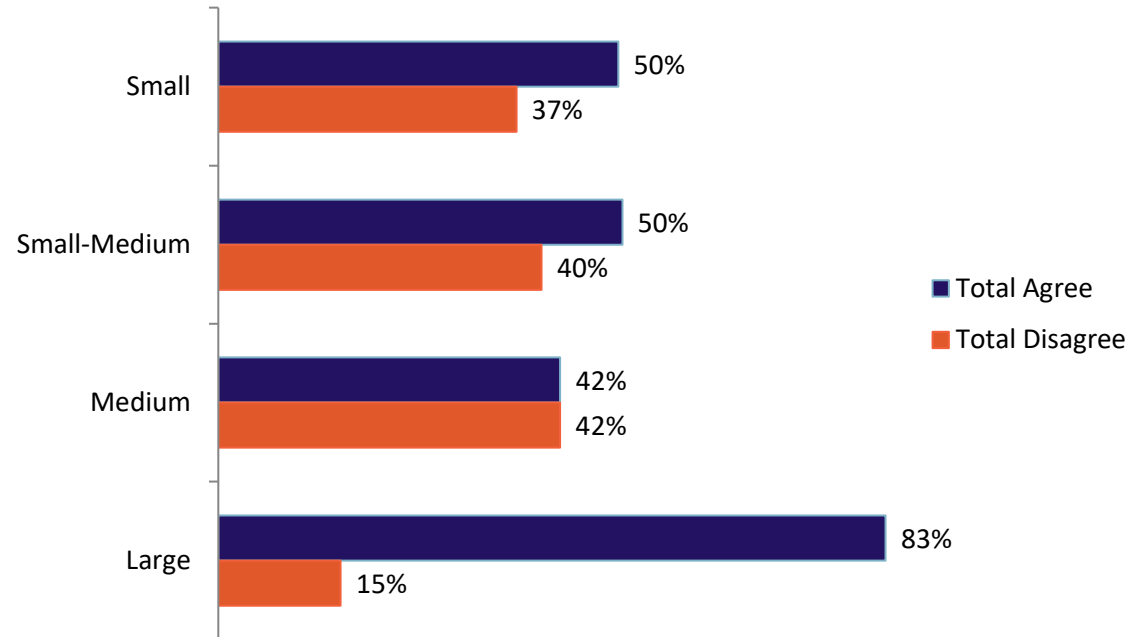
Total DISAGREE, 30%

In the 2020 Business Outlook Survey:

- Strongly Agree – 6%
- Somewhat Agree – 42%
- Somewhat Disagree – 24%
- Strongly Disagree – 9%
- Don't Know – 20%

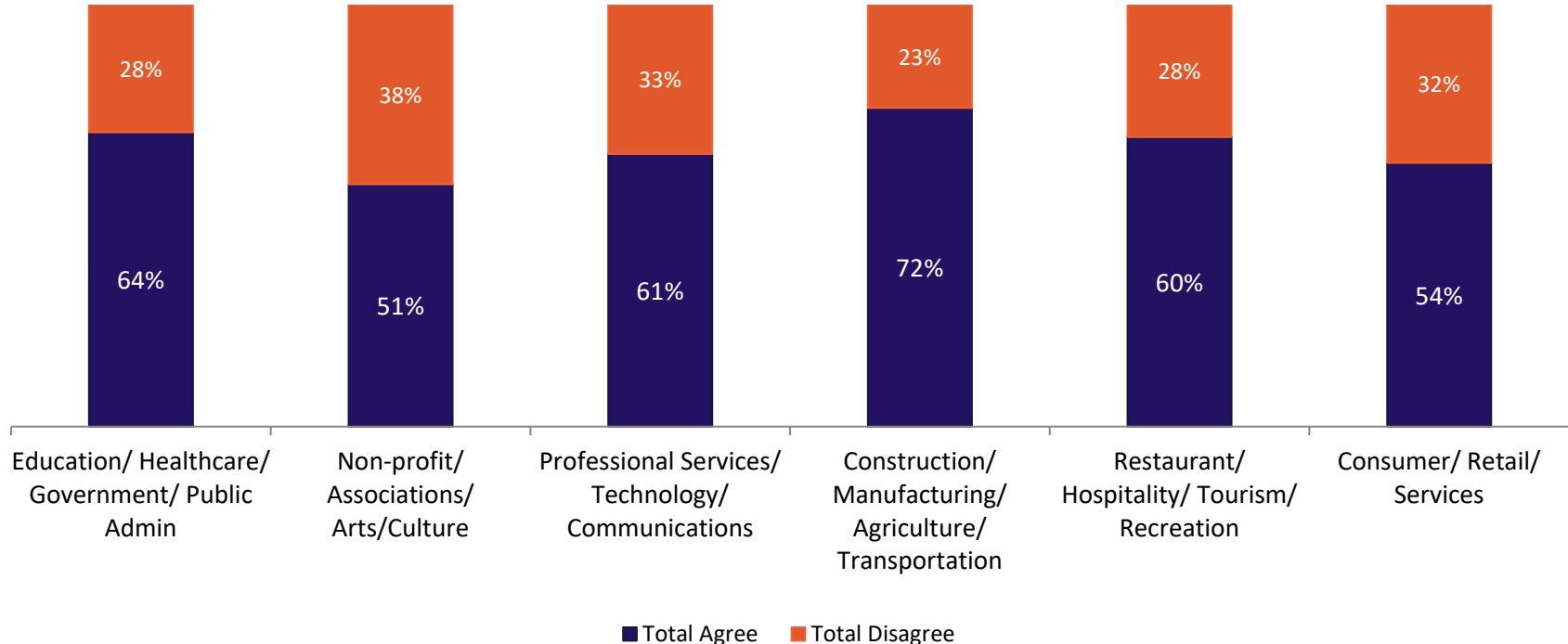
Competitiveness of Manitoba Business Climate – By Employee Size

Q17: Do you agree or disagree with the following statement: Manitoba’s business climate is competitive with other provinces? Base: All respondents (n=419)



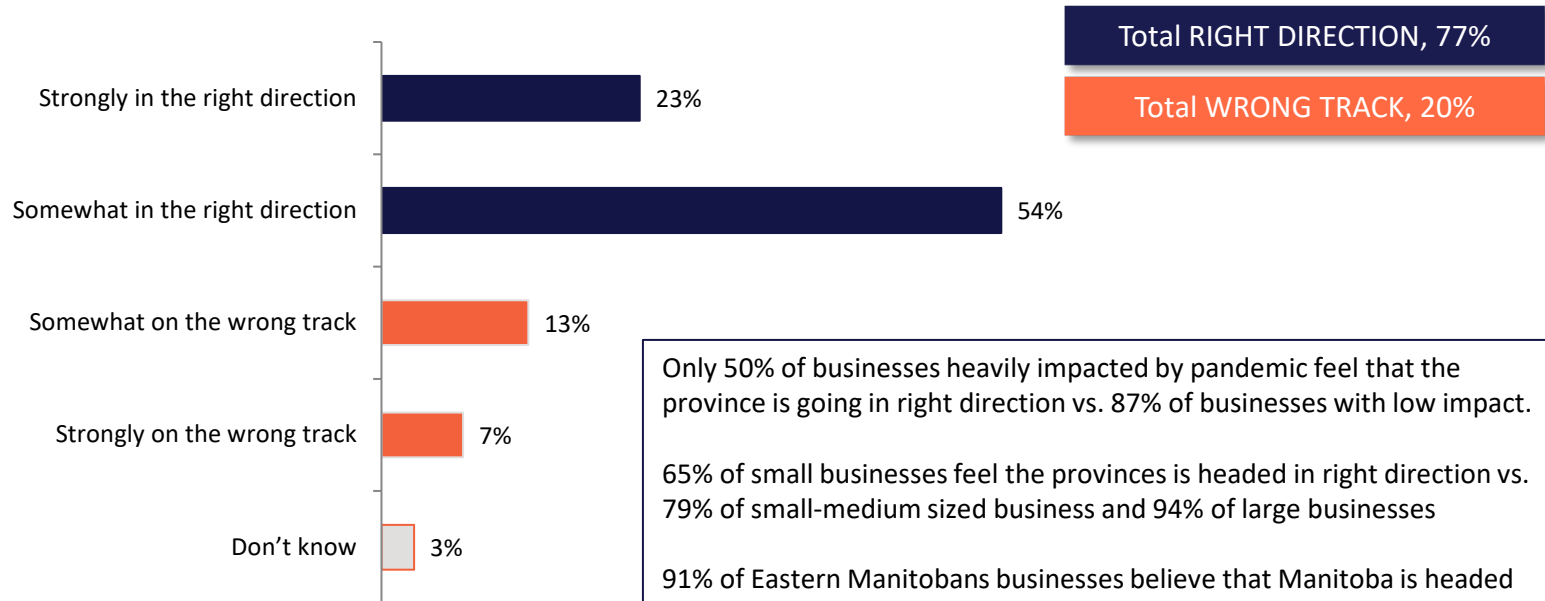
Competitiveness of Manitoba Business Climate – By Sector

Q17: Do you agree or disagree with the following statement: Manitoba's business climate is competitive with other provinces? Base: All respondents (n=419)



Province: Right Direction / Wrong Track

Q13: In spite of the pandemic, in your opinion as a business person, do you feel things overall in the province are still heading in the right direction or is Manitoba on the wrong track? Base: All respondents (n=419)



Only 50% of businesses heavily impacted by pandemic feel that the province is going in right direction vs. 87% of businesses with low impact.

65% of small businesses feel the provinces is headed in right direction vs. 79% of small-medium sized business and 94% of large businesses

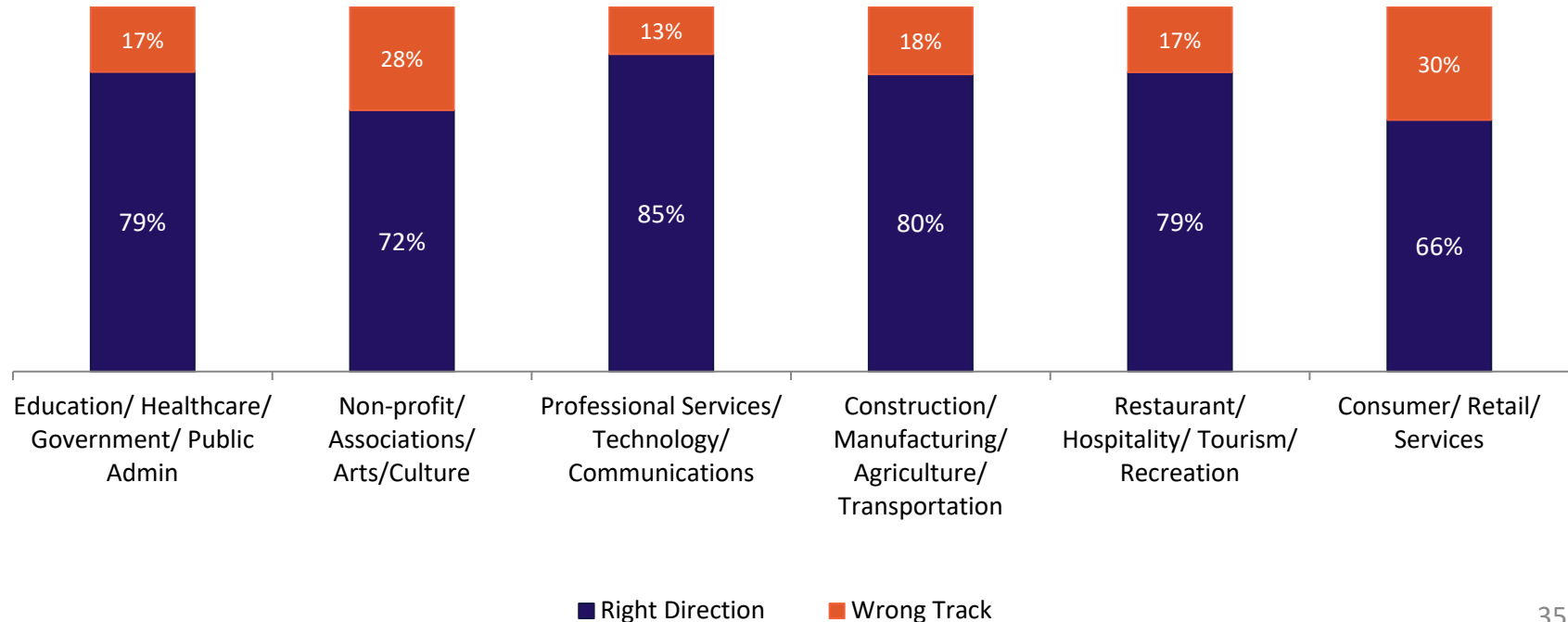
91% of Eastern Manitobans businesses believe that Manitoba is headed in the right direction vs. 56% of Eastern Manitoba, 73% West, and 76% of North.

In the 2020 Business Outlook Survey:

- Strongly Right Direction – 7%
- Somewhat Right Direction – 41%
- Somewhat Wrong Track – 29%
- Strongly Wrong Track – 18%
- Don't Know – 5%

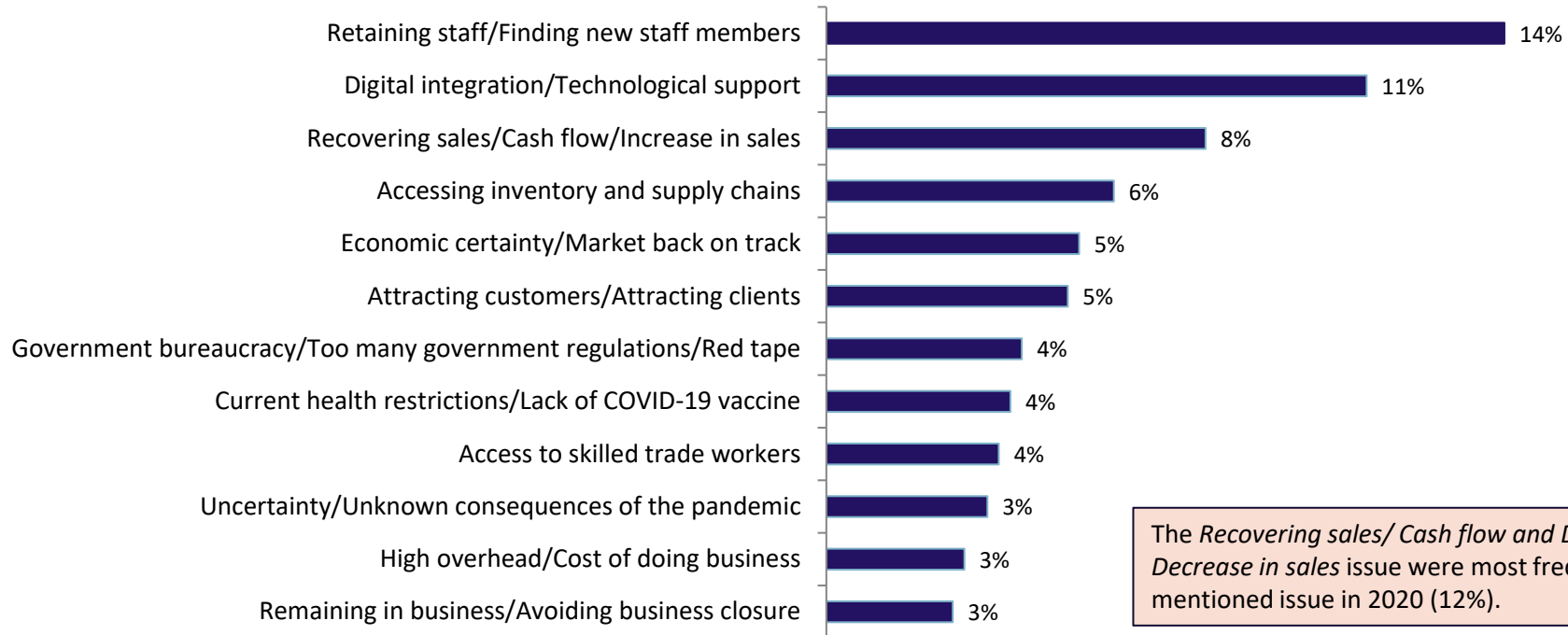
Province: Right/ Wrong Track – By Sector

Q13: In spite of the pandemic, in your opinion as a business person, do you feel things overall in the province are still heading in the right direction or is Manitoba on the wrong track? Base: All respondents (n=419)



Greatest Challenge in Next 12-18 months

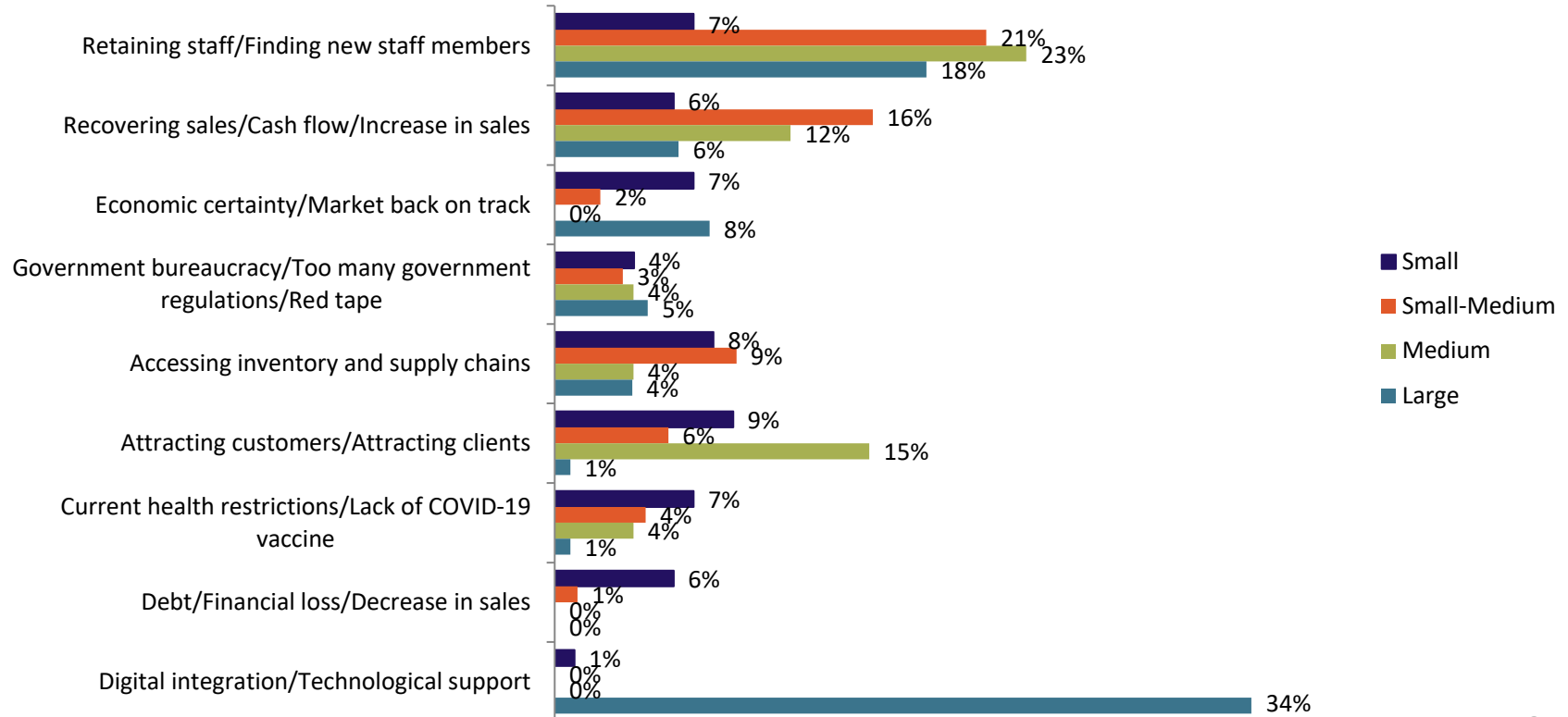
Q14: Beyond the pandemic, thinking about the next 12 to 18 months, from your perspective, what is the greatest challenge facing your organization? (TOTAL MENTIONS) [FREQUENT SELECTIONS] Base: All respondents (n=419)



The *Recovering sales/ Cash flow and Debt/ Decrease in sales* issue were most frequently mentioned issue in 2020 (12%).

Greatest Challenge Facing Company – By Employee Size

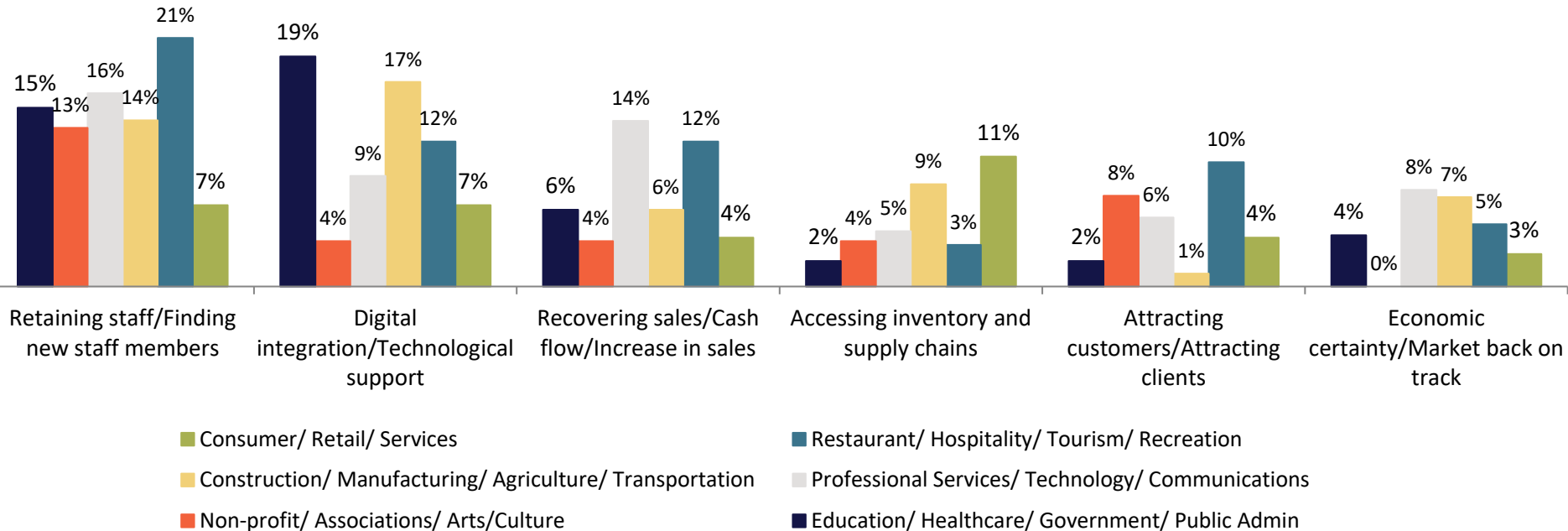
Q14: Beyond the pandemic, thinking about the next 12 to 18 months, from your perspective, what is the greatest challenge facing your organization? (TOTAL MENTIONS) [FREQUENT SELECTIONS] Base: All respondents (n=419)



Mentions Less than 4% are not shown

Greatest Challenge Facing Company – By Sector

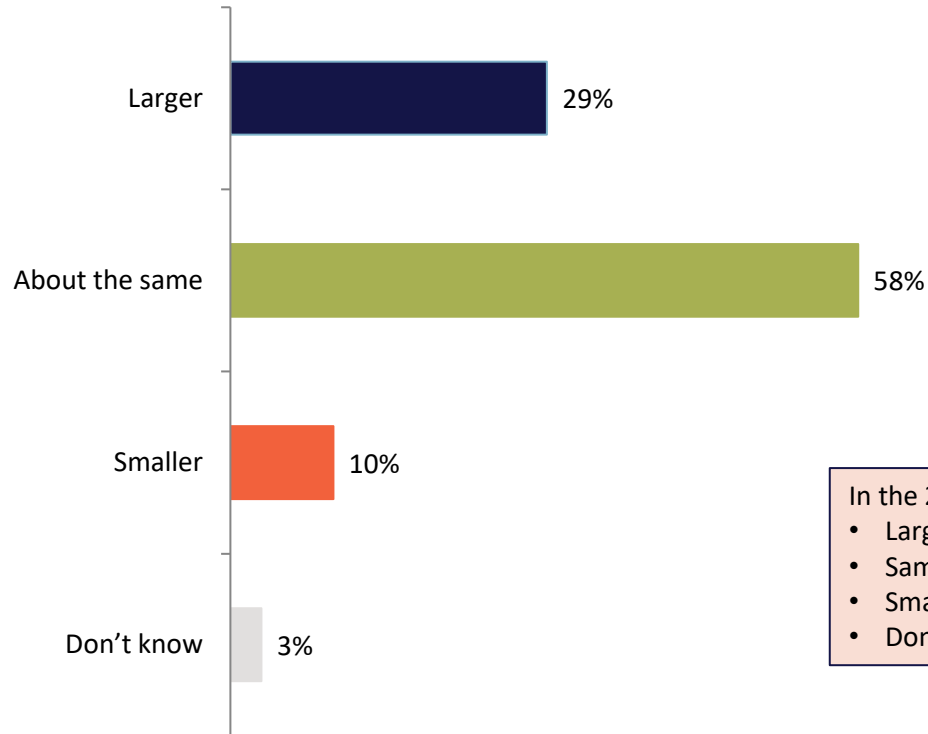
Q14: Beyond the pandemic, thinking about the next 12 to 18 months, from your perspective, what is the greatest challenge facing your organization? (TOTAL MENTIONS) [FREQUENT SELECTIONS] Base: All respondents (n=419)



Business Growth Expectations

Q15: Thinking about 12 months from now, do you expect the number of people employed by your company will be...?

Base: All respondents (n=419)



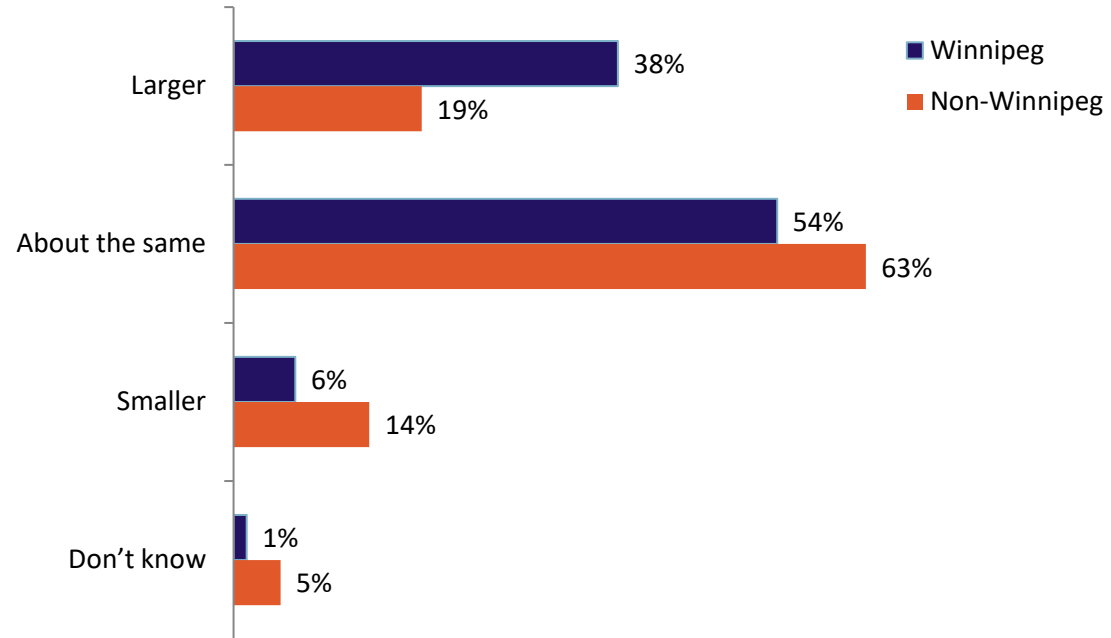
In the 2020 Business Outlook Survey:

- Larger – 14%
- Same – 61%
- Smaller – 16%
- Don't Know – 8%

Business Growth Expectations – By Region

Q15: Thinking about 12 months from now, do you expect the number of people employed by your company will be...?

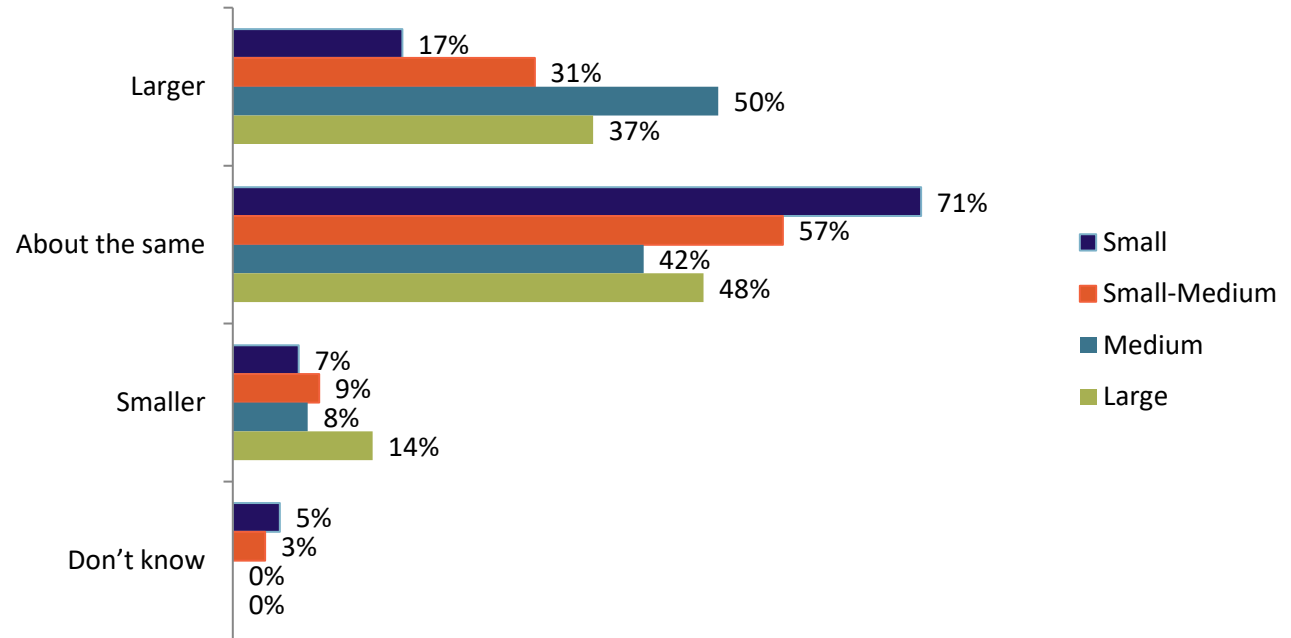
Base: All respondents (n=419)



Business Growth Expectations – By Employee Size

Q15: Thinking about 12 months from now, do you expect the number of people employed by your company will be...?

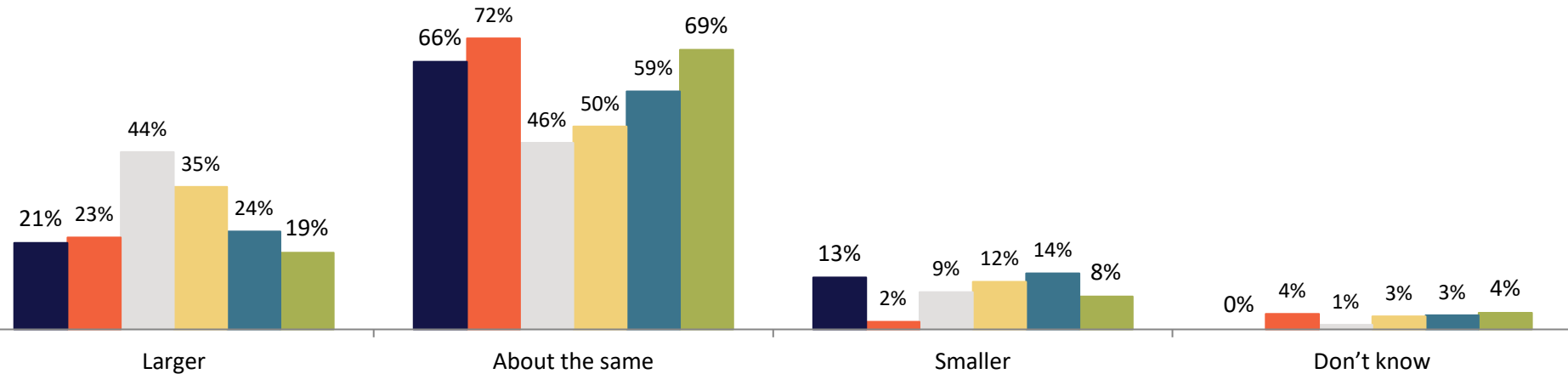
Base: All respondents (n=419)



Business Growth Expectations – By Sector

Q15: Thinking about 12 months from now, do you expect the number of people employed by your company will be...?

Base: All respondents (n=419)

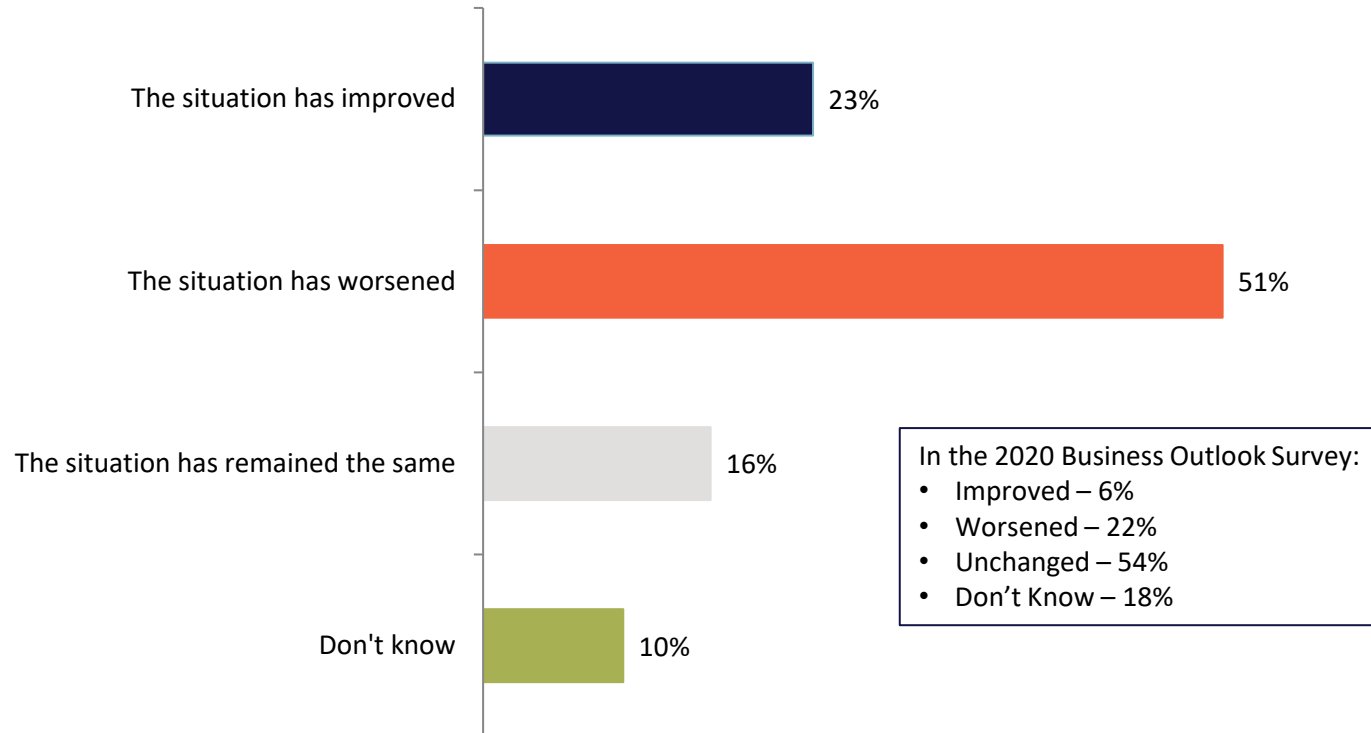


- Consumer/ Retail/ Services
- Restaurant/ Hospitality/ Tourism/ Recreation
- Construction/ Manufacturing/ Agriculture/ Transportation
- Professional Services/ Technology/ Communications
- Non-profit/ Associations/ Arts/Culture
- Education/ Healthcare/ Government/ Public Admin

Labour Market Perceptions

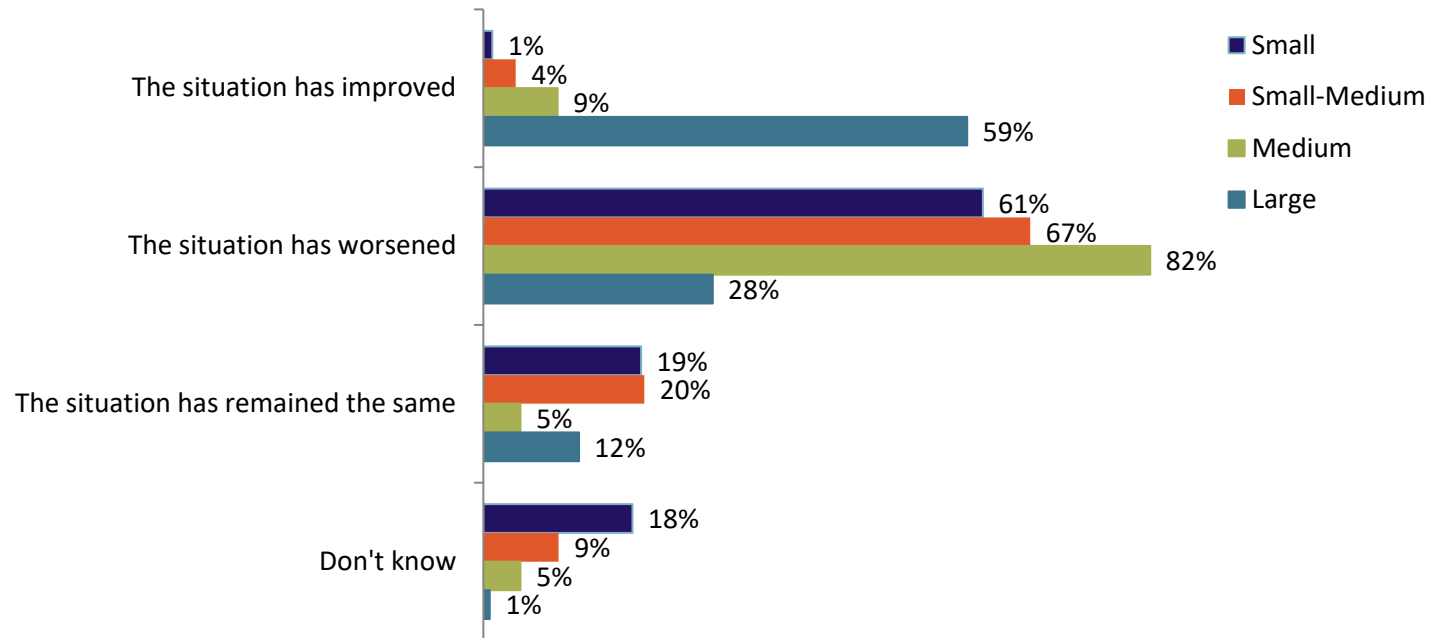
Access to Skilled Labour

Q19: In your opinion, has the situation related to access to skilled labour in Manitoba improved, worsened, or stayed the same compared to 2 to 3 years ago? Base: Respondents (n=379 excluding those extremely negatively impacted by pandemic)



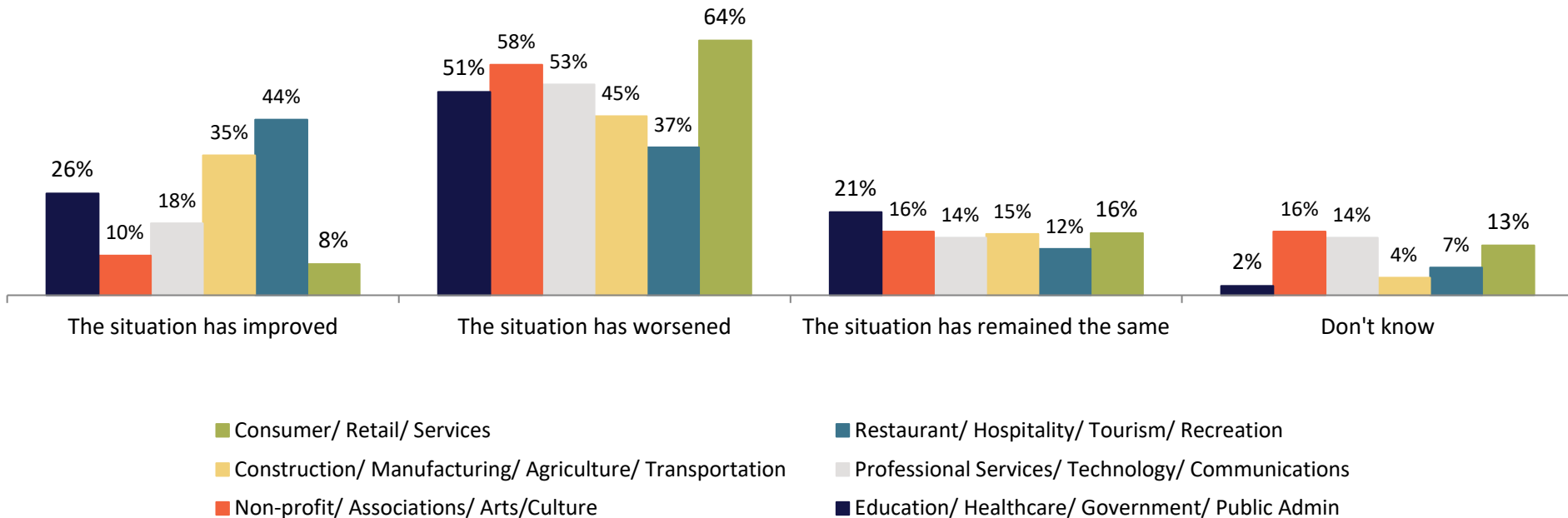
Access to Skilled Labour – By Industry Size

Q19: In your opinion, has the situation related to access to skilled labour in Manitoba improved, worsened, or stayed the same compared to 2 to 3 years ago? Base: Respondents (n=379 excluding those extremely negatively impacted by pandemic)



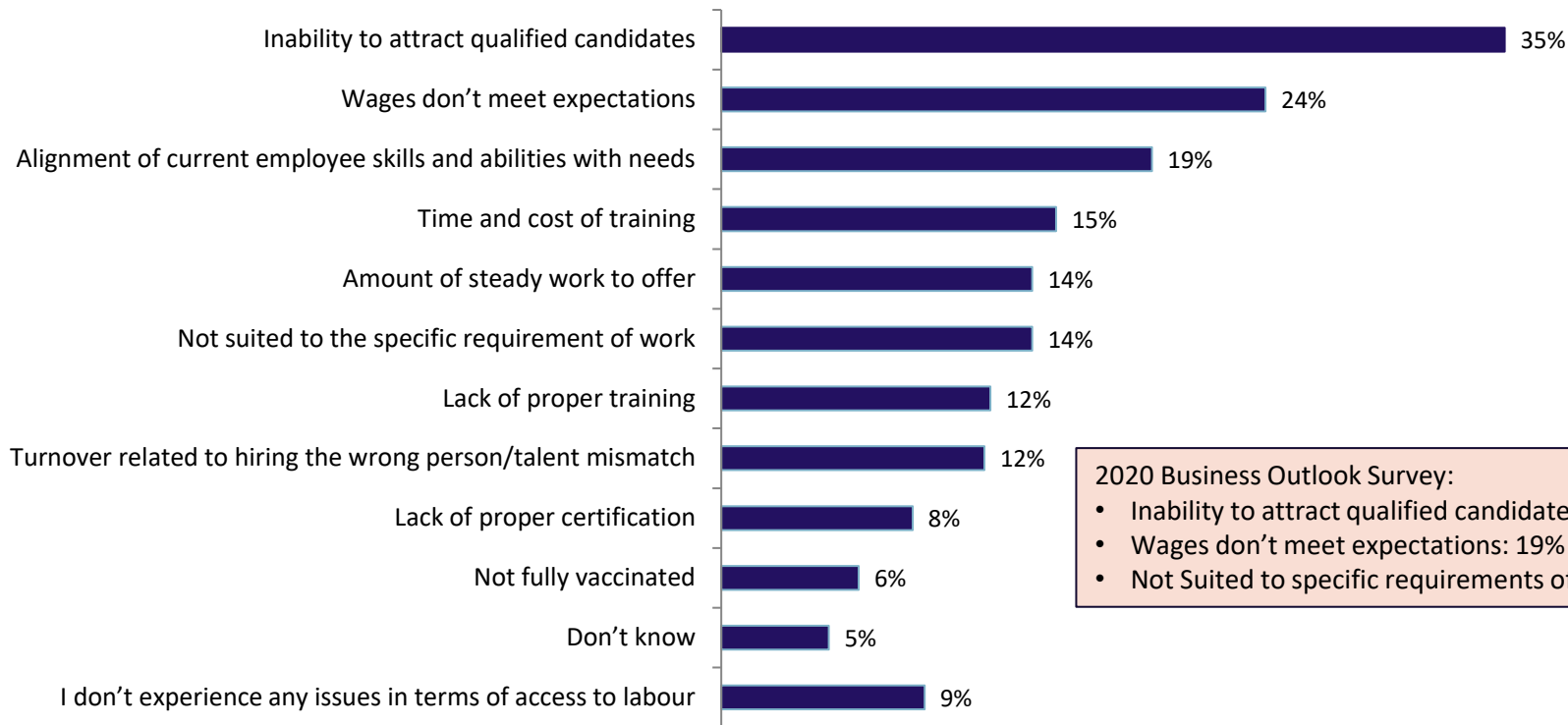
Access to Skilled Labour – By Sector

Q19: In your opinion, has the situation related to access to skilled labour in Manitoba improved, worsened, or stayed the same compared to 2 to 3 years ago? Base: Respondents (n=379 excluding those extremely negatively impacted by pandemic)



Barriers to Hiring Qualified Employees

Q20: What do you see as the biggest barriers to your ability to hire qualified employees in your business? (TOTAL MENTIONS) Base: Respondents (n=379 excluding those extremely negatively impacted by pandemic)

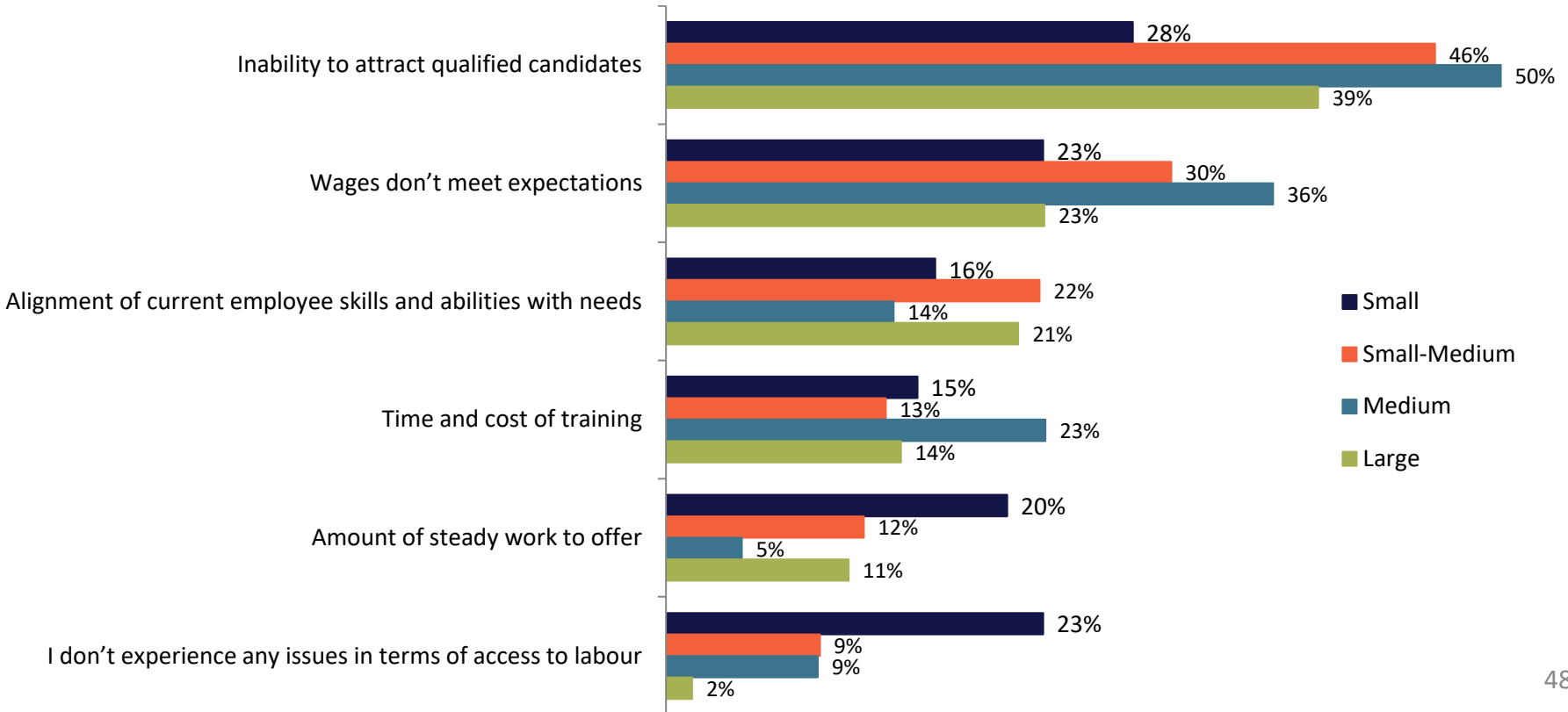


2020 Business Outlook Survey:

- Inability to attract qualified candidates: 28%
- Wages don't meet expectations: 19%
- Not Suited to specific requirements of work: 14%

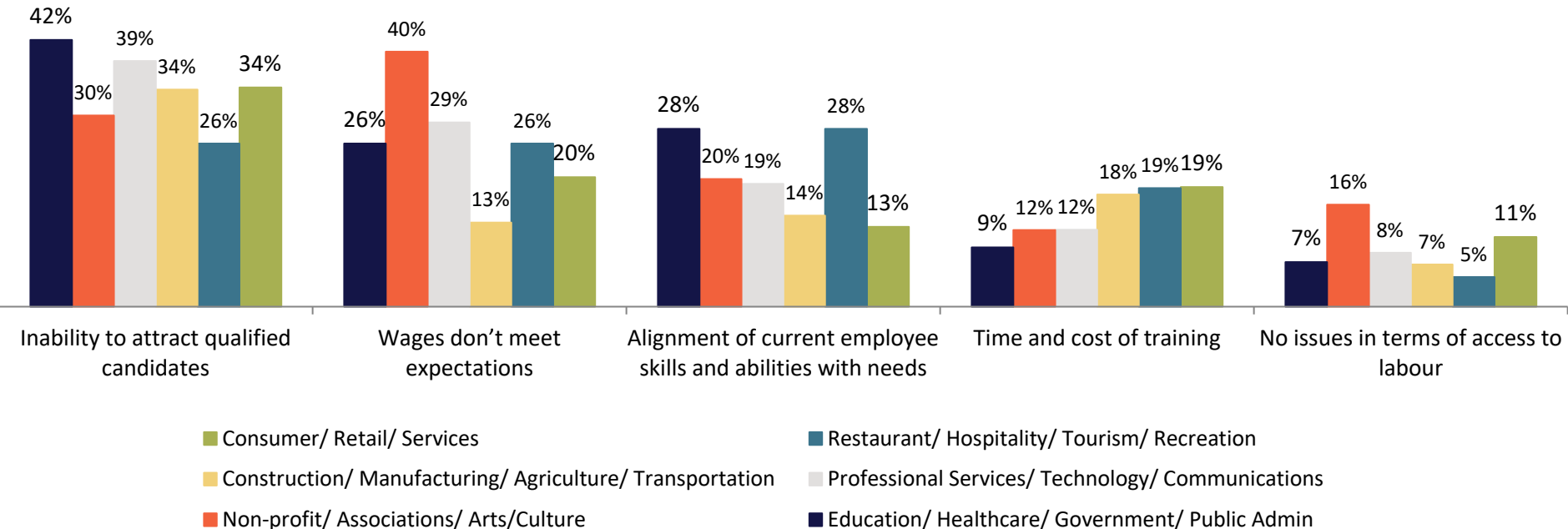
Barriers to Hiring Qualified Employees – By Employee Size

Q20: What do you see as the biggest barriers to your ability to hire qualified employees in your business? (TOTAL MENTIONS) [TOP SELECTIONS] Base: Respondents (n=379 excluding those extremely negatively impacted by pandemic)



Barriers to Hire Qualified Employees – By Sector

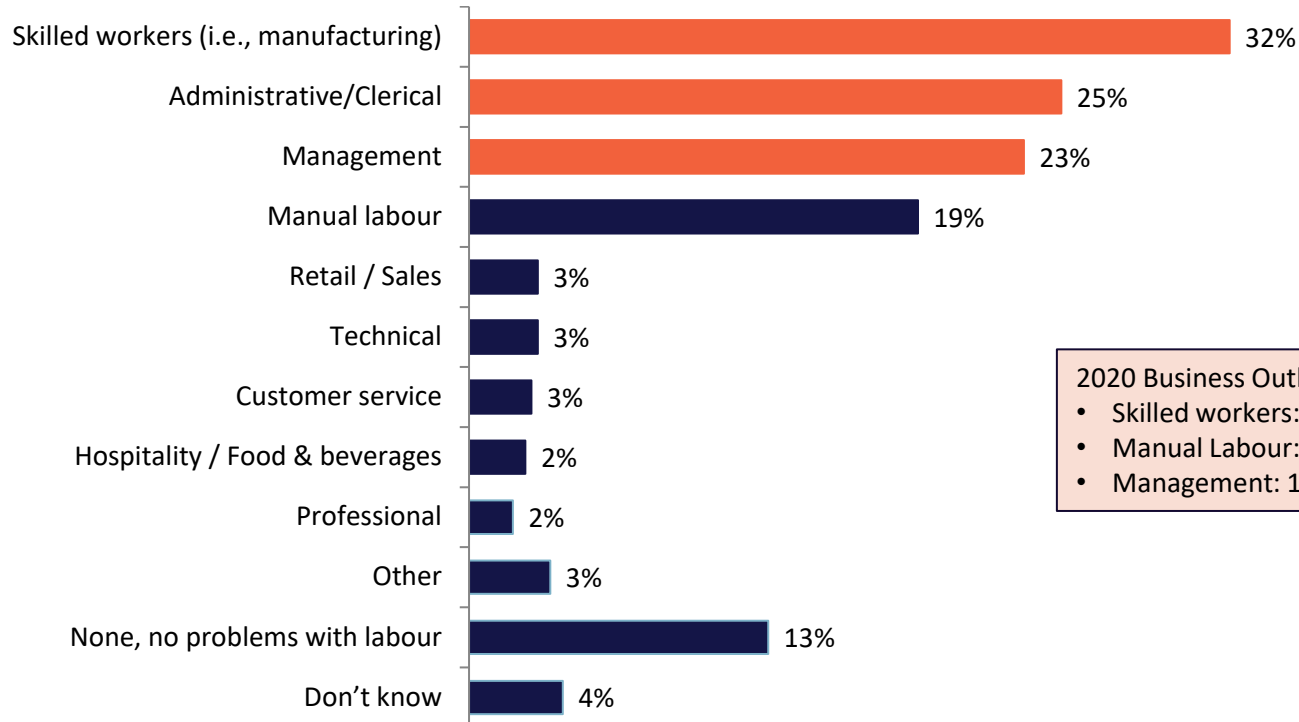
Q20: What do you see as the biggest barriers to your ability to hire qualified employees in your business? (TOTAL MENTIONS) [TOP FOUR SELECTIONS] Base: Respondents (n=379 excluding those extremely negatively impacted by pandemic)



Difficult Positions to Hire for

Q21: What positions is your organization having the most difficulty filling?

Base: Respondents (n=379 excluding those extremely negatively impacted by pandemic)



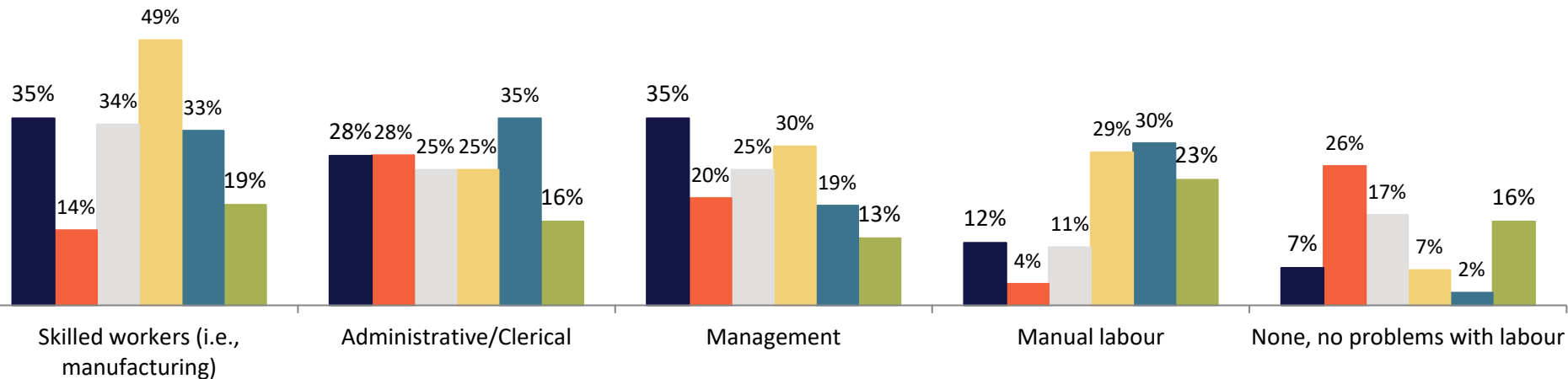
2020 Business Outlook Survey [Top 3 Results]:

- Skilled workers: 23%
- Manual Labour: 13%
- Management: 13%

Difficult Positions to Hire – by Sector

Q21: What positions is your organization having the most difficulty filling? (TOTAL MENTIONS)

Base: Respondents (n=379 excluding those extremely negatively impacted by pandemic)



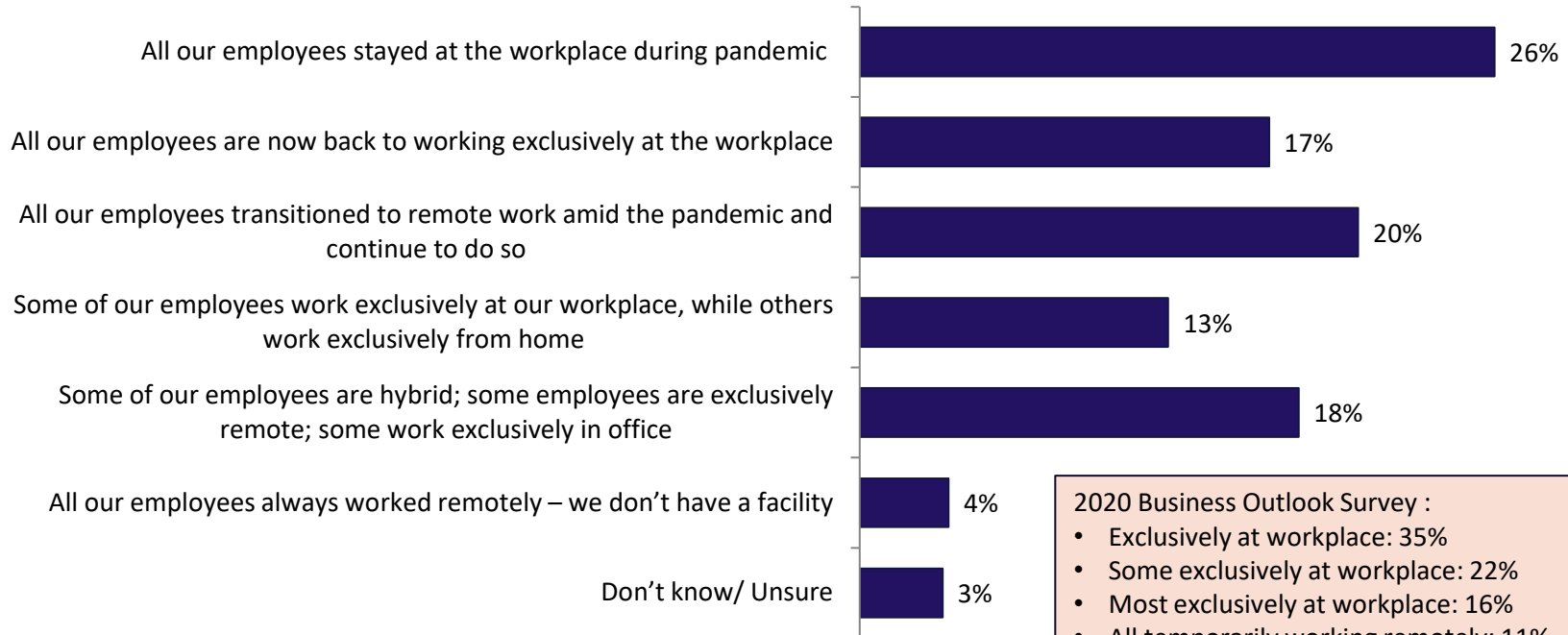
- Consumer/ Retail/ Services
- Construction/ Manufacturing/ Agriculture/ Transportation
- Non-profit/ Associations/ Arts/Culture
- Restaurant/ Hospitality/ Tourism/ Recreation
- Professional Services/ Technology/ Communications
- Education/ Healthcare/ Government/ Public Admin

Current Employee Work Situation

Employee Work Location Situation

Q22: What statement below best describes your employees' work locations?

Base: All Respondents (n=419)



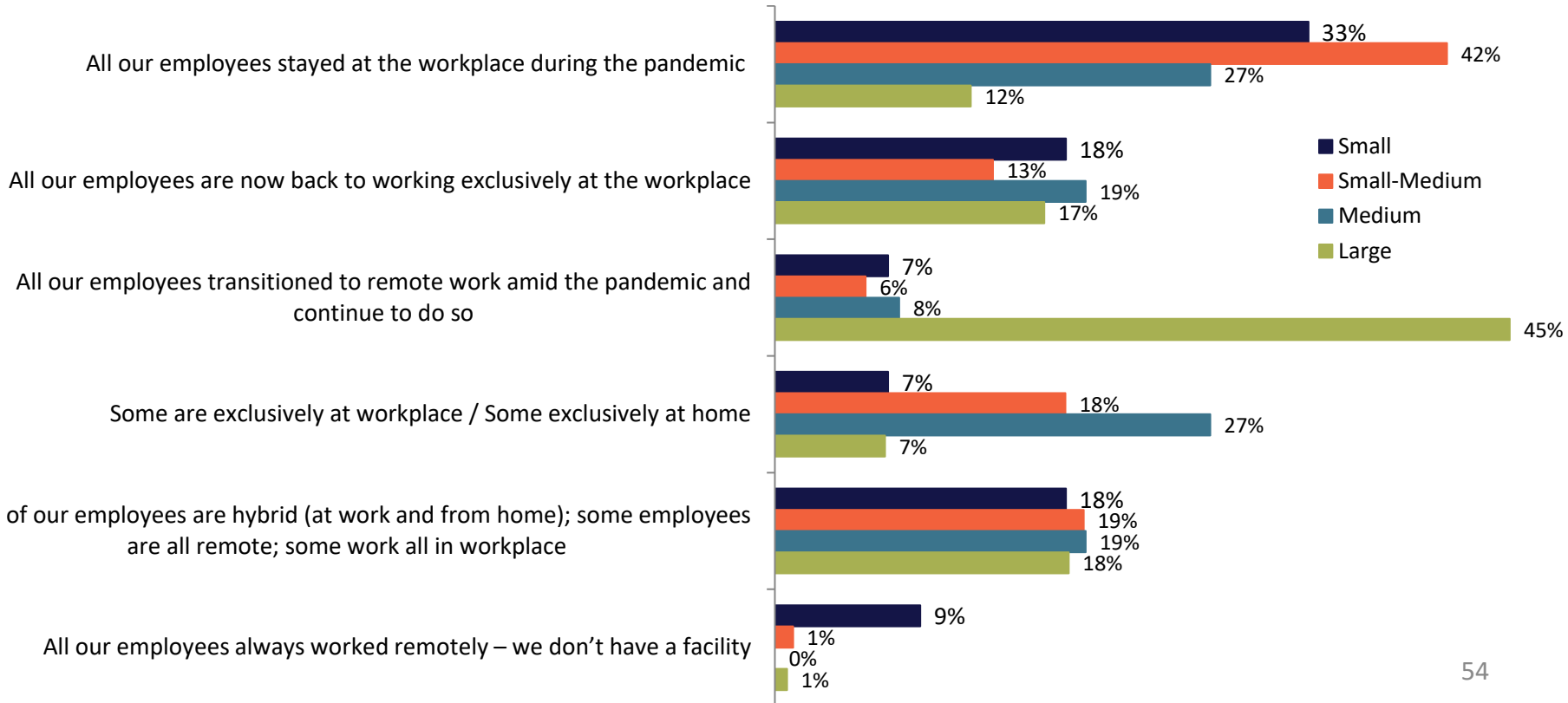
Don't know/ Unsure 3%

2020 Business Outlook Survey :

- Exclusively at workplace: 35%
- Some exclusively at workplace: 22%
- Most exclusively at workplace: 16%
- All temporarily working remotely: 11%
- All Working remotely always: 7%

Employee Work Location Situation – By Employee Size

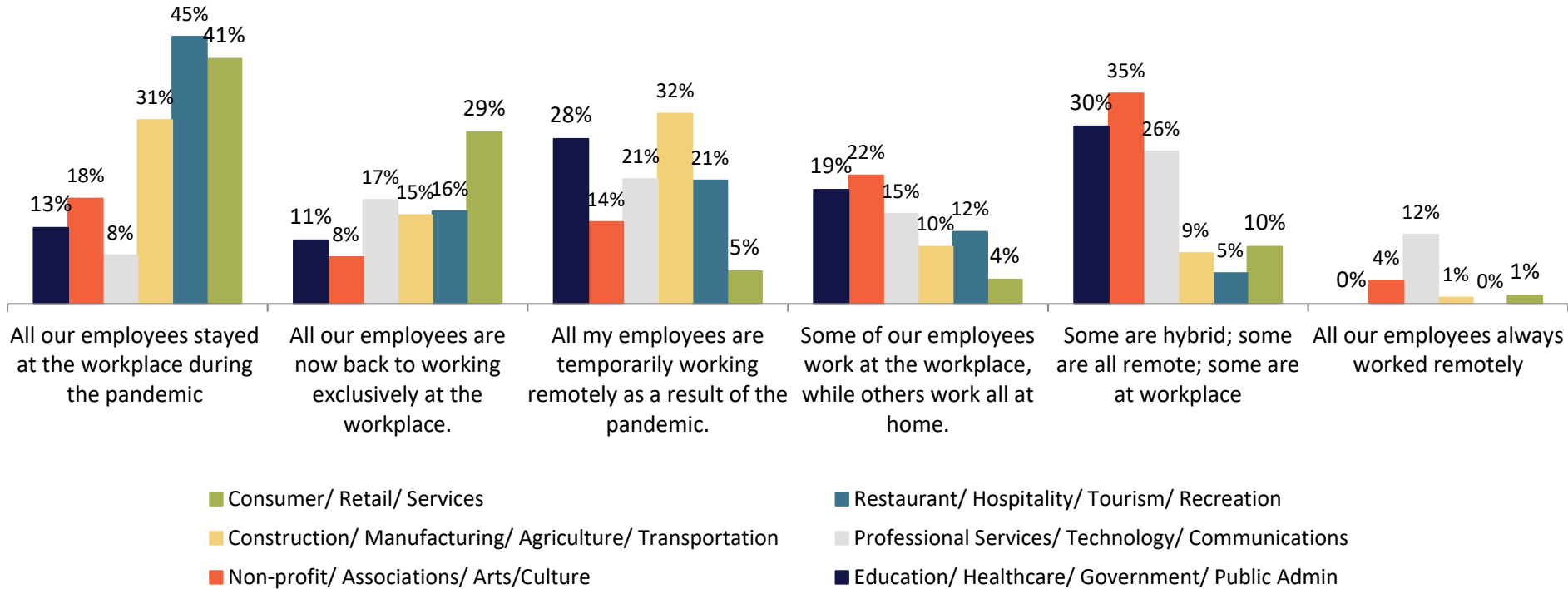
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Work Location Situation – By Sector

Q22: What statement below best describes your employees' work locations?

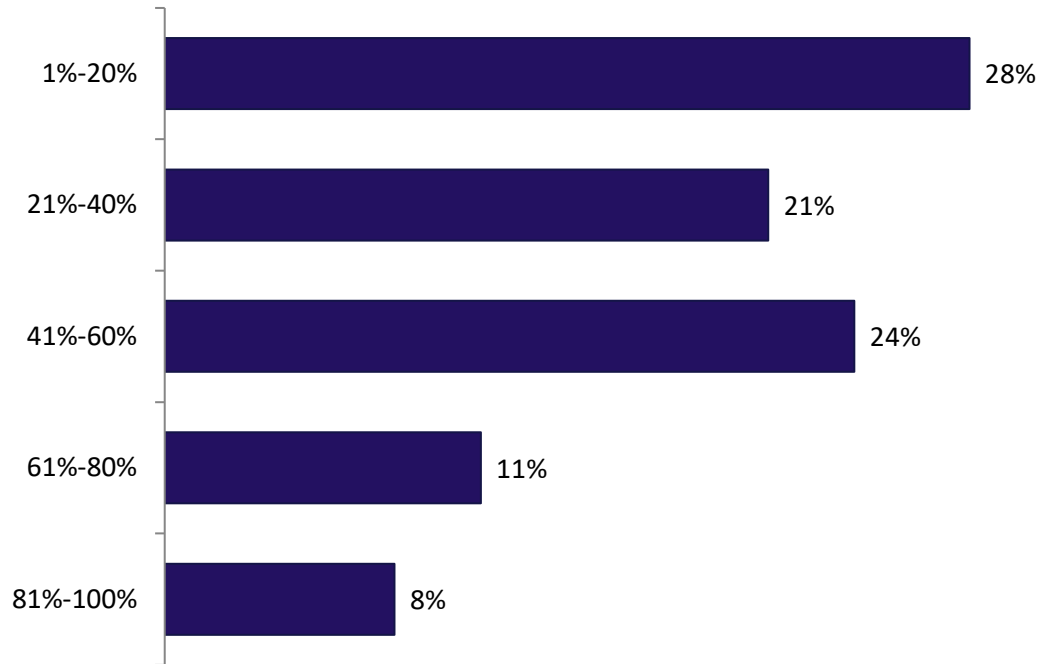
Base: All Respondents (n=419)



Proportion of Employees Working From Home

Q22A: What proportion of your workforce is still working from home predominantly?

Base: Respondents with employees Temporarily at home/Hybrid work arrangements (n=128)

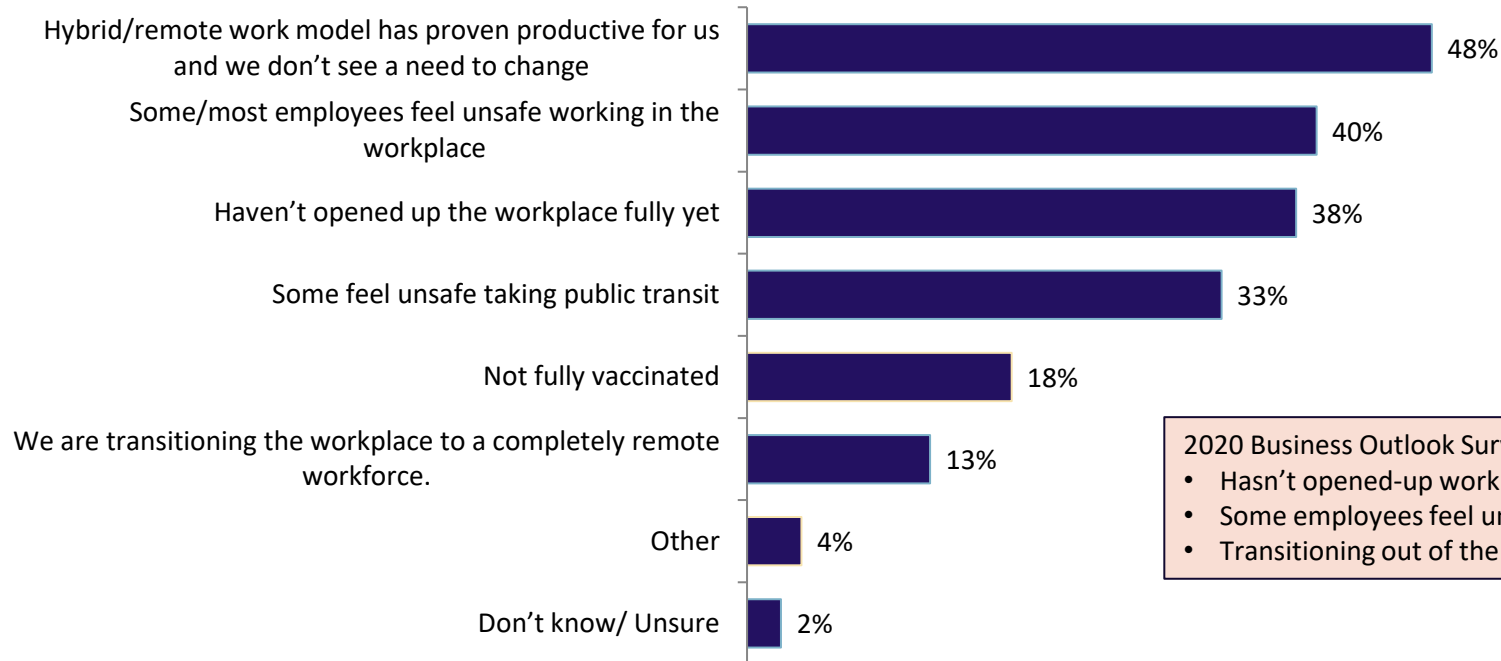


On average 40% of an organization's workforce are at home predominantly in Hybrid situation

Why are Employees Working from Home/Remotely

Q23. In your opinion, why have some/all of the company's employees not returned to the workplace?

Base: Respondents with employees working remotely since pandemic (n=212)



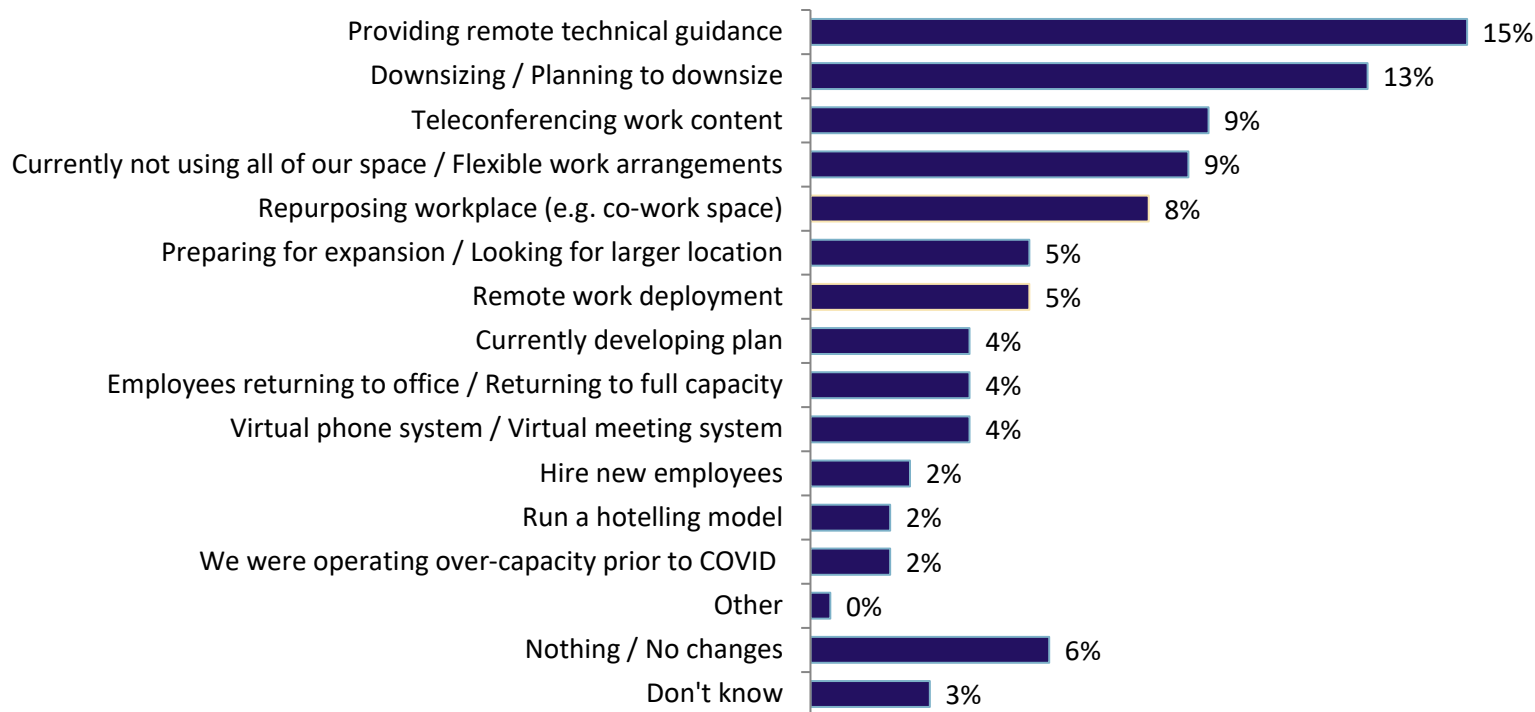
2020 Business Outlook Survey [Top 3 Results]:

- Hasn't opened-up workplace: 31%
- Some employees feel unsafe: 27%
- Transitioning out of the workplace: 18%

Plan for Utilizing Extra Workspace Area

23A: You mentioned that workplace is currently remote for some/all of the employees of your organization. In the space provided below, please share how you plan to utilizing extra workspace in your office?

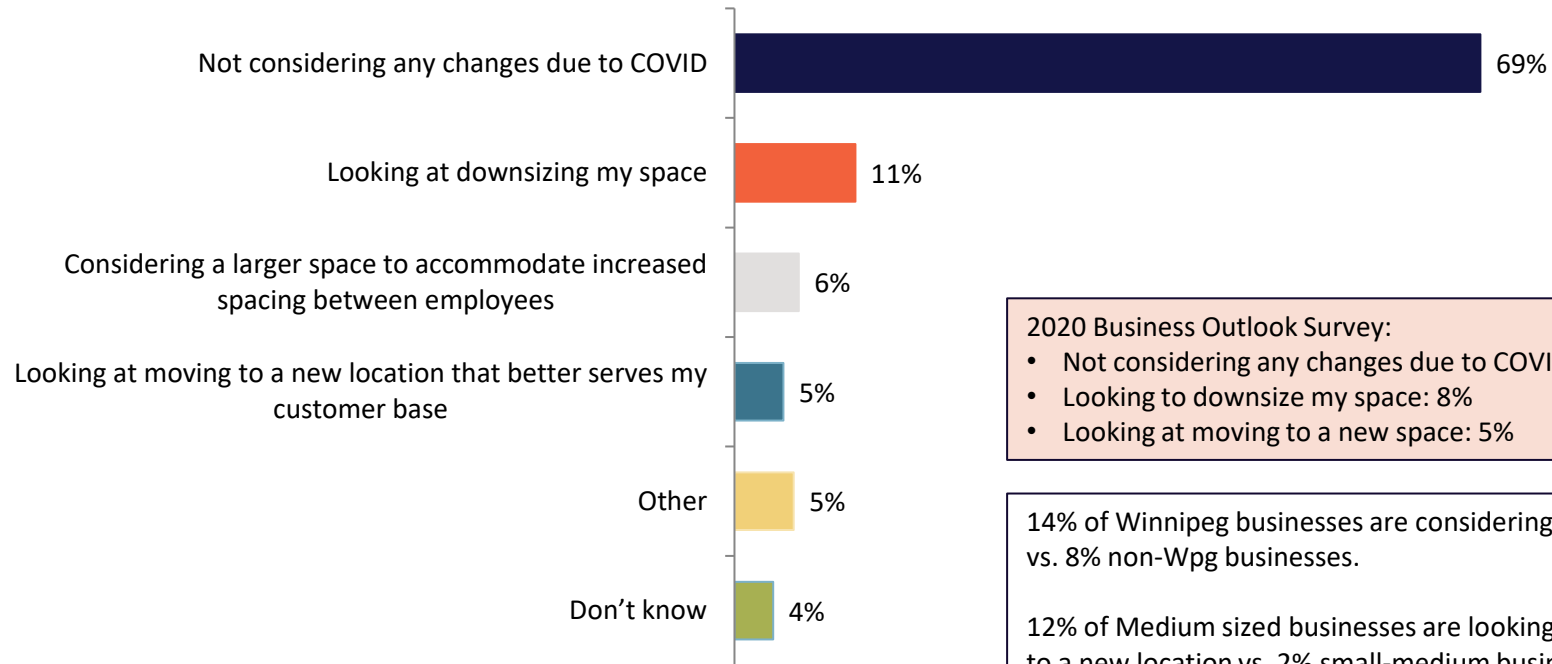
Base: Respondents with employees working remotely since pandemic (n=214)



Views Regarding Changing Business Location

Q25: As a result of the pandemic have you considered moving or changing the location of the business?

Base: All respondents (n=419)



2020 Business Outlook Survey:

- Not considering any changes due to COVID: 77%
- Looking to downsize my space: 8%
- Looking at moving to a new space: 5%

14% of Winnipeg businesses are considering downsizing vs. 8% non-Wpg businesses.

12% of Medium sized businesses are looking at moving to a new location vs. 2% small-medium businesses

2021 Manitoba Business Outlook Survey