



Thunder Bay
Ventures
Community Futures Development Corporation

THUNDER BAY AND AREA BUSINESS CONFIDENCE INDEX (BCI)

FALL 2017

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ACKNOWLEDGEMENTS



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Thunder Bay
Chamber
of Commerce

TABLE OF CONTENTS

Acknowledgements	2
Background	4
Executive Summary	5
Research Design & Sample Assessment	8
Business Confidence Index	15
Analysis of BCI Components	21
Additional Insights	27
Business Implications and Actions	34
Fostering a Positive Business Environment	39
Appendix 1 – Respondents' Demographic Profile ...	46
Appendix 2 – Additional Sub-group Analyses	52



BACKGROUND

- ✓ **For just about twenty years, Thunder Bay Ventures (TBV) administered a small business survey in order to examine the attitude of the business community towards specific issues and developments in the local community.**
 - ✓ The small business surveys provided policymakers, business leaders, and other stakeholders with various insights from local businesses regarding operational challenges and future opportunities.
 - ✓ However, various stakeholders agreed that it was time to revise and reboot the survey in order to reflect recent changes in the business environment.
- ✓ **After years of deliberation, Thunder Bay Ventures and its advisors decided to revise the small business survey into a Business Confidence Index (BCI).**
 - ✓ The purpose of the BCI is to gauge the overall business confidence level in the Thunder Bay and Area, and also explore the impact of individual elements of overall confidence levels.
 - ✓ The current plan is for the BCI to be administered biennially in order to allow for a time-series (changes in Thunder Bay and Area's BCI over time) and cross-section analysis (comparison of Thunder Bay and Area with other regions).



Thunder Bay
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EXECUTIVE SUMMARY

EXECUTIVE SUMMARY



	Experiences over the past year...	Expectations for the next year...
Business Level Indicators	<ul style="list-style-type: none">• 82% of businesses have experienced stable revenues over the past year.• 88% of businesses have experienced improved or stable economic well being over the past year.	<ul style="list-style-type: none">• 92% of businesses expect to experience stable revenues over the next year.• 92% of businesses expect to experience improved or stable economic well being over the next year.• 87% of businesses expect capital expenditures to remain stable or increase over the next year.
Economy Level Indicators	<ul style="list-style-type: none">• 81% of businesses believe the Thunder Bay and Area economy has been stable over the past year.	<ul style="list-style-type: none">• 82% of businesses believe that the Thunder Bay and Area's economy will stable or moving in a positive direction over the next year.• Businesses reported an average 5.8 for their confidence in the Thunder Bay and Area's economic future (on a 10-point Likert scale).

EXECUTIVE SUMMARY



Top 3 Issues Facing Business...



Ways to positively change the business climate....



How can we foster a positive business environment....



RESEARCH DESIGN & SAMPLE ASSESSMENT



RESEARCH OBJECTIVES

- ✓ **The purpose of the BCI is to obtain insights from local business owners and executives into current and anticipated economic business conditions, capital purchase and hiring intentions, and other top of mind business issues.**

- ✓ **Aside from overall economic conditions, this research also explores local business's opinions regarding:**
 - Actions taken by local businesses to respond to current economic conditions in the Thunder Bay Area;
 - Amount of goods and services that businesses purchase locally;
 - Strategies employed by local businesses to grow organically;
 - The impact of key Federal and Provincial government policies on business activities; and
 - The top issues facing local business.

- ✓ **The results of this study are intended to provide local businesses and policy makers with insights into the various opportunities and challenges confronting local business owners in Thunder Bay and the surrounding area. Ideally, these findings will help to inform future policies and business opportunities.**



SURVEY DESIGN

- ✓ **Data for the construction of the BCI was obtained by surveying local businesses.**
- ✓ **The survey was designed in conjunction with Corporate Research Associates (“CRA”).**
 - Our survey was based on a similar BCI survey that was administered in Atlantic Canada.
- ✓ **A draft survey was presented by CRA and reviewed by the research team and TBV representatives.**
 - The research team made appropriate adjustments in order to reflect the unique characteristics of the Thunder Bay and Area economy.
- ✓ **The draft survey questions and online programming was extensively reviewed by the research team in conjunction with CRA.**
- ✓ **Prior to finalizing, the draft survey was pre-tested and feedback was obtained.**



SURVEY ADMINISTRATION

- ✓ **An online survey was administered to local businesses.**
 - Local business owners were asked to voluntarily participate by completing the survey.
 - Participants included a number of business executives who were recruited by personal invitation, as well as a large number of businesses who were invited to participate by various community associations.
- ✓ **Only individuals that hold a title such as CEO, COO, President, Owner or Managing Director were asked to respond.**
- ✓ **Participants were offered to complete a ballot to win a free Canada Goose Jacket, valued at \$1,000, from Gear Up For Outdoors.**
- ✓ **The survey was administered from August 17, 2017 to September 13, 2017.**



SAMPLE SIZE, CONFIDENCE LEVEL AND MARGIN OF ERROR

- ✓ Acceptable sample size parameters were established prior to the survey being administered in order to provide acceptable confidence interval and level ranges.
- ✓ The final sample size of 185 results in an confidence level of 95% and a maximum margin of error of 7%.
- ✓ Note that the sampling risk and margin of error are greater for any between-group / subgroup analyses.



BUSINESS CONFIDENCE INDEX CONSTRUCTION

- ✓ This inaugural BCI is derived from a series of nine questions which were included in the survey.
- ✓ The BCI was set at a benchmark of 100 for this inaugural computation, and all BCI calculations going forward will be measured relative to this benchmark.
- ✓ The BCI is based on **positive or neutral responses** (i.e., *better or about the same; increase or stay the same; and scores of 6 or higher on the 10-point Likert-scales*), **excluding negative responses** (i.e., *worse; decrease; or scores of 5 or lower on the 10-point Likert scales*) **for each evaluation.**
- ✓ **The nine questions that underlie the BCI are:**
 1. Thunder Bay and Area's economy is stable / moving in a positive direction;
 2. In the next 12 months, my company's revenue will be stable or increase;
 3. In the past year, my company's revenue will be stable or increase;
 4. In the next 12 months, my company's capital expenditures will remain unchanged or increase;
 5. The economic well-being of my company will be stable/better in the next 12 months;
 6. My company's economic well-being is stable / better than it was 12 months ago;
 7. Over the next 12 months, the Thunder Bay and Area economy will be stable / better;
 8. Compared with 12 months ago, the overall state of the Thunder Bay and Area economy is stable or better; and
 9. I am confident in the Thunder Bay and Area's economic future.



RESPONDENTS' DEMOGRAPHIC PROFILE

SAMPLE RESPONDENT PROFILE CONSISTENT WITH EXPECTATIONS & POPULATION

- ✓ **98% of the respondents had some operating activities in Thunder Bay, followed by Other Northern Ontario location (18%).**
- ✓ **The vast majority, 86.5%, of respondents are headquartered in Thunder Bay.**
 - ✓ Other Canadian cities includes Saint John, Edmonton, Kitchener, and Oakville.
- ✓ **Retail trade and repair was the most common industry classification (28.6%), followed by restaurants, cafes and bars (10.3%).**
- ✓ **The vast majority of respondents, 90.8%, have between 1 and 49 employees, with 5.9% having 50+ employees.**
 - ✓ These groupings are consistent with the overall averages for employers in the Thunder Bay area, which further supports the generalizability of the survey results.
- ✓ **The majority of the respondents were business owners, or held the title of President / Managing Director.**
- ✓ **See Appendix 1 for further details.**

BUSINESS CONFIDENCE INDEX (BCI)



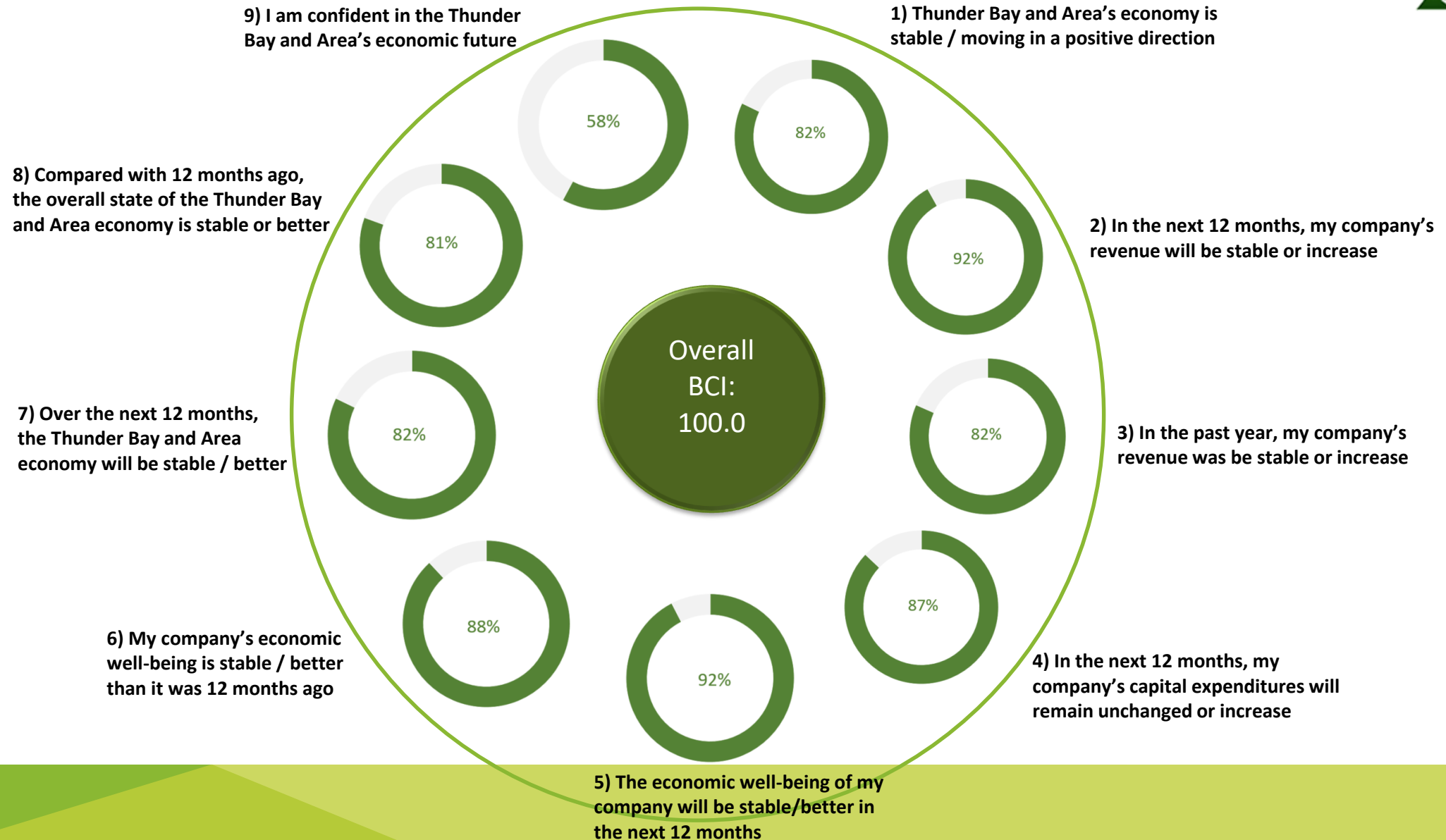
INAUGURAL BUSINESS CONFIDENCE INDEX MEASUREMENT

2017 MEASUREMENT IS BASE CASE

- ✓ **The BCI is set to 100.0 for 2017 measurement as this is the first time we are measuring the BCI in the Thunder Bay Area.**
 - ✓ As a result, this inaugural measure establishes the “base-case” by which all future surveys will be measured against.
- ✓ **BCI measures “confidence” based on positive (e.g., “increases”) or neutral (e.g., “no change”) responses to the nine questions.**
 - ✓ This is consistent with measures of business confidence in other Canadian jurisdictions (e.g., Atlantic Canada).
 - ✓ The percentages reported for each of the nine BCI questions therefore represent the percentage of businesses that expect increases or no changes.



BUSINESS CONFIDENCE INDEX





BUSINESS CONFIDENCE INDEX HIGHLIGHTS

BUSINESS-LEVEL INDICATORS

- ✓ **Most businesses have experienced stable revenues over the past year, and expect this to continue over the next year (Questions 2 & 3).**
- ✓ **Most businesses expect capital expenditures to remain stable or increase over the next year (Question 4).**
- ✓ **Most businesses have experienced improved or stable economic well being over the past year, and this is expected to continue into the next year (Question 5 & 6).**

ECONOMY-LEVEL INDICATORS

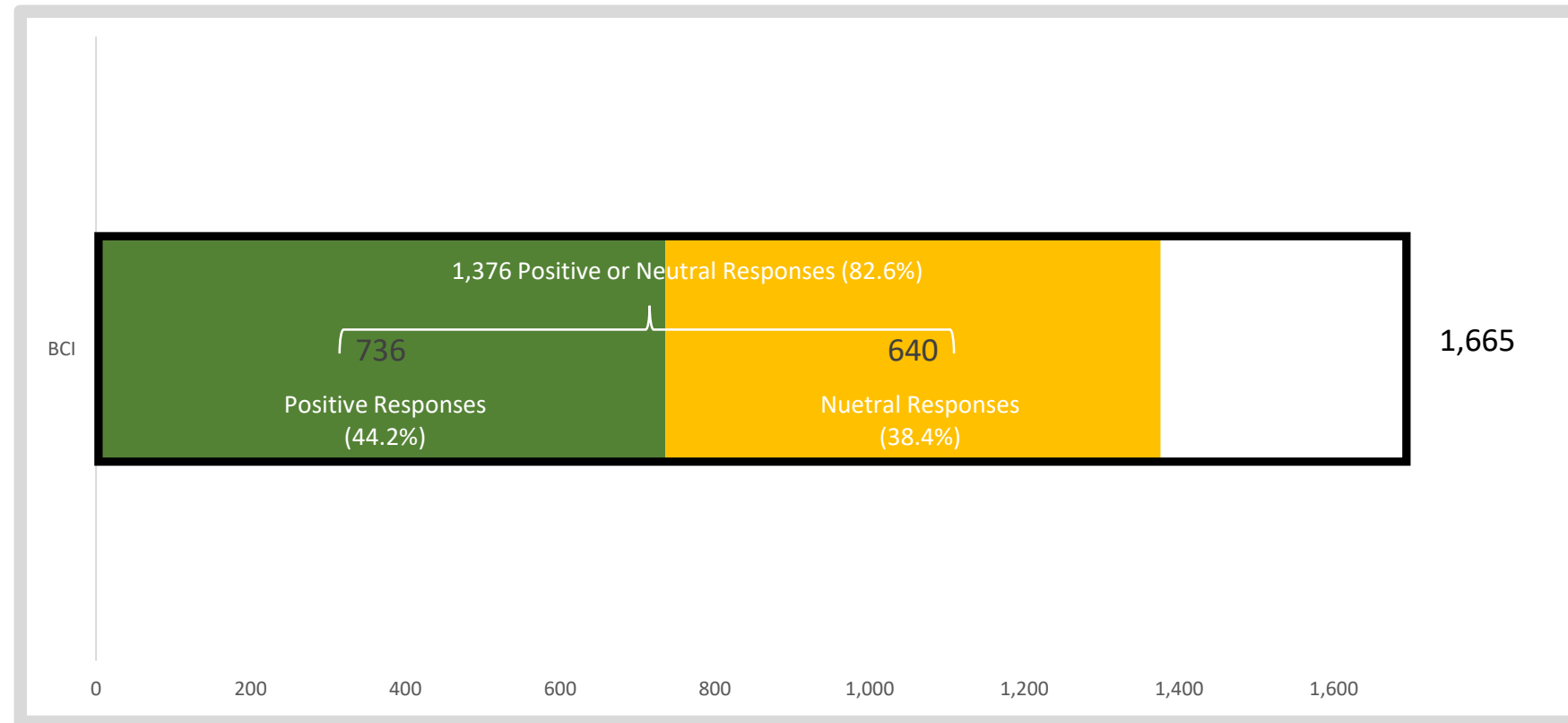
- ✓ **Most businesses believe that the Thunder Bay and Area's economy is stable or moving in a positive direction (Question 1).**
- ✓ **Most businesses believe the Thunder Bay and Area economy has been stable over the past year, and will be stable over the next year (Questions 7 & 8).**
- ✓ **When measured with a 10-point Likert-scale, businesses reported an average 5.8 for their confidence in the Thunder Bay and Area's economic future (Question 9).**



BUSINESS CONFIDENCE INDEX DETAILS

FURTHER BREAK-DOWN OF BCI “BASE-CASE”

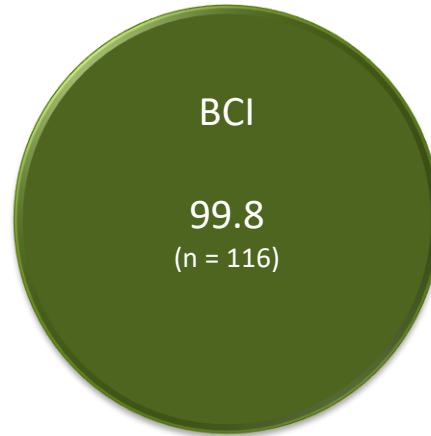
- ✓ There were **1,665** responses to the nine questions that comprise the BCI (185 sample size x 9 questions).
- ✓ Businesses had a neutral or positive responses to 1,376 questions (i.e., 82.6% of the nine BCI questions received with a neutral or positive responses).
- ✓ Businesses had positive responses to 44.2% of the questions.
- ✓ Businesses had negative responses to 17.4% of the questions.



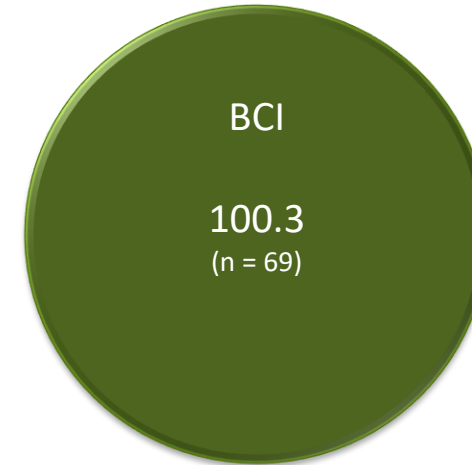


BUSINESS CONFIDENCE INDEX ACROSS GROUPS

SMALLER BUSINESS ($10 > \text{EMPLOYEES}$)



BIGGER BUSINESS ($10 \leq \text{EMPLOYEES}$)



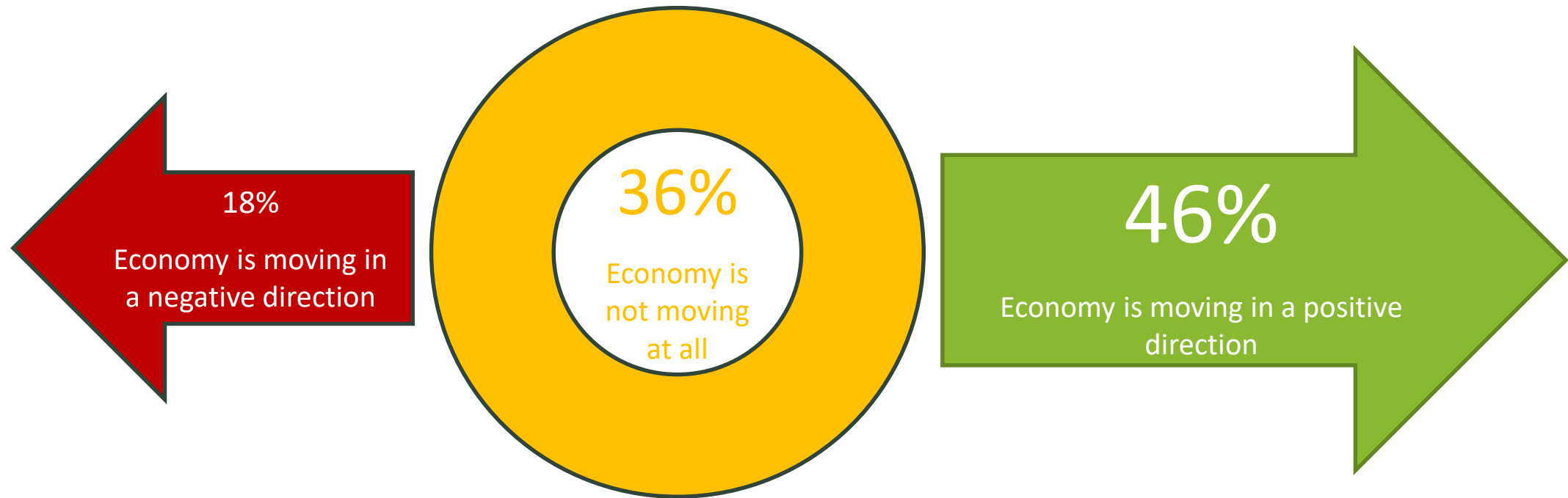
- ✓ Overall, there are no significant differences measured in BCI across smaller and larger businesses.

ANALYSIS OF BCI COMPONENTS



THUNDER BAY AREA: ECONOMIC LANDSCAPE

Business' beliefs regarding the direction of Thunder Bay area economy...

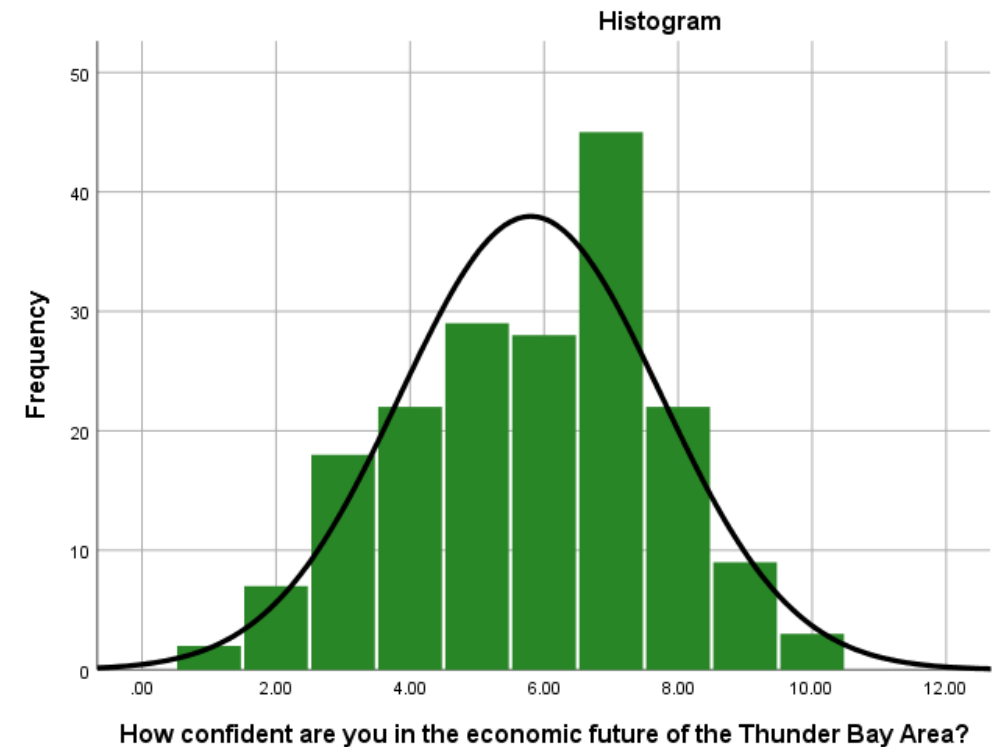




THUNDER BAY AREA: ECONOMIC LANDSCAPE

- ✓ **Confidence in the economic future of the Thunder Bay area: slight skewness towards a positive view**
 - ✓ Mean = 5.8
 - ✓ Median = 6.0
 - ✓ Std. Dev = 1.94

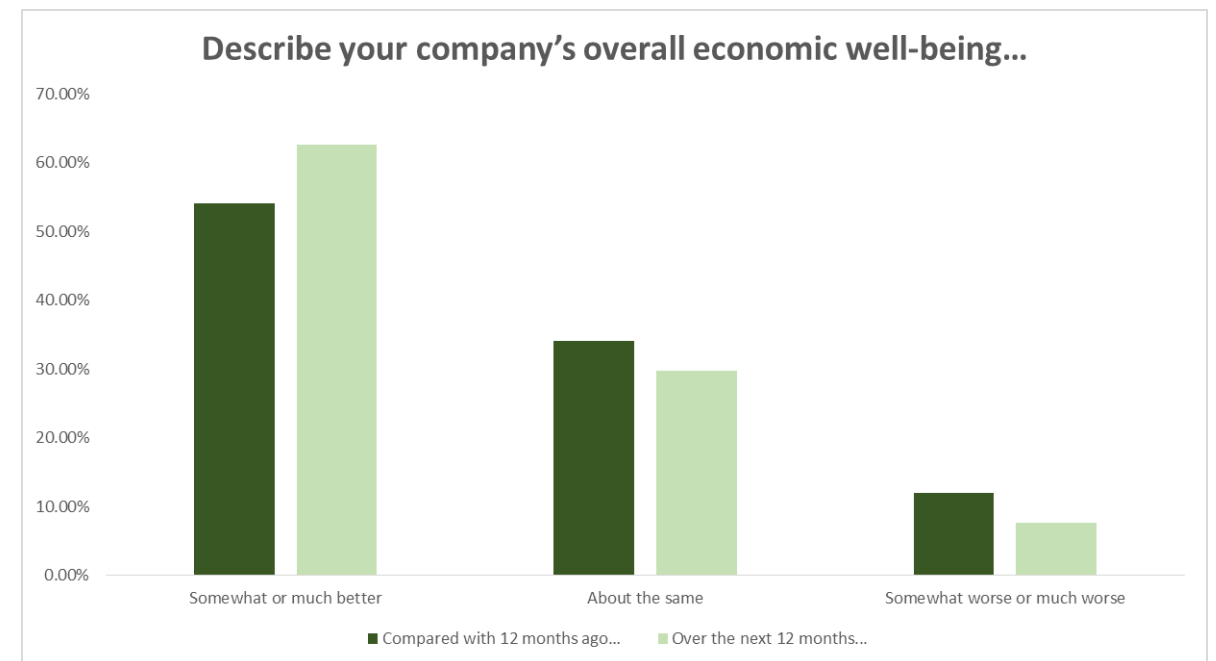
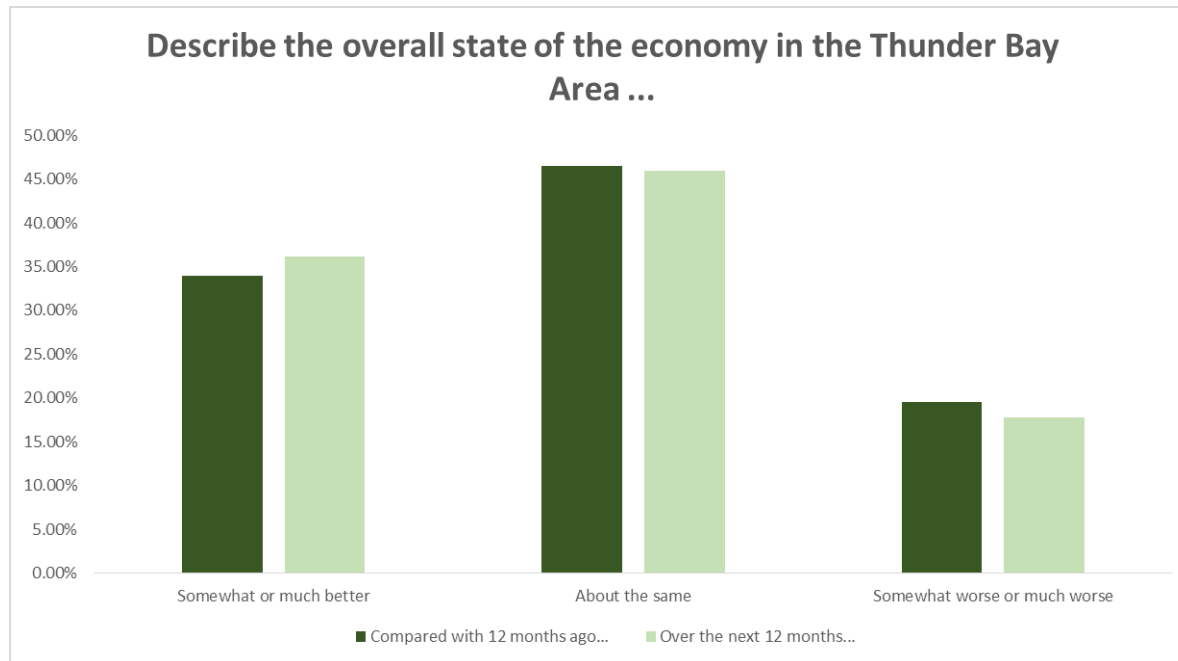
How confident are you ... ?	Frequency	Percentage	Confident or not?
1	2	1.1 %	42.2 %
2	7	3.8 %	
3	18	9.7 %	
4	22	11.9 %	
5	29	15.7 %	
6	28	15.1 %	57.8 %
7	45	24.3 %	
8	22	11.9 %	
9	9	4.9 %	
10	3	1.6 %	
Total	185	100 %	100 %





THUNDER BAY AREA: ECONOMY AND BUSINESS WELL BEING

- ✓ **Moderate optimism about the economy in Thunder Bay area in the past and near future:**
 - ✓ For roughly half the respondents the state of the economy is the same and for a third is somewhat better
 - ✓ High and significant correlation between last 12 economic months and future economy ($r = 0.685$, $p < .01$)
- ✓ **... but they are a little bit more optimistic concerning their own business:**
 - ✓ For a third is about the same but for 43.2 % they expect to be better in the next year
 - ✓ Also a high and significant correlation between well-being in the last and next year ($r = 0.729$, $p < .01$)





THUNDER BAY AREA: BUSINESS WELL BEING AND IMPACT

- ✓ **Positive views of the future might somewhat turn into more investments and jobs in the future**
 - ✓ 12 respondents anticipate 10% increase in capital expenditures, 8 anticipate 20 % and 27 are not sure
 - ✓ Capital expenditures positively correlated with future well-being of the company ($r = .410$, $p < .000$)

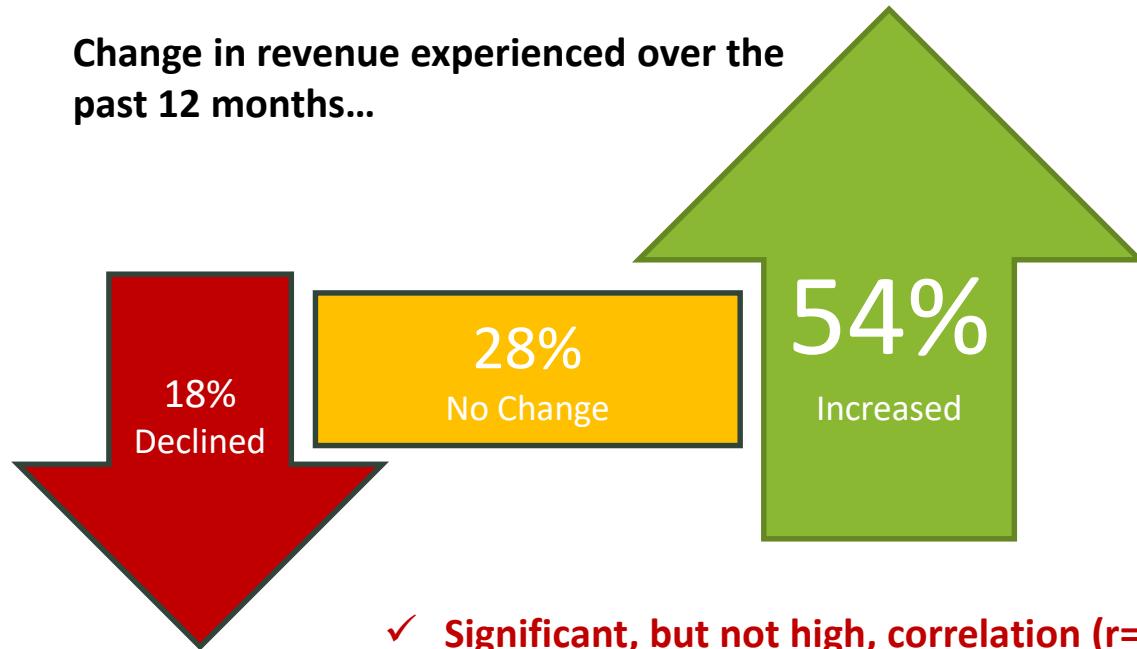
	In the next 12 months, do you expect your capital expenditures to...	In the next 12 months, do you expect your number of FT / PT employees to...	
		Full time (30 or more hours/week)	Part-time (less than 30 hours/week)
Increase	39.5 %	25.9 %	24.3 %
Remain unchanged	47.6 %	58.9 %	54.6 %
Decrease	13.0 %	10.8 %	14.6 %
Don't know/Not sure	0.0%	4.3 %	6.5 %
Total	100 %	100 %	100 %

- ✓ The increase of full-time employees is correlated with future well-being of the company ($r = .352$, $p < .000$)
- ✓ The increase of part-time employees is also correlated but to a lesser extent ($r = .165$, $p < .05$)

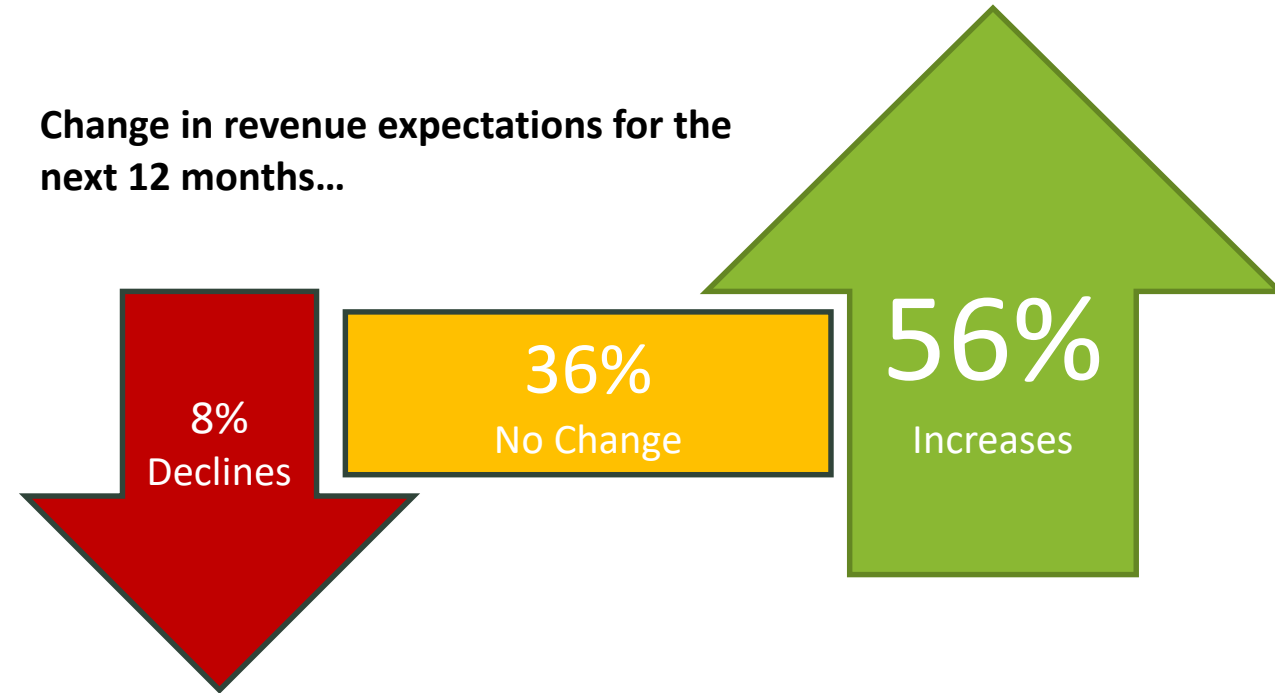
THUNDER BAY AREA: BUSINESS REVENUES



Change in revenue experienced over the past 12 months...



Change in revenue expectations for the next 12 months...



- ✓ Significant, but not high, correlation ($r=.300$, $p<.01$) between responses to "change in revenue" and "state of the economy"
- ✓ See Appendix 2 for sub-group analyses.

ADDITIONAL INSIGHTS



THUNDER BAY AREA: SALARIES

✓ What was the average wage increase granted to your employees by your company in 2016?

- ✓ The average increase was 4.7%, with minimum at 0% (N=34) and maximum at 40% (N=1)
- ✓ Most respondents (N = 62) didn't know or were not sure (33.5 %)
- ✓ Another 34 respondents (18.4%) didn't grant any increase in 2016, 28 (15.1%) gave 2% and 15 (8.1 %) gave 5%

✓ What do you anticipate the average wage increase will be for 2017?

- ✓ The average anticipated increase will be 6%, with minimum at 0% (N=35) and maximum at 45% (N=1)
- ✓ Most respondents (N = 66) didn't know or were not sure (35.7 %)
- ✓ Another 35 respondents (18.9 %) don't anticipate any increase in 2017, 23 (12.4 %) anticipate 2%, 10 (5.4 %) anticipate 3% and another 10 expect 5%

	Average wage increase granted in 2016?	Average wage increase anticipated for 2017?
0 %	18.4 %	18.9 %
1 % - 5 %	34.6 %	27.0 %
6 % - 10 %	5.9 %	7.6 %
More than 10%	7.6 %	10.8 %
Don't know/Not sure	33.5 %	35.7 %
Total	100 %	100 %

THUNDER BAY AREA: UNSOLICITED JOB APPLICATIONS



64%

Businesses that have not received an increased number of unsolicited job applications over the past year?

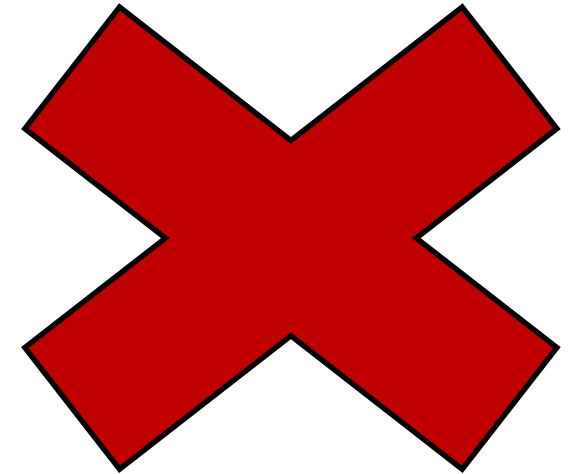


6%

Businesses that don't know if they have received an increased number of unsolicited job applications over the past year?

Businesses that have received increased number of unsolicited job applications over the past year?

30%





THUNDER BAY AREA: FEDERAL CARBON TAX

✓ What impact do you expect on your business as a results of the Federal Government's proposed carbon tax?

- ✓ Most of the respondents (43%) are uncertain at this time
- ✓ For almost a third (28%) the impact will be negative and for another third (27%) neutral

Impact of proposed carbon tax...	Responses
Mostly positive	2.7 %
Neither positive nor negative	27.0 %
Mostly negative	27.6 %
Uncertain at this time	42.7 %
Total	100 %



- ✓ See Appendix 2 for sub-group analyses.



THUNDER BAY AREA: PROVINCIAL MINIMUM WAGE PLAN

✓ **What impact do you expect on your business as a results of the Provincial Government's proposed \$15 minimum wage?**

✓ Almost half of the respondents expect a negative impact (49.2 %, N = 91)

✓ A third (33.5 %, N = 62) expect a neutral impact

Impact of minimum wage increases...	Responses
Mostly positive	6.5 %
Neither positive nor negative	33.5 %
Mostly negative	49.2 %
Uncertain at this time	10.8 %
Total	100 %

✓ See Appendix 2 for sub-group analyses.





THUNDER BAY AREA: DIVERSITY OF THE WORKFORCE

- ✓ **To what extent is having a diverse workforce important for your business?**
 - ✓ It seems to be consensus that it is important (62.2 %) rather than not (37.8 %)
 - ✓ However, most respondents mentioned hiring the best person for the job, based on skill and qualifications

Importance of having a diverse workforce...	Responses
Extremely important	27.6 %
Moderately important	34.6 %
Not that important	28.1 %
Not important at all	9.7 %
Total	100 %



THUNDER BAY AREA: PURCHASE LOCAL

- ✓ In the next 12 months, the value of goods/services purchased locally will...?



- ✓ Value of goods and services purchased locally will increase (41%, N=76) or remain the same (51%, N=95)

BUSINESS IMPLICATIONS AND ACTIONS



THUNDER BAY AREA: REMEDIAL ACTIONS (HUMAN RESOURCES)

- ✓ Which of the following actions, if any, has your company undertaken in the past twelve months to respond to current economic conditions in the Thunder Bay Area?

Measures	All respondent	State of economy better	State of economy same	State of economy worse
Left vacant positions unfilled	16 %	11 %	16 %	20 %
Undertaken internal restructuring/transfers	15 %	16 %	15 %	15 %
Increased salaries/wages	15 %	30 %	15 %	6 %
Frozen salaries/wages	12 %	9 %	13 %	14 %
Reduced standard weekly work hours	9 %	5 %	9 %	11 %
Increased training budgets	9 %	9 %	9 %	8 %
Implement a hiring freeze	8 %	9 %	8 %	6 %
Made positions redundant	7 %	5 %	5 %	11 %
Reduced training budgets	4 %	2 %	6 %	3 %
Cut back or change insurance benefits	3 %	0 %	5 %	3 %
Reduced salaries/wages	2 %	5 %	0 %	3 %



THUNDER BAY AREA: REMEDIAL ACTIONS (TACTICAL)

- ✓ **Which of the following actions, if any, has your company undertaken in the past twelve months to respond to current economic conditions?**

Measures	All respondents	State of economy better	State of economy same	State of economy worse
Introduced new products/services	29.3 %	33.1%	12.9 %	19.5 %
Reduced advertising/marketing budgets	19.5 %	17.8%	8.4 %	17.8 %
Decreased financial contributions to charitable causes	13.7 %	9.3%	5.8 %	16.1 %
Reduced inventory levels	13.5 %	14.4%	5.5 %	11.0 %
Provided more favorable payment terms for customers/clients	7.4 %	8.5%	2.6 %	6.8 %
Lowered prices	5.0 %	4.2%	1.3 %	7.6 %
Decreased volunteer time available for employees for charitable causes	2.6 %	0.8%	1.6 %	2.5 %
None of the above	9.0 %	11.9%	4.7 %	1.7 %

- ✓ **Introducing new products/services was the preferred strategy for all groups, followed by reducing marketing and advertising budgets, decreasing financial contributions to charitable causes and reducing inventories**



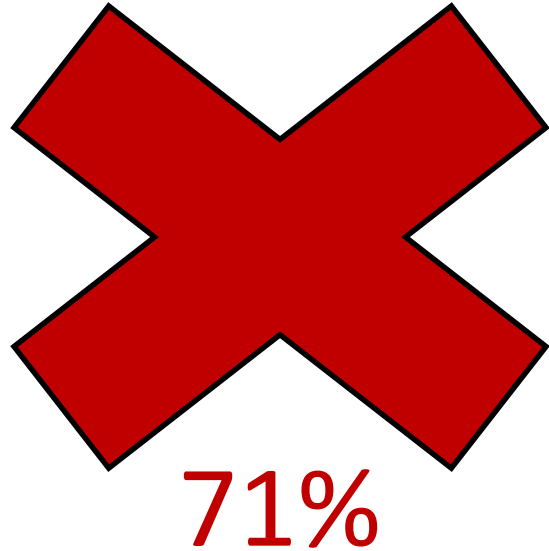
THUNDER BAY AREA: STRATEGIES TO GROW

✓ Which of the following strategies is your company focused on to grow organically in the next twelve months?

Measures	All respondents	State of economy better	State of economy same	State of economy worse
Continue to focus primarily on core products/services in current markets	28.2 %	25.7 %	30.0 %	28.0 %
Expand into new markets with existing products/services	19.6 %	19.4 %	19.2 %	20.7 %
Develop new product/service offerings	17.7 %	18.8 %	15.8 %	20.7 %
Develop an enhanced digital/online strategy to serve the market	15.9 %	16.7 %	15.8 %	14.6 %
Introduce new technologies to serve clients more efficiently	12.4 %	13.2 %	11.8 %	12.2 %
Increase R&D initiatives	3.5 %	2.8 %	4.9 %	1.2 %
None of the above	2.8 %	3.5 %	2.5 %	2.4 %

- 1) **Most common strategy (28%) is to increase market penetration for the same products/same markets**
✓ This strategy is consistent for respondents with different views of the economy
- 2) **Next, 20% of businesses are trying to expand into new markets with the same products (new market development)**
- 3) **Third, 18% of business are focusing on new products/services development**

THUNDER BAY AREA: MERGERS AND ACQUISITIONS



Businesses that do not expect to pursue any merger or acquisition opportunities in the next twelve months to increase the size of their business.

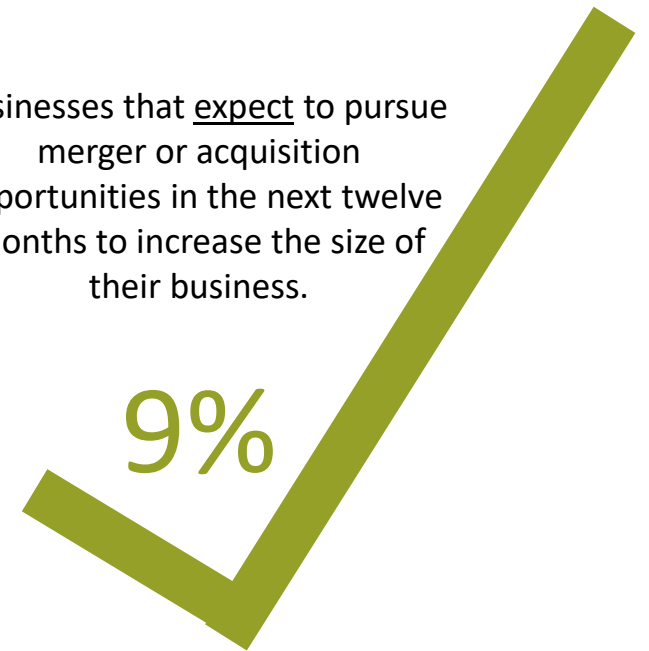


20%

Businesses that unsure if they will pursue merger or acquisition opportunities in the next twelve months to increase the size of their business

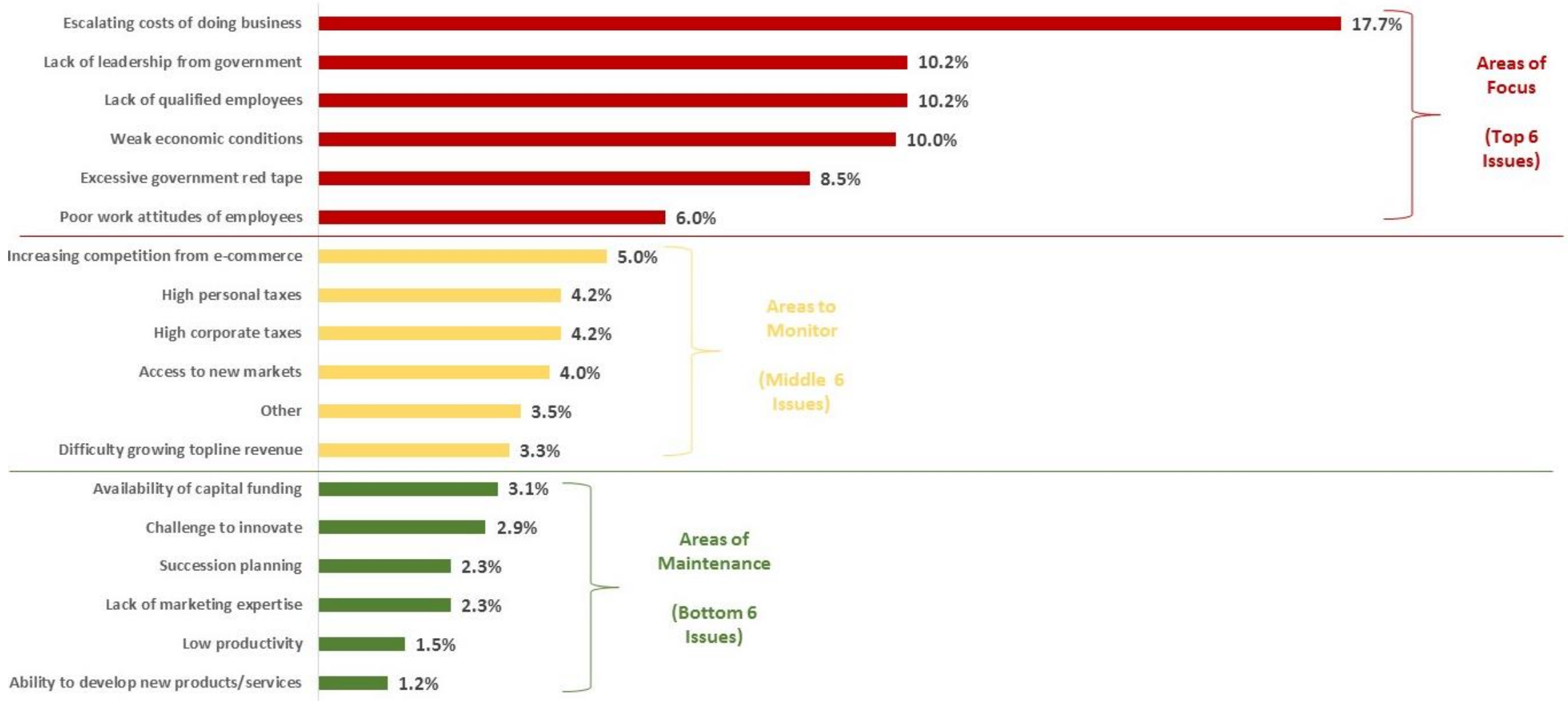
Note - Responses are consistent for respondents with different views of the economy.

Businesses that expect to pursue merger or acquisition opportunities in the next twelve months to increase the size of their business.



FOSTERING A POSITIVE BUSINESS ENVIRONMENT

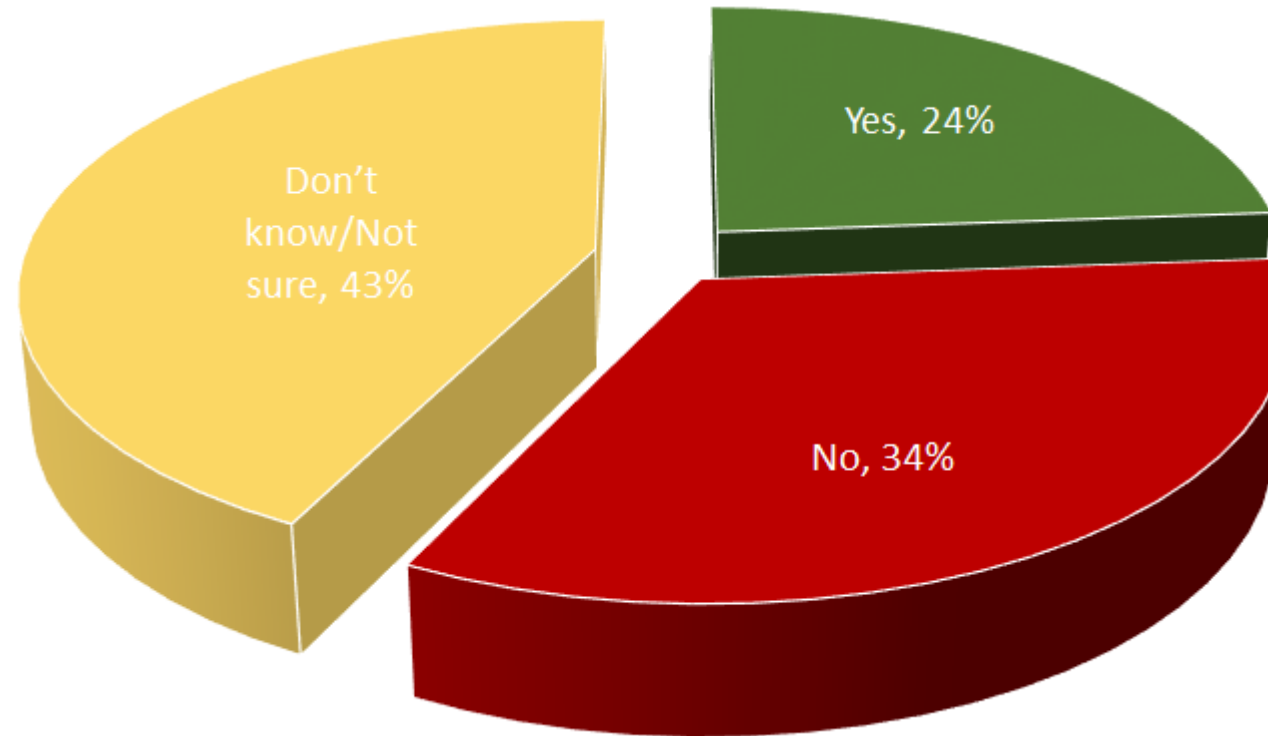
THUNDER BAY AREA: TOP ISSUES IN THUNDER BAY





THUNDER BAY AREA: FOSTERING A POSITIVE ENVIRONMENT

- ✓ In your opinion, is the Thunder Bay area business community doing enough to foster a positive business environment?





FOSTERING A POSITIVE ENVIRONMENT – THEMES

- ✓ What should the business community do to foster a positive business environment?



FOSTERING A POSITIVE ENVIRONMENT – SELECTED QUOTES

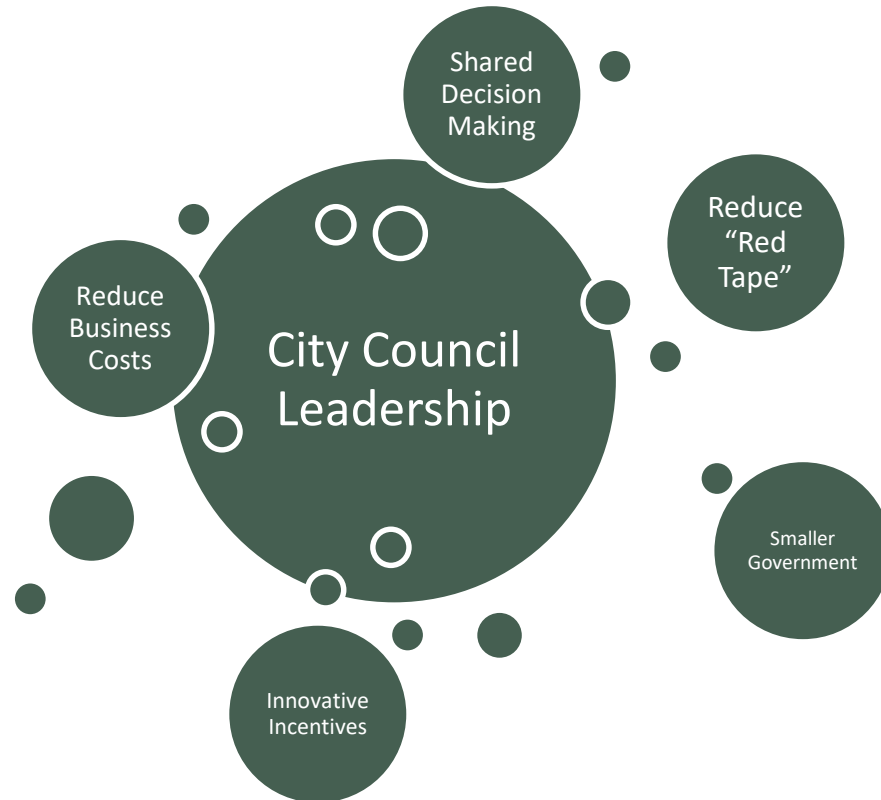




POSITIVE CHANGES TO BUSINESS CLIMATE - THEMES

- ✓ What would you like to see change in order to positively impact the business climate in the Thunder Bay Area?

City Initiatives



Business Initiatives



POSITIVE CHANGES TO BUSINESS CLIMATE – SELECTED QUOTES



APPENDIX I DEMOGRAPHIC PROFILE OF RESPONDENTS



DEMOGRAPHIC PROFILE OF THE RESPONDENTS

GEOGRAPHIC LOCATION OF RESPONDENTS' OPERATING ACTIVITIES

- ✓ Respondents checked multiple boxes (that is, a single respondent may operate in multiple geographic locations).
- ✓ 97.8% of the respondents had some operating activities in Thunder Bay.
- ✓ Very few respondents have operating activities outside of Canada (1.6% of respondents).

Thunder Bay	97.8%
Other Northern Ontario Location	17.3%
Oliver Paipoonge	15.1%
Neebing	14.1%
Shuniah	14.1%
Conmee	12.4%
Gillies	12.4%
O'Connor	12.4%
Fort William First Nation	11.9%
Gull Bay First Nation	8.1%
Whitesands First Nation/Armstrong	7.0%
Toronto	4.3%
Other Canadian City (please specify)	3.8%
Winnipeg	2.7%
Montreal	1.6%
Outside of Canada	1.6%



DEMOGRAPHIC PROFILE OF THE RESPONDENTS

LOCATION OF RESPONDENTS' HEADQUARTERS/OWNERSHIP GROUP

- ✓ **The vast majority, 86.5%, of respondents are headquartered in Thunder Bay.**
- ✓ **Other Canadian cities includes Saint John, Edmonton, Kitchener, and Oakville.**
- ✓ **Aside from Thunder Bay, only 6.5% of respondents are headquartered in another Northwestern Ontario city.**
- ✓ **None of the respondents were headquartered in a First Nation.**

Thunder Bay	86.5%
Other Canadian City (please specify)	3.2%
Oliver Paipoonge	2.7%
Toronto	2.7%
Gillies	1.6%
Neebing	1.1%
Conmee	0.5%
Montreal	0.5%
Outside of Canada	0.5%
Other Northern Ontario Location	0.5%



DEMOGRAPHIC PROFILE OF THE RESPONDENTS

INDUSTRY CLASSIFICATION OF RESPONDENTS

- ✓ **Retail trade and repair was the most common industry classification (28.6%), followed by restaurants, cafes and bars (10.3%).**
- ✓ **53 of the 185 respondents, 28.6%, operate in an "other" category. The other category reveals a wide range of other industries, with the most coming being:**
 - ✓ Consulting, engineering, environmental services, and recycling services.

Other	28.6%
Retail trade and repair	17.3%
Restaurants, cafes and bars	10.3%
Other community, social and personal services	6.5%
Manufacturing	5.9%
Construction	5.9%
Financial services	5.9%
Transport and communications	4.9%
Education, health and social work	4.9%
Wholesale trade and motor vehicles	3.8%
Real estate and renting services	3.8%
Agricultural, landscaping, fishing, and quarrying	0.5%
Electricity, gas and water	0.5%
Hotels	0.5%
International business activity	0.5%
Public administration	0.0%



DEMOGRAPHIC PROFILE OF THE RESPONDENTS

NUMBER OF EMPLOYEES (FULL-TIME & PART-TIME)

- ✓ The vast majority of respondents, 90.8%, have between 1 and 49 employees.
- ✓ 5.9% of the respondents had 50 or more employees.
- ✓ These groupings are consistent with the overall averages for employers in the Thunder Bay area, which further supports the generalizability of the survey results.
- ✓ The average respondent has a 0.69-to-0.31 ratio of Full-time to Part-time employees.

0	3.2%
1-4	37.8%
5-9	21.6%
10-19	16.2%
20-49	15.1%
50-99	2.2%
100-199	2.7%
200-499	0.5%
500+	0.5%



DEMOGRAPHIC PROFILE OF THE RESPONDENTS

RESPONDENTS' TITLE

- ✓ The majority of the respondents were the owners of their business.
- ✓ The survey was programmed to terminate if a respondent answered "No" to the following question: *Are you involved in making strategic decisions for your business? That is, do you hold a title such as CEO, COO, President, Owner or Managing Director?*
- ✓ The "Other" category includes titles such as CFO, Vice-President, Executive Director, etc.

CEO	7.6%
COO	0.5%
Owner	54.1%
President	20.5%
Managing Director	12.4%
Other	4.9%

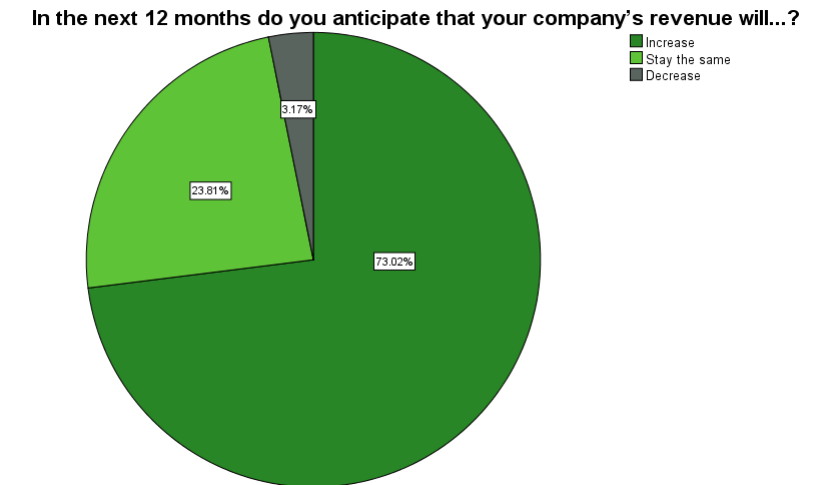
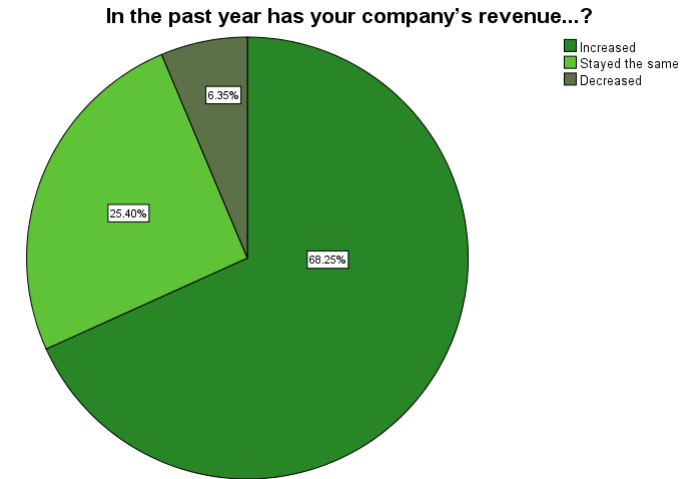
APPENDIX 2 ADDITIONAL SUB-GROUP ANALYSES



THUNDER BAY AREA: COMPANY REVENUES (SUB-GROUP 1)

- ✓ **Sub-group 1: Positive view of Thunder Bay's economy compared with 12 months ago (Better or much better)**
- ✓ **Increased revenues in the last 12 months for 68% of respondents (N = 43)**
- ✓ **Increased expected revenues for the next year for 73% of respondents (N=46)**
- ✓ **Value of goods and services purchased locally will increase (46%, N=29) or remain the same (51%, N=32)**

	In the past 12 months has your company's revenue ... ?		In the next 12 months do you anticipate that your company's revenue will ... ?		In the next 12 months the value of goods/services purchased locally will ... ?	
	Frequencies	Percentage	Frequencies	Percentage	Frequencies	Percentage
Increase	43	68.3 %	46	73.0 %	29	46.0 %
Remain unchanged	16	25.4 %	15	23.8 %	32	50.8 %
Decrease	4	6.3 %	2	3.2 %	2	3.2 %
Total	63	100 %	63	100 %	63	100 %

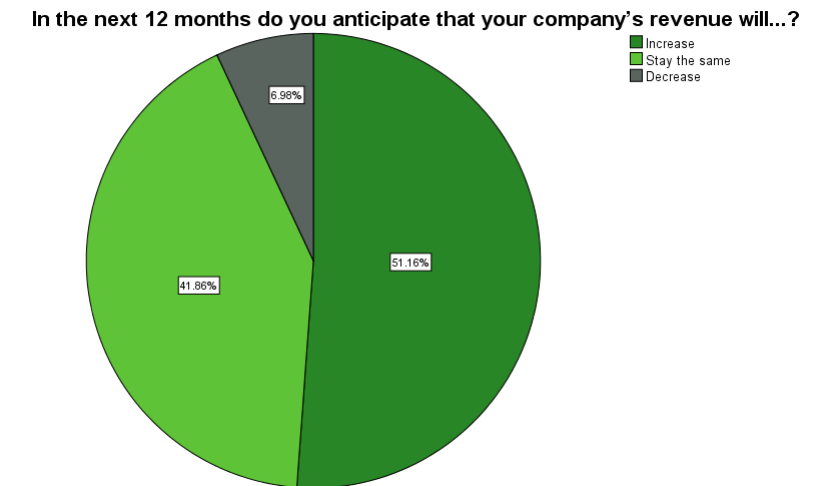
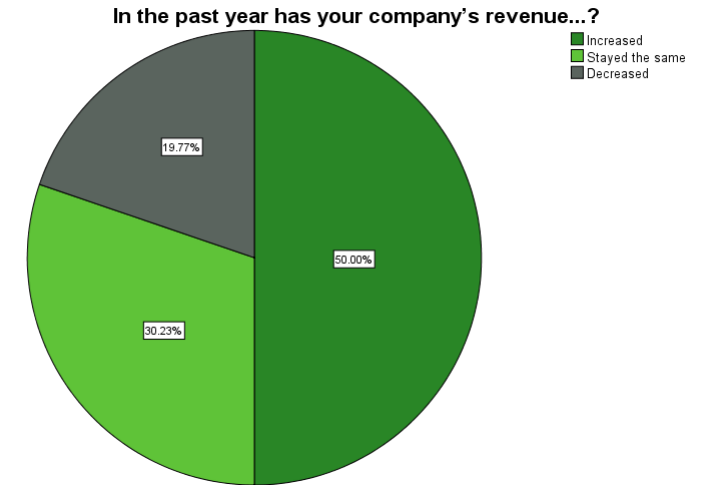




THUNDER BAY AREA: COMPANY REVENUES (SUB-GROUP 2)

- ✓ **Sub-group 2: Neutral view of Thunder Bay's economy compared with 12 months ago (Same)**
- ✓ **Increased revenues in the last 12 months for 50% of respondents (N = 43)**
- ✓ **Increased expected revenues for the next year for 51% of respondents (N=44)**
- ✓ **Value of goods and services purchased locally will increase (34%, N=29) or remain the same (62%, N=53)**

	In the past 12 months has your company's revenue ... ?		In the next 12 months do you anticipate that your company's revenue will ... ?		In the next 12 months the value of goods/services purchased locally will ... ?	
	Frequencies	Percentage	Frequencies	Percentage	Frequencies	Percentage
Increase	43	50.0 %	44	51.2 %	29	46.0 %
Remain unchanged	26	30.2 %	36	41.9 %	53	50.8 %
Decrease	17	19.8 %	6	7.0 %	4	3.2 %
Total	86	100 %	86	100 %	86	100 %

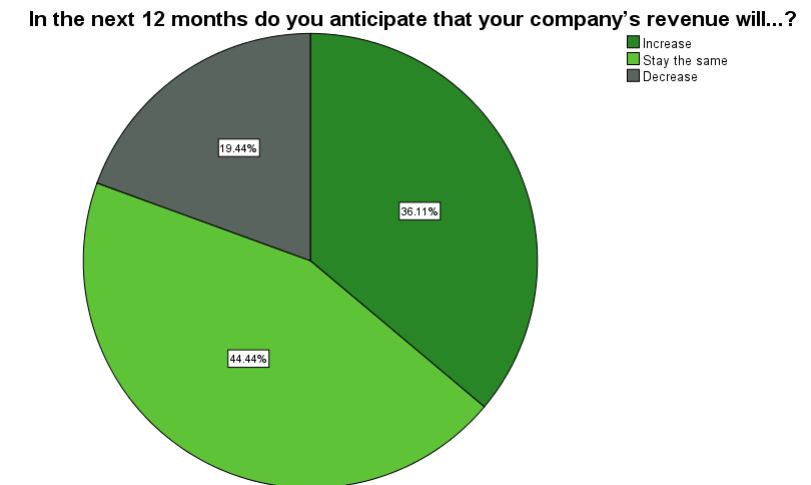
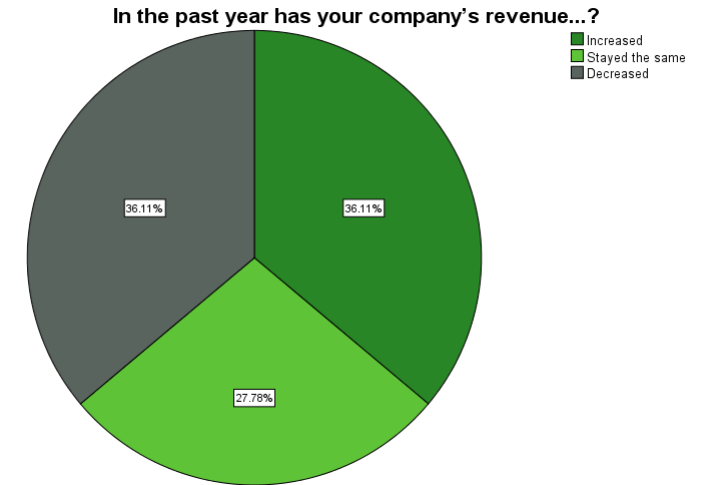




THUNDER BAY AREA: COMPANY REVENUES (SUB-GROUP 3)

- ✓ **Sub-group 3: Negative view of Thunder Bay's economy compared with 12 months ago (Worse or much worse)**
- ✓ **Sample split in thirds concerning revenues for last 12 months (N = 36)**
- ✓ **However, conservative view for the next year**
- ✓ **Value of goods and services purchased locally will increase (50%, N=18) or remain the same (28%, N=10)**

	In the past 12 months has your company's revenue ... ?		In the next 12 months do you anticipate that your company's revenue will ... ?		In the next 12 months the value of goods/services purchased locally will ... ?	
	Frequencies	Percentage	Frequencies	Percentage	Frequencies	Percentage
Increase	13	36.1 %	13	36.1 %	18	50.0 %
Remain unchanged	10	27.8 %	16	44.4 %	10	27.8 %
Decrease	13	36.1 %	7	19.4 %	8	22.2 %
Total	36	100 %	36	100 %	36	100 %





THUNDER BAY AREA: FEDERAL CARBON TAX (SUB-GROUPS)

- ✓ What impact do you expect on your business as a results of the Federal Government's proposed carbon tax?

Measures	All respondents		State of economy better (Q3)		State of economy same (Q3)		State of economy worse (Q3)	
	N	%	N	%	N	%	N	%
Mostly positive	5	2.7 %	2	3.2 %	2	2.3 %	1	2.8 %
Neither positive nor negative	50	27.0 %	17	27.0 %	24	27.9 %	9	25.0 %
Mostly negative	51	27.6 %	13	20.6 %	24	27.9 %	14	38.9 %
Uncertain at this time	79	42.7 %	31	49.2 %	36	41.9 %	12	33.3 %
Total	185	100 %	63	100 %	86	100 %	36	100 %

THUNDER BAY AREA: PROVINCIAL MINIMUM WAGE PLAN (SUB-GROUPS)



- ✓ **What impact do you expect on your business as a results of the Provincial Government's proposed \$15 minimum wage?**

Measures	All respondents		State of economy better (Q3)		State of economy same (Q3)		State of economy worse (Q3)	
	N	%	N	%	N	%	N	%
Mostly positive	12	6.5 %	5	7.9 %	5	5.8 %	2	5.6 %
Neither positive nor negative	62	33.5 %	28	44.4 %	25	29.1 %	9	25.0 %
Mostly negative	91	49.2 %	21	33.3 %	47	54.7 %	23	63.9 %
Uncertain at this time	20	10.8 %	9	14.3 %	9	10.5 %	2	5.6 %
Total	185	100 %	63	100 %	86	100 %	36	100 %

THANK YOU FOR READING THE
2017 THUNDER BAY AND AREA BCI



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