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A REPORT TO
ALBERTA CHAMBERS OF COMMERCE

ALBERTA PERSPECTIVES SURVEY

Red Tape and Business Supports

December 2020

CONTENTS

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ABOUT THE RESEARCH

Background and Methodology

- The ACC has engaged The Strategic Counsel, a national market research advisory firm with an office in Alberta, to develop a research program that include surveys of chamber members and the public at regular intervals.
- The ACC uses these surveys in a number of ways, including:
  - To reinforce ongoing advocacy efforts by undertaking regular province-wide efforts to gather, prioritize, and articulate perspectives of the business community on core economic and policy issues relevant to municipal and provincial government leaders; and
  - Make the research available to individual chambers for to use with local municipalities.
- This is the second survey in the Alberta Perspectives series to focus on the issue of red tape and business supports. The specific issues covered in the research are outlined in the following slide.

- The ACC sent this survey to members via the province's 122 local chambers. It was fielded on the Alida platform. It included a number of waves this year, in which in a series of short surveys were sent throughout November 2020 on distinct sets of issues.
- In total, three waves were conducted among businesses in general.
- A fourth survey was sent only to Alberta Perspectives hub members in late November/early December, dealing with the impact of electricity, natural gas, and insurance costs on businesses.
- Respondents were asked questions about demographics and business characteristics the first time they completed a survey to avoid double counting these responses.

- Sample sizes for each wave are as follows:
  - Wave 1, n=290
  - Wave 2, n=332
  - Wave 4, n=243
  - Wave 4 (hub members only) n=106
- In addition, the first three waves were combined into one survey and sent as a follow up to volunteer chambers, resulting in an additional n=40 surveys. These have been incorporated into the overall results for each question.

Issues Explored

- Many of the questions from the first survey on red tape and business supports, conducted in November 2019, were fielded again this year with business operators, including:
  - Contact with/support from government agencies on issues related to sustaining or growing their business;
  - Contact from elected officials on these issues;
  - Sources of financing for businesses;
  - Levies/taxes/fees and their impact on business;
  - Renovation or expansion projects and views of the municipal permit process;
  - By-law and zoning compliance and its impact on businesses; and
  - Perceptions of their municipality as place to do business.
- In addition, a number of new items were added this year, including:
  - Concerns related to energy and insurance costs;
  - Options related to balancing municipal budgets;
  - Quality of municipal customer service; and
  - Interest in running for municipal office.
- The other challenge businesses have faced this year, in addition to the ongoing crisis in the energy sector, has been COVID-19 pandemic and corresponding shutdowns on business activity. This issue was explored in other Alberta Perspective surveys conducted this year and was not raised in this research study. It is likely, however, that a number of the responses to the questions raised in this survey reflect the impact of the pandemic and closures on business prospects and challenges.

2

OVERVIEW

Overview

- Despite the impact of COVID-19 on businesses across the province, business operators have not become more negative over the last year; in fact, there has been slight improvement over July of this year. However, the majority of business operators remain negative about the long-term future of the province. That they are not more negative suggests that the perceived impact of COVID-19 is not seen as a long-term problem (although clearly a very pressing current problem) and this reinforces the point that businesses largely continue to see the economic future of the province bound to the future of the energy sector.

- A large majority of businesses continue to report that funding and business support agencies, as well as elected politicians, have not reached out to them to discuss their growth prospects. One consequence of this is that financing for businesses largely continues to come from financial institutions or private investment. This suggests that most funding agencies and elected officials take a passive approach to dealing with the business community and that there is a need for a more active role in contacting businesses. However, this does not absolve businesses from the responsibility of being informed about what funding agencies can offer and making contact.

- Most businesses continue to see few benefits from the various taxes, fees, and levies that they pay. A majority either believe there are no benefits or are unsure if there are. This suggests that governments at all levels need to either articulate the case for the taxes, fees, and levies that businesses pay, especially in the current business climate, and/or identify ways to at least rationalize the collection of taxes, fees, and levies from business to reduce the paperwork involved.

Overview

- The large majority of businesses appear frustrated with their municipality. Some evidence for this is the highly negative Net Promotor Score that businesses give their municipality as a place they would recommend a friend invest or start a business. But there are also continuing complaints about the quality of customer services compared with what a business might offer clients/customers, issues around municipalities facilitating renovation or development processes, and the bylaws and zoning bylaws businesses have to deal with. The responses from business suggests that, if anything, the lack of clear and up-to-date guidelines, slow response to business, discretionary powers of officials, subjectivity of guidelines, and inexperience of officials all add up to creating a good deal of uncertainty and added difficulty in these uncertain times.

- Having municipalities improve customer service to business, provide clear and current development and zoning guidelines, and review and clarify bylaws affecting business would remove some current barriers. Further, it might also encourage business to be less supportive of expenditure cuts as a way of balancing the municipal budget. When business operators see limited value in the services they receive, this creates an environment where they are more prepared to see these services cut.

- Energy costs are another area of frustration. Most businesses say their natural gas and/or electricity costs have gone up in the last year. While this may be inevitable given the fiscal realities facing the province and municipalities, there is opportunity to remove irritants. One such irritant is unclear energy bills. In all, close to half of businesses report energy bills are not clear, especially in the areas of rider fees, local access fees, and transmission costs. While it may not solve the same problem, addressing these confusions may show a willingness to respond to a problem.

3

KEY FINDINGS

1

LONG-TERM FUTURE OF ALBERTA

Business outlook regarding the province's long-term prospects are negative overall but have not declined since last year despite the COVID-19 pandemic.

In all, just over half (57%) of businesses report negative views about the long-term future of Alberta, with two in ten (20%) 'very' negative. This is virtually unchanged from November 2019.

It may well be that business operators view COVID-19 as a shorter-term challenge while considering the province's long-term prospects almost entirely bound to the energy sector.

2

GOVERNMENT SUPPORT FOR GROWTH

The majority of businesses have had little to no contact with government agencies in the last year regarding the growth of their business.

Despite the difficulties experienced by business in 2020, only a quarter (26%) say they were contacted by any of the agencies listed in the survey, which is about the same as 2019.

Where businesses have been contacted, it is most frequently by their local economic development agency—well ahead of others. Almost half (12%) of the 26% reporting contact is from this source.

Notably, almost half of respondents (47%) who were contacted by agencies say that none provided support, which is up significantly from 30% in 2019.

Key Findings

3

SUPPORT FROM ELECTED OFFICIALS

Despite the difficulties businesses faced this year, elected officials have not increased contact with business operators regarding sustaining or growing their business.

In all, three quarters (74%) of business operators say that they have not been contacted in the last year by elected officials at any level with respect to sustaining or growing their business.

Those who report some contact with elected officials appear to be somewhat more positive about the long-term future of the province. This suggests that elected officials increasing outreach to the business community could have a positive effect on the outlook of business operators which, in turn, might influence their actions.

4

PERCEIVED IMPACT OF FEES/TAXES/LEVIES

Fewer than one in five businesses feel that any of the fees, taxes, or levies they pay benefit the growth or sustainability of their business. Nearly half (45%) feel that none are beneficial and roughly a quarter (22%) don't know.

Moreover, six in ten business operators believe that at least one of the taxes/fees/levies they are paying negatively impacts their business.

This widespread negative view of business payments to government may be an expression of the depth of the frustration businesses across the province are currently experiencing.

5

SOURCES OF FINANCING

Traditional financial institutions continue to be the most common source of financing for business followed by personal funding, credit unions, and private investors.

Aside from the Business Development Bank of Canada, cited by 9% of businesses (7% in 2019), no more than 2% of members cite any other government agency as a source of financing.

Combined with the large number of respondents who have not been contacted by government agencies with offers of support this year, there appears to be a gap that needs to be addressed by encouraging either businesses or funding agencies to be more proactive in their outreach to one another.

6

COSTS OF ENERGY AND INSURANCE

The vast majority of businesses report increasing costs for energy and insurance. Roughly half are experiencing increases of 10% or more.

In all, 84% of businesses report increased insurance costs, with 56% saying costs have gone up by 10% or more. Meanwhile, 75% report increased electricity and gas costs, with half (49%) reporting increases of 10% or more. When it comes to electricity in particular, most businesses (54%) are concerned with costs and nearly one third are very concerned (31%).

While increased costs is the top energy-related concern for businesses, 42% report that their bills are also unclear, particularly relating to rider fees, local access fees, and transmission costs. This is likely adding to their frustration.

7

RENOVATION AND EXPANSION PROJECTS

A quarter of businesses report undertaking a renovation or expansion project in the last year requiring a building permit. Of those, very few (just 20%) report a barrier-free experience working with their municipality in undertaking the project.

Among the wide range of barriers experienced, respondents most frequently mention issues with timelines and subjectivity in guidelines, followed by issues with communications, the limited knowledge of development officers, control by elected officials, and general uncertainty.

In sum, many of the comments suggest that those undertaking a renovation or expansion project experience a good deal of uncertainty regarding municipal guidelines and policies. This could be addressed by clearly communicated policies.

8

VIEWS OF MUNICIPALITIES

Most businesses (56%, up from 52% in 2019) would not recommend their municipality as a place to invest or start a business, largely because they consider the municipality not business friendly.

This is also evident from the fact that a large majority (69%) believe that the level of customer service they receive as a business from their municipality is not close to the level of service they provide to their own clients/customers.

These negative views could be influencing the very low percentage of respondents (just 5%) intending to run for municipal office in 2021, as well as the overwhelming support for reducing services (83%) rather than increasing taxes (17%) as a way to balance municipal budgets.

4

DETAILED FINDINGS

4A

General Economic Issues and Support of Growth and Barriers to Growth Issues

LONG-TERM FUTURE OF ALBERTA

Despite the impact of the COVID-19 pandemic on Alberta businesses, perceptions of the long-term future of the province are unchanged from a year ago and are up slightly over July of this year.

- Perceptions remain widely negative at 57% although slightly improved over July.
- This negative mood prevails across all types of business, irrespective of sector (public or private) or size.
- Those who have been contacted by an elected official in the last year are somewhat more positive about the long-term future of the province than those who report no contact (42% to 36%).

View on the Long-term Future of Province

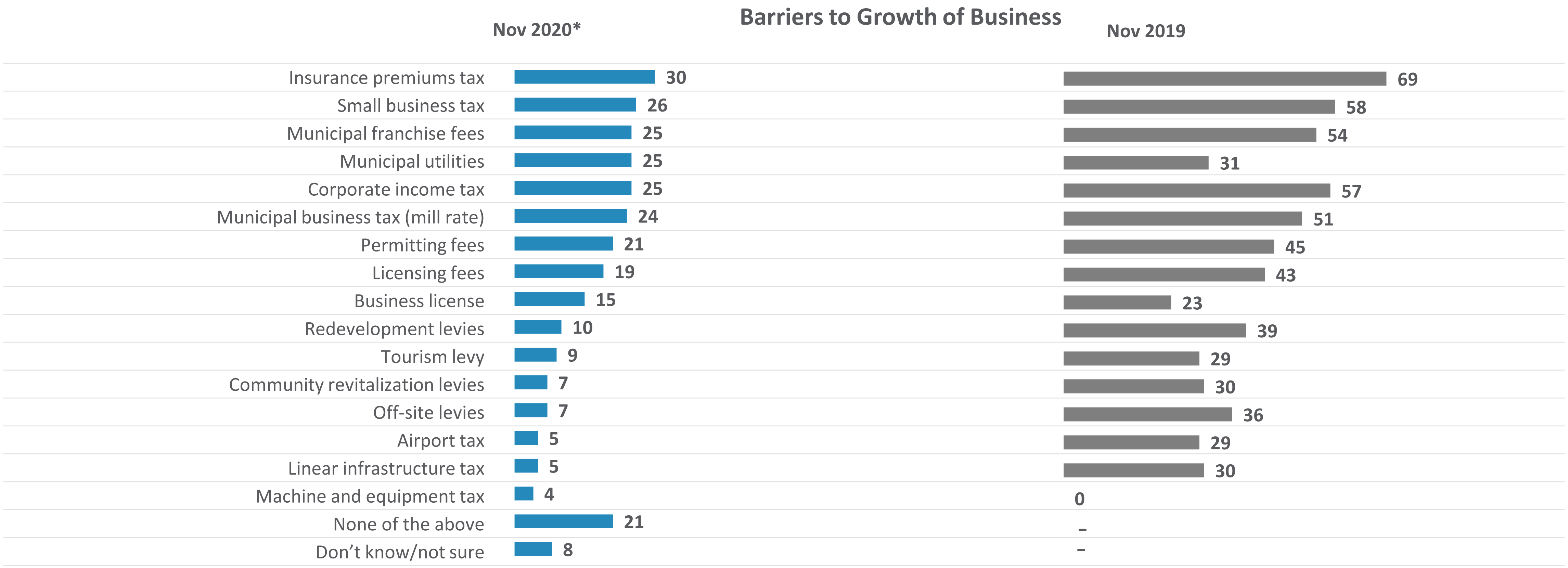
	Jul 2019	Nov 2019	Mar 2020	July 2020	Nov 2020	**NET Change** (Nov 2019 – Nov 2020)
TOTAL POSITIVE	62%	42%	42%	36%	41%	-1 ↓
Very positive	10%	6%	6%	3%	5%	-1 ↓
Somewhat positive	52%	36%	37%	33%	36%	0 ↓
Somewhat negative	27%	36%	35%	43%	37%	+1 ↑
Very negative	6%	18%	17%	17%	20%	+2 ↑
TOTAL NEGATIVE	33%	54%	53%	60%	57%	+3 ↑
Don't know/not sure	5%	4%	5%	3%	2%	-2

Q1. Overall, how do you feel about the long-term future of the province?
Base: Total sample (Nov 2020 n=847; Nov 2019 n=1028; Jul 2019 n=714)

NEGATIVE IMPACTS OF TAXES, FEES AND LEVIES ON BUSINESS COMPETITIVENESS AND GROWTH

As in 2019, businesses cite a wide variety of payments that they believe are negatively affecting the competitiveness and/or growth of their business.

- Six in ten believe that at least one tax, fee, or levy negatively impacts their business.



***Responses are not comparable with 2019, since the 2020 question was asked in two parts in order to more clearly delineate barriers and benefits. The 2019 results are included for completeness.**

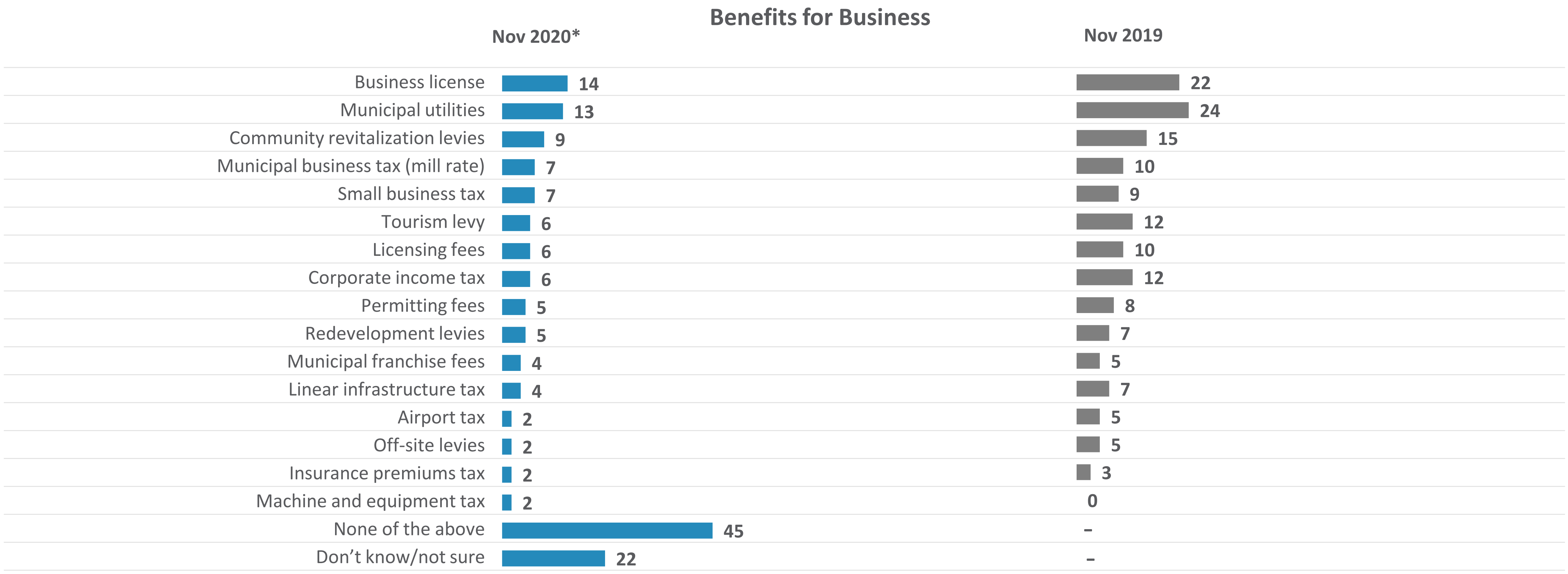
Q2. **Which of the following, if any, do you feel negatively impacts the competitiveness and/or growth of your business?** [[2019: Q7. For each of the following, do you believe they provide a benefit or barrier to the growth or sustainability of your business?]

Base: Total sample (Nov 2020 n=330; Nov 2019 n=1028)

BENEFITS OF FEES, TAXES AND LEVIES FOR BUSINESS

Few (33%) identify a fee, tax, or levy they believe benefits their business. In fact, almost half of businesses (45%) believe that none listed benefit their business, while another 22% are undecided.

- With so many respondents perceiving no benefit to these charges, even municipal unities, this may be an expression of the frustration of businesses across the province.



*Responses are not comparable with 2019, since the 2020 question was asked in two parts in order to more clearly delineate barriers and benefits separately. The 2019 results are included for completeness.

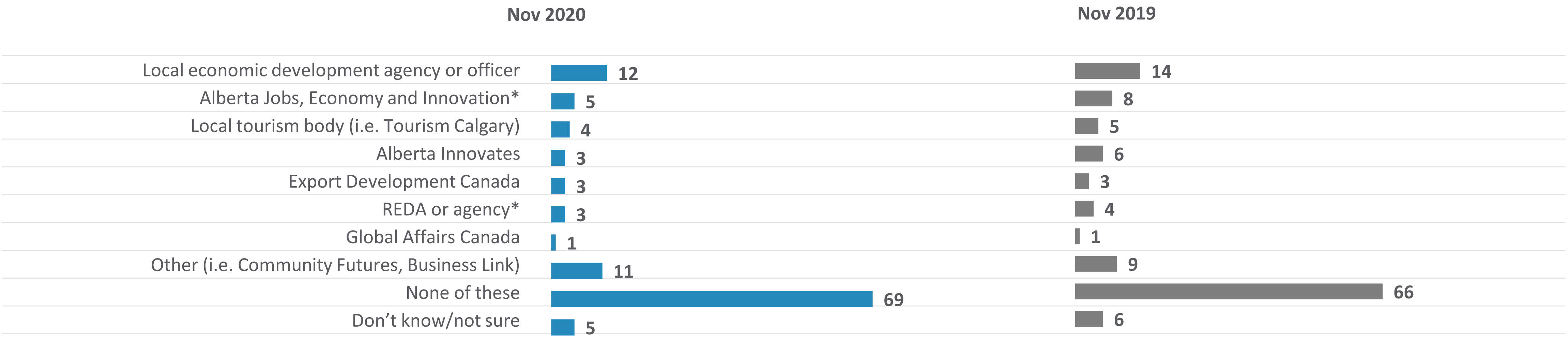
Q3. **Which of the following, if any, do you feel benefits your business?** [2019: Q7. For each of the following, do you believe they provide a benefit or barrier to the growth or sustainability of your business?]
Base: Total sample (Nov 2020 n=330; Nov 2019 n=1028)

As in 2019, and despite the new difficulties from COVID-19, roughly two thirds of businesses say they have not been contacted by any of the agencies below. Only 26% report contact.

- Where businesses have been contacted, it is most frequently by their local economic development agency. In fact, almost half (12%) of the 26% reporting contact is from this source.
- The implication here is that most agencies are not being proactive in reaching out to businesses, despite the difficulties experienced this year.
- While we did not ask this year if businesses had initiated contact themselves as we did in 2019, the similarity of response suggests that very few business are taking the initiative, given the lack of change in the percentages.

Business Has been Contacted By Following to Grow Business

(Total sample)



*formerly Economic Development Trade and Tourism

Q7. **Have you or your business been contacted by any of the following with respect to growing your business?** [2019: Q2. Have you contacted, or has your business been contacted by, any of the following with respect to growing your business?]

Base: Total sample (Nov 2020 n=372; Nov 2019 n=1028)

* Full text: Regional economic development alliance (REDA) or agency (i.e. Edmonton Global)

Among those who have been contacted by agencies, very few report receiving assistance for their business. In fact, the percentage of respondents who received support was lower this year than in 2019.

- More businesses report receiving no support in 2020 compared with 2019.

Provided Assistance for Business

(Among those saying they have been contacted by at least one funding agency listed)

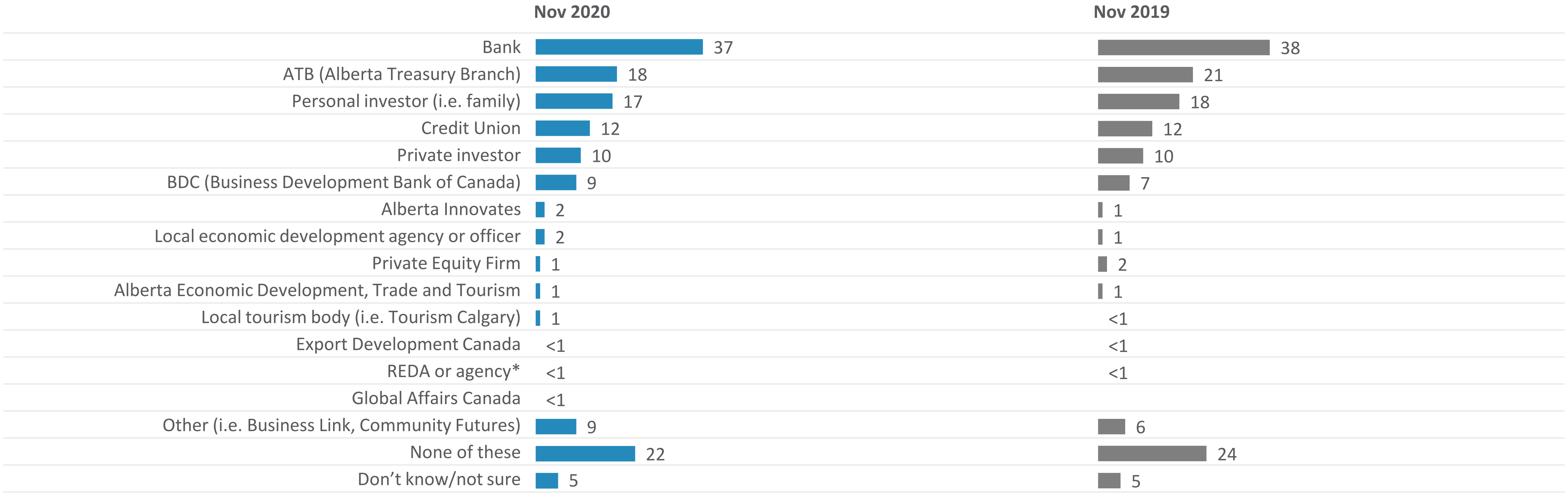
	2020	2019
Local economic development agency or officer	18%	23%
Local tourism body (e.x. Tourism Calgary)	8%	10%
Alberta Jobs, Economy and Innovation (formerly Economic Development Trade and Tourism)	6%	-
Regional Economic Development Alliance (REDA) or agency (e.x. Edmonton Global)	6%	4%
Alberta Innovates	4%	8%
Export Development Canada	2%	6%
Global Affairs Canada	1%	2%
Other (e.x. Community Futures, Business Link) please indicate which organization(s)	22%	22%
None of these	47%	30%
Don’t know/not sure	5%	4%

Q9. **Have any of the following assisted your business?** [2019: Q3. Have any of the following provided assistance to support your business?
Base: Nov 2020 n=135; Nov 2019 n=320;

Similar to 2019, traditional lenders such as private sector banks and ATB are the leading source of financing for businesses, followed by personal investors like family, credit unions, and private investors.

- Despite the financial hardship bought on by the pandemic, the sources of financing have not changed nor has the proportion of respondents saying they have not sought financing from any of the sources listed.

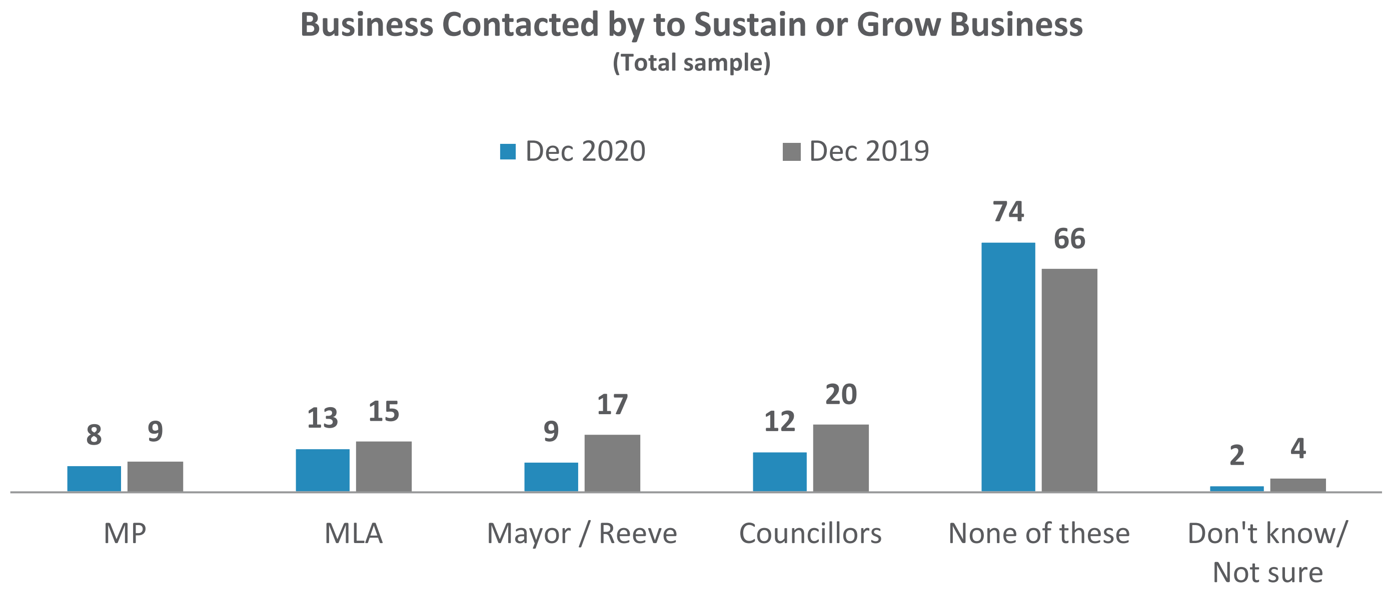
Have Provided Financing for Business
(Total Sample)



Q10. Which of the following, if any, have ever provided financing for your business? [2019: Q4. Which of the following, if any, have ever provided financing for your business?]
Base: Total sample (Nov 2020 n=372; Nov 2019 n=1028)
* Full text: Regional economic development alliance (REDA) or agency (i.e. Edmonton Global)

Three quarters of businesses say that they have not been contacted by elected representatives over the last year to assist with their business, which is up by 8% over 2019 despite the pandemic.

- The implication here is that, similar to funding agencies, elected representatives are not being proactive in their outreach to businesses
- There appears to be less outreach from municipal politicians in particular this year compared to 2019.



Q8. To the best of your knowledge, in the last year, which of the following have you or your business been contacted by with respect to sustaining or growing your business? [2019: Q6. To the best of your knowledge, in the last 5 years, which of the following have you or your business been contacted by with respect to sustaining or growing your business?]

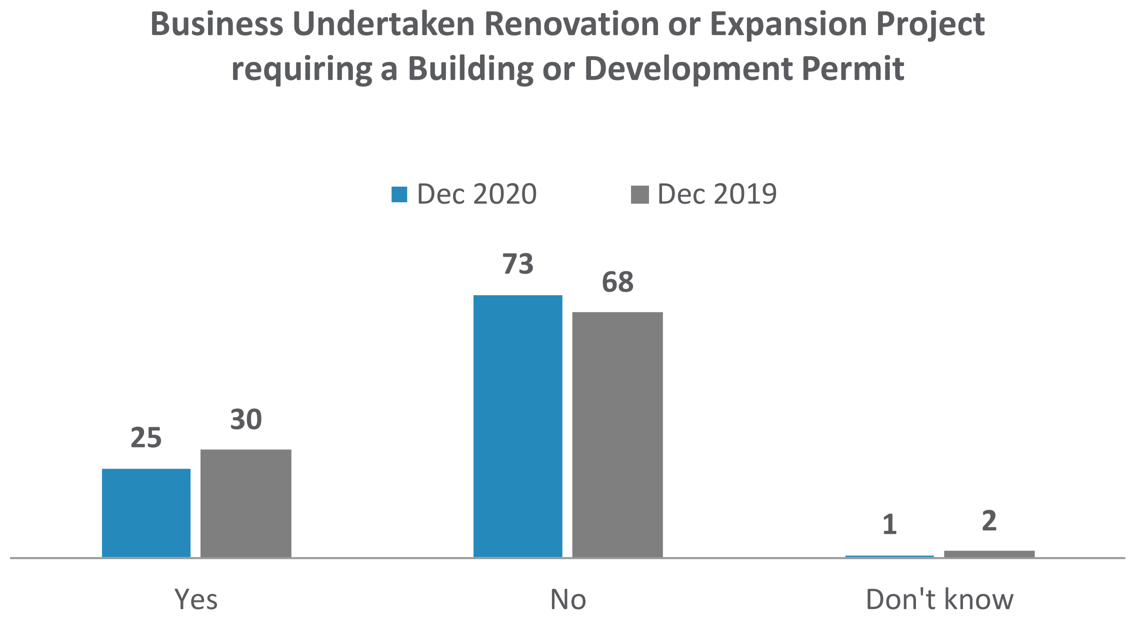
Base: Total sample (Nov 2020 n=372; Nov 2019 n=1028)

4B

Municipality-related Issues

A quarter of businesses report undertaking a renovation or expansion project in the last year that required a permit. In 2019, the number was slightly higher at 30%, but included projects undertaken in the last 5–7 years.

- Businesses with 10 or more staff are more likely than smaller ones to report undergoing a renovation or expansion in the last year at 37% versus 21%.
- Notably, there is no correlation between undertaking a renovation/expansion and having a positive outlook for Alberta over the long term.



Q4. Has your business undertaken a renovation or expansion project requiring a building or development permit in the last year? [2019: Q17. Has your business in the last 5-7 years undertaken a renovation or expansion project requiring a building or development permit?]

Base: (Nov 2020 n=330 among all respondents; Nov 2019 n=860 and asked only of a non developer and business has not undertaken a capital development project)

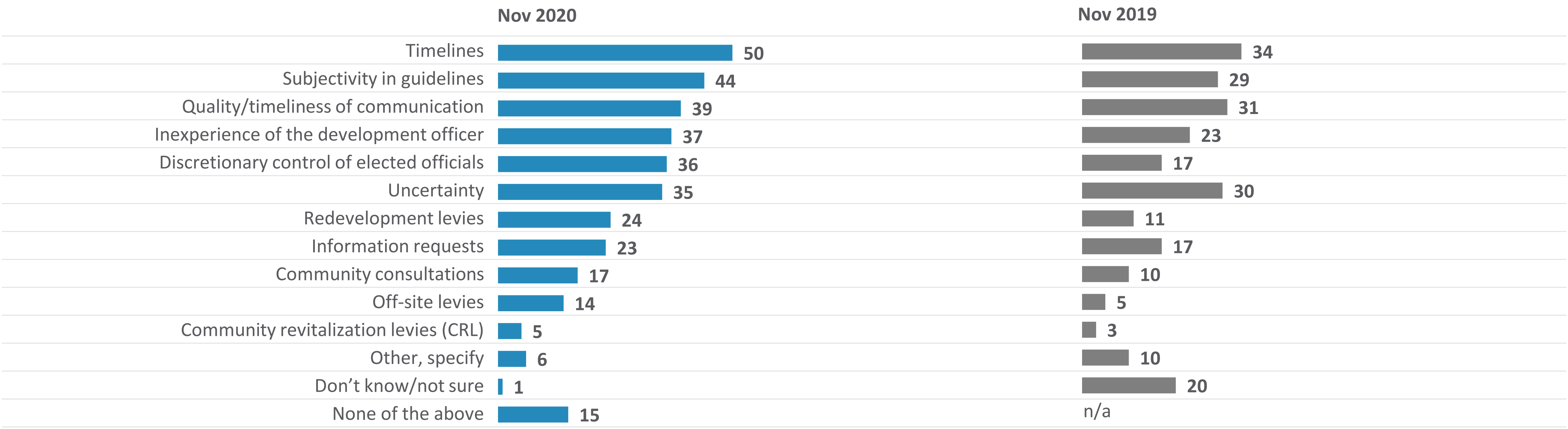
RENOVATION AND EXPANSION PROJECTS - BARRIERS

Frustration with the permit process has increased this year in a number of areas. As in 2019, busines cite a wide range of issues negatively affecting their business, especially related to timelines and guidelines.

- The top six areas are cited by a third or more of those undertaking a renovation or expansion.
- Only 15% did not identify a barrier and presumably this group encountered no difficulties, meaning that 85% did experience some form of barrier.
- Many of the issues cited suggest a lack of clearly articulated and communicated policies that can act as guidelines as suggested by those who cite subjectivity, inexperience of development officers, discretionary control of elected officials, and uncertainly as barriers.

Significant Barriers in Development Process

(among those who have Undertaken Renovation/Expansion Project)



Q5. **In undertaking a project requiring a development or building permit, which, of the following factors (if any) in the permit process have been significant barriers to your project(s)?** [2019: Q18. Which, if any, of the following factors in the development process were significant barriers to the project you undertook?]

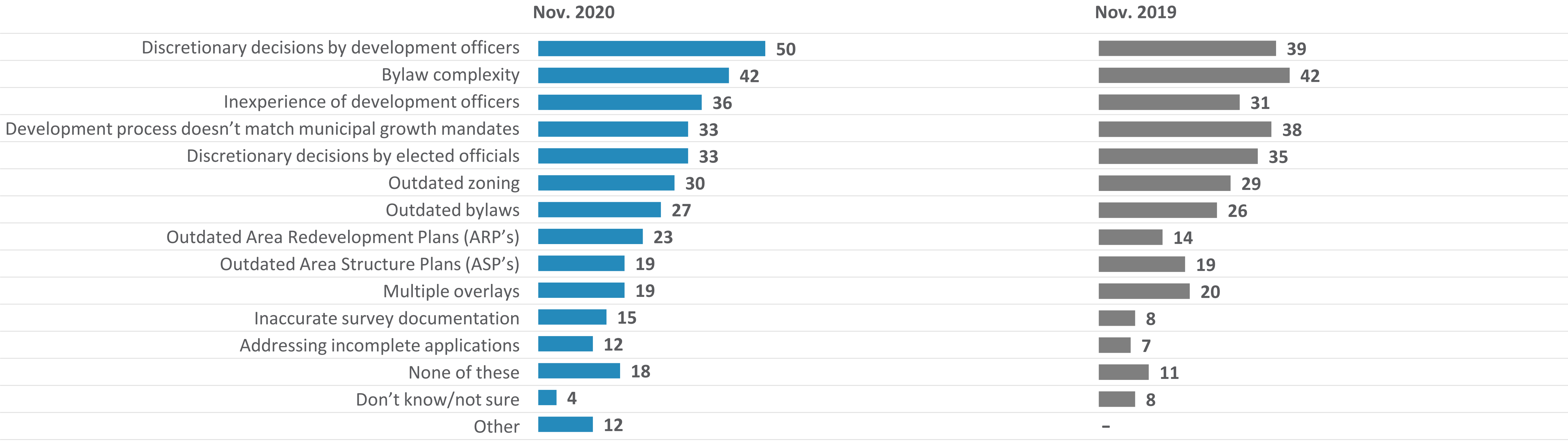
Base: Have undertaken renovation/expansion project (Nov 2020 n=84; Nov 2019 n=260)

COMPLYING WITH BYLAWS/ZONING

Bylaw and zoning compliance continues to be a burden to many undertaking renovation or expansion projects, creating perceived barriers to their growth and sustainability.

- There appear to be two areas where the number of businesses citing a barrier has increased substantially: discretionary decisions and outdated redevelopment plans.
- Once again, responses including discretionary decisions by development officers, bylaw complexity, development process not matching municipal growth mandates, discretionary decisions by elected officials, outdated zoning/bylaws, etc. suggest there is an issue of clarity and timeliness around policies and guidelines.

Barriers from Complying with Bylaws/Zoning
(among those who have Undertaken Renovation/Expansion Project)



Q6. Which, if any, of the following factors of complying with bylaws and zoning are barriers to the growth or sustainability of your business)? [2019: Q15. Which, if any, of the following factors of complying with bylaws and zoning are barriers to the growth or sustainability of your business?]

Base: Developers or have undertaken capital project (Nov 2020 n=84; Nov 2019 n=154)

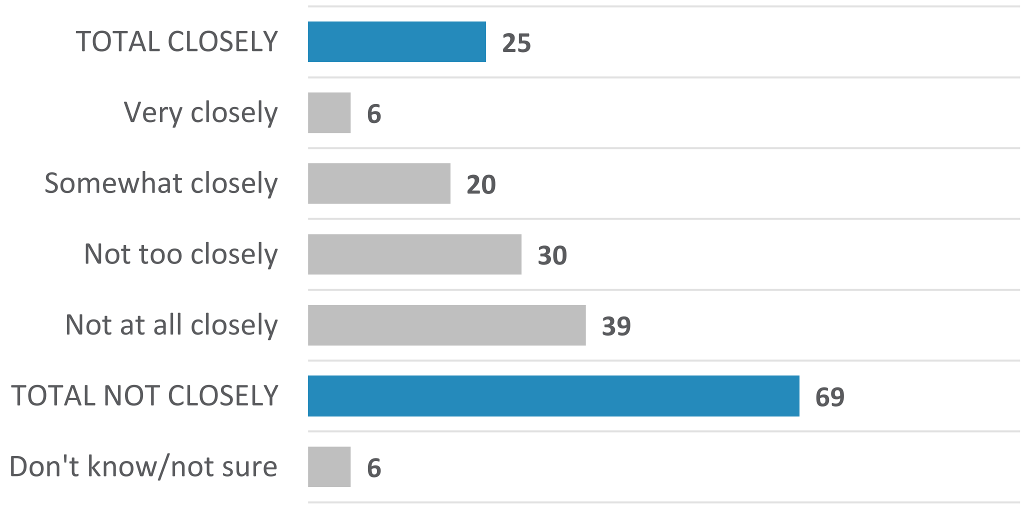
CUSTOMER SERVICE FROM MUNICIPALITIES

More than two thirds of businesses (69%) believe the level of customer service they receive from their municipality falls short of the service they provide to their clients or customers.

- Public and not-for-profit organizations are less likely than the private sector to believe the level of customer service they receive from their municipality is not close to what they provide to their clients/customers (59% say not closely versus 71% in the private sector).
- While the question response categories were different in 2019, the question is essentially the same and again shows a similar pattern of respondents believing that the quality of municipal customer services does not match the quality they provide to their customers/clients.

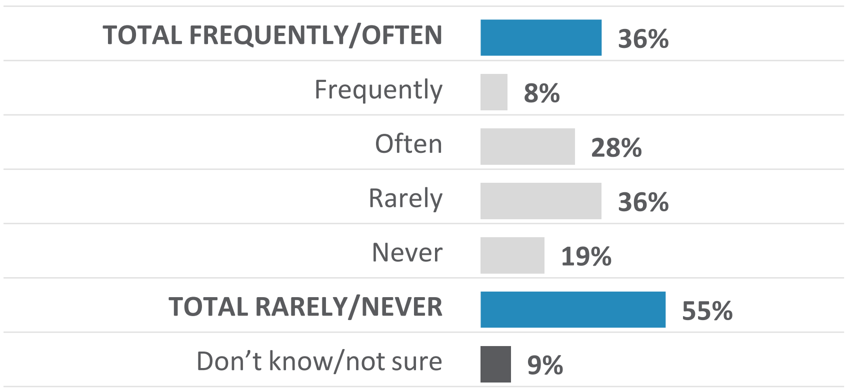
Nov 2020

Level of customer service received from the municipality vs. Level of customer service you provide to your clients/customers
(Total Sample)



Nov 2019

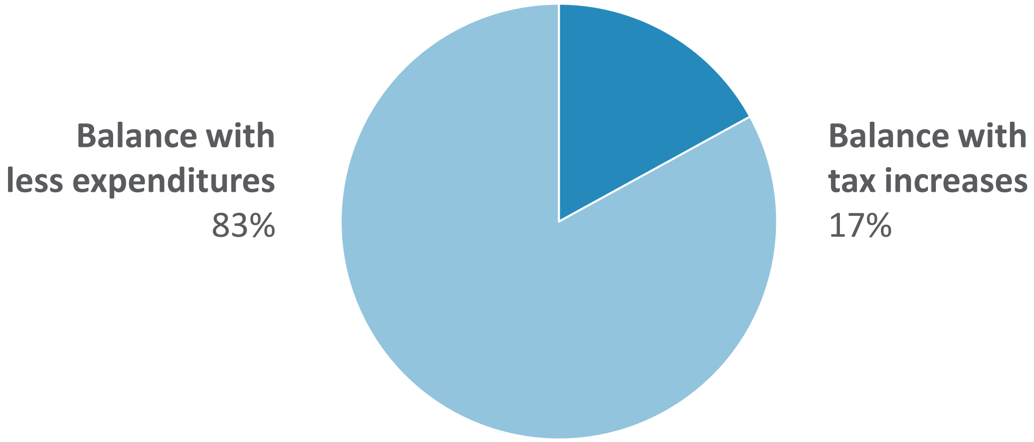
Frequency that Municipality Provides Customer Service Level same as what your Business Provides Its Clients/Customers
(Total sample)



Q13. How does the level of customer service your business receives from the municipality you operate in compare to the level of customer service you provide your clients or customers?
Base: Total sample n=283
Q20. How often does the municipality in which your business operates provide you the level of customer service that you provide to your clients/customers? Base: Total sample n=1028

Members overwhelmingly support cost cutting (83%) versus property tax increases (17%) as the best way for their municipality to balance its budget.

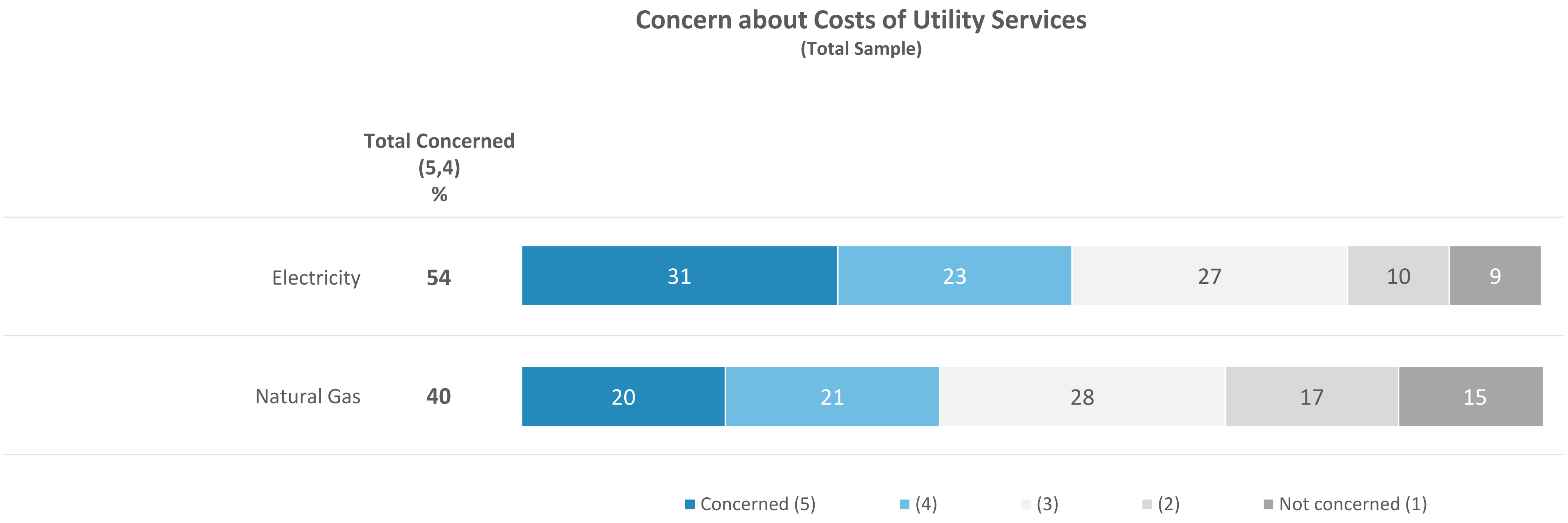
Preference to Balance Municipal Budget
(Total Sample)



Q12. Given municipal budget pressures, would you prefer to see a property tax increase or a reduction of expenditures to balance the budget of the municipality(s) your business operates in?
Base: Total sample n=243

There is significant concern among businesses regarding energy costs. This is especially true for electricity where over half (54%) of respondents are concerned and nearly one third are very concerned (31%).

- Electricity concerns are particularly high among respondents who are in the private versus public sector (58% versus 40%).

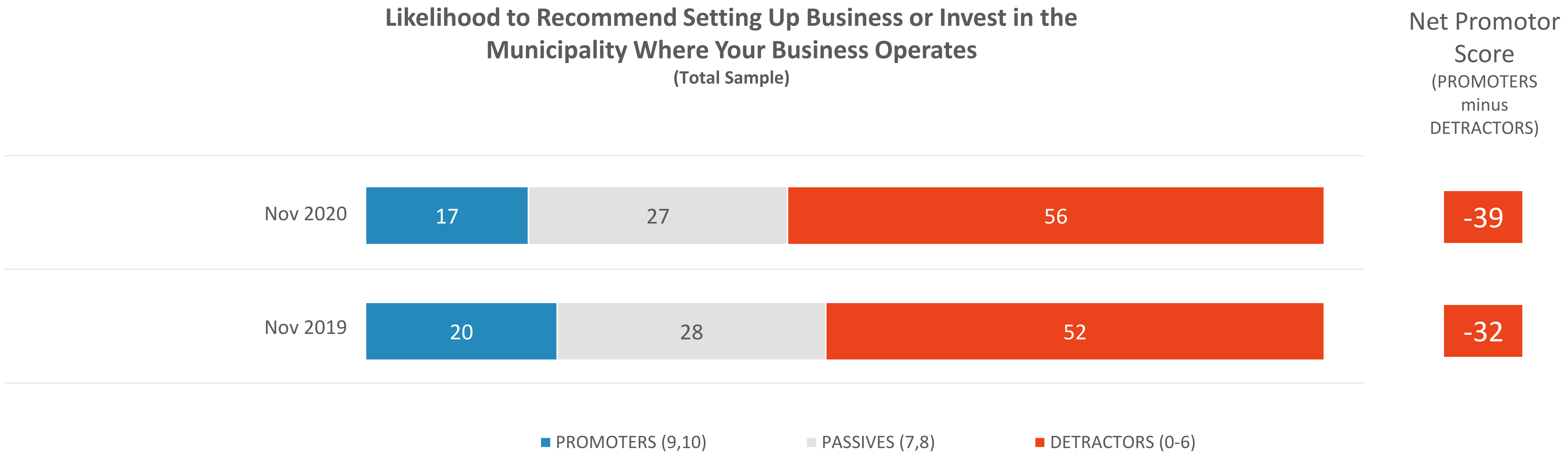


Q11. On a scale of 1 to 5, how concerned are you about the costs to your business of the following utility services?
Base: Total sample n=243

NET PROMOTOR SCORE (NPS)FOR MUNICIPALITIES

Very few (17%) say they would recommend their municipality as a place to do business. In fact, the NPS has declined even more this year (to -39) compared to the already very low score in 2019.

- It is possible that frustration and disappointment with the municipal COVID-19 is responsible for this decline.
- As noted, most businesses do not believe that their municipality has reached out to or supported them during the pandemic.



Net Promoter Score is a 0 – 10 scale and is calculated by subtracting the bottom box (0 – 6) from the top 2 box (9 – 10)

Q14. **How likely are you to recommend to a business friend or colleague that they set up business or invest in the municipality where your business operates?** [2019: Q21. How likely are you to recommend to a business friend or colleague that they set up business or invest in a business in the municipality in which your business operates?]

Base: Total sample (Nov 2020 n=283; Nov 2019 n=1028)

Among those providing a low score, many believe their municipality is simply not business friendly and is imposing red tape while offering little benefit or support. Taxes and the need to reduce spending and streamline bureaucracy are top specific concerns.

- Among those providing a higher score, many are simply more positive about the opportunities in their locality or the overall business environment

Reason for Response to Municipality Being a Place to Set up a Business or Invest in the Municipality Where the Business Operates

	TOTAL
	131
	%
Not business-friendly/Too much red tape/Not aggressive enough/They don't do much/See no benefit	40
Plenty of opportunities/Great place to do business/Would recommend people to come here and set up	21
Tax burden/Taxes are too high	13
Need to reduce spending/Streamline bureaucracy	11
Need to invest in municipal infrastructure/Roads/Transportation	6
Cost of commercial space is very high/Expensive to start up a business	6
It depends on the scope and type of business/It depends on the business	5
Great at supporting businesses/Doing a good job/Always there to help	2
Oil and gas/Drop in oil prices	2
Other	15

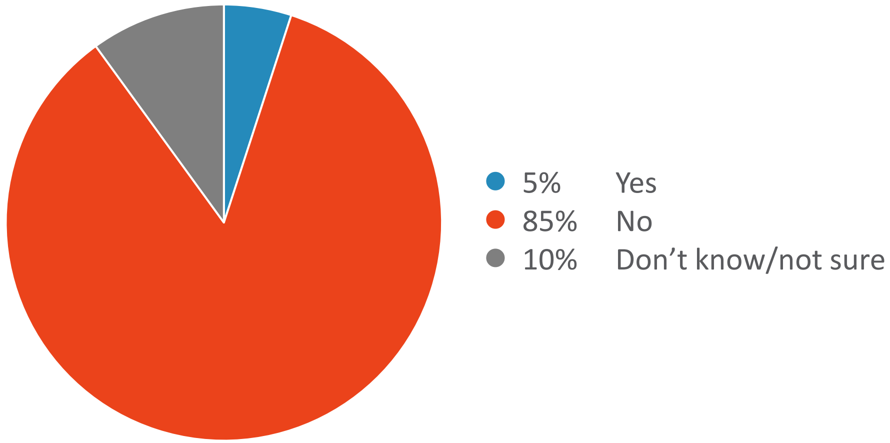
Q15. What is the primary reason for your score?
Base: n=131 (optional question to respond to)

RUNNING FOR MUNICIPAL OFFICE – REASONS FOR AND AGAINST

For the vast majority (85%) who are not planning to run for office, the demands of their business and a lack of time are the top reasons. Others don't want the role or feel that there are better ways to make a difference.

- The very few interested in running are motivated by making a difference and giving back.

Planning to Run for Local Office in 2021 Municipal Elections?
(Total Sample)

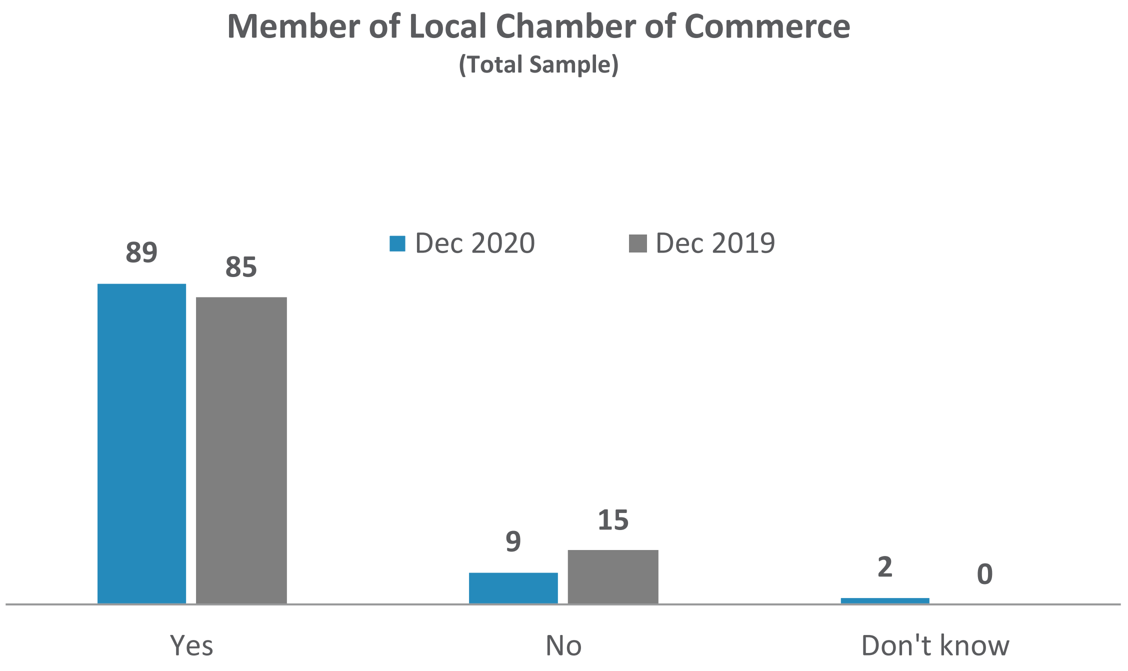


Reasons for running (Those planning to run for office)	TOTAL
	11
	%
To help make a difference in the community	73
To give back to the community	18
Other	9

Reasons for not running	TOTAL
	207
	%
My business needs all my attention	30
My life is very busy and I have little time to spare	17
I don't want the life of a municipal politician	15
There are better ways to make a difference in the community	13
I don't want to have to spend my money running for local office	5
I have limited interest in local politics	4
I don't want to go through the process of running for election	4
I don't like giving speeches or attending political events	2
I don't live in town/I don't live in the municipality/We are going to move	2
Have sat on our Municipal Council previously/Have served as a councillor/Been there done that	1
Its not possible to create change/You'll get squashed down by the agenda	1
Health issues/Too old	1
Other	3

Q16. Are you planning to run for local office in the upcoming 2021 municipal elections?
Base: Total sample n=243
Q17. What is the main reason you are planning on running for office?
Base: Those planning to run for office n=11
Q18. What is the main reason you are not planning on running for office?
Base: Not planning to run for office, n=207

Most respondents continue to be members of their local chamber.

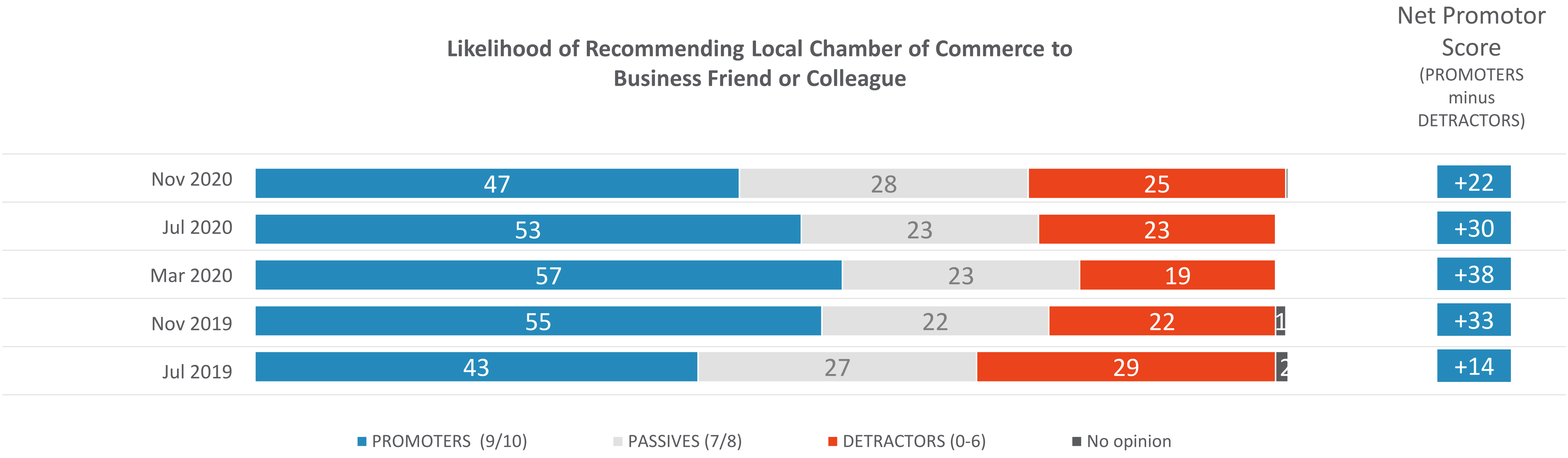


Q19. Are you a member of your local chamber of commerce?
Base: Nov 2020 n=251; Nov 2019, n=1028

NET PROMOTER SCORE (NPS) FOR LOCAL CHAMBERS OF COMMERCE

While the NPS score for local chambers continues to be positive, the proportion of members likely to recommend their chamber has declined significantly over the last year after increasing in 2019.

- It's possible that issues related to the value of local chambers during the pandemic are arising for members.



Net Promoter Score is a 10 - 0 scale and is calculated by subtracting the top 2 box (10/9) from the bottom (6 – 0)

Q20. How likely are you to recommend your local chamber to a business friend or colleague? [2019: Q33. How likely would you be to recommend your local Chamber of Commerce to a business friend or colleague?]
Base: (Nov 2020 n=757; Nov 2019 n=875; Jul 2019 n=714)

Consistent with the still-positive NPS score, overall, members cite great support from their chamber and networking opportunities and business resources as the top reasons for their assessment.

- Among detractors, businesses feel that their chamber is not business friendly, creates too much red tape, or is not doing enough to provide benefits.

Reasons for Score
(Those choosing to answer)

	TOTAL
	N=476
	%
Great at supporting businesses/Doing a good job/Always there to help	46
Networking opportunities/Resource for businesses	26
Good communications	20
Is active/Visible in communities (i.e. virtual programs, educational events)	20
Not business friendly/Too much red tape/Not aggressive enough/They don't do much/See no benefit	20
Other	10

Q21. What is the primary reason for your score?
Base: n=476

4C

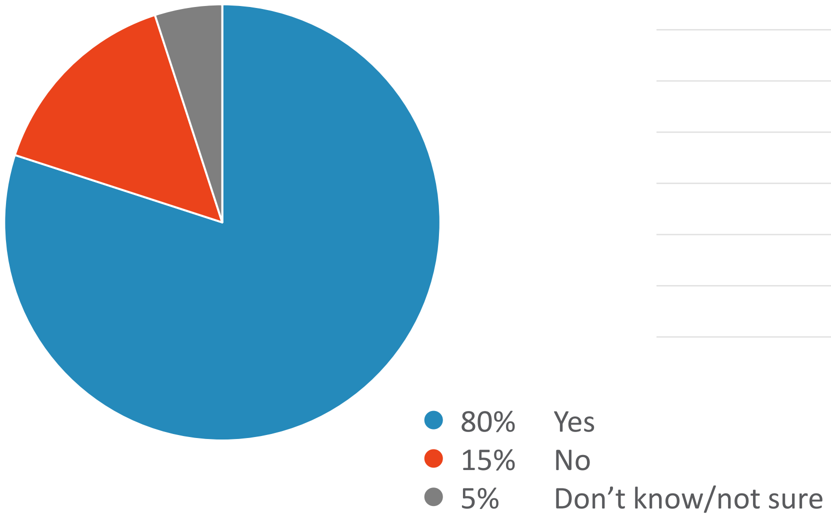
Municipal Red Tape And Business Supports Follow Up – Only Community Hub Members

UTILITIES USED

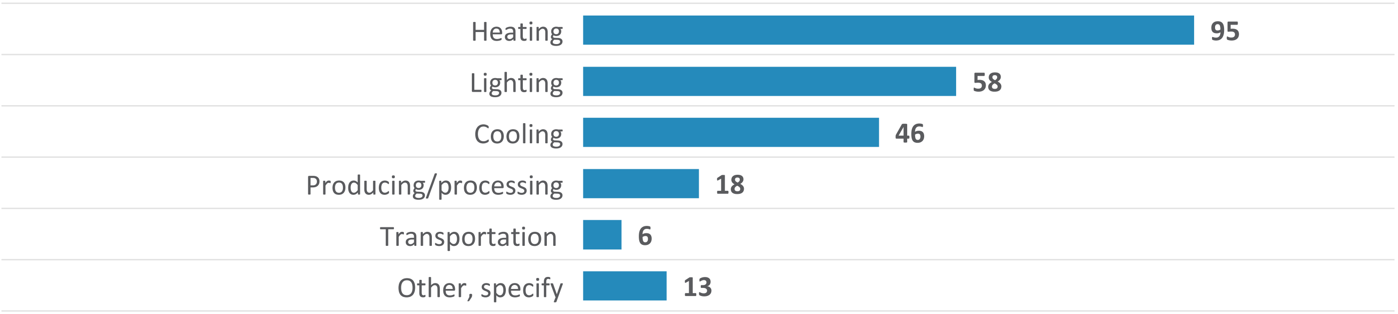
In addition to electricity, most hub members report using natural gas in their business.

- Few use gas or electricity for production or processing, suggesting that few hub members are in a business that requires these types of activities.

Business Uses Natural Gas in any Part of Operation
(Total Sample)



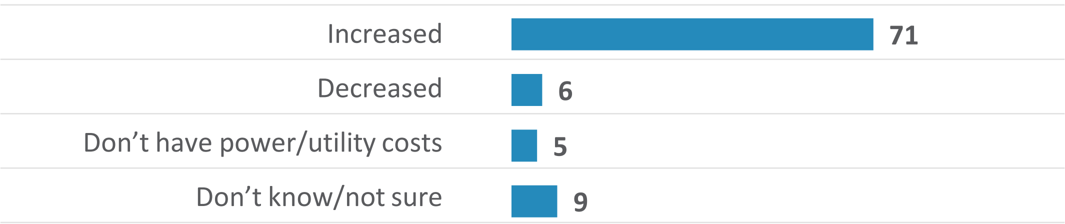
Use of Natural Gas or Electricity in Business
(Total Sample)



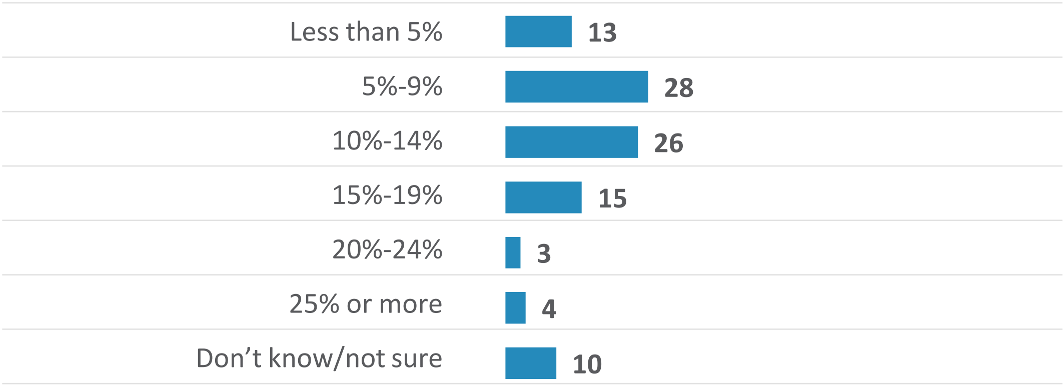
Q1. In addition to electrical energy, does your business use natural gas in any parts of its operation?
Base: Total sample (n=106)
Q2. How do you make use of either natural gas or electricity in your business?
Base: Total sample (n=106)

Most hub members (75%) say electricity and gas costs have increased over the last year with half (49%) saying this increase has been by 10% or more.

Electricity and Gas Costs Increased/Decreased as a Percentage of Monthly Operating Costs Sept 2019 vs Sept 2020
(Total Sample)



Electricity and Gas Costs have Increased
(Increased as a percentage of monthly operating costs)



Q3. Do you estimate electricity and gas utility costs for your business has increased or decreased as a percentage of your monthly operating costs for September 2020 compared to September 2019?
Base: Total sample (n=188)
Q4. How much would you estimate they have increased as a percentage of monthly operating costs?
Base: Increased at Q3 (n=134)

The high and increasing costs of energy are the top energy concerns for businesses, followed by a perceived lack of price competition in the sector as well as issues with bills and charges.

Most Important Electricity or Natural Gas Issue Facing Business
(Total sample)

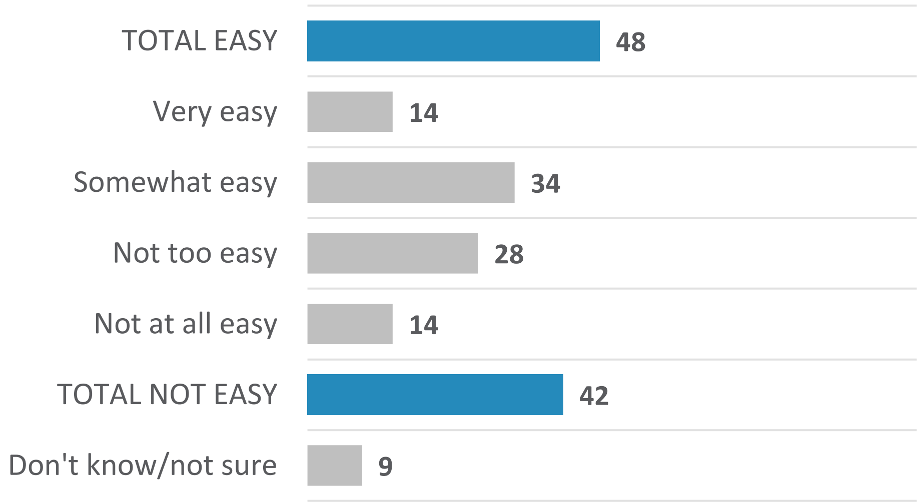
	TOTAL
	106
	%
The increasing cost of energy	45
The high cost of energy	36
No real price competition by energy suppliers	25
Bills vary from month to month despite no changes in our consumption	13
Feel taken for granted by the utility company we use	13
Unclear from the bill what we are paying for	9
Limited information of how to reduce energy usage	6
Frequency of supply/power outages	6
Meter readings are often incorrect regarding our consumption	5
Difficulty of contacting a customer service representative when we have an issue	5
Too difficult to dispute bills	4
No clear processing for complaining about the service	2
Lack of information/warning when there are supply/power outages	1
Other, specify	26
No real issues	10
Don’t know/not sure	3

Q8. Which of the following is the most important electricity or natural gas utility issue facing your business?
Base: Total sample (n=106)

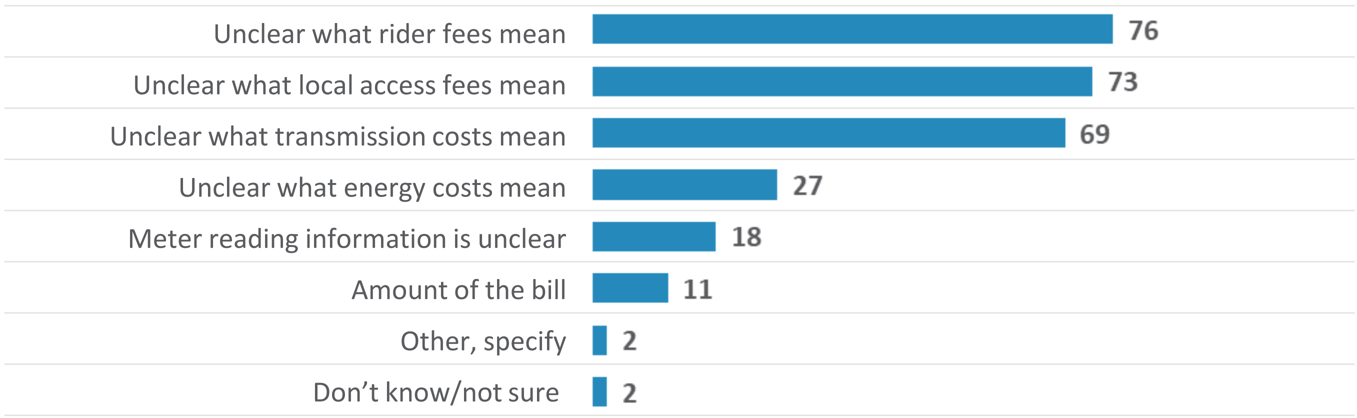
Businesses are divided in their opinions when it comes to the clarity of their energy bills

- Among those who say that their bills are not easy to understand, large numbers cite rider fees, local access fees, and transmission costs as unclear.

Level of Ease in Making Sense of Electricity or Natural Gas Bill
(Total sample)



Parts of Energy Bill Unclear
(% Not too easy/not at all easy to read energy bill)

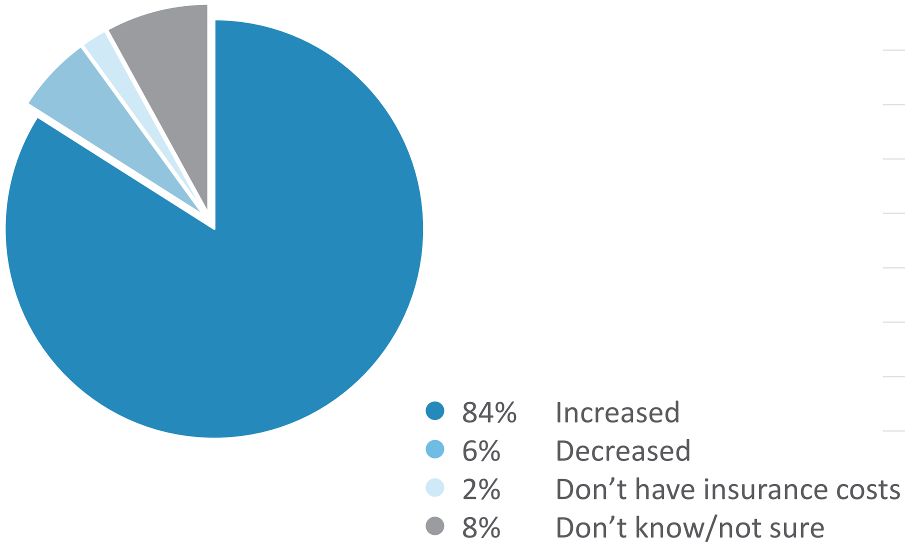


Q9. How easy or difficult is it to make sense of your electricity or natural gas bill in terms of what you are paying for?
Base: Total sample (n=106)
Q10. Which of the following parts of the energy bill are unclear?
Base: Not too easy/not at all easy (n=45)

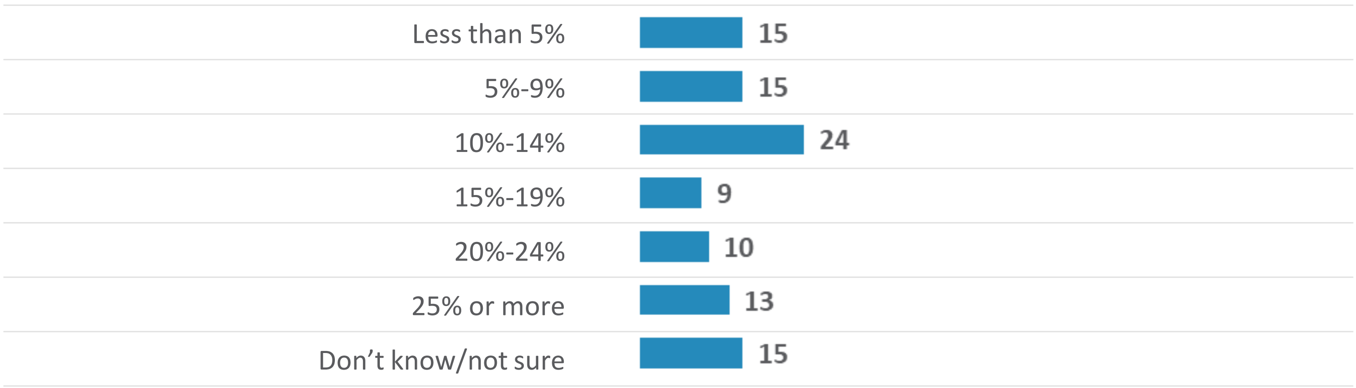
Most businesses (84%) say their insurance costs have also increased in the last year.

- More than half (56%) say these costs have gone up by 10% or more.

Direction of insurance Costs as a Percentage of Monthly Operating Costs Sept 2019 vs Sept 2020
(Total Sample)

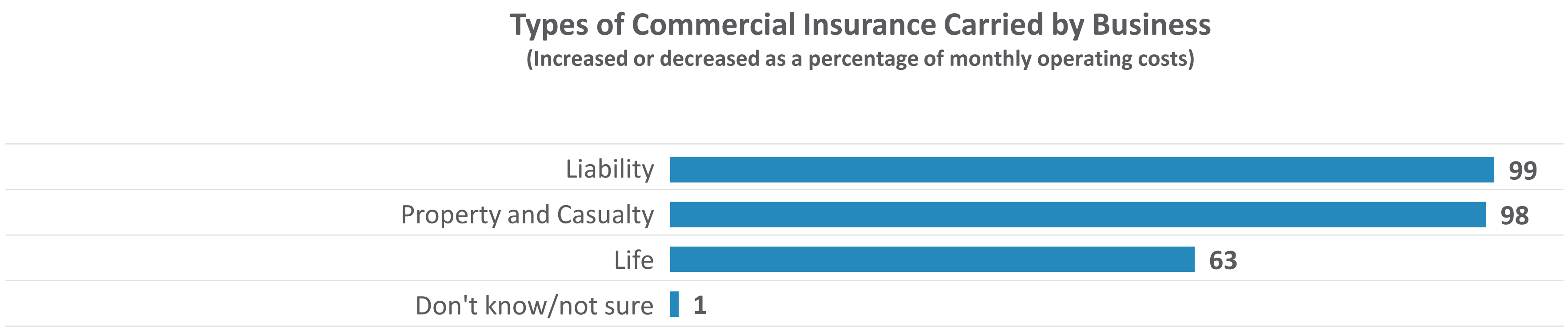


Estimation of Increase
(Increased as a percentage of monthly operating costs)



Q11. In your estimation, have insurance costs for your business increased or decreased as a percentage of monthly operating costs for September 2020 compared to September 2019?
Base: Total sample (n=106)
Q12. How much would you estimate they have increased as a percentage of monthly operating costs?
Base: Increased at Q11 (n=89)

Among businesses reporting a change in their insurance rate, most carry at least two types of insurance.



Q14. To the best of your knowledge, does your business carry either of the following types of commercial insurance coverage?
Base: Increased or decreased at Q11 (n=95)