

City of
Elliot Lake

BR+E

BUSINESS RETENTION
+ EXPANSION SURVEY

2022-23
SUMMARY
REPORT

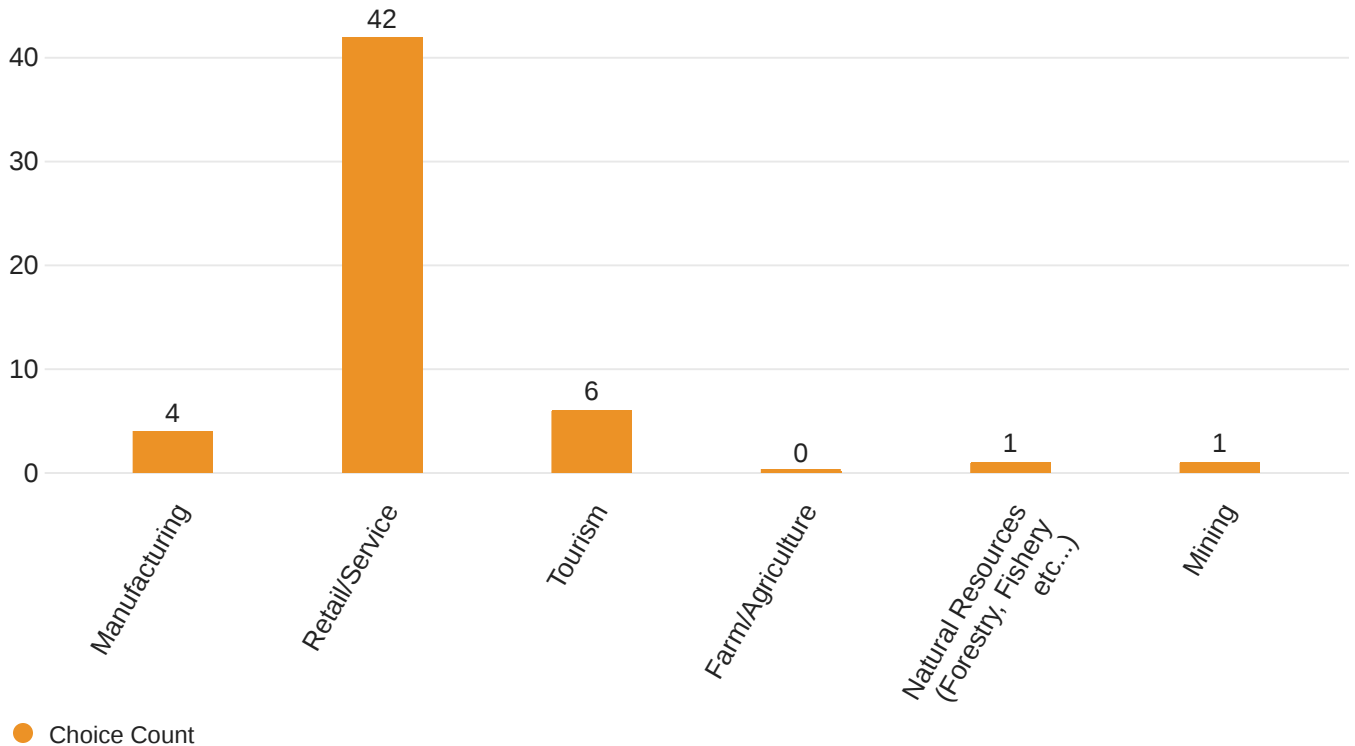
Elliot Lake 2022-23 Business Retention and Expansion Summary Report

The Elliot Lake Business Retention and Expansion (BR+E) interview process has now been completed and the full data will be published in the Full Report at a later date. This Summary Report edits the full data into a more readable format and acts as an Executive Summary.

69 businesses were interviewed or completed the online survey (representing approx. 23% of local businesses). The following table provides an overview of what businesses were surveyed and the representation of each sector of the local economy.

NOTE: Please keep in mind as you read this report that not all businesses answered each question presented to them as was their right.

Which of the following sectors best describes your business?



Company Information

Of the 69 businesses surveyed:

- 59 of them had the owner involved in day-to-day operation of the business
- 53 of business owners reside in the community
- 44 are family owned businesses
- 54 are headquartered in Elliot Lake
- 5 reported the headquarters was elsewhere in Ontario
- 14 have been in operation less than 3 years
- 39 have operated for more than 10 years
- 14 of businesses participating are home-based

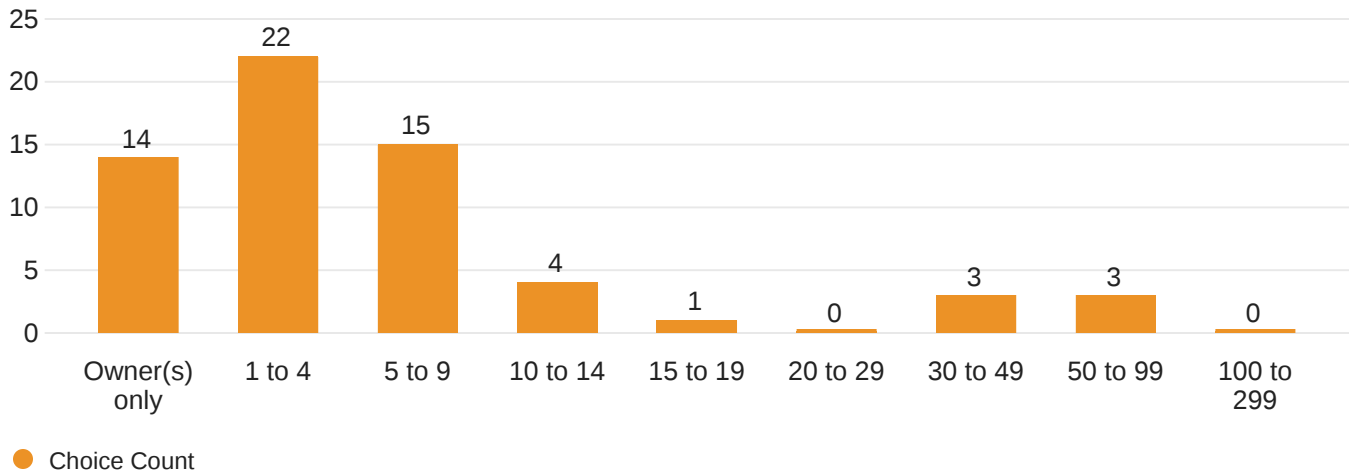
Business Operation

Of the 69 businesses surveyed:

- 25 reported that their attitude about doing business in the community had changed in the past 5 years with respondents split almost evenly on whether their attitude was more positive or negative.
- Positive Comments most often included:
 - The generous nature of the community and it's residents
 - Quality contractors
 - More customers due to population increase
- Negative Comments most often included:
 - Lack of support from other businesses
 - Lack of skilled Labour
 - General difficulties surrounding problems cause by the pandemic
- 45 feel that Ontario is a good/excellent place to do business.
- 41 have a business plan
- 33 have a marketing plan
- 33 have a succession plan
- 23 own their business location and 23 lease it
 - Only 1 business indicated they anticipate any problems with renewing their lease.
- 50 indicated that they were the only location for that business.
- 59 indicated they were at least somewhat or completely satisfied with their business site
- Common business site complaints were
 - Lack of skilled labour
 - Limited opportunities for expansion
 - Building Conditions
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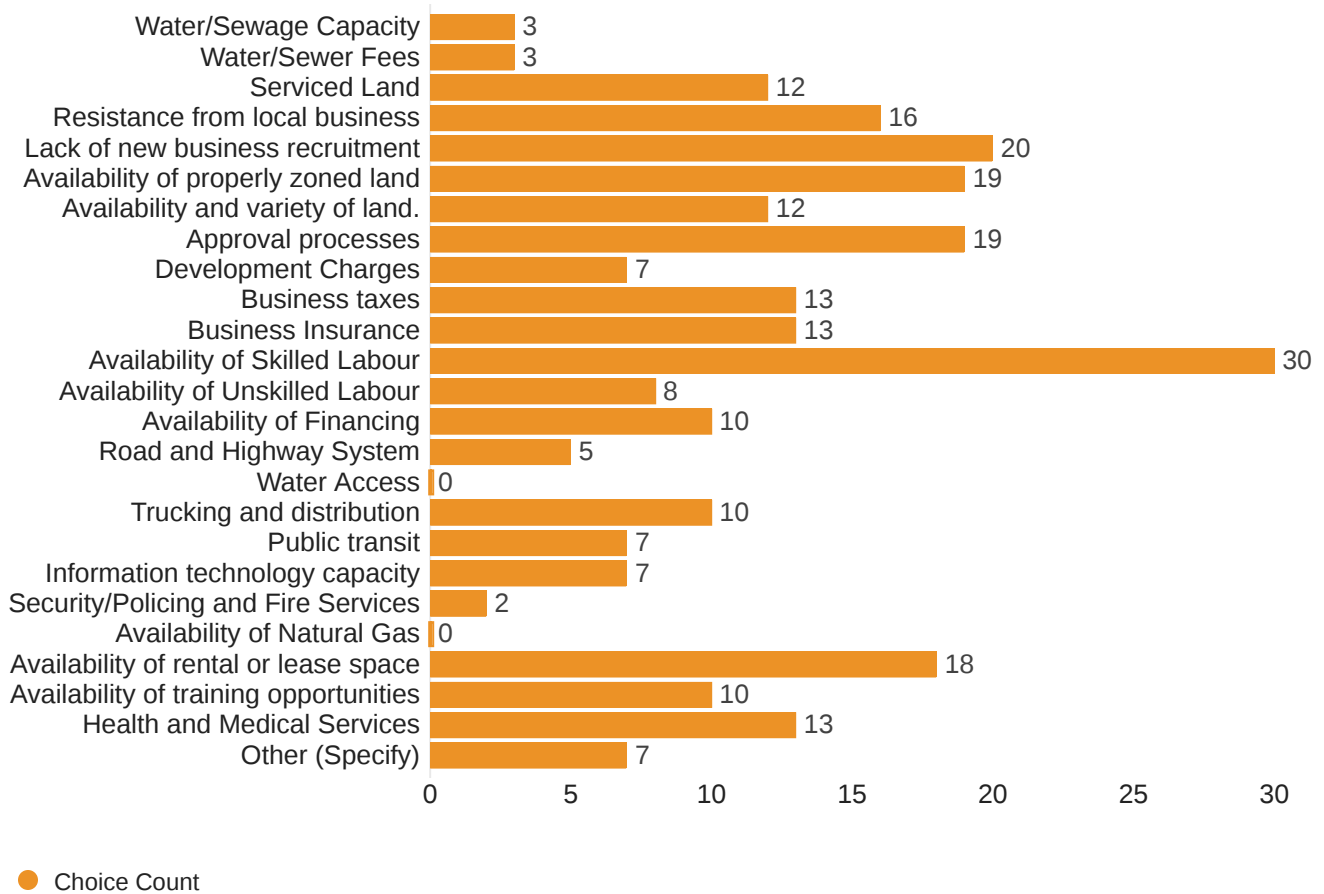
- 59 indicated they have less than 50 employees (See chart below)
- 45 indicated they expect their employee count to either remain the same or increase within the next 3 years.

How many employees work at this location?



Below is a question from the survey that gives a good overview of what barriers exist in the community for business success.

Which, if any of the following factors, in your opinion, are barriers to the expansion of existing businesses and the development of new businesses in this community?



Other

Other (Specify) - Text

parking capacity is limited at times due to overcrowding or weather. (snow is limiting parking spaces)

taxes and water prices too high

More retail needed (clothing, fine dining, more than 2 gas stations).

lack of support from the general public and other entities

Resistance from the City of Elliot Lake

Not enough new construction.

small town mentality of not welcoming competing businesses

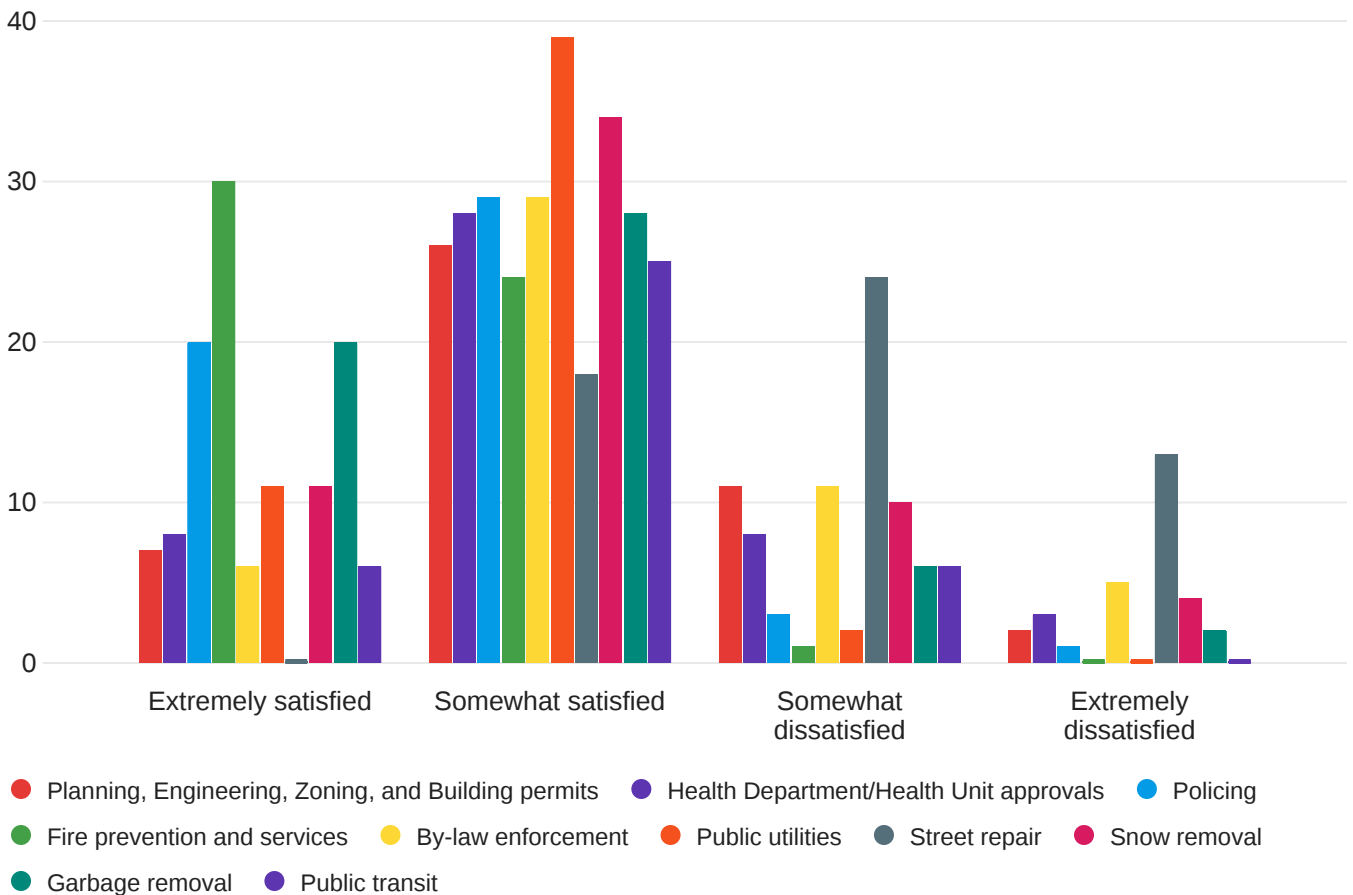
Government Services

Overall satisfaction levels with municipal government were quite positive (including Police, Fire and Public Works). However, some areas that were mentioned as requiring improvement were:

- Snow Removal: 23%* somewhat or very dissatisfied
- By-law enforcement: 26%* somewhat or very dissatisfied
- Street repair: 60%* somewhat or very dissatisfied.

*Please be aware these percentages are out of 62 as only 62 businesses answered this question.

What is your level of satisfaction with each of the following services provided by the local government? (62 respondents)



Most common suggestions for improving the local business climate were:

- Improve infrastructure and appearance of downtown
- Better incentives and resources for small businesses
- More retail options

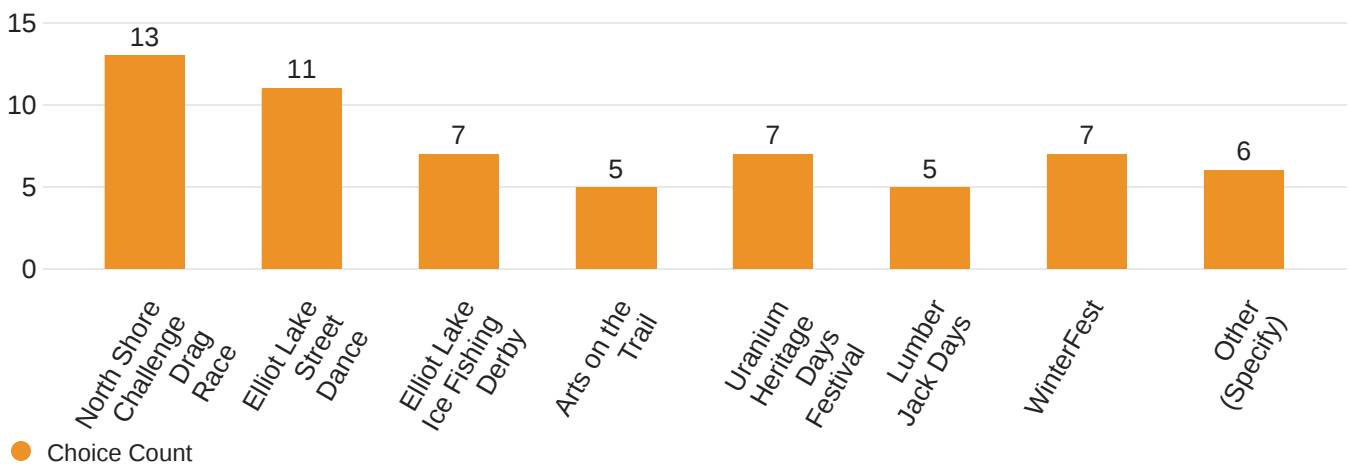
Listed below are the satisfaction rates (satisfied or very satisfied) of the services delivered by the project stakeholders that have reasonably high visibility in Elliot Lake:

- Elliot Lake & North Shore Corporation for Business Development (ELNOS) - 86%* (44 businesses)
- East Algoma Community Futures Development Corp. (CFDC) - 73%* (26 businesses)
- Elliot Lake Economic Development Office - 61%* (36 businesses)

*Please Be Aware these percentages are based on the total number of businesses that indicated that they have had contact with that organization. This is in order to give a more accurate representation of satisfaction rates for these services.

In terms of events hosted by the City of Elliot Lake there didn't seem to be a significant economic impact shown for many of the businesses surveyed.

Over the past 5 years have you noticed an increase in business/sales related to any of these events held in the City?



- No other event was identified to have any economic impact on the businesses surveyed.
- 16% of businesses indicated they were not aware of these events in time to take advantage of them

Business Status

Of the 69 businesses surveyed:

- 32 intend to stay the same size within the next 3 years
- 28 intend to expand within the next 3 years
- 1 Business indicated they intend to relocate
- 2 Businesses indicated they expect to close (1 due to retirement)
- No businesses indicated plans to downsize

Of the 28 businesses planning to expand:

- 39% plan to undertake major renovations at their business site.
- 93% plan to invest in new equipment
- 25% indicated they expect an increase in number of employees
- 36% indicated they expect an increase in services offered by their business
- 32% see labour availability as a concern
- 21% indicated they would use Cash for their expansion
- 14% said they would use a line of credit
- 7% would be through private investment
- 21% would be through short and long term bank loans
- 21% indicated a need for help with financing

Market Development

Of the 69 Businesses surveyed:

- 57 of businesses import products from outside of Ontario
 - 23 import from outside of Canada
 - 22 are unsatisfied with the availability of business products in the community
 - 15 are unsatisfied with the hours of operation of local businesses, and 31 are satisfied.
 - 30 feel market development outside of Elliot Lake is important to their business
 - 30 feel changes or additions in their current products is important to their business
 - 43 cite availability of labour as a barrier to their business's success and growth
 - Approval Processes, Lack of support from the existing business community, and availability of commercial space and land were also cited as pressing issues
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- 27 indicated an increase in sales over the last 5 years
 - 3 indicated a drop in sales
 - 8 indicated uneven sales
 - 10 indicated no change
 - 25 expect their sales to increase within the next year
 - 5 expect a decrease
 - 12 are unsure or expect sales to stay the same
 - 4 businesses feel they are being negatively affected by non-profit competition.
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- 19 businesses are positive about Elliot Lake's demographics while 5 reported feeling negative
 - On the surface these results seem to mainly be influenced by whether or not the business caters to retirees
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- 15 of the respondents feel that the City takes an adequate role in the economic development of the City
 - 12 feel they do not
 - 20 feel unaware as to whether or not the City is taking an adequate role

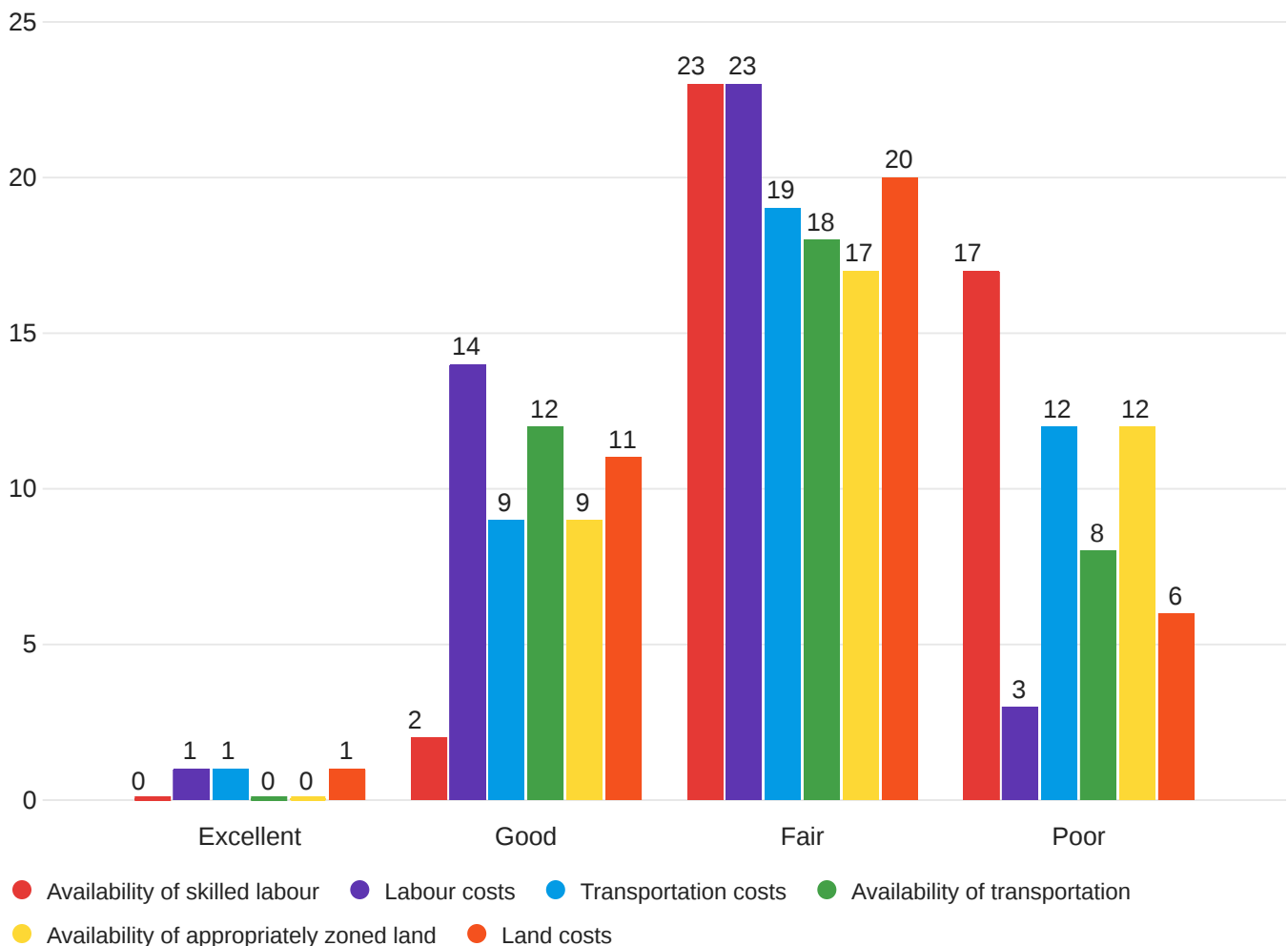
Stated advantages of doing business in Elliot Lake include: the quality of life, low cost of living, outdoor setting and healthcare services. Opinions on specific advantages were more mixed however with most areas being given a rating of Fair.

The most common disadvantages included: A lack of Skilled workers, the generally low income of the population, The City's location/Cost of shipping and the aging infrastructure. Specific areas that were most rated poor were:

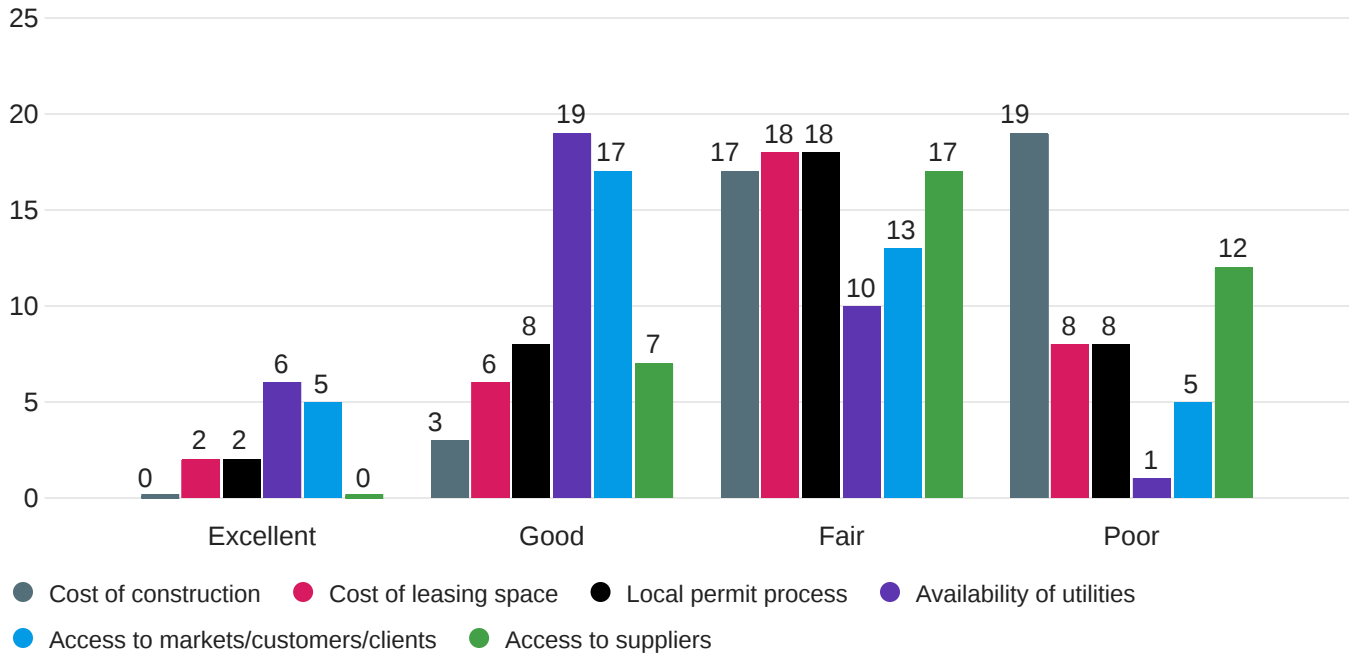
- Cost of construction - 42%*
- Availability of skilled labour - 38%*
- Access to training facilities - 31%*

*Please Be Aware these percentages are based out of 45 as only 45 businesses answered the question.

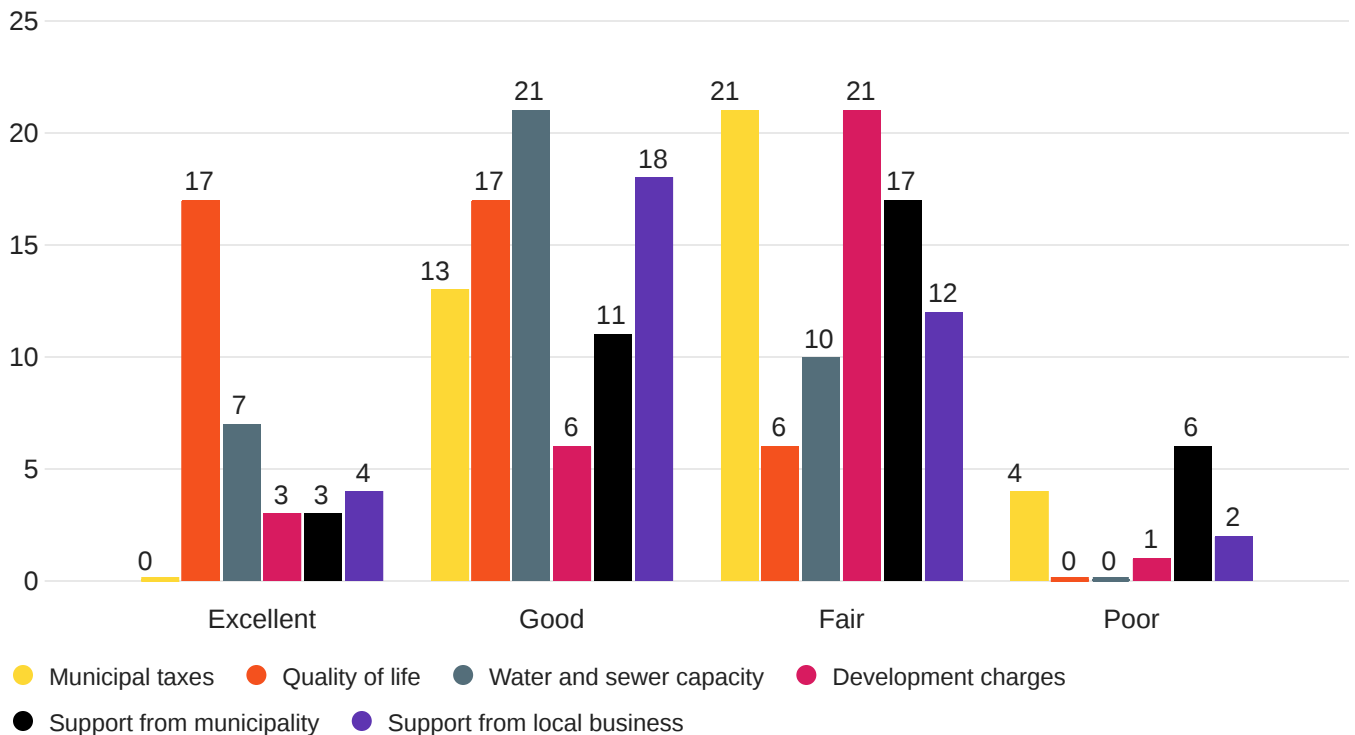
Using a scale of Excellent, good, fair and poor how would you rate the following factors in doing business in this community?



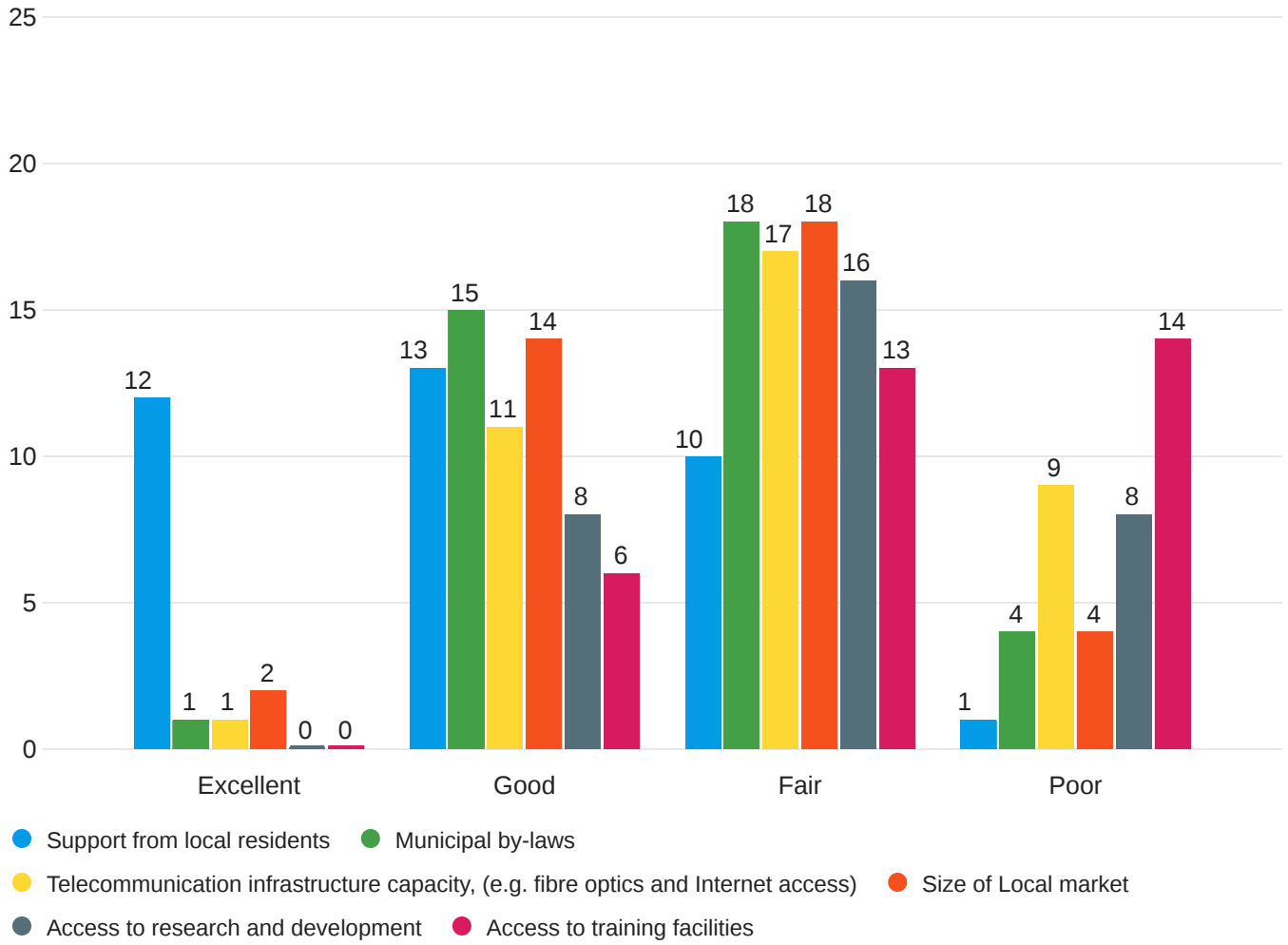
Using a scale of Excellent, good, fair and poor how would you rate the following factors in doing business in this community?



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Workforce

Of the 69 businesses surveyed:

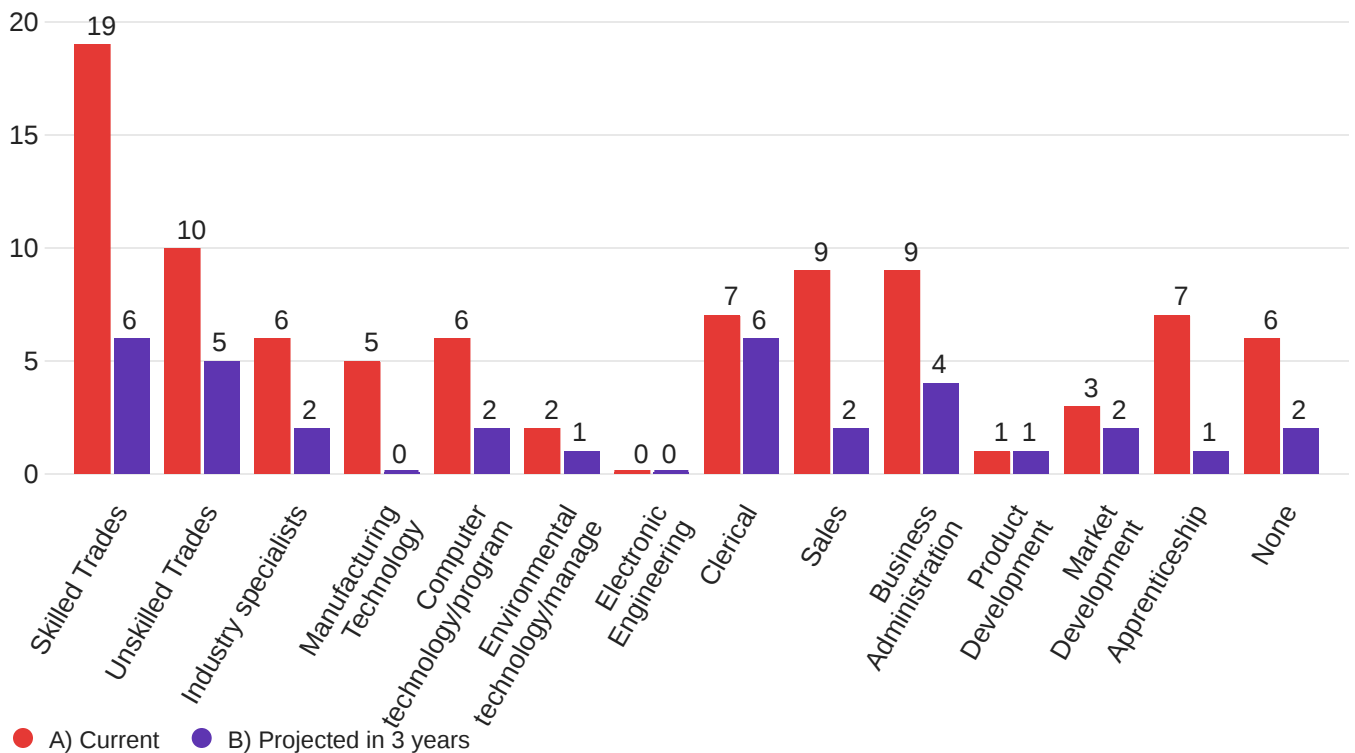
- 17 have increased their number of employees in the last 5 years
- 8 have had a decrease in number of employees
- 25 anticipate a need for more employees in the next 3 years

- 20 Rate the availability of workers as good or fair
- 30 rate the availability as poor
 - Most common reasons cited were a lack of skilled workers in the area and a lack of motivation in new hires

- 16 rate the quality of workers as good or excellent
- 14 rate the quality as poor

Current needs for employers are mainly Skilled and unskilled trade workers, Sales, and Business Admin. positions with 7 businesses also indicating a need for apprentices.

What are the A) current and B) 3-year projected employee needs of your business?



31 of the 44 businesses that responded to the question report having difficulties recruiting qualified employees however 30 of the businesses reported having no difficulties retaining employees.

Areas of needed improvement for employees were identified as:

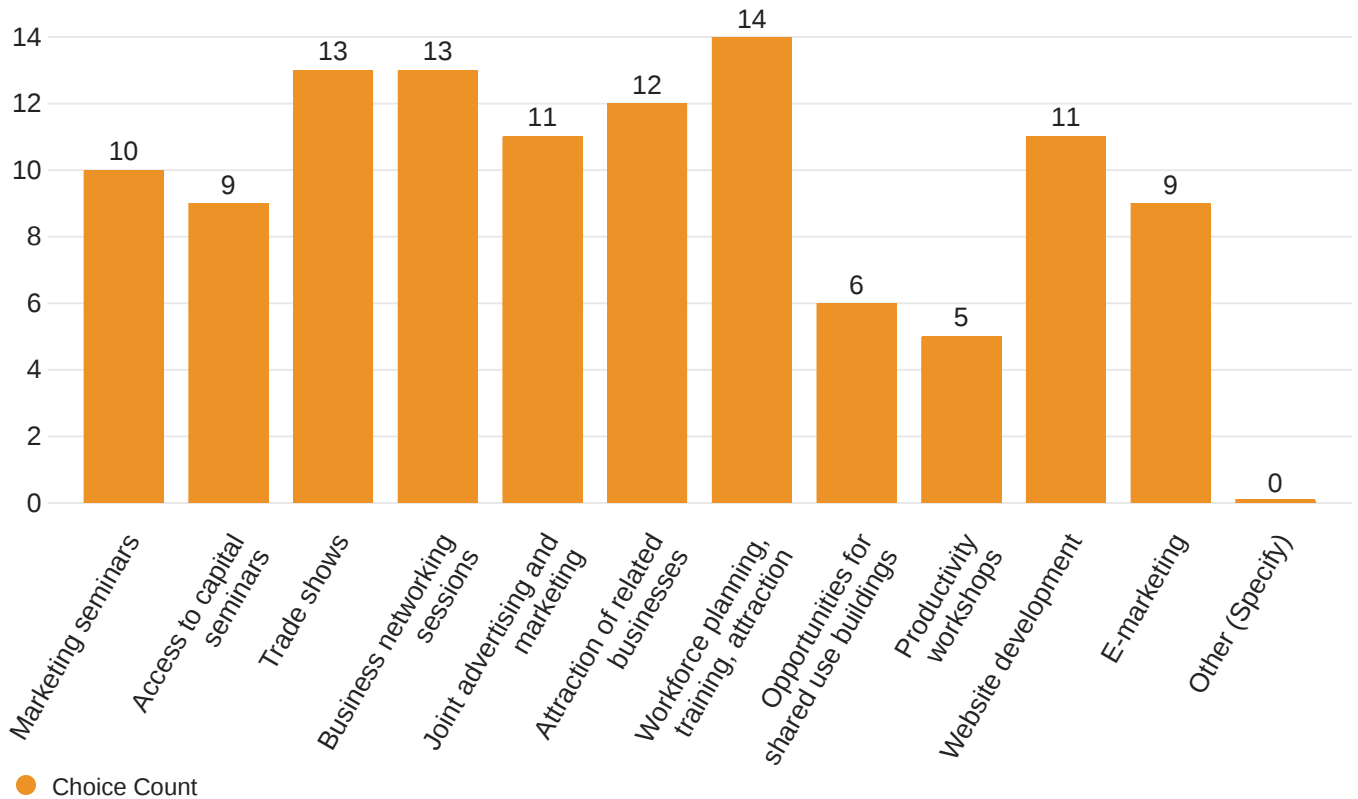
- Customer Service-12 / Working with others - 11
- Computer Software skills - 8
- Oral communication, Supervisory skills, Health and Safety, and Quality assurance were all identified by 7 respondents as areas of need
- 1 business indicated a need for French communication skills

49 employers train their employees either in-house or through custom training,

33 out of 40 respondents businesses reported that their training meets their needs.

The biggest barriers to proper staff training were Cost, Availability of local training, Distance to training facility and lack of awareness for existing training programs

Please describe how local business associations and/or economic development offices could assist your business sector. (31 respondents)



Energy

The vast majority of businesses use Hydro and Natural Gas or a combination of the 2 for their businesses. The top 3 energy sources were:

- Hydro - 55
- Natural Gas - 44
- Propane - 6

7 businesses indicated being concerned about their current energy supply with the main reasons being cost and rising energy needs

18 businesses reported they would benefit from engineering or technical support with respect to energy conservation and efficiency.

Telecommunications

The majority of businesses surveyed are accessing the internet via a high-speed service or through a data provider (cellphone). The top 3 services that were rated as very important were:

- High speed wireless - 26
- Internet Ready Devices - 20
- High speed cable internet - 15

In terms of what online services they use, the majority of businesses indicated that their email was the most important online tool for their business. With their own website, accounting and reporting software, marketing resources, and video conferencing following closely behind.

In terms of which communication tools businesses found most important, the vast majority said that their cellphone and their desktop computers/laptops were the most important resource, with Internet-based services like Zoom coming in a distant 3rd place.

When asked if there were any barriers keeping businesses from updating their telecommunications the biggest reasons were:

- Telecommunication infrastructure in City - 14
- Start up cost - 13
- Ongoing cost - 11
- Availability of local technicians - 12