

2017



BC WILDFIRE BUSINESS IMPACT INITIAL SURVEY RESULTS FOR THE CENTRAL COAST



BC WILDFIRE BUSINESS IMPACT INITIAL SURVEY RESULTS FOR THE CENTRAL COAST



BACKGROUND

The devastating BC wildfire situation affected many communities in the Province including impacting people, events, and businesses within the Central Coast. BC was in a Provincial State of Emergency from July 7th to September 15th and the Central Coast Regional District was under a State of Local Emergency from July 9th to August 28th. To gain an initial understanding of how the wildfires have impacted local business operations, a sample of businesses in the Central Coast Regional District were surveyed during August and early September 2017. In total 40 responses were received.

Highway 20 was closed intermittently from July 7th to August 24th as a result of wildfires (Appendix A). Travel to and from the region was impacted by the road closures as well as advisories that went out on BC Ferries and Pacific Coastal Airline to restrict travel to the area. The closures and advisories resulted in disruption to travel of people and supplies as travellers did not have certainty that they would be able to get in and out of the Central Coast.

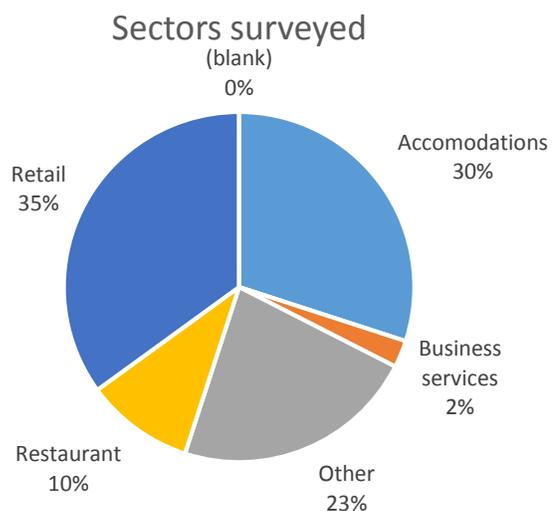


**40 Business
Operations Surveyed**

All of the businesses surveyed indicated that they had been impacted by the BC Wildfires. Survey results will be used to inform advocacy and recovery efforts.

OVERVIEW OF SURVEY RESPONDENTS

A range of businesses were surveyed with the most representation from accommodations and retail businesses. Others sectors include transportation, manufacturing, entertainment, Aboriginal tourism, and medical/health. Over 90% of responses are from the Bella Coola Valley with some responses from businesses on Bella Bella and Denny Island. Most businesses surveyed are based in the community within which they operate and only 10% operate out of multiple locations. Almost half the businesses participating in the survey have been in operation for up to 15 years with 55% operational for 16 years or more.



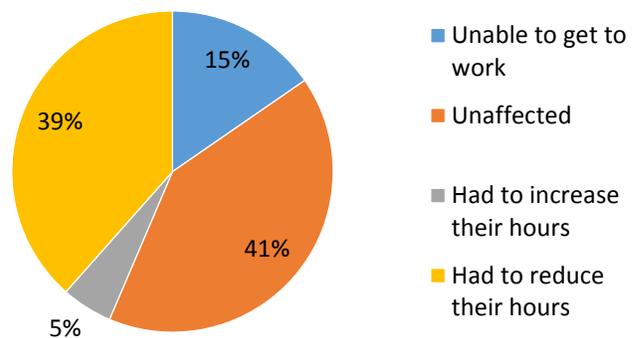
Through the survey, 281 full-time employees, 69 part-time employees, and 9 casual employees were represented. This includes respondents who are self-employed. Over two thirds (70%) of the businesses surveyed are microbusinesses with less than five full time employees and 88% of businesses have less than 10 full-time employees. Over 120 volunteers were also represented through this survey as two respondents have volunteers.

STATUS OF EMPLOYEES

Respondents were asked whether or not they had to lay off or terminate any employees as a result of the wildfires and to identify the status of their employees. The majority of businesses (93%) did not have to lay off or terminate employees. However, two businesses commented that they withheld from hiring additional summer staff because customer traffic was down. One owner/operator, employed in the emergency response, had to hire a staff member to operate the business.

During the wildfires, 5% of businesses had to increase employee hours while 39% had to decrease the number of employee hours. 15% of businesses identified the status of their employees as unable to get to work and 41% reported that staff was unaffected.

Status of Employees During Wildfires



FACTORS IMPACTING BUSINESS

There were a number of factors, resulting from the wildfires, which negatively impacted businesses.

Survey participants were asked how their business is being, or was, affected by the wildfires. The top five factors identified were: road closures, disruption to postal service, decrease in demand for services/goods, customers/clients unable to access business, and inability to get supplies/deliveries.

Key Factors Impacting Business



Please note: total can exceed 100% due to multiple mentions

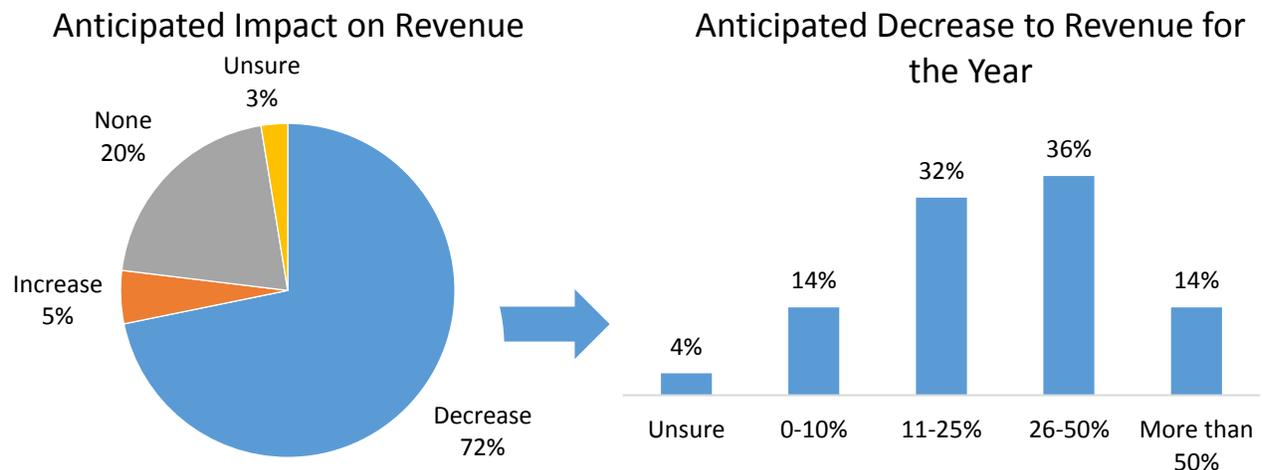
Other responses included:

- Unpredictability of Highway 20
- Confusion around permits and road access
- Drive BC and BC Ferries notices
- Cancellation of reservations (by clients)
- Altered operating times
- Logistical barriers for accessing supplies (for example – suppliers closed/shutdown as a result of evacuations)
- Smoke causing delays and/or cancellations to flights and impacting air quality
- Perceptions that the business was closed
- Staff and/or contractors (specialty workers) could not get in to town
- Delays to construction and repairs
- Threat of loss of internet and communication services
- Contingency planning with hardcopy backups and deferral of payments in case of loss of internet and Interac payment services
- People less likely to come on vacation when their interior community is threatened by fire
- Closure of warehouses in Williams Lake
- Delay in payments to suppliers and business
- Increases to construction costs
- Some supplies had to be rationed
- Cancellation of community events
- Decrease in tourism traffic

A few businesses noted that wildfire activities came on top of the impacts earlier in the season, caused by the Landslide on Highway 20, noting that foreign visitors had challenges navigating the alternate routes and this had also caused trip cancellations. Long term impacts, such as the impacts of the wildfire on timber supply, were also raised as a concern.

IMPACT ON REVENUE

The majority of businesses (72%) anticipated a decrease in revenue resulting from the impacts felt by the BC wildfires. Alternately 20% did not feel there would be an impact, and 5% of businesses



anticipated that there would be a 0-10% increase in revenue. Of those projecting a decrease in annual revenue, almost one third anticipated an 11-25% decrease; over one third anticipated a 26-50% decrease in annual revenue; 14% anticipated more than 50%; and 14% anticipated a 0-10% decrease.

OPERATIONS DURING WILDFIRES

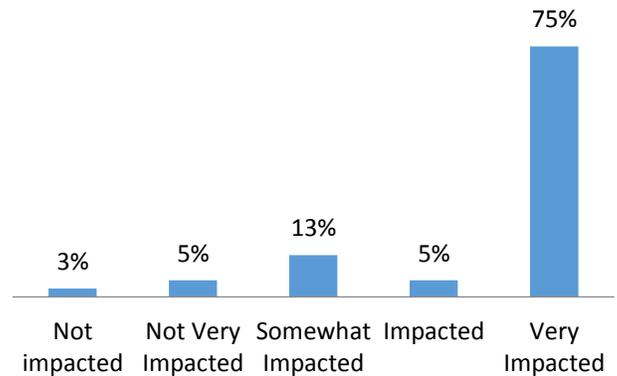
The majority of businesses surveyed (72%) were able to maintain operations during the wildfires and subsequent road closures and ferry cancellations. However, some (18%) experienced reduced hours and 10% had to close for a period of time as a result of staff or supplies being stuck out of town or from the reduction in customers/clients and sales.

COMMUNICATION INFRASTRUCTURE

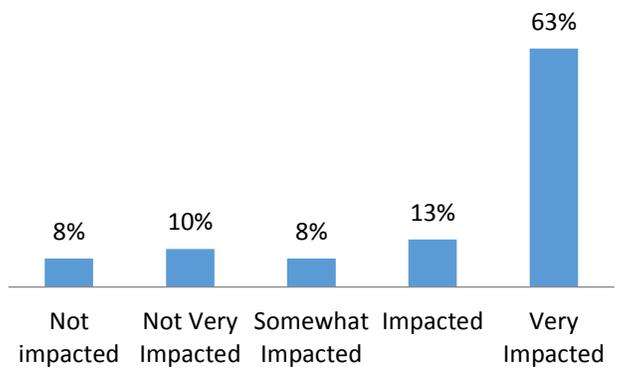
There was concern that disruption to cellular and internet services would occur in the region as a result of the wildfires threatening Telus infrastructure near Riske Creek. While this did not occur, respondents were asked how impacted the business would be by a disruption to cell, internet and data services, and Interac payment services.

Results indicate that the majority of businesses would be impacted or very impacted by a disruption to internet and data services (80%) and Interac payment services (76%). There was an almost 50/50 split between respondents who would not be impacted by disruption to cell service and those who would. 45% indicated that they would not, or would not be very impacted and 55% indicated that they would be somewhat to very impacted. Some respondents noted that their businesses are not located in an area with cell reception and therefore do not rely on cell service for their operations.

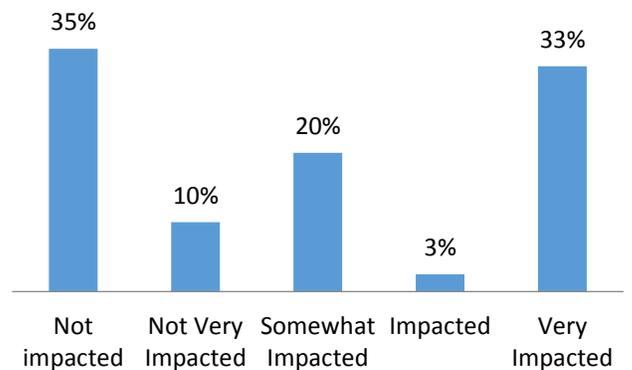
Impact of Disruption to Internet Service



Impact of Disruption to Interac and Payment Services



Impact of Disruption to Cell Service



AREAS FOR SUPPORT

Respondents were asked to identify what resources, if any, were believed to be needed in order to recover from the impacts of the BC Wildfires. The most frequently acknowledged area for support was marketing to get customers back (33%). Support with operating capital (10%), supply chain issues (i.e. transportation, access to suppliers) (8%), and business/contingency planning (5%) were also identified.

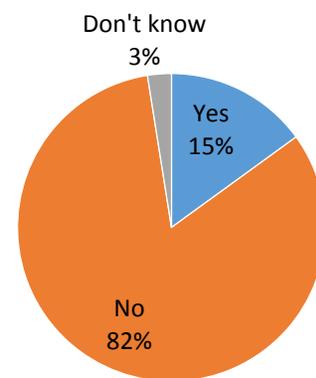
A few businesses commented that, while the \$1500 grant for Small Businesses impacted by the wildfires was beneficial to some businesses, it was general and did not take into account the range or extent of revenue loss facing businesses.

PREPARED FOR DISASTERS

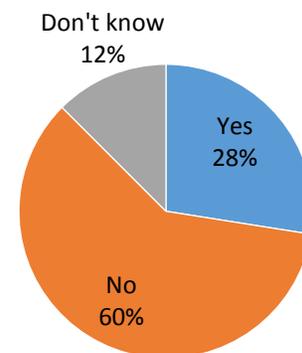
The majority of businesses surveyed (83%) do not have a disaster plan for their business. However, 28% of the businesses indicated that they do have business interruption insurance. Additional comments in relation to insurance included concerns with the cost of business interruption insurance being prohibitive for new businesses and that the business interruption insurance, held by some businesses, was only for instances where business operations had been fully shutdown.

Respondents were asked what they would like to have in place for their business in case of future emergencies. The responses included factors that were internal to their business and others that were external. There were several recurring topics with business emergency planning/continuity planning mentioned most often, followed by insurance to cover business closures and disruptions, planning in case of loss of communications infrastructure, clear communication of information around road closures and emergency updates, identification of alternative transportation (land, air, and sea) routes and evacuation plans, financial relief, and improvements to infrastructure (i.e housing for elders, signage, and backup/alternative energy systems). Other areas identified include development of a long-term plan for dock infrastructure at the harbour to use of the ferry for transportation during road closures, expansion into different markets to diversify the customer base, and financial compensation for staff that will miss work.

Do You have a Business Disaster Plan?



Do You have Business Interruption Insurance?



NEXT STEPS

This report will be presented to the CCRD Board of Directors, made available on the CCRD website, and provided to anyone who requests a copy, so that all businesses who participated as well as all members of the public have access to the findings. In addition a press release will be circulated highlighting key findings. Survey results will be used to inform advocacy and recovery efforts including supporting efforts to hire a Recovery Manager to develop a recovery plan, focused on addressing economic recovery in the region. These initial findings can assist in the identification of specific priorities and objectives for development and implementation of the recovery plan to assist in recuperation, to mitigate setbacks suffered during the 2017 wild fires, and to inform decisions regarding process and policy to address future threats.

APPENDIX A: HIGHWAY 20 ROAD CLOSURES DURING 2017 WILDFIRE SEASON

Highway 20 Road Closures during 2017 Wildfire Season				
Incident ID	Traffic Pattern	Road Name	Start	End
249637	Closed	Highway 20 Both Directions	Jul 07 2017 18:52	Jul 08 2017 07:51
249656	Closed	Highway 20 Both Directions	Jul 09 2017 10:24	Jul 28 2017 18:14
249682	Closed	Highway 20 Both Directions	Jul 13 2017 19:46	Jul 14 2017 08:40
249894	Closed	Highway 20 Westbound	Aug 10 2017 16:06	Aug 16 2017 11:47
249895	Closed	Highway 20 Eastbound	Aug 10 2017 16:09	Aug 16 2017 11:47
249914	Closed	Highway 20 Both Directions	Aug 12 2017 18:40	Aug 12 2017 21:09
249916	Closed	Highway 20 Westbound	Aug 12 2017 21:03	Aug 15 2017 14:36
249934	Closed	Highway 20 Both Directions	Aug 16 2017 11:49	Aug 24 2017 18:15

Information provided by Ministry of Transportation and Infrastructure - Drive BC Published Plan Report - Cariboo