

2019/20

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ABACUS DATA



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The Langley Chamber *Collective Perspective Survey Report*




BC Chamber of Commerce
Know what's on BC's mind.

METHODOLOGY

The survey was conducted online with 1,555 British Columbia business leaders, from October 8th to November 4th, 2019. Business members were invited to participate through email by local chambers of commerce and from those who are members of BC MindReader.com.

The margin of error for a comparable probability-based random sample of the same size is +/- 2.53%, 19 times out of 20.

The data were weighted according to census data to ensure that the sample matched British Columbia's business distribution by region. Totals may not add up to 100 due to rounding.

Province-wide Highlights



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1. THE SAMPLE? WOMEN ARE CHIMING IN.

Out of this year's almost 1600 respondents, 54% were female. Of the total sample, 63% identified as *entrepreneurs* and 26% said they *sell outside of Canada*.

2. ARE BUSINESSES CONFIDENT IN THEMSELVES? THEY'RE MAKING DO.

Business optimism remains steady compared to previous years – and, the number of people saying their prospects are getting worse is smaller than last year. Businesses are making do – most feel confident about their business when it comes to what is in their control, and are working hard to blaze a trail towards success.

3. ARE BUSINESSES CONFIDENT IN THE BC ECONOMY? SPLIT OPINION.

Confidence in the BC economy hasn't changed much year-over-year with 49% of business indicating it has worsened (same as last year) – but BC businesses have less confidence in the Canadian and Global economy. Trade headwinds with the United States and China lead as the drivers of global concern this year – old, reliable trade partners and new potential partners are both destabilizing the global order. As a small open economy, BC is feeling that the world is less settled and less predictable.

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4. THE COST OF DOING BUSINESS IN BC? STILL A TOP PAIN POINT.

Overall, “Cost of Doing Business” still tops the list of conditions impacting businesses. Just under 4 out of 5 businesses (77%) say the cost of doing business has worsened. Cost of labour (67%), availability of workers (55%) and skills of labour pool (52%) have been an increased challenge for business over the past year. The mood of business in relation to the headwinds they face is not necessarily great – but it’s not what it was last year.

5. IS THE PROVINCIAL GOVERNMENT SUPPORTIVE OF BUSINESS? SENTIMENT IS RALLYING BUT NOT CLOSE TO 2016 LEVELS.

Attitudes towards the provincial government supporting business are slowly rebounding (in 2019 54% of businesses say they “Agree” that the provincial government is generally supporting of business which is up 6 points from 2018) – but sentiment still hasn’t returned to 2016 levels when almost 4 out of 5 of businesses said they felt supported by the provincial government. We are seeing the reverse trend with the federal government.

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6. WHERE ARE THE WORKERS? OWNER/OPERATORS ARE STARTING TO BURN OUT.

Labour availability is a huge issue – led by the shortage in housing for workers. As a result of labour challenges, BC business owners are making personal sacrifices to preserve their businesses – with 56% saying they are working longer hours before cutting output, laying off staff, reducing wages/benefits. Twenty-five percent of businesses report that labour shortages have affected their profitability.

7. CLIMATE CHANGE IS A CHALLENGE & OPPORTUNITY FOR BUSINESS.

The majority of business (37%) reported climate change presents both “challenges and problems for my business” AND opportunities. BC businesses are embracing fixes and solutions to climate change – often regardless of government incentive, however, there is lots of support for government to take initiative in this area. Fifty-nine percent believe their business is as green and clean as it should be whereas 41% feel they need to reduce their environmental impacts.

8. TRADE WITH CHINA? AN OPPORTUNITY ...BUT PROCEED WITH CAUTION.

Feelings about China are more hesitant and mixed compared to last year. Just over half (51%) of business are open to more trade with China but caution against too deep a relationship.

Province-wide Highlights



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Know what's on BC's mind.

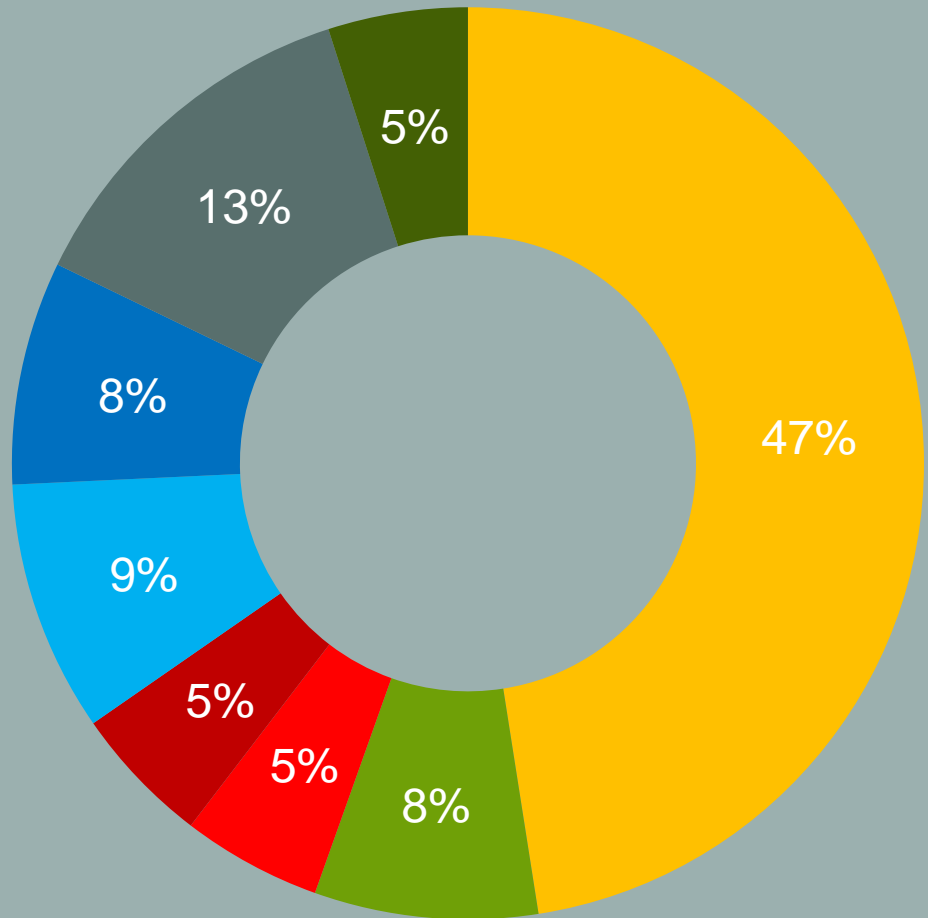
9. BC'S BUSINESS COMMUNITY IS LEADING THE WAY IN CANADA.

Abacus Data notes that BC is at the forefront of Canadian provinces in understanding both the benefits and challenges of widescale economic and social change. Lots of new things are happening in BC that aren't happening to the same degree elsewhere (when it comes to the environment, labour, immigration, technology and desire for density). Seventy-five percent of respondents consider themselves to be *progressive* (as opposed to *small 'c' conservative*), 73% *like risk* (don't *loath* it) and 80% consider themselves *future oriented* (as opposed to *old school*). Sixty-eight percent feel *well positioned for a younger, millennial influenced Canada*.

10. TAX CUTS? BALANCE THE SOCIAL AND ECONOMIC PILLARS.

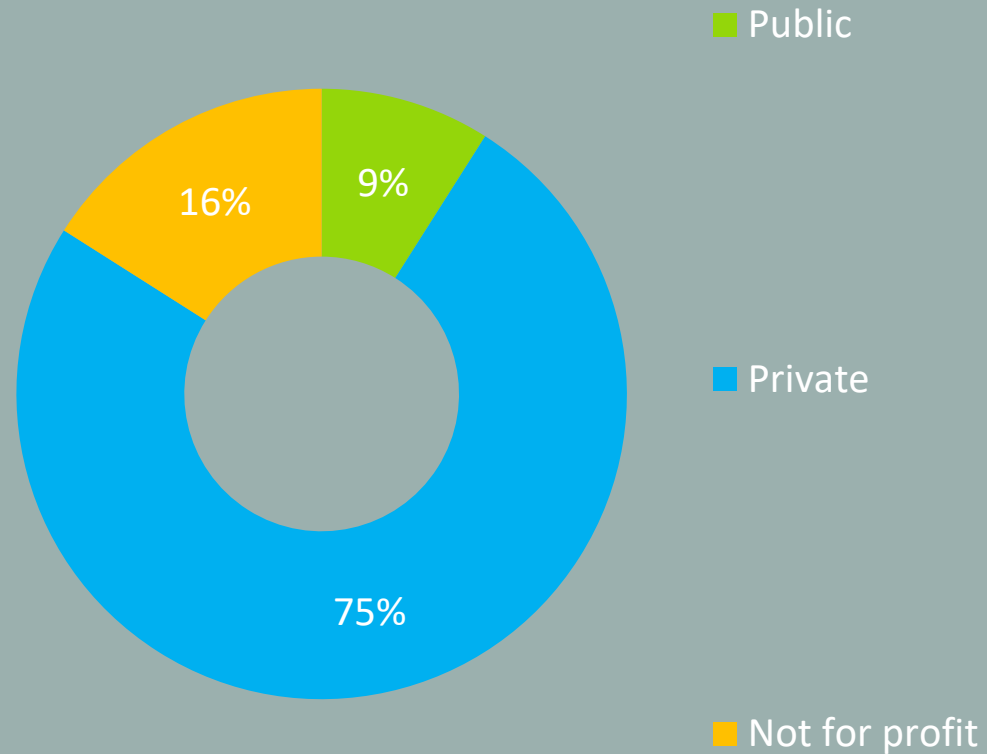
Though 45% of businesses said their BC taxes have *worsened* and 30% say BC should *match tax cuts to the US to ensure competitiveness* – the BC business community wants balance to ensure dependable funding for health, education, and infrastructure, key inputs for thriving businesses in the modern economy.

JOB TITLE

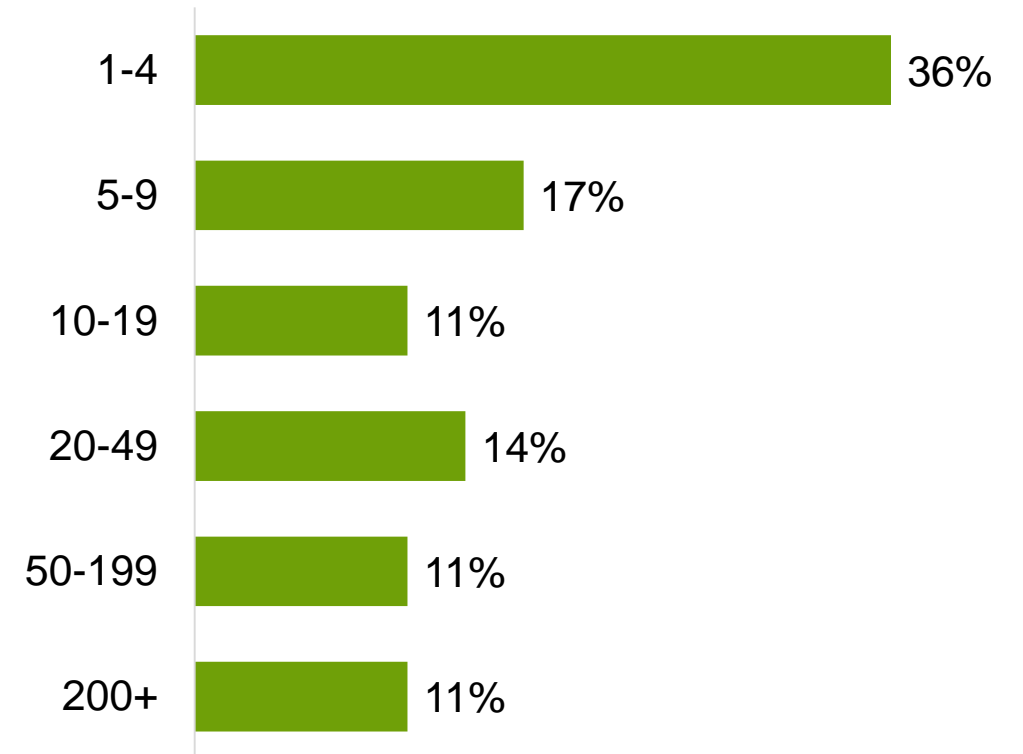


- President, CEO, Owner or Executive Director
- Vice-President or equivalent
- C-Suite executive (CFO, CMO, CTO, CXO)
- Partner, advisor or associate
- Contractor or self-employed
- Other senior manager
- Assistant, coordinator or manager (or equivalent)
- Other senior manager
- Don't know

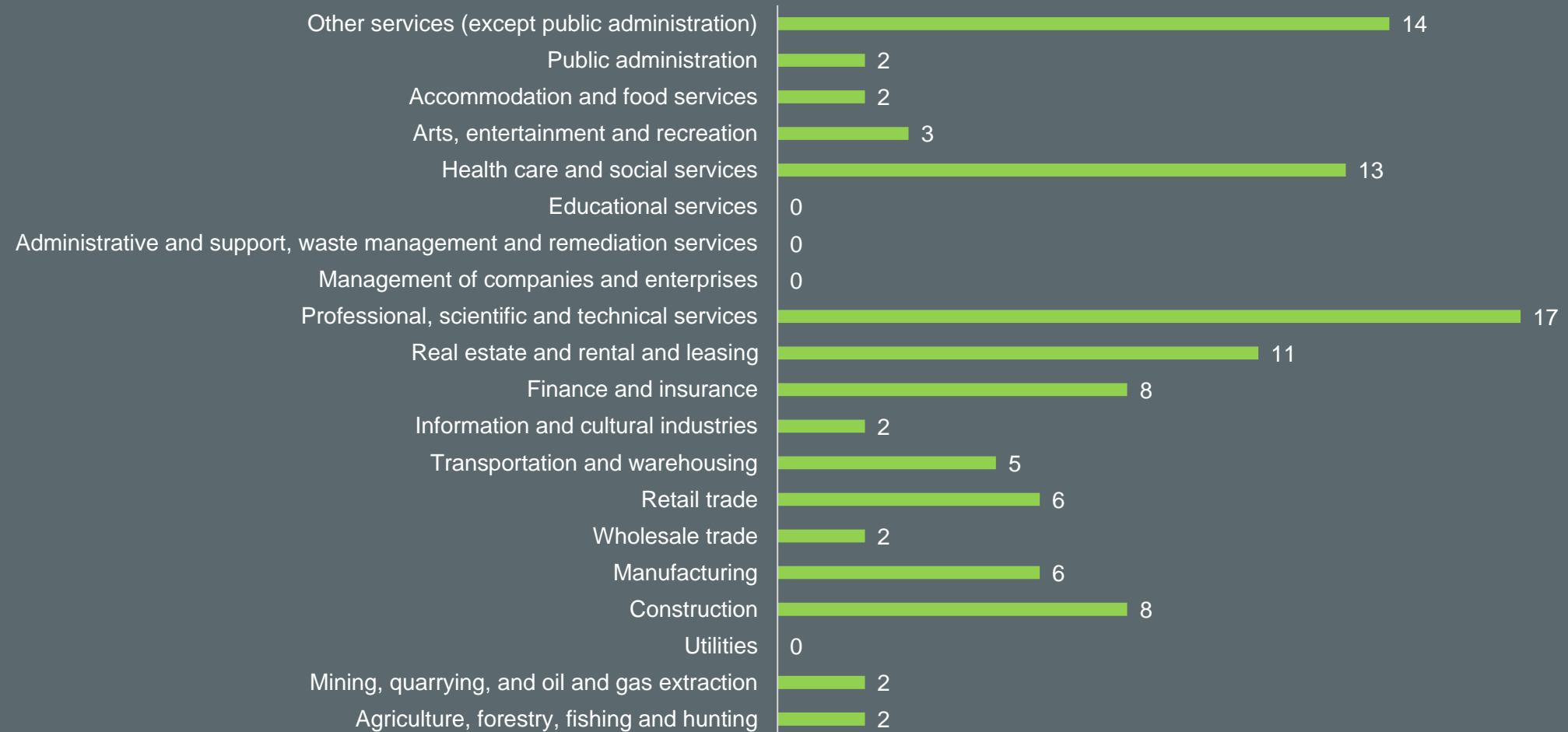
SECTOR



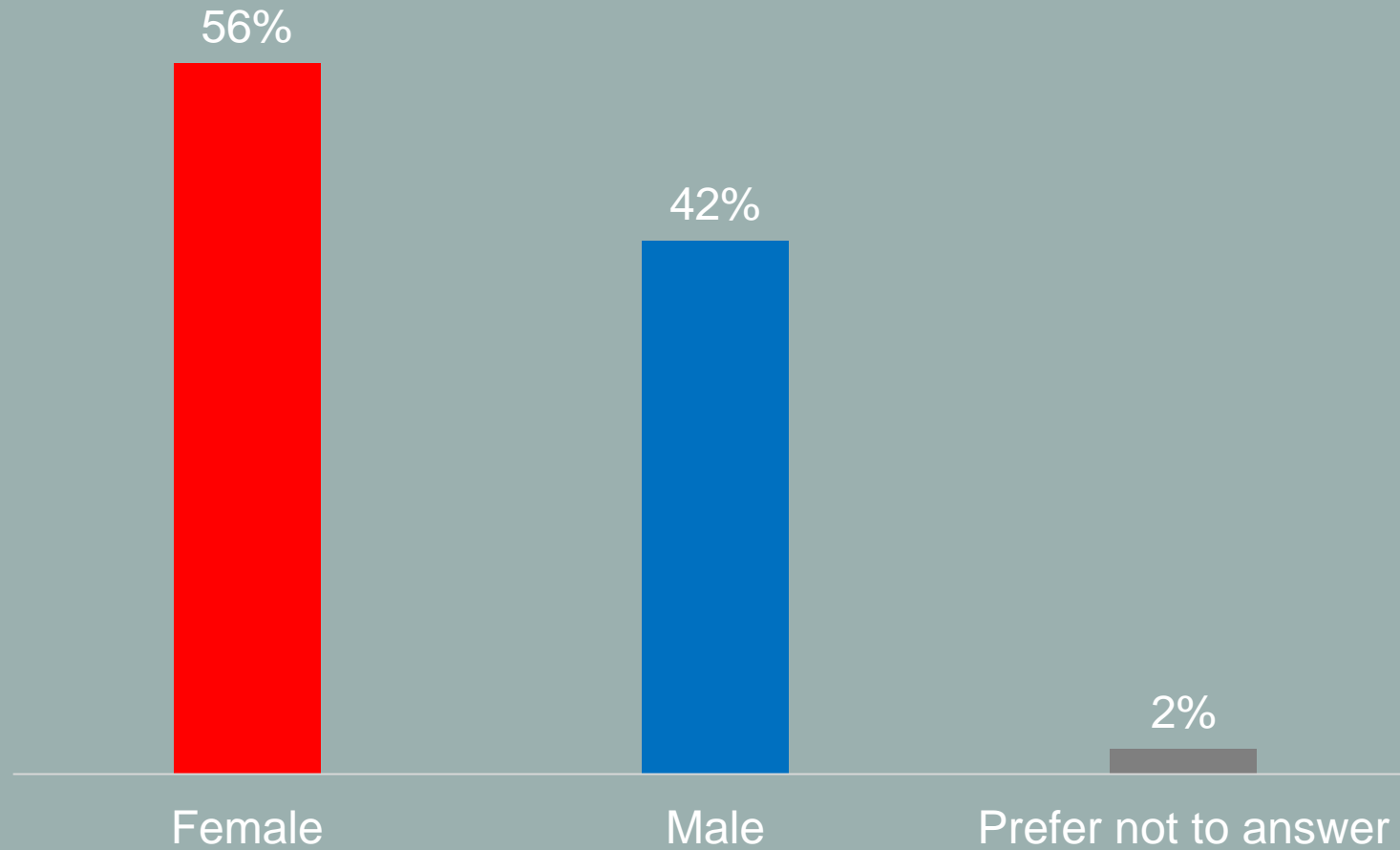
NUMBER OF EMPLOYEES



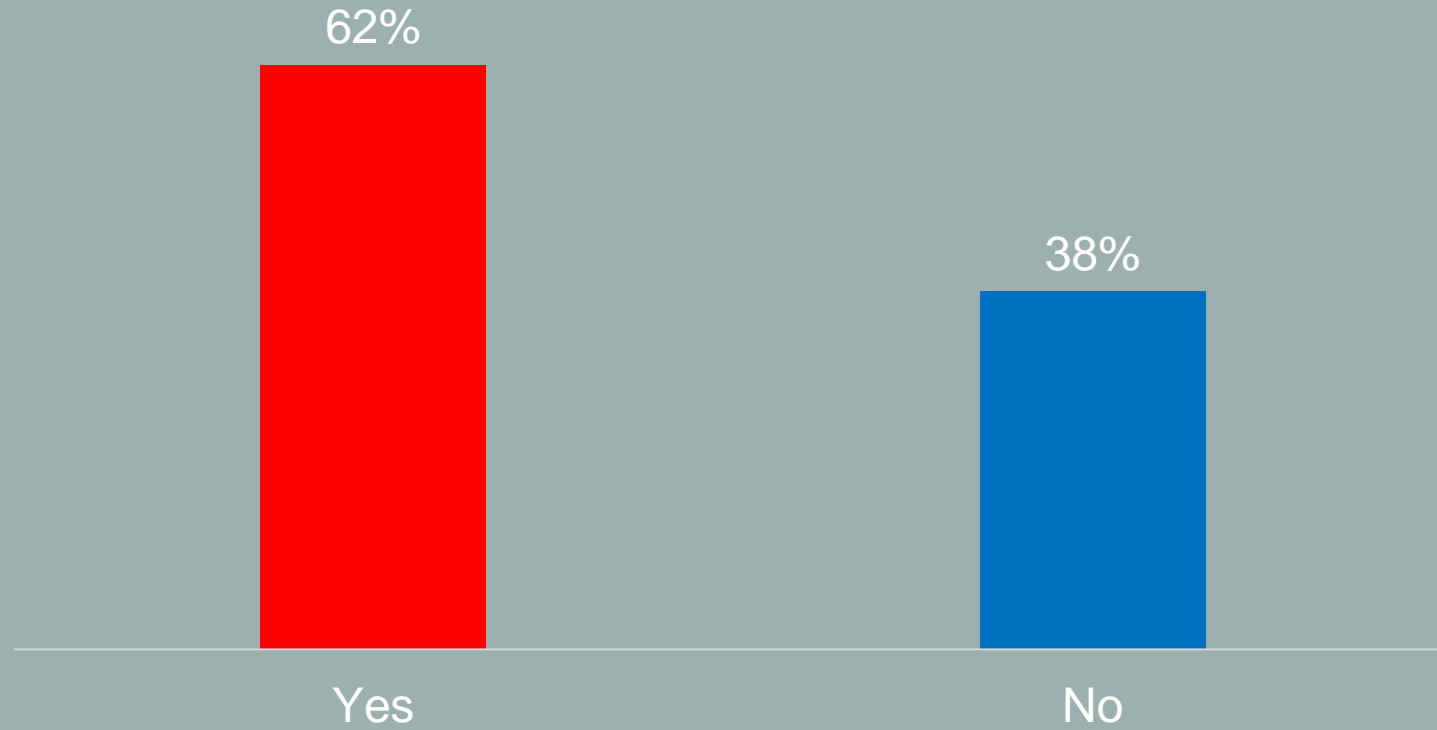
SECTOR OF RESPONDENTS



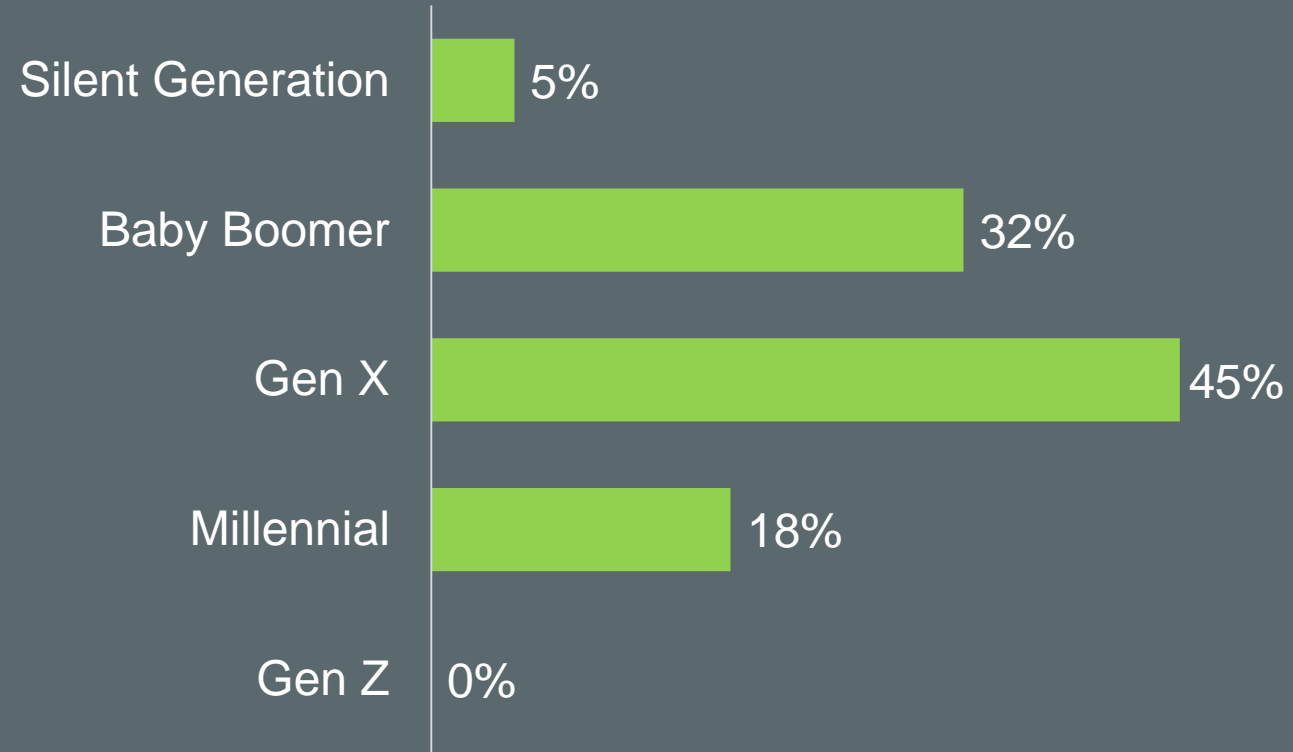
GENDER



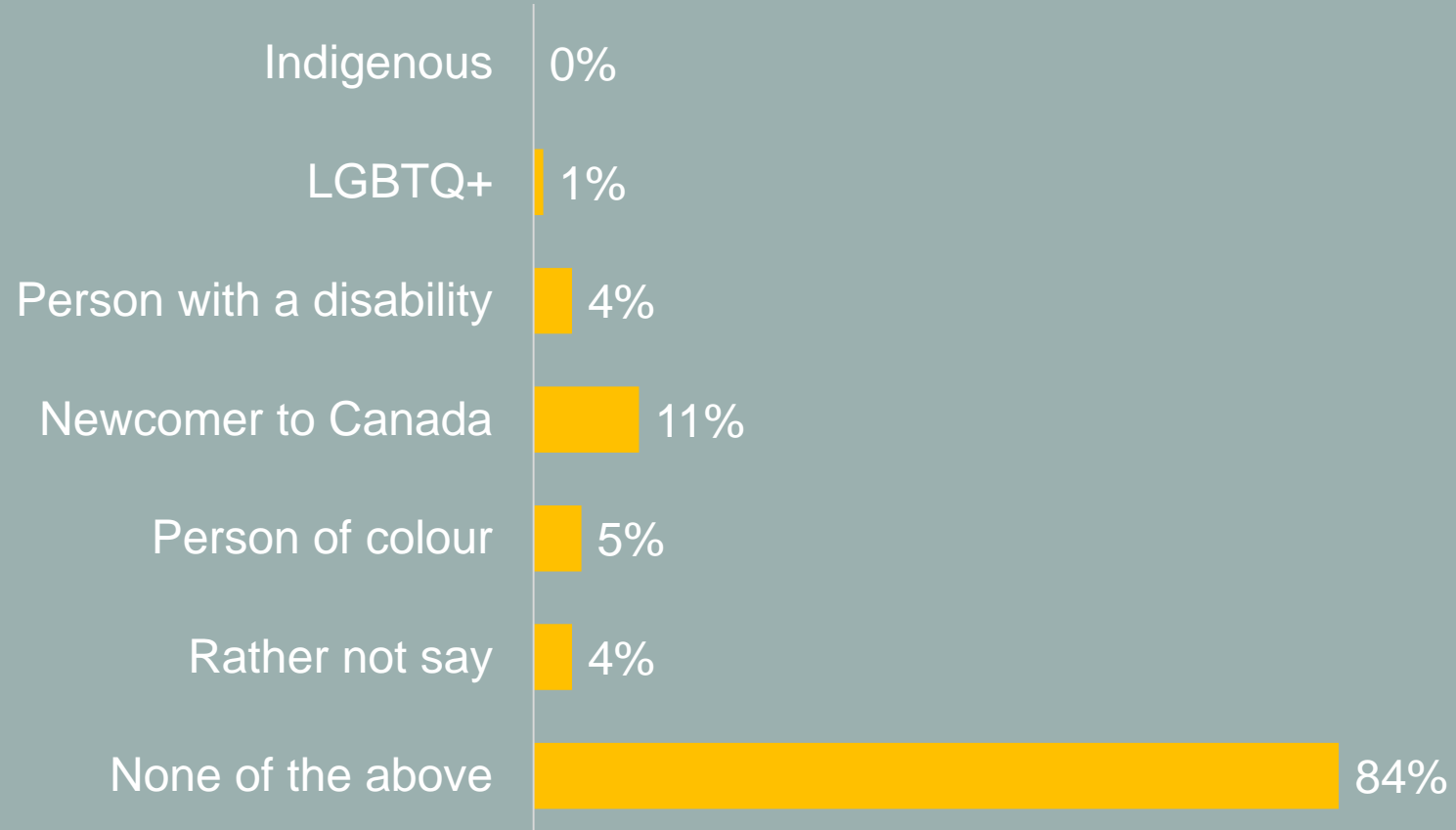
ARE YOU AN ENTREPRENEUR?



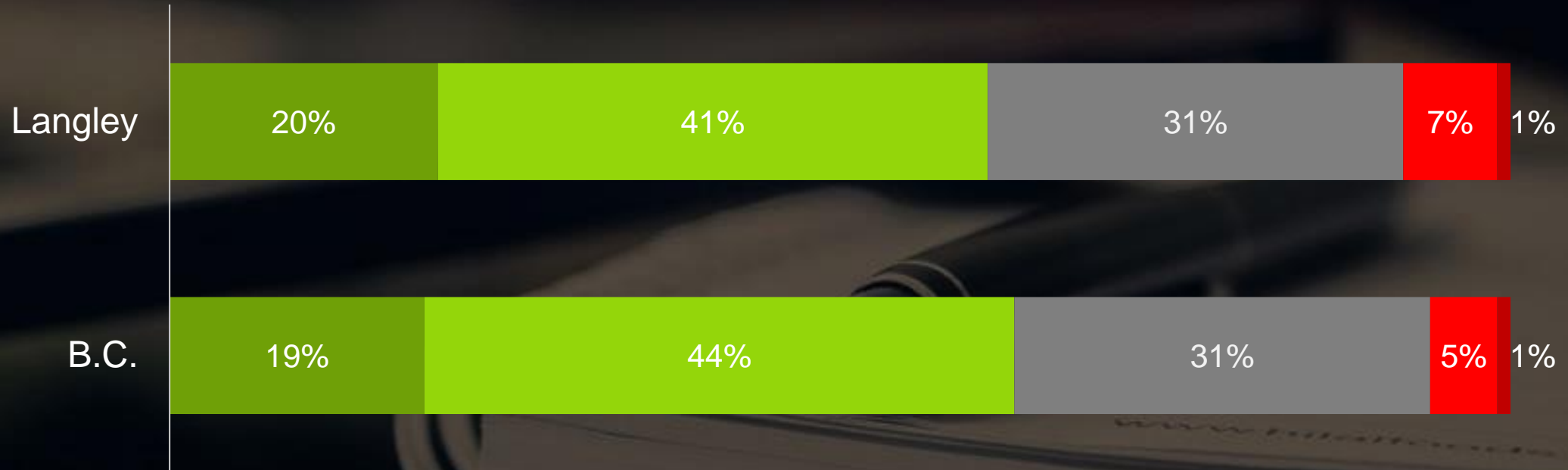
GENERATION



HOW DO YOU IDENTIFY?



HOW IS YOUR BUSINESS TODAY?



■ Very good shape

■ Good shape

■ Acceptable shape

■ Poor shape

■ Very poor shape

OUTLOOK FOR 3 TO 5 YEARS

Langley

23%

39%

31%

5%

1%

B.C.

23%

46%

25%

5%

1%

■ Very good

■ Good

■ Acceptable

■ Poor

■ Very poor

How would you describe the prospects for your business over the coming 3 to 5 years?

GROWTH GOALS FOR NEXT 5 YEARS

Langley

42%

45%

9%

3%

1%

B.C.

39%

43%

15%

3%

■ Grow significantly

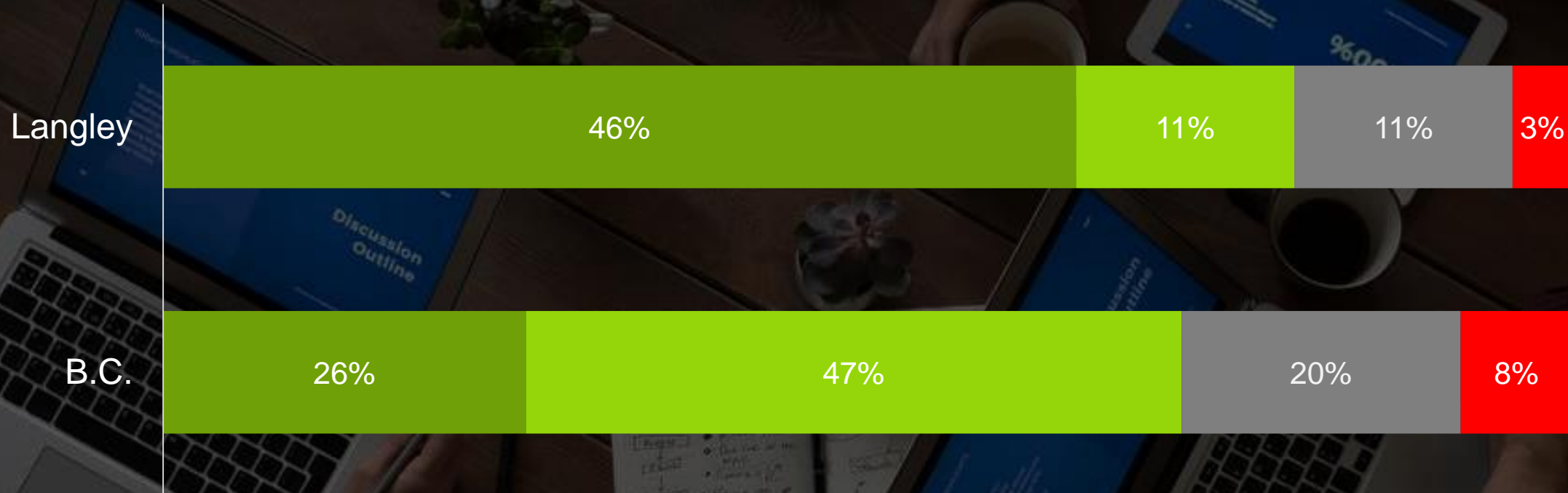
■ Grow a bit

■ Hold it at about the same size

■ Decline in size a bit

■ Decline in size significantly

WHAT WILL HAPPEN NEXT 5 YEARS?



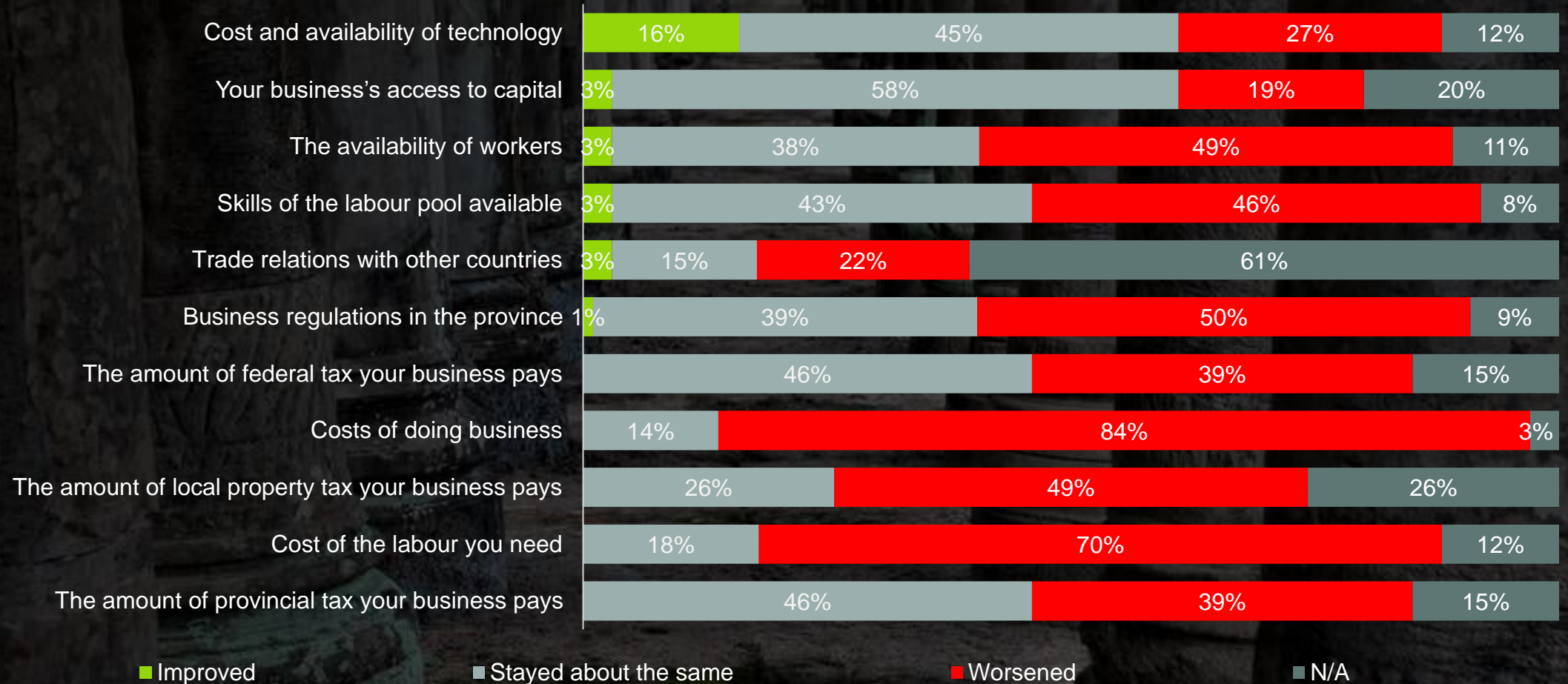
■ Grow a bit

■ Hold it at about the same size

■ Decline

■ Decline in size significantly

CHANGES OVER THE PAST YEAR



In the past year, have the following things improved, worsened, or stayed about the same?

CONFIDENCE IN THE BC ECONOMY

Langley



B.C.



■ Improved

■ Stayed about the same

■ Declined

Compared to a year ago, would you say that your confidence in the BC economy has improved, declined, or stayed about the same?

CONFIDENCE IN THE CANADIAN ECONOMY

Langley

9%

23%

68%

B.C.

9%

35%

56%

■ Improved

■ Stayed about the same

■ Declined

Compared to a year ago, has your confidence in Canada's economy:

CONFIDENCE IN THE GLOBAL ECONOMY

Langley

5%

32%

62%

B.C.

6%

28%

66%

■ Improved

■ Stayed about the same

■ Declined

Compared to a year ago, has your confidence in the global economy:

BC'S ECONOMIC FUTURE

Langley

9%

49%

43%

B.C.

13%

45%

42%

■ Positioned better

■ No better or worse

■ Positioned worse

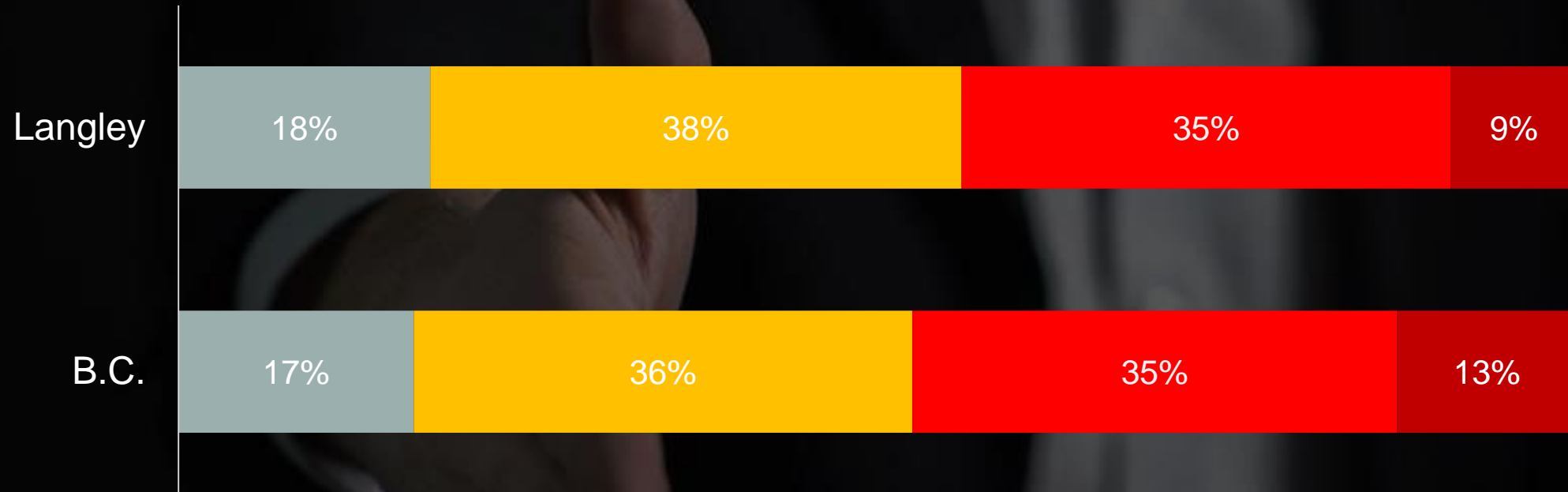
Compared to last year, how is BC's economy positioned for future success?

RECRUITING AND RETAINING EMPLOYEES

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RECRUITING AND RETAINING EMPLOYEES



■ Not a challenge

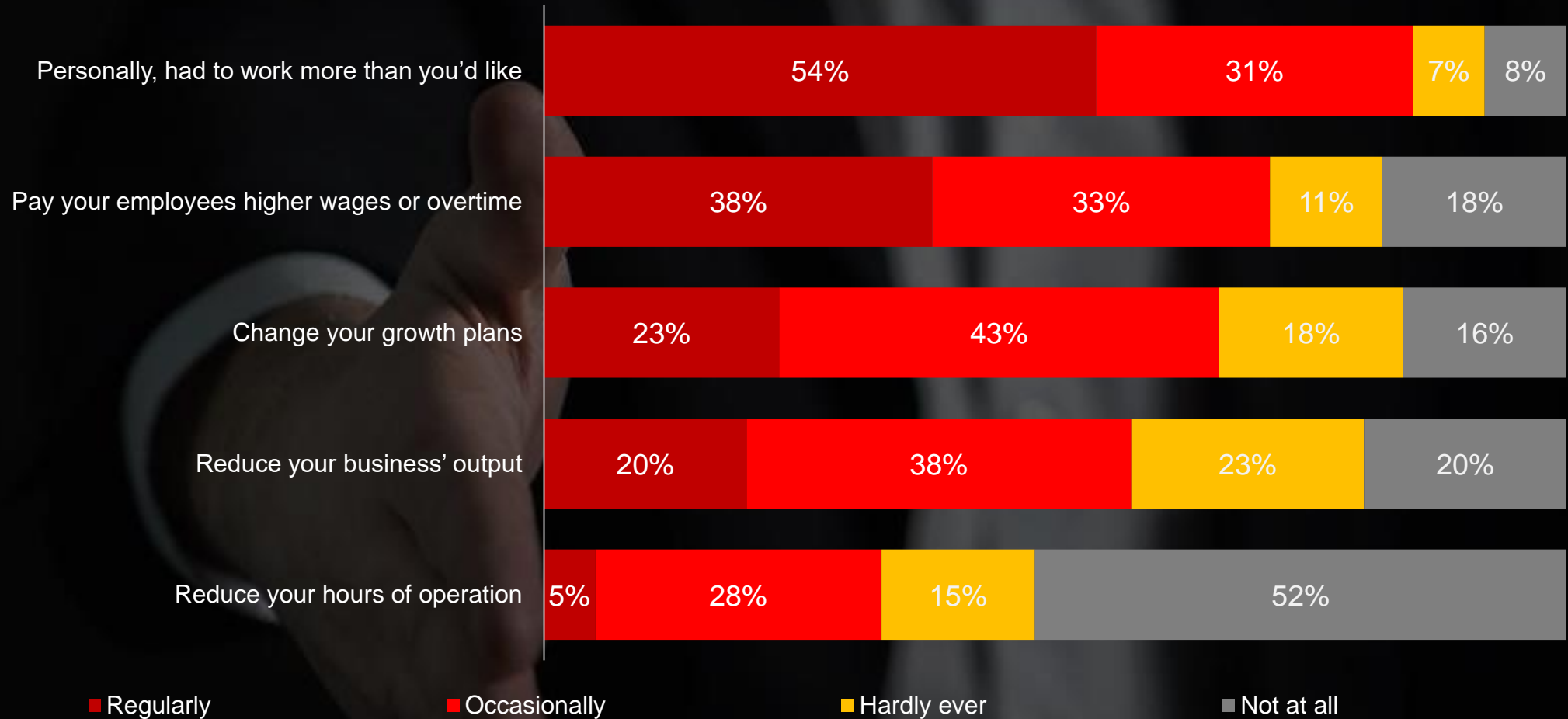
■ Minor challenge

■ Major challenge

■ The most difficult challenge we face

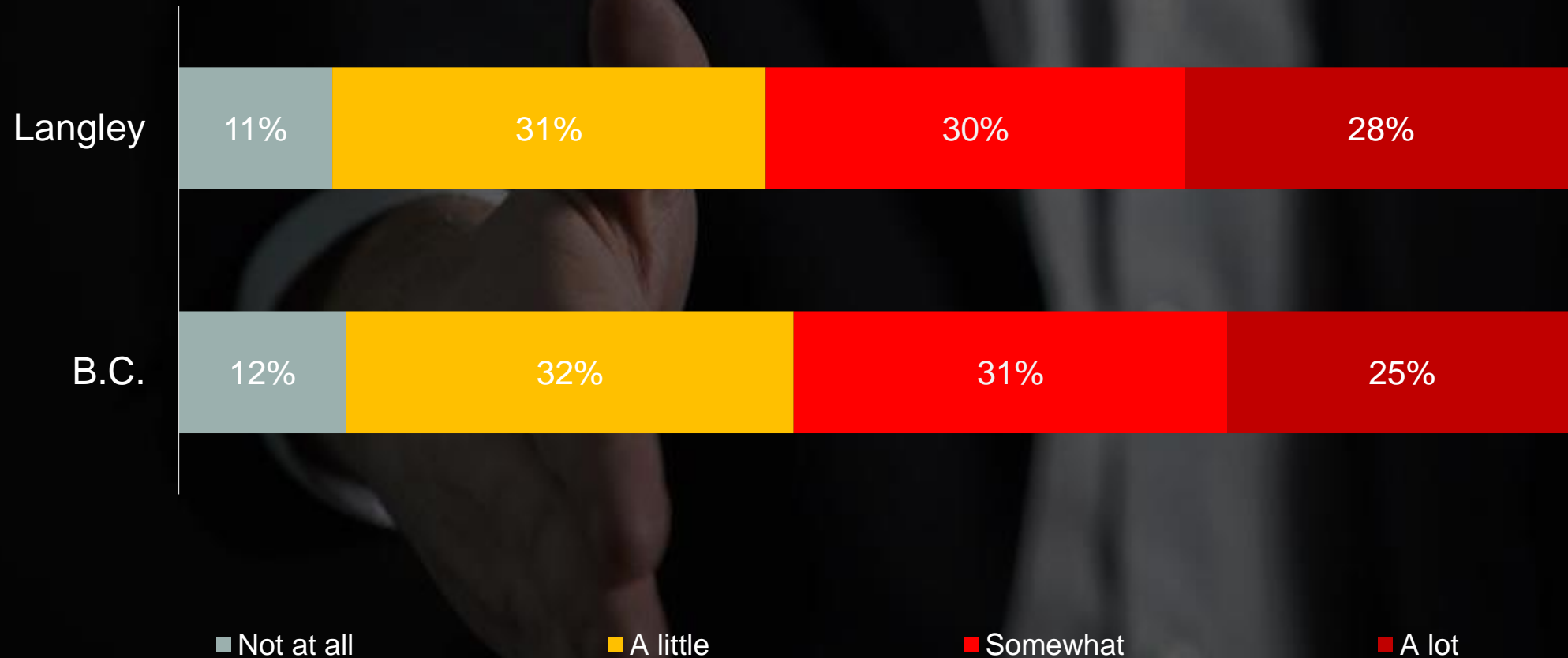
To what extent, if at all, is recruiting and retaining employees at your business a challenge? Is it...

RECRUITING AND RETAINING EMPLOYEES



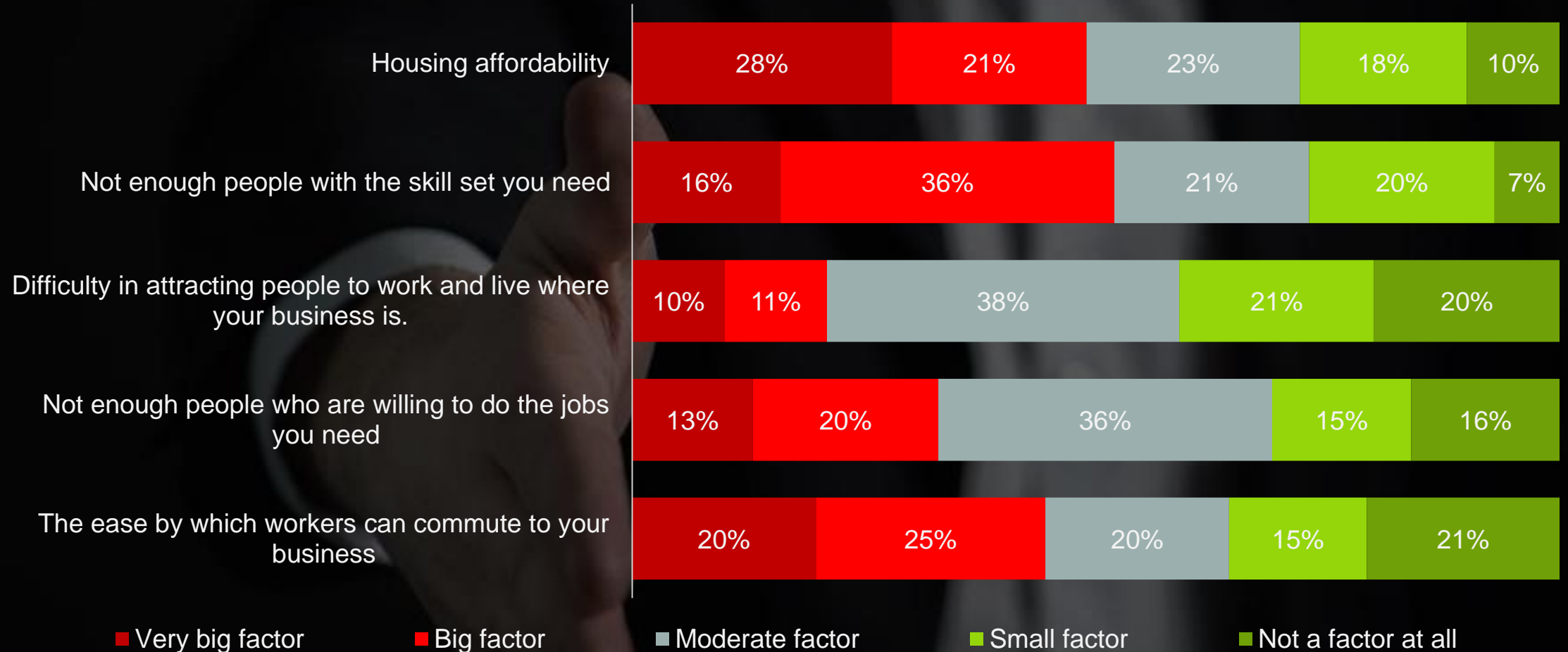
As a result of the challenges you have faced recruiting and retaining employees,
how often have you had to do the following (if at all)?

IMPACTED ON PROFITABILITY



How has the challenge of recruiting and retaining employees impacted your profitability (if at all)?

FACTORS AFFECTING THE AVAILABILITY OF WORKERS



How much do you think the following factors affect the availability of workers for your business?

HAVE YOU DONE ANY OF THE FOLLOWING



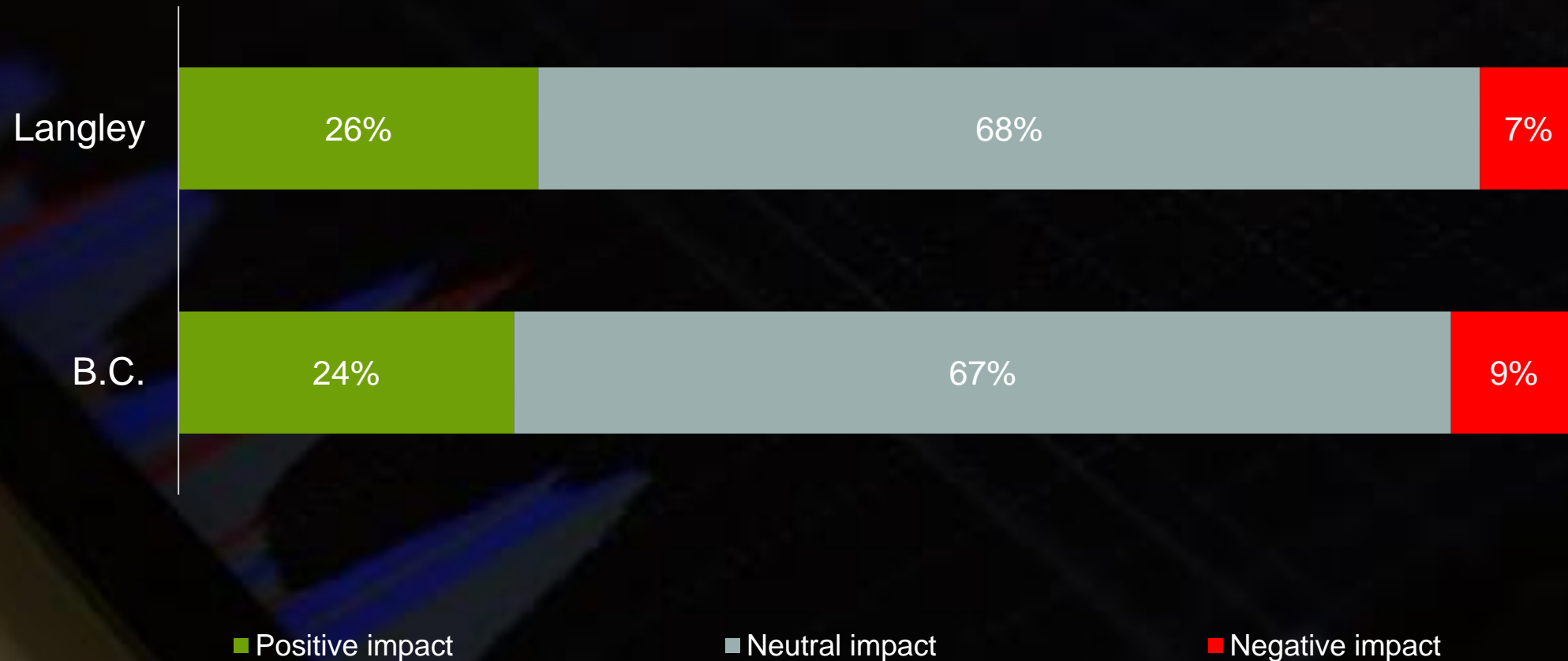
In order to recruit new employees over the past year, have you done any of the following?

FREE TRADE AGREEMENT WITH CHINA

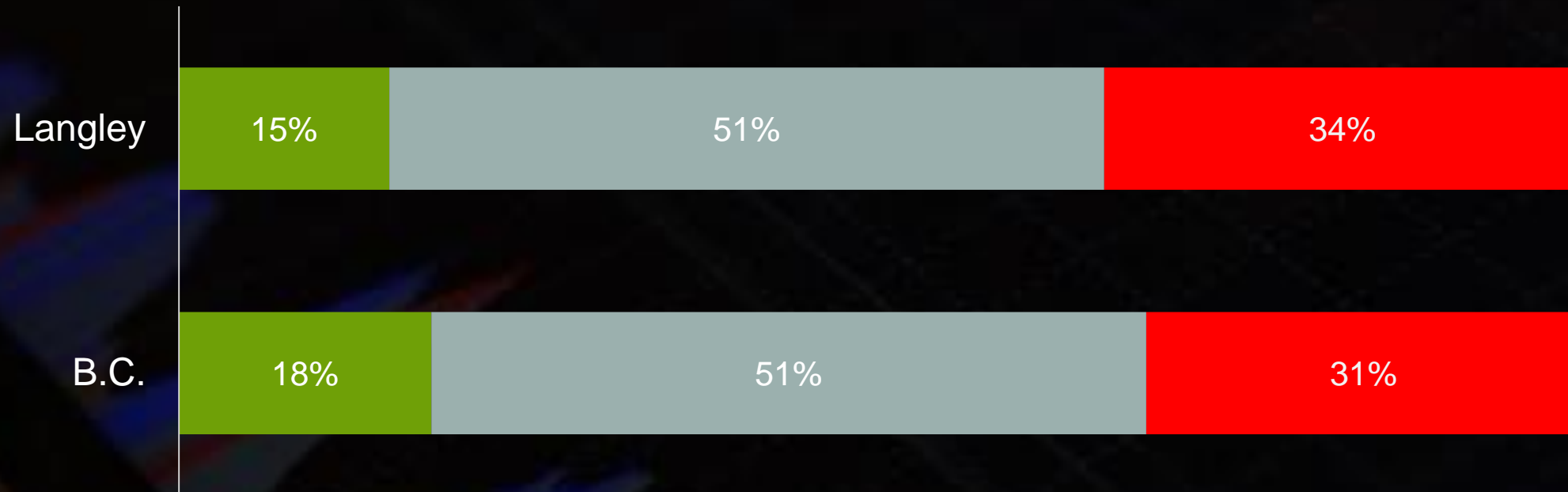
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IMPACT OF FREE TRADE AGREEMENT WITH CHINA ON BUSINESS



PREFERENCE FOR THE CANADA-CHINA RELATIONSHIP



- We should push for closer trade relations, including free trade
- We should be open to more trade, but wary about China generally
- We should avoid becoming more entangled and dependent on trade with China

Which of the following is closest to your preference for the Canada-China relationship:

VIEW ABOUT BUSINESS FUTURE



BUSINESS IN THE FUTURE

Langley

9%

91%

B.C.

10%

90%

- Eventually technologies will replace most of the jobs I have done by people
- People will always be the most crucial part of my business

Which of the following is closest to your view about your business in the future:

BUSINESS IN THE FUTURE

Langley

54%

46%

B.C.

53%

47%

- Most social and economic change in BC has been challenging for my business
- Most social and economic change in BC has brought opportunity for my business

Which of the following is closest to your view about your business in the future:

BUSINESS IN THE FUTURE

Langley

64%

36%

B.C.

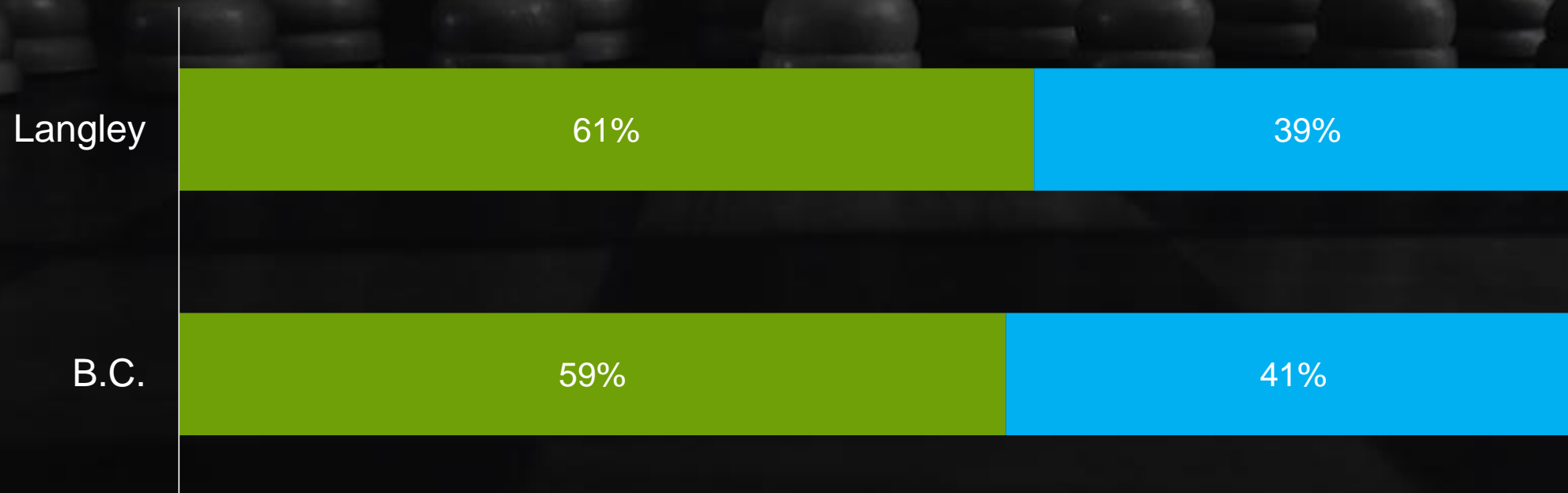
68%

32%

- My business is well positioned for a younger, millennial-influenced Canada
- My business will find it difficult to thrive in a younger, millennial oriented Canada

Which of the following is closest to your view about your business in the future:

BUSINESS IN THE FUTURE



■ My business is as green and clean as it should be

■ I believe my business needs to work to reduce environmental impacts

BUSINESS IN THE FUTURE

Langley

93%

7%

B.C.

92%

8%

■ Technology has made my business more successful

■ Technology has brought more downside than upside for my business

BUSINESS IN THE FUTURE



■ With successive provincial budgets balanced, taxes should be cut.

■ With successive provincial budgets balanced, we should maintain good levels of spending on health, education and infrast

BUSINESS IN THE FUTURE

Langley

43%

57%

B.C.

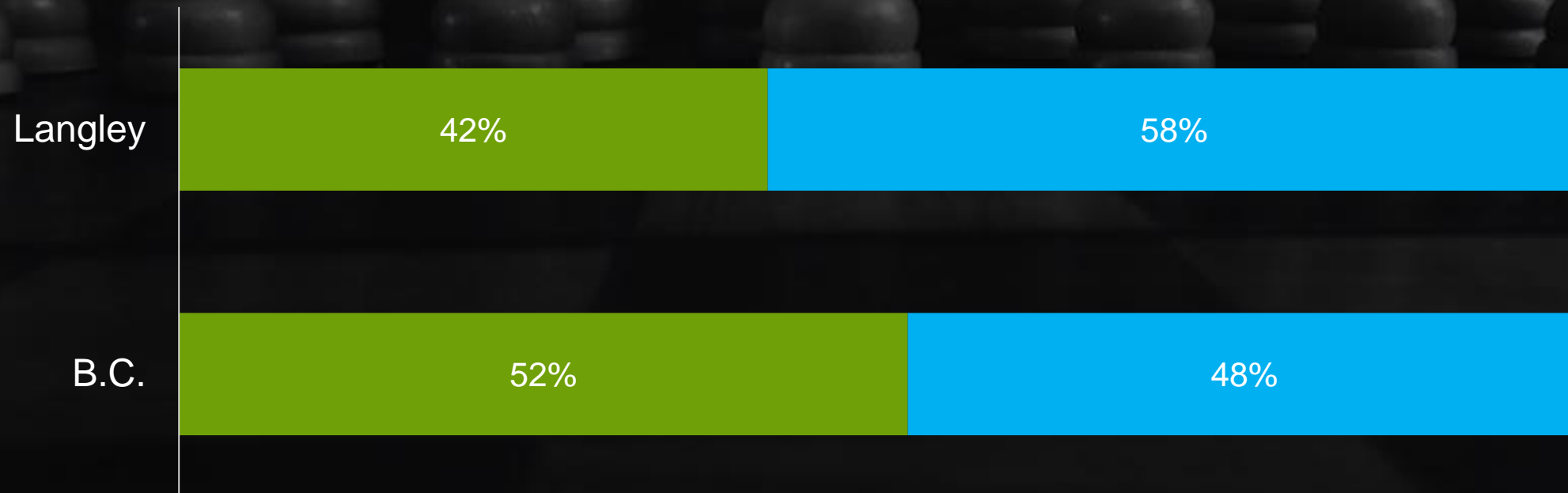
30%

70%

- BC should match business tax cuts in the US in order to ensure we can compete
- BC should set business tax levels that are tailored for our province, given our priorities

Which of the following is closest to your view about your business in the future:

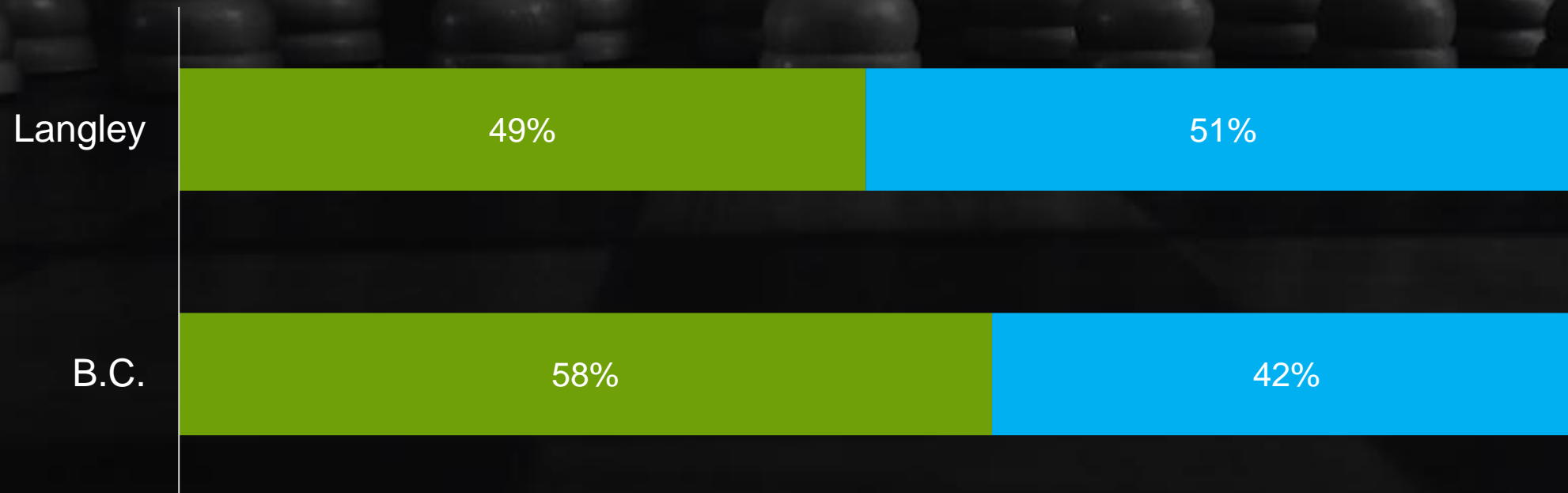
BUSINESS IN THE FUTURE



■ My business succeeds by being agile and entrepreneurial

■ My business succeeds by being careful, steady and efficient

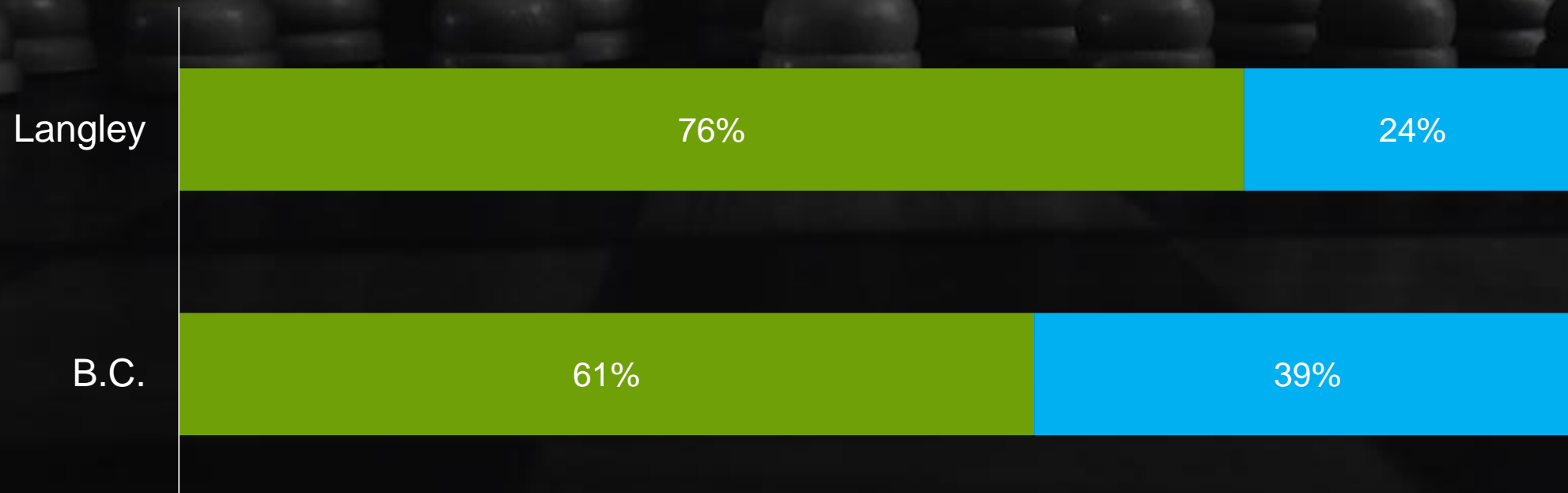
BUSINESS IN THE FUTURE



■ My bottom line is mostly affected by trends beyond my control

■ My bottom line is mostly affected by things within my control

BUSINESS IN THE FUTURE



■ Advertising and promotion are vital to my business

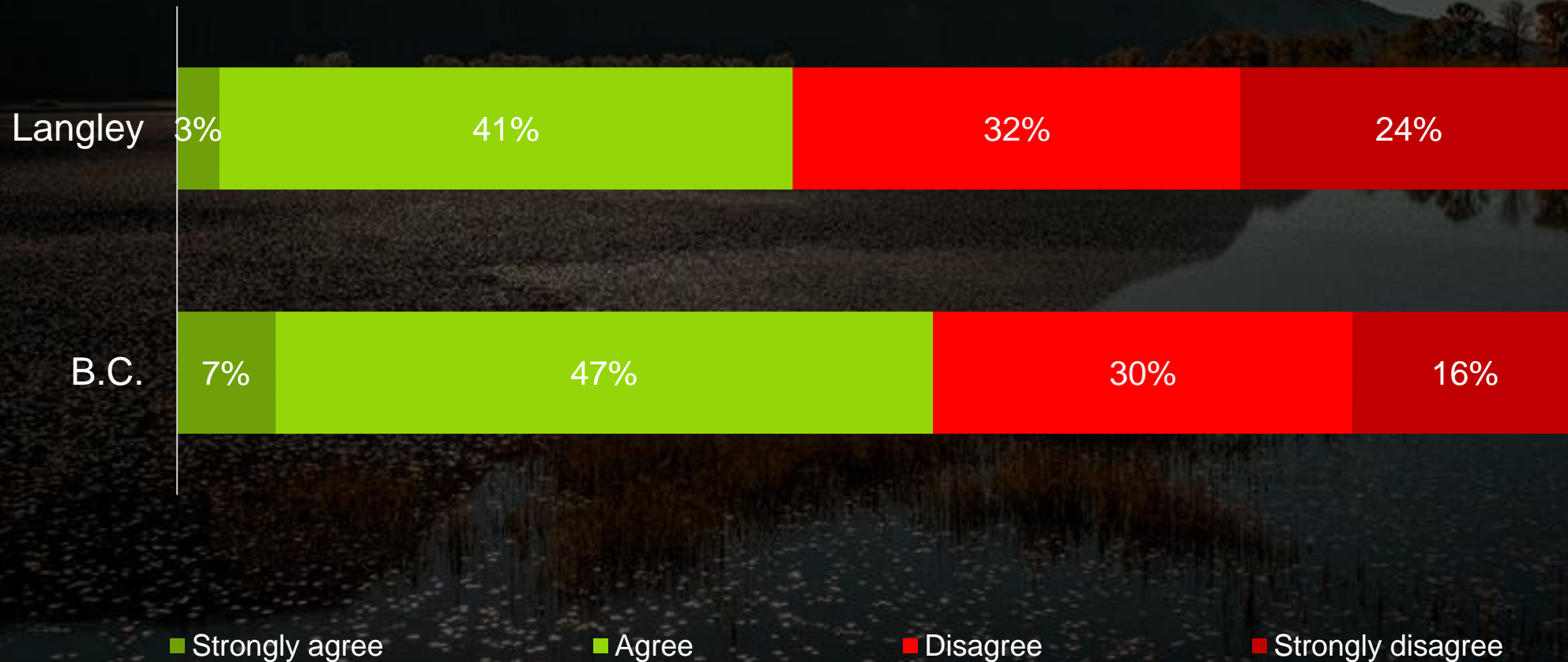
■ Advertising and promotion are not so important to my business

Which of the following is closest to your view about your business in the future:

GOVERNMENT AND BUSINESS



I THINK THE PROVINCIAL GOVERNMENT IS GENERALLY SUPPORTIVE OF BUSINESS



I THINK MY LOCAL GOVERNMENT IS GENERALLY SUPPORTIVE OF BUSINESS



I THINK MY FEDERAL GOVERNMENT IS GENERALLY SUPPORTIVE OF BUSINESS

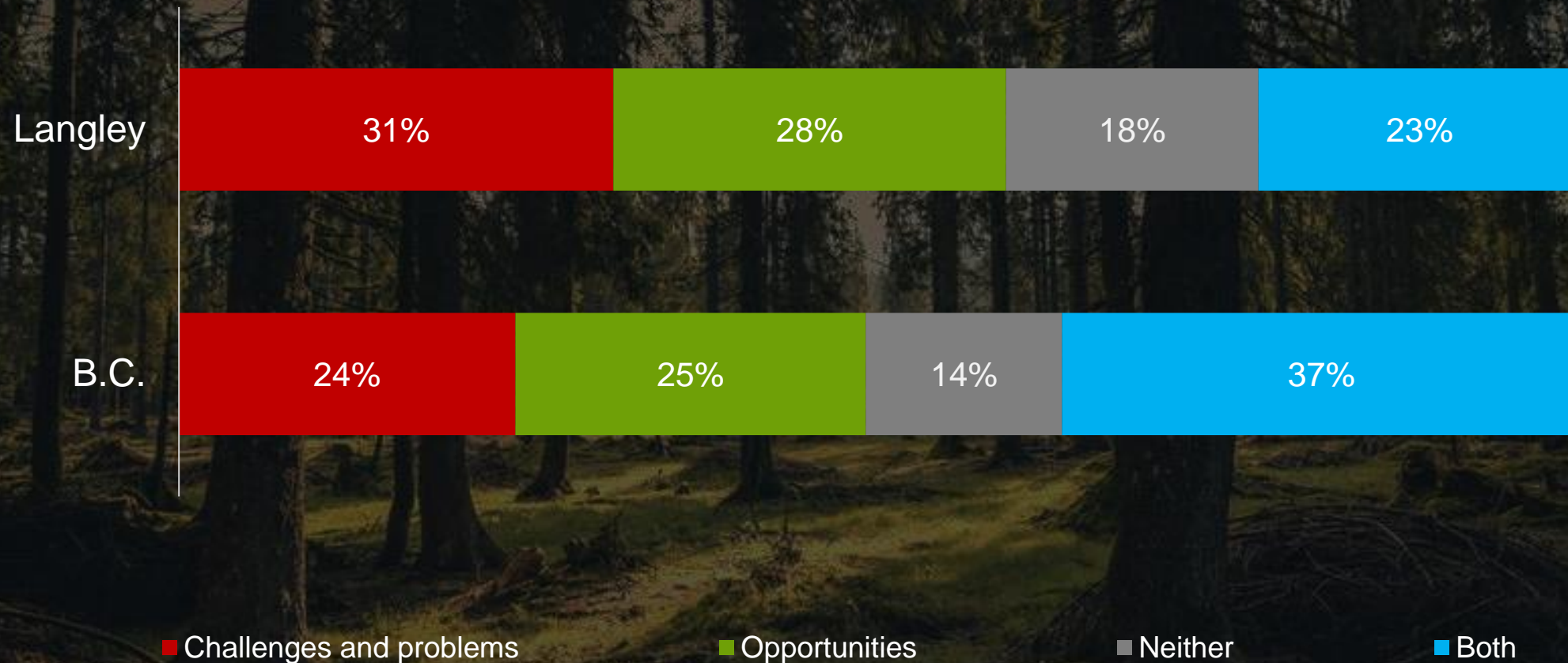


CLIMATE CHANGE AND BUSINESS

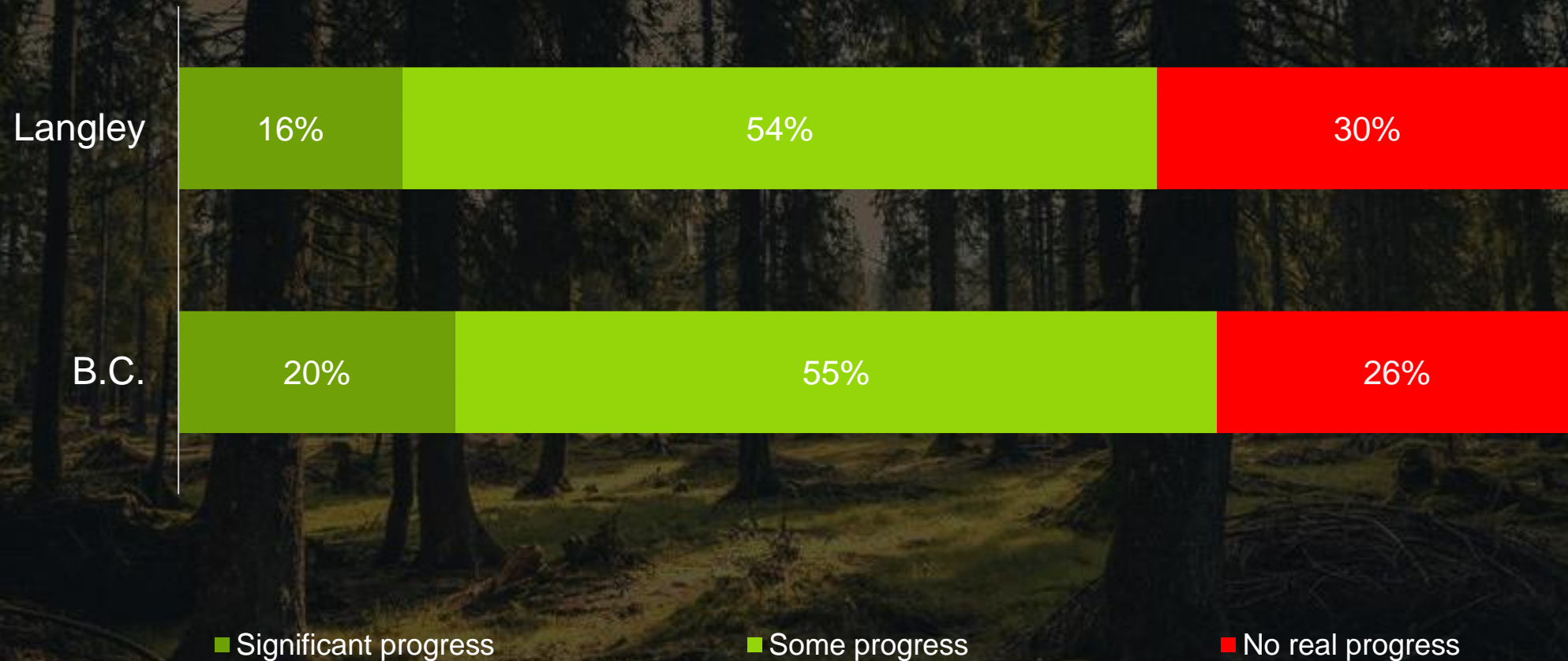
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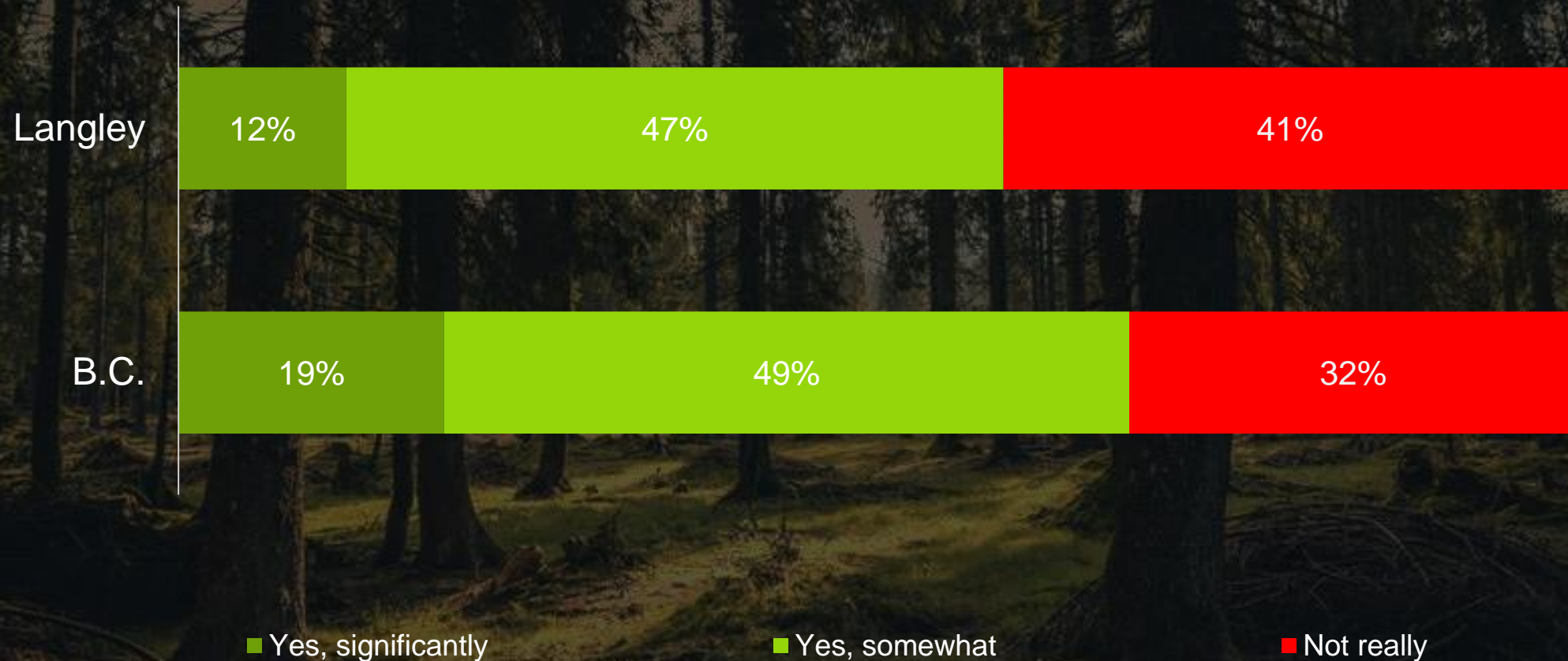
CLIMATE CHANGE



REDUCING EMISSIONS



PURSUING OPPORTUNITIES TO REDUCE EMISSIONS



■ Yes, significantly

■ Yes, somewhat

■ Not really

Over the next few years will you be pursuing opportunities to reduce emissions in your business?

HELP GOVERNMENT PROGRAMS CAN PROVIDE

Incentives to switch to cleaner forms of energy

77%

7%

16%

Subsidies for energy systems retrofits

68%

12%

20%

E-vehicle charging infrastructure

68%

8%

24%

Incentives to use e-vehicles

65%

9%

26%

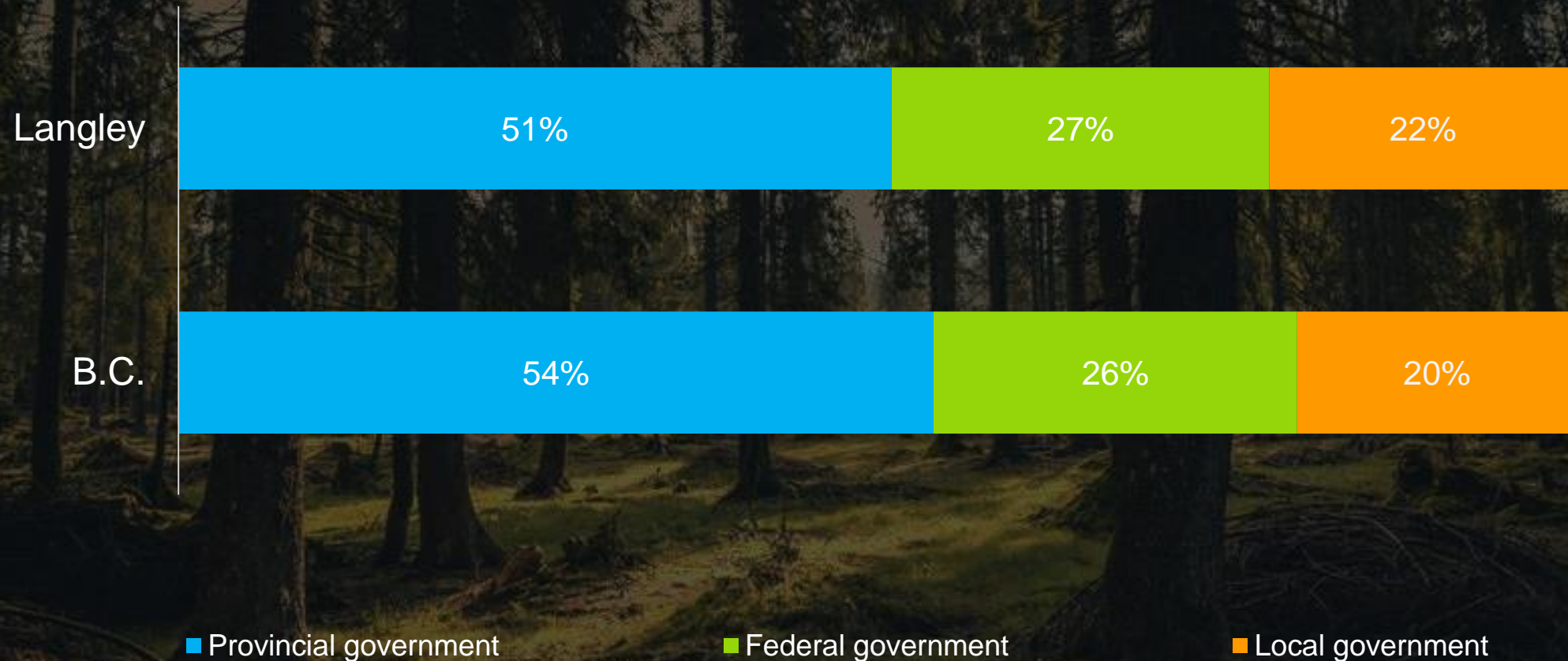
■ Support it

■ Can accept it

■ Oppose it

When it comes to the kind of help that government programs can provide, for each of the following, please indicate if this is the sort of policy tool that you support, oppose or can accept.

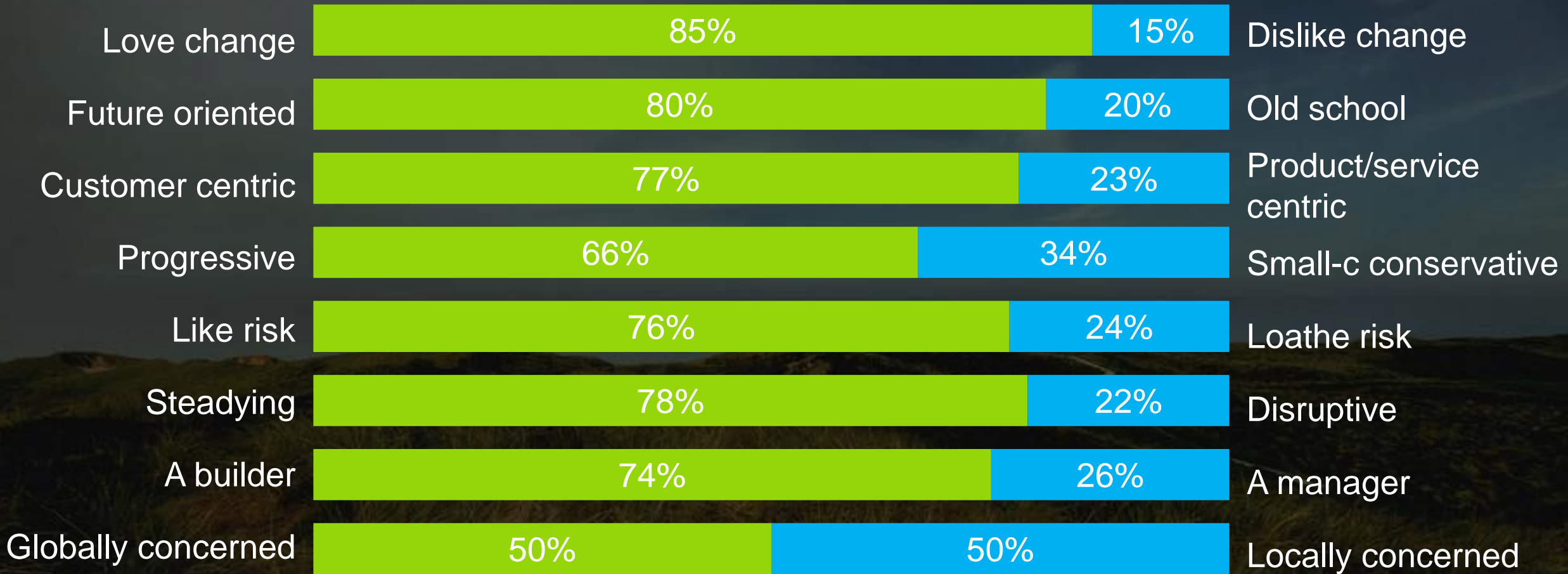
GOVERNMENT IMPACT ON YOUR BUSINESS



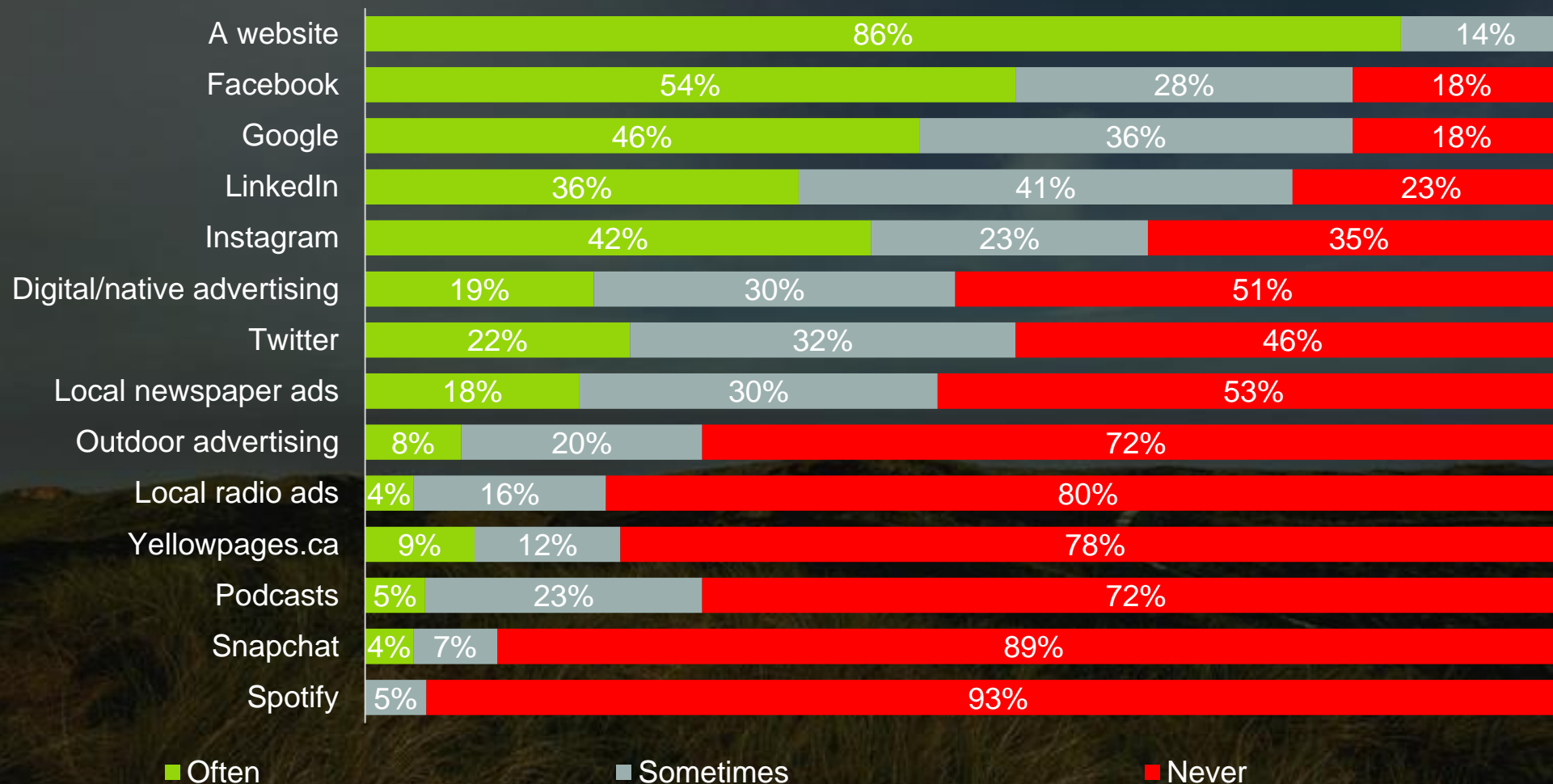
BUSINESS PERSONALITY



THINKING OF YOURSELF



PROMOTING BUSINESS



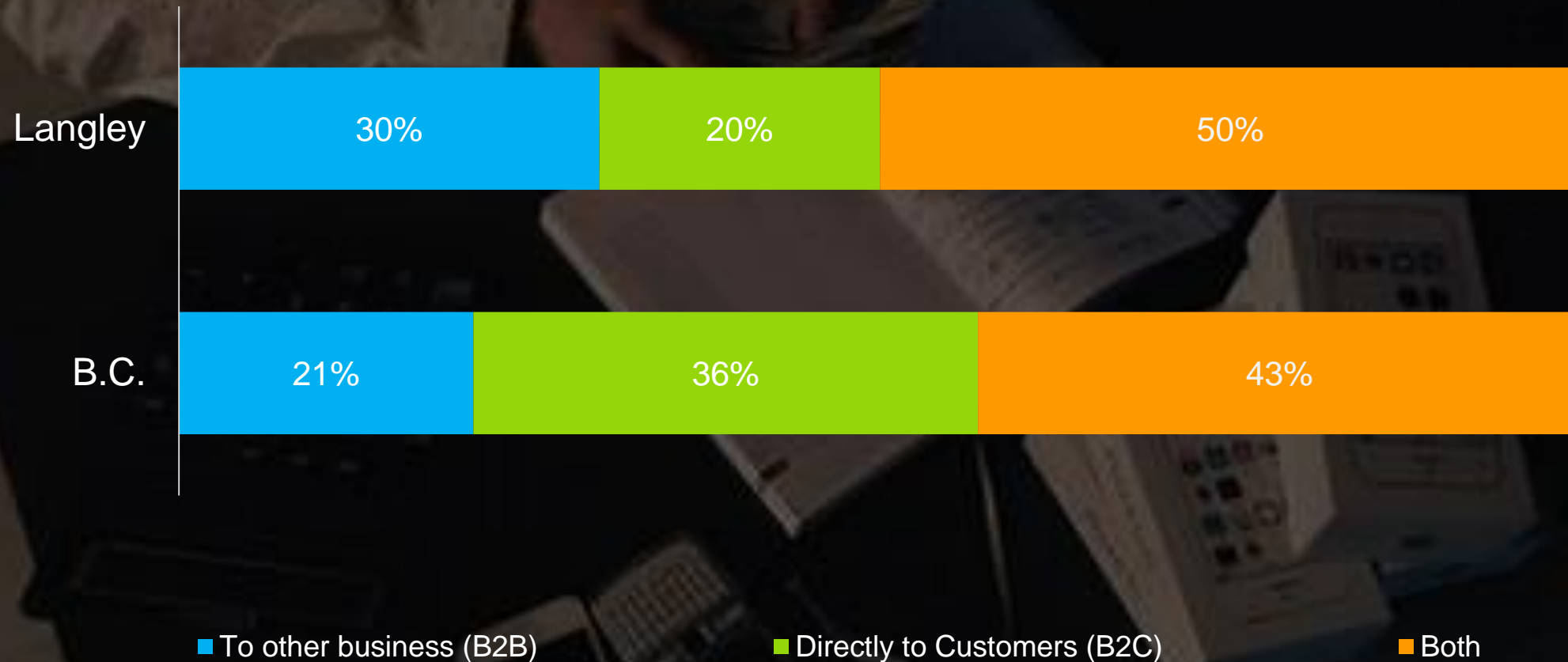
ENTREPRENEURSHIP

[SELF-IDENTIFYING ENTREPRENEURS]

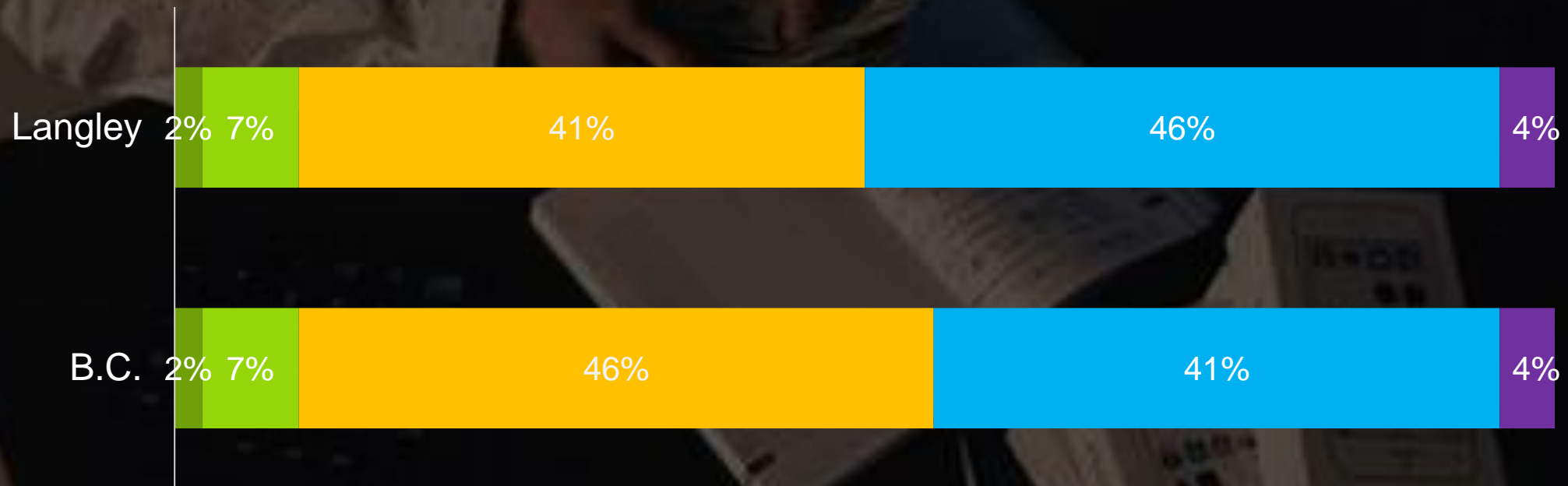
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TYPE OF BUSINESS

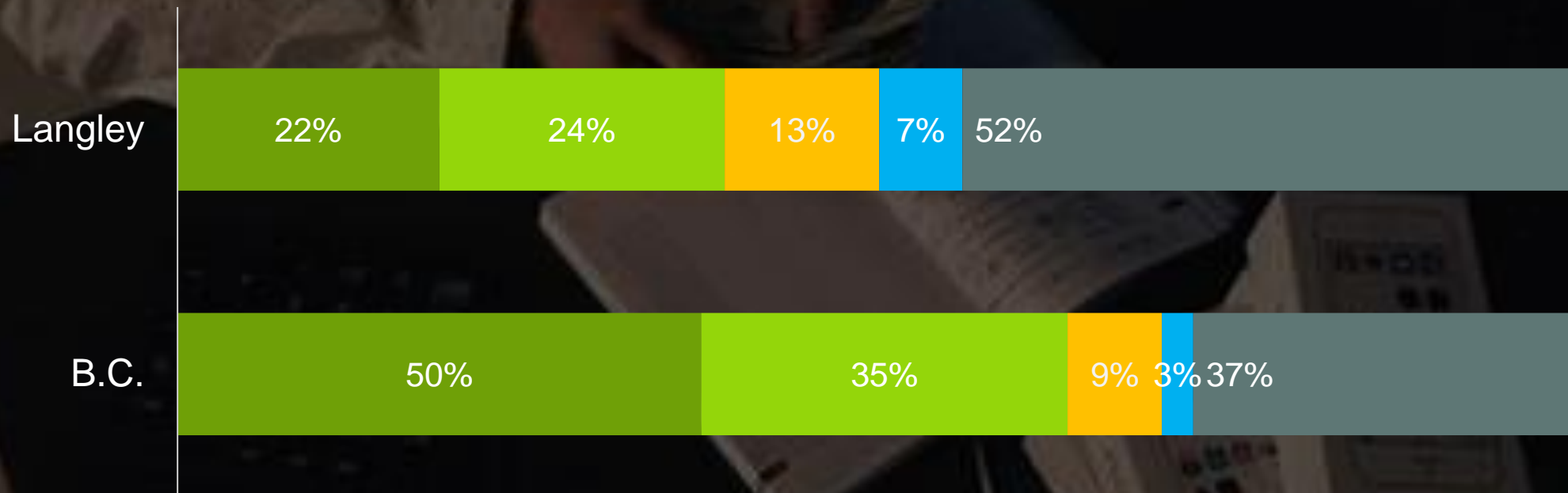


STAGE OF BUSINESS



■ Idea/planning ■ Pre-revenue ■ Revenue-generating ■ Steady growth ■ High growth (ie: >50% year over year growth)

REASON TO START BUSINESS



■ Gap in market

■ Idea for new product/service

■ Flexibility for Childcare

■ Flexibility for Eldercare

■ Other:

BUSINESS VALUES

Flexibility / work-life balance

80%

Sustainability

59%

Social impact

54%

Living wage

50%

Other:

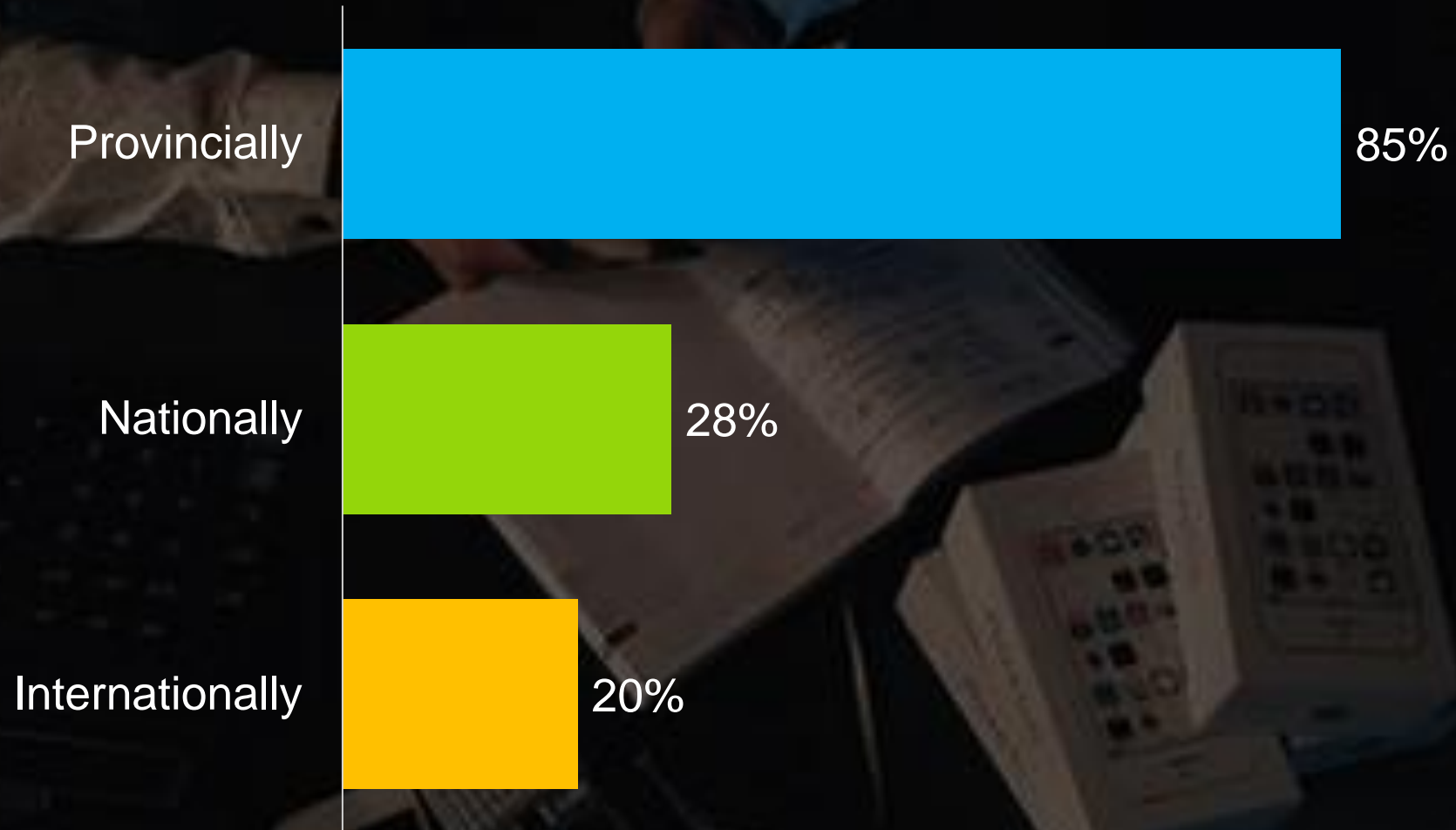
4%

None of the above

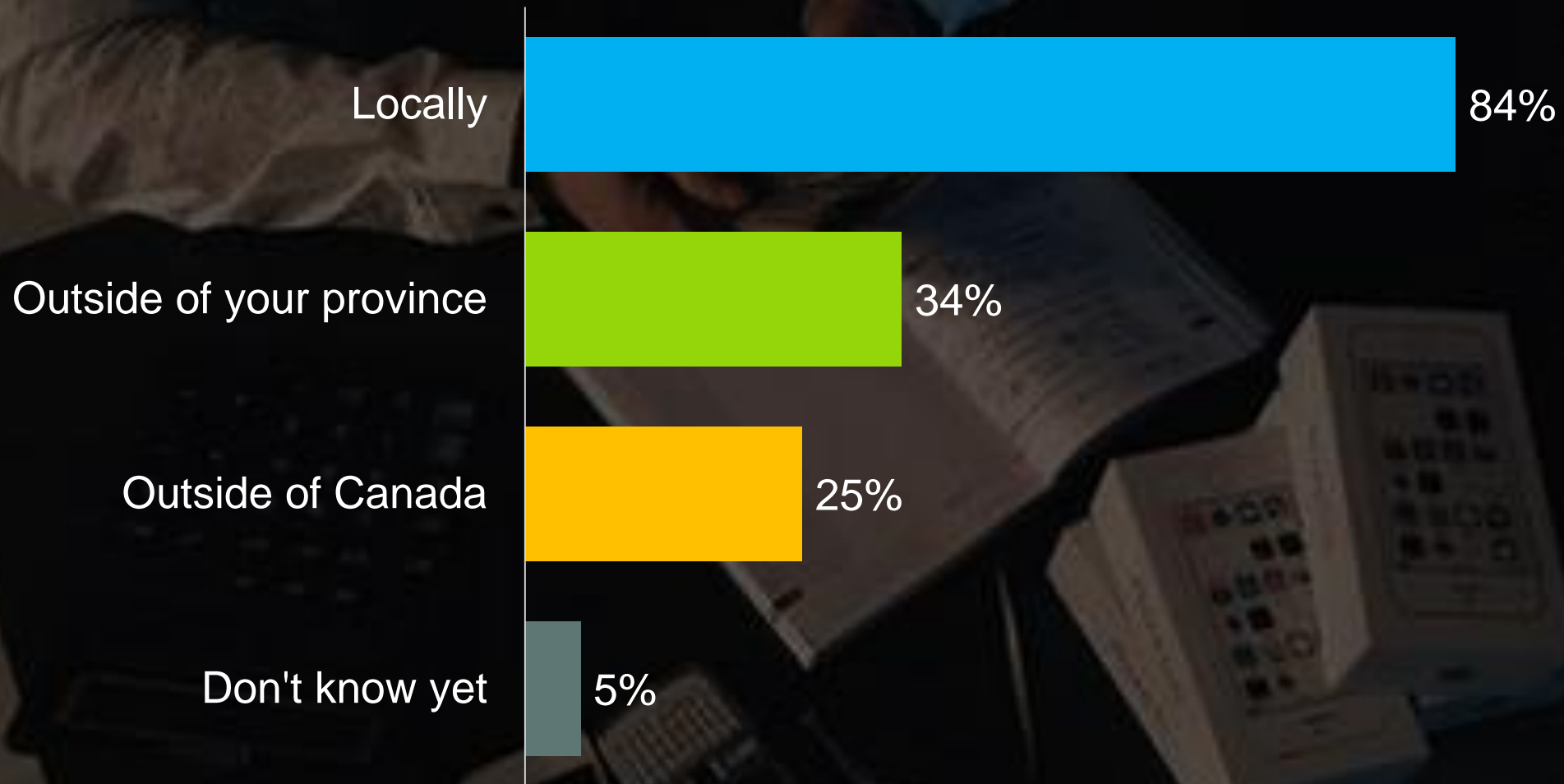
0%

What values do you integrate into your business?

WHERE BUSINESS CURRENTLY SELLS



PLANS TO GROW



IMPROVING KNOWLEDGE ABOUT BUSINESS

