



Elk Valley
Economic Initiative



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Sparwood Business Retention & Expansion Report

SPRING 2022



ABOUT THE EVEI

The Elk Valley Economic Initiative has members representing the City of Fernie, the District of Sparwood, the District of Elkford, as well as each communities' Chambers of Commerce. We are supported by representatives from the BC Ministry of Jobs, Economic Recovery and Innovation, Community Futures East Kootenay, Columbia Basin Trust, Economic Trust of the Southern Interior, and Teck Coal Limited as the industry partner.

The purpose of the Initiative is to collaboratively pursue regional economic development projects and initiatives in the Elk Valley, striving to expand opportunities for existing businesses, attract new ones and diversify the types of businesses. In addition, we aim to increase the number of permanent, full-time residents who spend their money locally thereby contributing to the region's sustainability.

The Elk Valley Economic Initiative will champion, support and articulate opportunities for projects and initiatives while creating a network and increasing communications among individuals and organizations involved in economic development.

PARTNER ORGANIZATIONS



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EXECUTIVE SUMMARY

This report describes findings from a business retention and expansion (BRE) survey conducted online via Survey Monkey from October 22nd to December 22nd, 2021, by the Elk Valley Economic Initiative for businesses operating in the Elk Valley. 318 individual business responses were received, amounting to approximately 1 out of 3 licensed businesses in the Elk Valley. 119, or 37.4% of these business responses identified as operating in Sparwood. This report is focused exclusively on these businesses and was written in tandem with the Elk Valley BRE report which encompasses all business responses.

BRE is an effective economic development tool that encourages local businesses to stay and grow in the community through identifying and responding to their needs. The key research findings below summarize the data obtained in the BRE survey, then the next steps and action items are outlined, making suggestions partner organizations could use to improve the business climate of Sparwood. The appendix section showcases the full quantitative data obtained from Sparwood businesses in the BRE survey.

Challenges identified in this report are not necessarily unique to Sparwood, however it is important that specific supports and action items are developed for the communities' businesses to stimulate a strong economic climate.

KEY RESEARCH FINDINGS

(n = 119)

Company Information

24%

of businesses identified as operating **only in Sparwood**

60.5%

of businesses identified as operating in **all three communities** (Elkford, Sparwood & Fernie)

31.3%

of businesses reported an average gross **revenue of under \$250,000**

The highest number of businesses are classified as **"Construction"**, then **"Professional, Scientific, & Technical Services"**, under the NAICS at

28% and 12.7%

respectively

Cost of doing business

was identified as the biggest challenge facing Sparwood businesses **other than labour**

39.3%

of businesses in Sparwood have **been in operation for over 20 years** compared to

23.1%

of businesses that have **been in operation from 0-4 years**

1.7%

of businesses listed themselves as **"emerging / start-up"** compared to

3.4%

of businesses listed as **"declining"**

KEY RESEARCH FINDINGS

(n = 119)

Workforce

57.7%

of businesses stated **employee recruitment** has been a problem in the last 3 years while

28.8%

of businesses stated **employee retention** has been a problem in the last 3 years

57.1%

of businesses expect their number of employees to **increase** over the next 3 years, while

3.6%

of businesses expect their number of employees to **decrease**

The **average entry level wage** (median range) in Sparwood is

**\$18.00-
\$20.99**

Lack of skilled staff

was listed as a **major barrier of expansion** by

52.3%

of businesses

“Lack of skilled workforce”

was the **second highest ranked community weakness**, behind lack of housing

67.2%

of businesses experiencing employee recruitment issues stated that **“lack of applicants”** was an underlining issue and

56.3%

stated **“attracting the right candidates”** was an underlining issue

The average number of **full-time employees** at a business is

8.5*

(mean calculation)

**Teck has been removed from the data to avoid skewing the results*

KEY RESEARCH FINDINGS

(n = 119)

Housing

48.9%

of businesses listed housing as "**Very to extremely important**" to their business success

Housing was listed as both an underlining issue regarding **employee recruitment (39%)** and **employee retention (46.9%)**

37.1%

of businesses listed housing as a **top community weakness** as a place to do business

Lack of housing

was selected as the **third biggest challenge** facing businesses (other than labour) behind "**cost of doing business**" and "**supply chain**"

KEY RESEARCH FINDINGS

(n = 119)

Business Expansion & Growth

44.1%

of businesses listed their current **state of business as growing** (customers know about your product / services and revenue is increasing)

90.8%

of businesses stated they have at least **one barrier of growth**

The highest ranked major barriers to growth were "**Lack of skilled staff**", and "**Availability of appropriately zoned and/or serviced land**" at

52.3%
and
27.7%

respectively

61.9%

of businesses stated they **plan to expand their business** in the next 3 years

Lack of staff

was listed by

22.5%

of businesses as to **why they are not expanding**

KEY RESEARCH FINDINGS

(n = 30)

Businesses only operating in Sparwood

Natural resource extraction

was listed the **highest ranked sector** to attract to Sparwood that would benefit businesses by

42.9%

of businesses only operating in Sparwood

42.9%

of businesses only operating in Sparwood listed ***"Proximity of mines"*** as the top community strength

The **largest business industry** for these businesses was

***"Retail"* at 23.3%**

"Small market / low population" and "Available space"

were listed as the top community weaknesses by businesses only operating in Sparwood, both at

28.6%

Additional Findings

The **top 4 community strengths** as a place to do business were identified as

“Proximity of mines”, “Customer loyalty”, “Stable economy”, and “Outdoor activities & Recreational opportunities”

The **top desired business support** that is currently not available is

“Leadership / management training”

Construction

was the highest ranked sector to attract to Sparwood that would benefit businesses

13.3%

of businesses stated that they plan to **retire or sell their business** within the next 3-5 years

The **average lease rate** (based on triple net lease) in Sparwood is

\$12.90 per square foot

(weighted average calculation)



NEXT STEPS AND POTENTIAL ACTION ITEMS

Business Retention and Expansion (BRE) is a highly effective economic development approach if there is an ongoing cooperative effort between business, local government, and support organizations. Economic development is defined by programs, policies, or activities that seek to improve the economic well-being and quality of life for a community.

The results of this survey can be used by the EVEI, its support organizations, and local member organizations (the District of Sparwood and the Sparwood Chamber of Commerce), to make well informed and data driven decisions focused on supporting local businesses retention and expansion.

Through data analyzation, and based on the key research findings, the following action items have been identified to have the greatest impact on improving Sparwood's business climate:



Workforce Attraction

57% of businesses operating in Sparwood stated employee recruitment has been a problem in the last 3 years. Businesses experiencing employee recruitment issues have an average of 11.5 full time employees, while businesses not experiencing employee recruitment issues have an average of 3.5 employees. The major underlying issue affecting employee recruitment was identified as “lack of applicants.” Lack of skilled staff was also a major issue affecting Sparwood businesses with 52% stating “lack of skilled staff” is a major barrier to expansion and “lack of skilled workforce” was the second ranked community weakness behind “lack of housing”. With 57% of businesses expecting their number of employees to increase over the next 3 years, this issue will only continue to worsen unless specific action items are implemented to address the workforce shortage.

While increasing workforce housing, covered in the next section, will greatly help workforce attraction to Sparwood, it is not a single solution. To help address the shortage of workers, especially skilled workers, the District of Sparwood should:

DEVELOP A COMMUNITY WIDE LABOUR FORCE STRATEGY

The emphasis of this strategy would be on attracting and retaining a skilled workforce. A coordinated workforce strategy will positively impact the community of Sparwood by working toward the business challenges identified in the survey data. For reference, two examples of completed labour market strategies would be the “Cariboo Chilcotin Labour Market Strategy” and “BC’s Northeast Region Labour Market Strategy.” There are opportunities, including funding grants and support from the District of Sparwood for the EVEI to develop an official Elk Valley wide labour market strategy that can be broken down by each community. A regional approach removes duplication, strengthens the findings, and decreases the cost and work burden for the communities. The labour market strategy can be multi-faceted, and the recommendations below highlight the first steps towards a successful strategy:

Workforce Attraction



FOCUS ON BARRIERS TO LABOUR MARKET PARTICIPATION

The top three barriers identified for labour market participation were housing, which is covered in the next section, cost of living, and transient population. Addressing these issues will increase labour force participation and applicants for job openings at businesses. Action items listed throughout this report will be instrumental in reducing the labour market barriers identified above.



MARKET SPARWOOD AS A PLACE TO LIVE, WORK, AND PLAY

The District of Sparwood and the Sparwood Chamber of Commerce's websites should be updated with all relevant material to help entice workers to move to Sparwood. The EVEI's Sparwood investment profile will focus on highlighting data that promotes Sparwood as a place to live and work, in an easy to digest format. Community strengths identified in this report can be a strong guideline for the type of marketing material the District may want to focus on. Over time the marketing can be expanded to "attract businesses consumers and real estate development" as outlined in policy 3.1.9 of the District of Sparwood's Official Community Plan. Developing a digital marketing package is expected to be the most beneficial for local businesses workforce attraction, where businesses can utilize the package themselves, allowing for a greater reach of the marketing.



OBTAIN ADDITIONAL DATA ON LABOUR FORCE REQUIREMENTS

Further data on the Sparwood labour market and the classification of workers required by businesses would be beneficial to a concise labour force strategy and create a baseline for further workforce attraction work done by Sparwood. The BRE survey contains data that could be broken down by industry and the EVEI could lead this effort, with support from the District of Sparwood, in obtaining and analyzing this data. Through this data, specific training and development programs could be created by relevant associations that support staff development as identified by industry needs. This labour force data will also assist with the following action item of "Promote and support employment programs."

Workforce Attraction



PROMOTE AND SUPPORT EMPLOYMENT PROGRAMS

There are a wide variety of employment programs that focus on workforce attraction and development offered through the BC Government, Kootenay Employment Services, and Columbia Basin Trust. The Sparwood Chamber of Commerce should share and support these programs with local businesses with the aim to decrease the number of employees struggling with employee recruitment.

In the future, with additional labour force data, specific training and development programs should be created that support staff development as identified by industry needs. Workforce skill development and training programs have been identified to lessen the cost of doing business in addition to reducing employee recruitment and retention issues. The District of Sparwood should ensure they support these labour force development programs by offering their services and ability to build awareness in the community.



ATTEND “WORK IN FERNIE” SESSION FOR WORKFORCE RECRUITMENT

The District and Chamber should attend the information session to discuss the job marketing site “Work in Fernie” and whether this website should be expanded to market the Elk Valley as a whole. Organizations can obtain more information on the recruit efforts produced from the website and discuss if a regional approach, spearheaded by the three Chambers of Commerce, is the best solution to actively recruiting a workforce. Over time, a data driven out-of-market recruitment strategy should be developed as one of the pillars of the labour market strategy, expanding on the initial recommendation of “Market Sparwood as a place to live, work, and play.”

Workforce Housing

The lack of housing in Sparwood was listed as the 3rd biggest challenge facing business and housing was identified as an underlining issue regarding both employee recruitment and retention. Nearly 50% of businesses listed housing as “Very to extremely important” to their business success. For strong business retention and economic growth in Sparwood, an increased supply of housing is crucial. The following recommendations can help increase the housing supply.



UTILIZE PARTNERSHIPS TO SUPPORT AFFORDABLE HOUSING AND A REGIONAL APPROACH TO HOUSING IN THE ELK VALLEY

The District of Sparwood, through a designated housing representative or committee, would benefit from attending the roundtable discussion, as outlined in the Elk Valley BRE Report, on how the EVEI can help organizations in creating solutions for affordable housing. The District should also come to the table in a regional matter, to share data and ideas, as well as discuss a regional approach to housing, an issue affecting all communities in the Elk Valley. This could create a greater chance of obtaining funding grants that support the development of workforce & affordable housing. Presenting the work the District has done with the Elk Valley Family Society and other providers through provision of land and waiver of taxes would be a welcome additional to the discussion.



REVIEW & CONSIDER WAYS TO IMPROVE DEVELOPMENT PROCESSES BASED ON THE EVEI QUALITATIVE DATA PROVIDED TO THE PLANNING DEPARTMENT

In the Elk Valley BRE report, it was recommended that the EVEI bring forward qualitative data obtained in the BRE survey about housing barriers in local government regulations and overall developmental constraints. Reviewing and modifying these processes can stimulate the development of new housing construction. Special consideration should be put on reviewing options that will encourage an increase of affordable housing.



UTILIZE HOUSING DATA OBTAINED IN SPARWOOD'S HOUSING NEEDS REPORT AND MARKET STUDY TO INCREASE WORKFORCE HOUSING SUPPLY

As noted in Sparwood's 2021 Housing Market Study, Sparwood has a low supply of rental housing. As such, there are limited opportunities for temporary workers to rent in Sparwood. This effects local businesses, decreasing their customer base and impacting employee recruitment. With 57% of businesses expecting their number of employees to increase over the next 3 years, ensuring availability of workforce housing is critical. The data and recommendations outlined in the 2021 Housing Needs Report and Housing Market study are key to increasing workforce housing and short-term rental housing for employees.

Business Retention and Expansion

91% of businesses stated they have at least one barrier to growth. Responding to these barriers will be the most efficient way to improve business retention and expansion. Lack of skilled staff was the highest ranked barrier, which has been addressed in the previous section, with availability of buildings for lease and purchase and finance the second and third highest ranked barriers respectively.

FINANCE

In addition to the action item outlined in the Elk Valley BRE report, “Assistance exploring financing options”, where Community Futures East Kootenay will host an online financing options workshop in which the Sparwood Chamber and members should attend, there are two recommendations the District of Sparwood could do to improve the business finance barrier.



REVIEW DISTRICT FEES AND CHARGES RELATED TO BUSINESS DEVELOPMENT

Cost of doing business was identified as the biggest challenge facing Sparwood businesses (other than labour). While most costs accrued by businesses are not applicable to municipal government, the District of Sparwood can review their fees and charges that affect business retention and expansion. The District should identify where reductions in fees and charges would result in minimizing the financial barrier to growth businesses are facing. Special consideration should be put on micro & home-based businesses, where a reduce in costs would make a greater difference and may be a catalyst for their business development and growth.



MEET WITH A CREDIT UNION TO GAIN AN UNDERSTANDING OF BUSINESS LOAN OFFERINGS

A District representative could meet with a local credit union to gain a better understanding of their business loan offerings. This recommendation could help the District gain further understanding of home-based businesses and the financial barrier to growth they are experiencing. It also correlates with the District’s community plan policy 3.2.1 of “Recognize home-based businesses as important contributors to the local economy, encouraging them to transition to commercially-zoned lands as their business grows.”

There could be opportunities for the Chamber of Commerce to enact programs with local financial institutions to support local business expansions. A focus should be on loans for small businesses where micro-loans could minimize the financial barrier to growth and support small business development in the community.

Business Retention and Expansion

AVAILABILITY OF BUILDINGS FOR LEASE AND PURCHASE



WORK WITH THE EVEI TO ENSURE THE REGIONAL LAND INVENTORY IS UP TO DATE

In 2020 an employment lands inventory research project was conducted by Selkirk College and is available online. The goal of the project was to address the issue of “access to land to accommodate existing business expansion and future investment and economic growth”. The EVEI is exploring creating a webpage to highlight this resource and the District of Sparwood should ensure all relevant information is up to date on the land inventory, as well as identifying an appropriate contact for businesses that are looking to expand or secure a new business site. The District should build awareness of publicly available commercial and industrial sites in Sparwood through the land inventory and public communication with local business. If the District believes that publishing their own inventory of public lands is more efficient than the land inventory, that would be an effective replication of this action item.



CONSIDER AREAS FOR COMMERCIAL / INDUSTRIAL EXPANSION BY TAKING A PRO-ACTIVE APPROACH AND BUILDING COMMUNICATION WITH LOCAL BUSINESS

Taking a pro-active approach to land development by considering undeveloped lands for expansion would reduce the barrier to growth of “availability of buildings for lease and purchase” experienced by businesses. The District could contact landowners of vacant commercial / industrial land to provide relevant information about developing or selling the land and ask if they are experiencing any barriers to this development. This recommendation correlates with Selkirk Innovates previous BRE report which recommended that the District of Sparwood work with local business to “understand existing and future business needs and assess land planning at a micro level. Issues around the perceived lack of available land and servicing costs may be addressed through communication strategies between the District of Sparwood, local business, and the community.” This communication with business could create opportunities for land use designations and zonings which would benefit both local business and the community at large.

Business Retention and Expansion

ADDITIONAL FINDINGS



SUPPLY CHAIN RESEARCH AND AWARENESS

Supply chain was listed as the second biggest issue affecting business. Sparwood’s previous BRE report showed the most common reason of why supplies are sourced outside the region is because they are not available locally. The EVEI’s Elk Valley report recommended having a roundtable discussion on how to increase local supplies for businesses. Teck, the District of Sparwood, and other stakeholders should attend and initiate this conversation. Increasing awareness of government (municipal, regional, and provincial) procedure processes would also benefit businesses. This could be done through hosting seminars or promotion on the District and Chamber’s websites.

Businesses only operating in Sparwood



GROW THE MARKET / CUSTOMER BASE

Small market / low population and available space were listed as the top community weaknesses by businesses only operating in Sparwood. Recommendations outlined in the previous action item of “Availability of buildings for lease and purchase” will be critical to resolving the available space weakness identified by business.

For the District of Sparwood, objective 2.1 listed in Sparwood’s community plan of “Support downtown as a multi-purpose centre, that includes institutional, retail, tourism, and other compatible uses and services” will be beneficial to business only operating in Sparwood by growing the market, as well as the recommendations outlined in workforce housing, providing the opportunity for temporary workers to move to Sparwood.

For the Sparwood Chamber of Commerce, there are three options listed below that would contribute to growing the market and businesses customer base.

*Option 1) **Promote Sparwood tourism.*** The community of Sparwood has a growing list of amenities that can help attract tourists. Encouraging visitors to come to Sparwood, or simply stop and shop on their way through the “gateway to BC” will increase the customer base of businesses only operating in Sparwood. Highlighting the growing number of trails and recreation options around town through a professionally published trail map is one possible action item outlined in the qualitative data from the BRE survey. Promoting tourism can also led to increased business diversification by providing a growing market to support tourism-based retail and amenity business.

*Option 2) **Shop local campaign.*** The Sparwood Chamber of Commerce received funding from the Columbian Basin Trust for a shop local campaign in 2021. Applying for this funding, or another funding source to continue the efforts of a shop local campaign will benefit micro & home-based business and build awareness of their offerings.

*Option 3) **Community marketing campaign that extends past the Elk Valley.*** This could tie in with the District based workforce attraction recommendation of “Market Sparwood as a place to live, work, and play”.

Businesses only operating in Sparwood

Below are two recommendations the Sparwood Chamber of Commerce can do to better support micro & home-based business.



PROVIDE BUSINESS PLANNING AND MANAGEMENT / LEADERSHIP TRAINING

These were the top two desired business supports identified by Sparwood businesses. As identified in the Elk Valley BRE Report, the Sparwood Chamber of Commerce, through a joint chamber initiative, should host two workshops with industry experts to provide training and knowledge for Elk Valley businesses and record the sessions for future use. These supports can help improve business retention and expansion, as well as employee retention for local businesses.



INCREASE SUPPORTS FOR NEW BUSINESS START UPS

Only 1.7% of businesses identified as “emerging /start-up” and only 2.6% of businesses have been in operation for less than a year. The District of Sparwood has recently re-released their “Starting a business in Sparwood?” brochure to support new business growth. The Sparwood Chamber of Commerce should meet with the District to discuss barriers to new business based on conversations they’ve had with local business, as well as increasing awareness of the brochure. The Chamber should also facilitate new business growth by providing marketing support, in conjunction with business planning mentioned above. Continued advocacy to the District around barriers to emerging and home-based businesses will also support new business growth and help increase business diversification in the community.

PROJECT OVERVIEW

This report showcases BRE survey responses by businesses operating in Sparwood. The BRE survey was conducted online from October 22nd to December 22nd, 2021, for registered businesses in the Elk Valley. Survey responses by businesses that do not operate in Sparwood were removed for this report, as reflected in the appendix data. Additional data was obtained for businesses that *only* operate in Sparwood and highlighted in the key research findings. The BRE survey and reports came to fruition via a funding grant from ETSI-BC (Economic Trust of the Southern Interior) with support from the Province of British Columbia. The Fernie Chamber of Commerce received full funding on behalf of the EVEI to hire an Elk Valley Economic Recovery Advisor based on the EVEI's 2021 strategic plan that identified the need for Elk Valley wide data and a better understanding of business needs to enhance business retention and expansion. The Elk Valley Economic Recovery Advisor was responsible for the project and was supported by the EVEI committee and its partner organizations.

PROJECT OBJECTIVES

1. Identify business development needs / challenges
2. Create goal-oriented action items to allow the EVEI committee to respond to a business development need / challenge
3. Complete Elk valley wide market research & data collection to increase investment preparedness
4. Build awareness and connections between EVEI and Elk Valley business



EVEI COMMITTEE

VOTING MEMBERS

- **Shawna Bryant**
CEO, Founder of EV Ergonomics (Elkford Chamber of Commerce Representative)
- **Michael Boronowski**
Chief Administrative Officer, City of Fernie
- **Sharon Strom**
Coordinator Sustainability, Teck Coal Limited
- **Sheila Byers**
Sales Representative, Royal Lepage East Kootenay Realty (Sparwood Chamber of Commerce Representative)
- **Jeremy Johnston**
Director, Planning & Development Services, District of Elkford
- **Andy Cohen**
General Manager, Fernie Alpine Resort (Fernie Chamber of Commerce Representative)
- **Patrick Sorfleet**
Director of Planning and Development, District of Sparwood

SUPPORTING PARTNERS

- **Robyn Peel**
Community Economic Development Coordinator, Community Futures East Kootenay
- **Gerri Brightwell**
Regional Manager Central/East Kootenay of Rural Development Unit, Ministry of Jobs, Economic Recovery and Innovation
- **Brad Parsell**
Executive Director of Fernie Chamber of Commerce, EVEI Coordinator
- **Kaylyn Gervais**
Manager, Community Relationships East, Columbia Basin Trust
- **Paul Wiest**
Business & Economic Development Consultant, ETSI-BC



BRE SURVEY CREATION

The survey was developed through a variety of methods to ensure the qualitative data captured would be accurate, relevant, and effective for long term economic development in the Elk Valley. The methods were as follows:

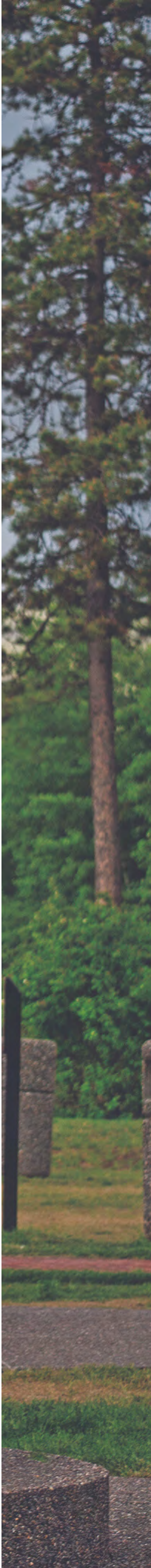
- The core of the BRE Survey was generated through material from Selkirk Innovates (formally the Columbia Basin Research Development Institute) and their 2015/16 BRE surveys on Fernie and Sparwood to ensure standardized data collection with additional material from more recent business surveys completed in Creston, Cranbrook, and Golden
- Meetings with 41 Elk Valley businesses to identify their current key issues and barriers to growth
- Meetings with individual EVEI committee members to discuss the current business climate and BRE survey to ensure the data obtained is beneficial for each community and the Elk Valley as a whole
- Meetings with Community Futures East Kootenay to consolidate all information sources into a working BRE survey, workshopping Elk Valley specific questions, and reviewing the overall goals of the survey to ensure each question was quantifiable and a building block for future economic development
- Meeting with Selkirk Innovates to certify all questions were non-leading, the answers were unbiased and quantifiable, and that the data captured was analytics based.
- Skip logic, through advanced branching, was built into the survey to increase the efficiency and completion rate of the survey. This allowed the survey to send businesses to different questions depending on their responses, skipping specific questions that were identified as non-applicable to certain businesses.

DATA COLLECTION

Survey data was obtained online via survey monkey. The Elk Valley Economic Recovery Advisor was solely responsible for the data collection and a focus was put on trying to contact every licensed business in the Elk Valley for a comprehensive data set.

Methods used to contact businesses and obtain responses were as follows:

- Direct email to 715 businesses operating in the Elk Valley
- 196 businesses called to request email addresses to send the survey link and to provide additional information about the EVEI and the BRE survey
- Direct Facebook messages to 29 businesses
- Working with each Chamber of Commerce to send the survey to their members via email distribution lists
- 400 EVEI marketing postcards mailed to business PO boxes in the Elk Valley
- Facebook ad campaign targeting businesses, seen by 3,250 people in the Elk Valley
- Advertising and articles in the Fernie Free Press, Fernie Fix, and on local radio
- Additional email marketing specifically to Inter-Community business license holders



CONFIDENTIALITY

All data collected is stored in a password protected electronic format and only the paid contractor of the EVEI has access to the individual business answers from the BRE survey. All data released in each of the four BRE reports are quantitative and no individual business responses are used.

DATA ANALYSIS

The Elk Valley Economic Recovery Advisor, as the paid contractor of the EVEI, was responsible for the quantitative and qualitative data analysis of the BRE survey data. Quantitative data was analyzed using data software programs and descriptive statistics were obtained to summarize given data sets. To ensure robust and accurate data, with the support of Selkirk Innovates and Community Futures East Kootenay, statistical average calculations were utilized and data outliers were reviewed. Based on the results of the initial quantitative data, key research findings were presented to the EVEI committee, then recommendations based off these findings were written and compiled into four regional BRE reports (the Elk Valley, Fernie, Sparwood, and Elkford) by the Elk Valley Economic Recovery Advisor.

There is opportunity to conduct further data analysis on the survey data, broken down into a wide variety of business classifications. If there are any questions about the data, or an organization has identified a data point that could help with their economic development, please contact the EVEI at coordinator@theelkvalley.ca for further discussion.





SOURCES

- **Elk Valley Business Retention & Expansion 2021 Report:**
<https://theelkvalley.ca/wp-content/uploads/2022/04/Elk-Valley-BRE-Report-2021.pdf>
- **Sparwood Housing Needs Report 2021:**
<https://sparwood.civicweb.net/filepro/document/117728/Sparwood%20Housing%20Needs%20Report%202021.pdf>
- **Sparwood 2021 Housing Market Study:**
<https://sparwood.civicweb.net/filepro/document/115024/Sparwood%20Market%20Housing%20Study%202021.pdf>
- **Sparwood's 2015 Official Community Plan:**
<https://sparwood.civicweb.net/filepro/document/52967/Official%20Community%20Plan%20Bylaw%201165,%202015.pdf>
- **Sparwood Business Retention & Expansion 2015 Report:**
<https://theelkvalley.ca/wp-content/uploads/2022/03/2015-Sparwood-Business-Retention-Expansion-BRE-Survey-and-Report.pdf>



LIST OF FIGURES

- **Question 2:** Please select which communities in the Elk Valley that you operate in.
- **Question 3:** Is your business 51% or more owned by any the following groups?
- **Question 4:** What is your business industry?
- **Question 5:** What is the current state of your business?
- **Question 6:** How many years has your business been in operation?
- **Question 7:** If you think about the last 2-4 years, what is the average annual gross revenue of your company?
- **Question 8:** What is the typical number of employees at your business? (the owner classifies as an employee)? - with Teck Coal Limited removed
- **Question 9:** Do you expect the number of employees to change over the next 3 years?
- **Question 11:** What is the average hourly wage of your employees? Entry Level
- **Question 12:** What is the average hourly wage of your employees? Semi-Skilled
- **Question 13:** What is the average hourly wage of your employees? Skilled / Professional
- **Question 14:** Has employee recruitment been a problem in the last 3 years?
- **Question 15:** What are the underlining issues impacting employee recruitment for your business?
- **Question 16:** What strategies / factors have you employed that make employee recruitment not a problem?
- **Question 17:** Has employee retention been a problem in the last 3 years?
- **Question 18:** What are the underlining issues impacting employee retention for your business?
- **Question 19:** What strategies / factors have you employed that make employee retention not a problem?
- **Question 20:** What are the biggest challenges facing your business, other than labour? (Please select top 3)



LIST OF FIGURES

- **Question 22:** On a scale of 1-5, with 1 being not important and 5 being extremely important, please rate how important the following categories are to your business's success.
- **Question 23:** What are the community's strengths as a place to do business? (Please select 1-3 answers)
- **Question 24:** What are the community's weaknesses as a place to do business? (Please select 1-3 answers)
- **Question 26:** Do you plan to expand your business in the next 3 years?
- **Question 27:** What are the major barriers for your expansion?
- **Question 28:** Why do you not plan on expanding?
- **Question 30:** Do you plan to retire or sell your business within the next 3-5 years?
- **Question 31:** How do you intend to exit the business?
- **Question 32:** What is the status of your business's building?
- **Question 33:** What is your current lease rate, based on triple net lease? (Lease agreement on a property whereby the tenant or lessee promises to pay all the expenses of the property, including real estate taxes, building insurance, and maintenance)
- **Question 34:** Do you have any barriers to updating your building, if needed?
- **Question 35:** If an effort was made to attract a business, sector, or industry to the Elk Valley, which options below would benefit you? (Please pick up to 2 answers)
- **Question 36:** What products or services, if any, are you purchasing from outside the area for which you would like to have a local supplier?
- **Question 37:** Do you have any desired business supports that are not currently available to you?

APPENDIX

WELCOME TO
SPARWOOD
★

Q2 Please select which communities in the Elk Valley that you operate in

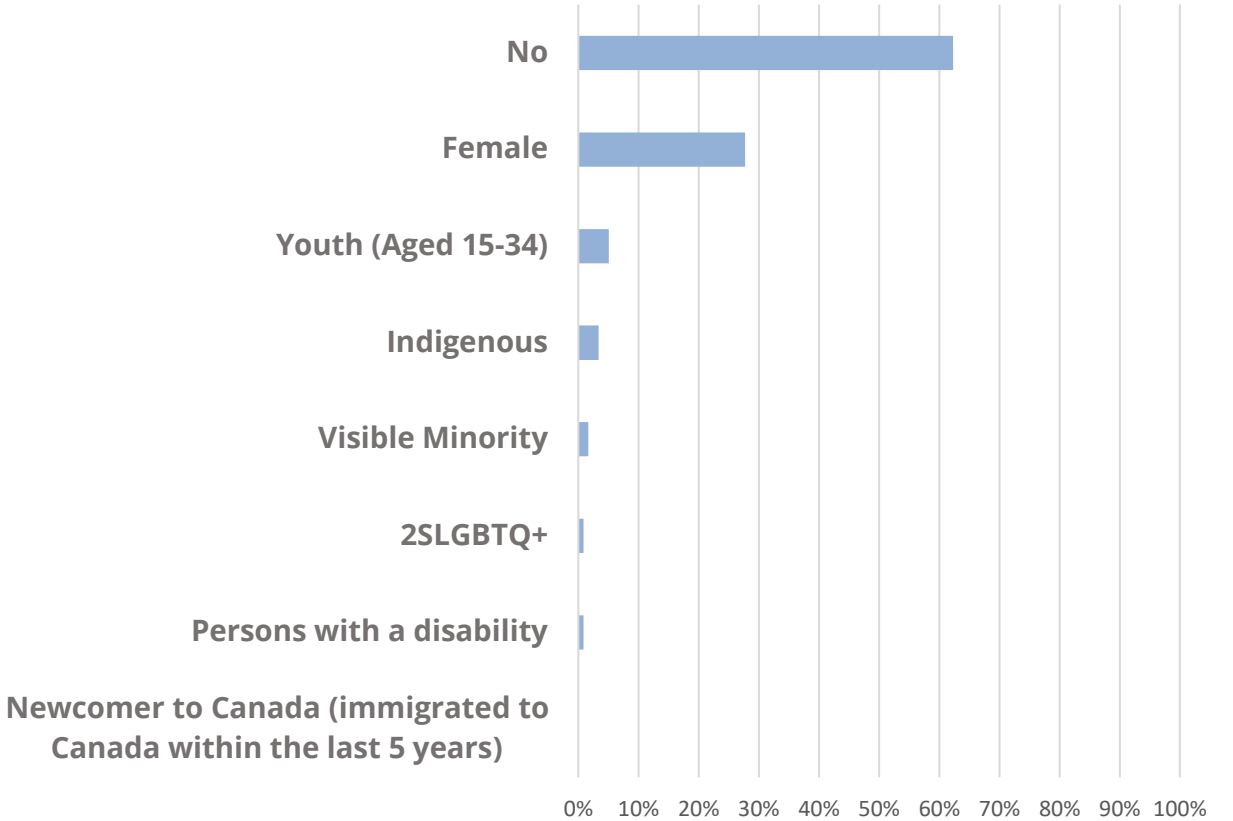
Answered: 119 Skipped: 0



ANSWER CHOICES	RESPONSES	
Fernie	68.91%	82
Sparwood	100.00%	119
Elkford	64.71%	77
Regional District of East Kootney Area A	0%	0
Total Respondents:		119

Q3 Is your business 51% or more owned by any the following groups?

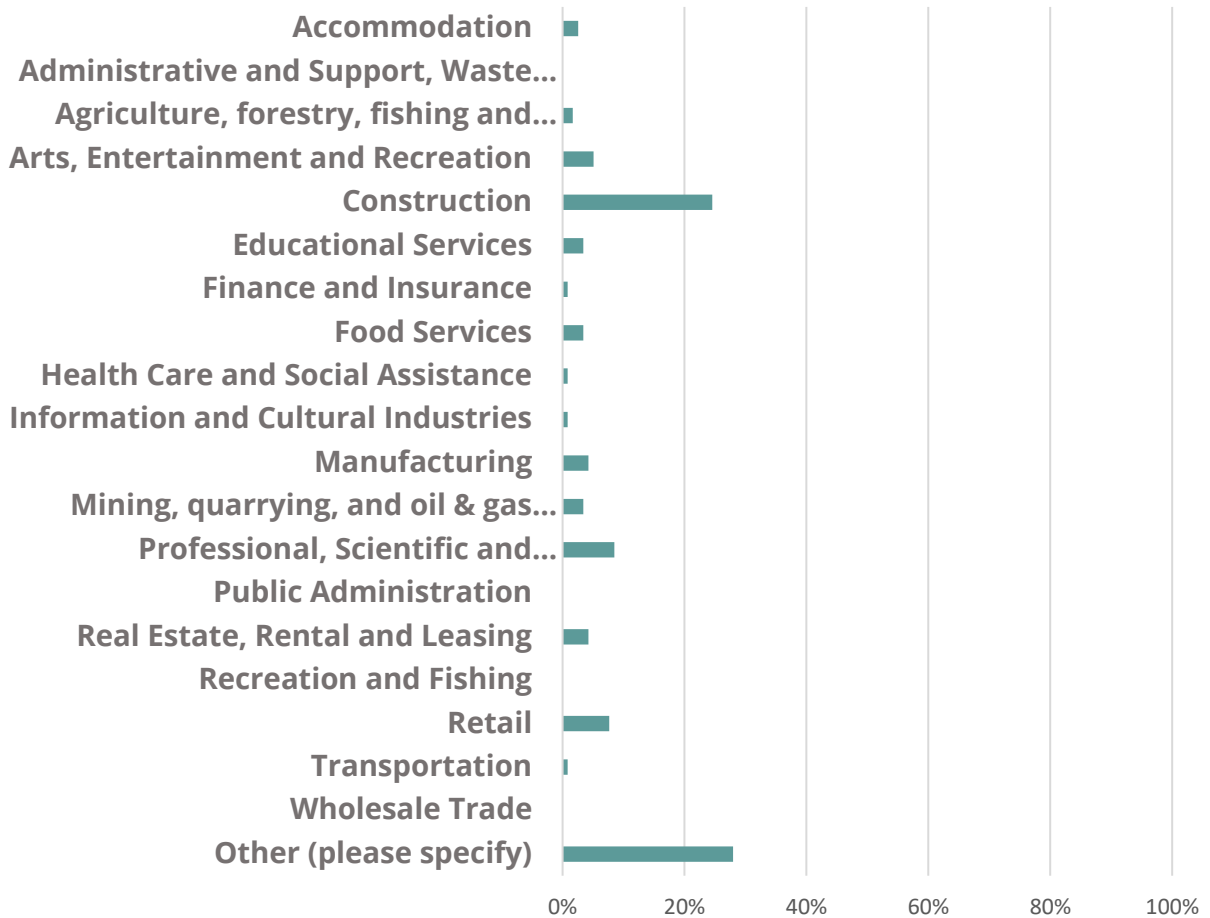
Answered: 119 Skipped: 3



ANSWER CHOICES	RESPONSES	
No	62.28%	71
Female	27.73%	33
Youth (Aged 15-34)	5.04%	6
Indigenous	3.36%	4
Visible Minority	1.68%	2
2SLGBTQ+	0.84%	1
Persons with a disability	0.84%	1
Newcomer to Canada (immigrated to Canada within the last 5 years)	0.00%	0
Total Respondents:		119

Q4 What is your business industry?

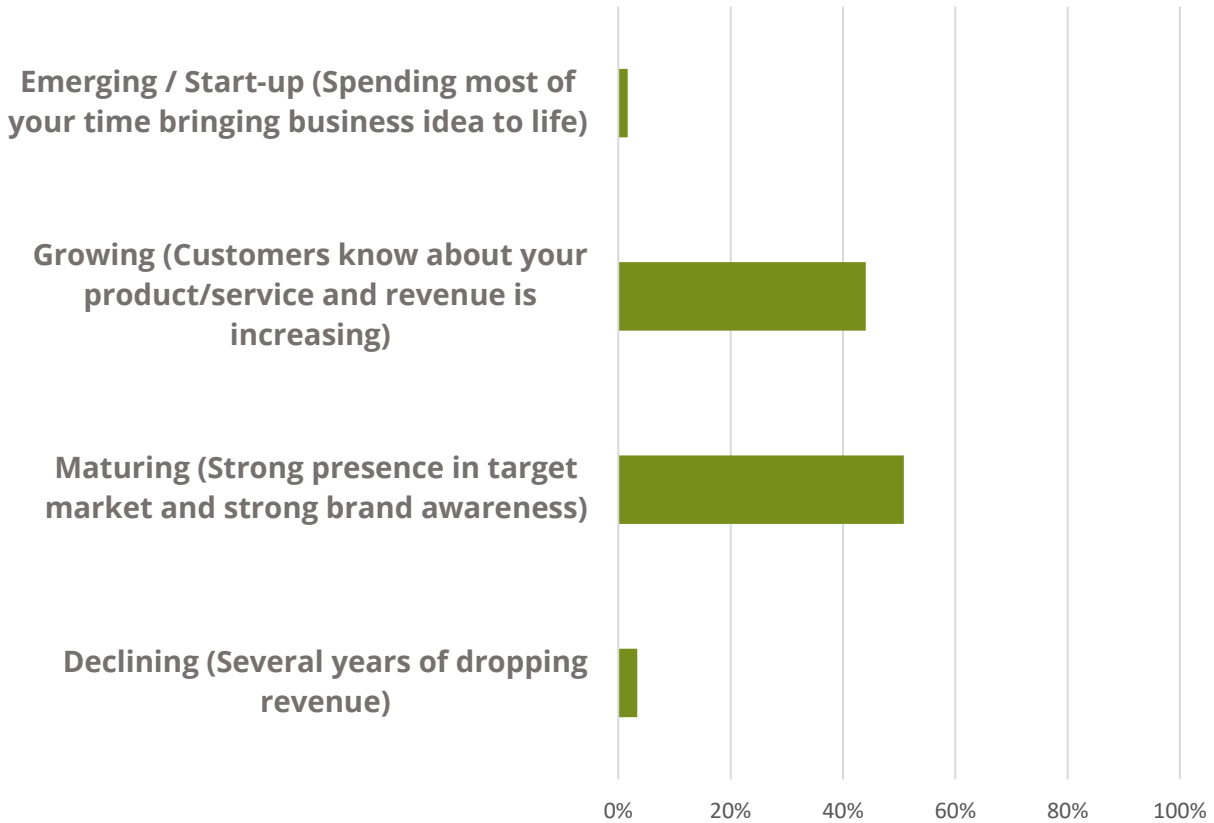
Answered: 118 Skipped: 1



ANSWER CHOICES	RESPONSES	
Accommodation	2.54%	3
Administrative and Support, Waste Management and Remediation Services	0.00%	0
Agriculture, forestry, fishing and hunting	1.69%	2
Arts, Entertainment and Recreation	5.08%	6
Construction	24.58%	29
Educational Services	3.39%	4
Food Services	3.39%	4
Finance and Insurance	0.85%	1
Health Care and Social Assistance	0.85%	1
Information and Cultural Industries	0.85%	1
Manufacturing	4.24%	5
Mining, quarrying, and oil & gas extraction	3.39%	4
Professional, Scientific and Technical Services	8.47%	10
Public Administration	0.00%	0
Recreation and Fishing	0.00%	0
Real Estate, Rental and Leasing	4.24%	5
Retail	7.63%	9
Transportation	0.85%	1
Wholesale Trade	0.00%	0
Other (please specify)	27.97%	33
Total Respondents:		118

Q5 What is the current state of your business?

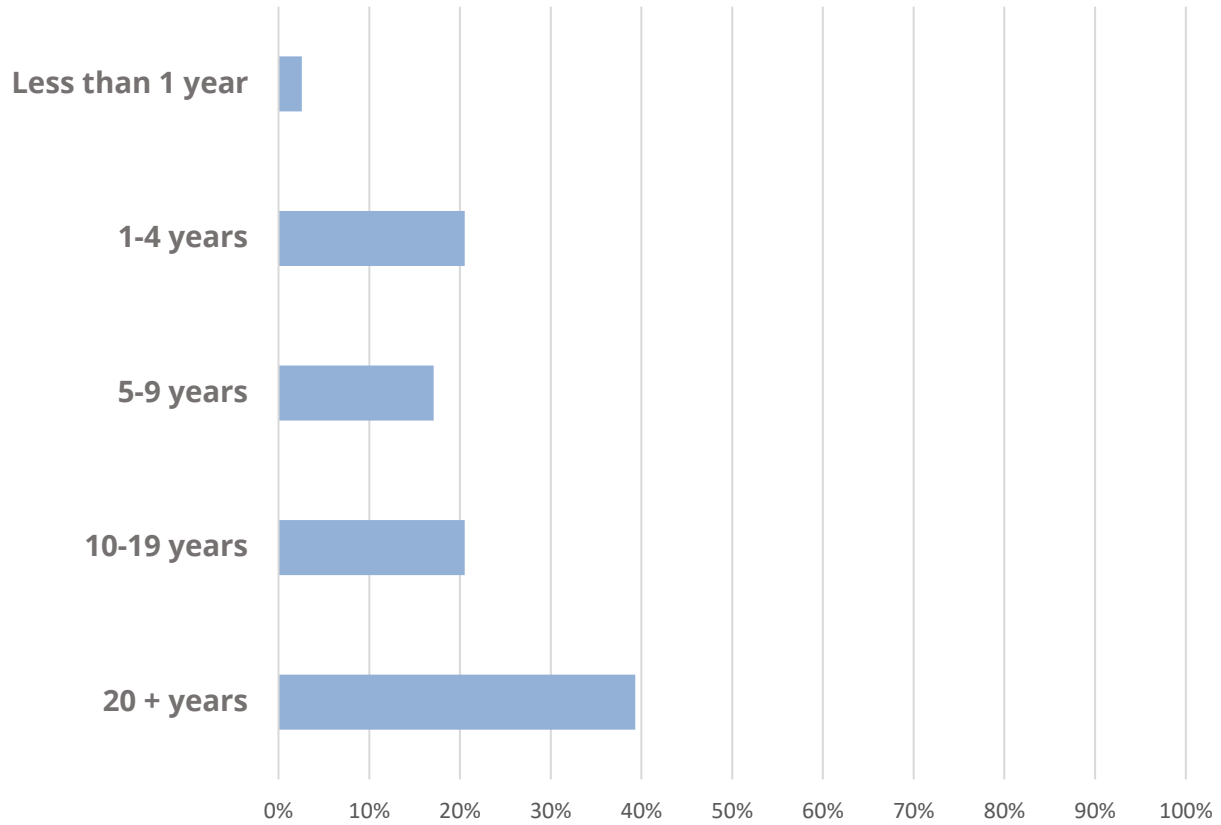
Answered: 118 Skipped: 2



ANSWER CHOICES	RESPONSES	
Emerging / Start-up (Spending most of your time bringing business idea to life)	1.69%	2
Growing (Customers know about your product/service and revenue is increasing)	44.07%	52
Maturing (Strong presence in target market and strong brand awareness)	50.85%	60
Declining (Several years of dropping revenue)	3.39%	4
Total Respondents:		118

Q6 How many years has your business been in operation?

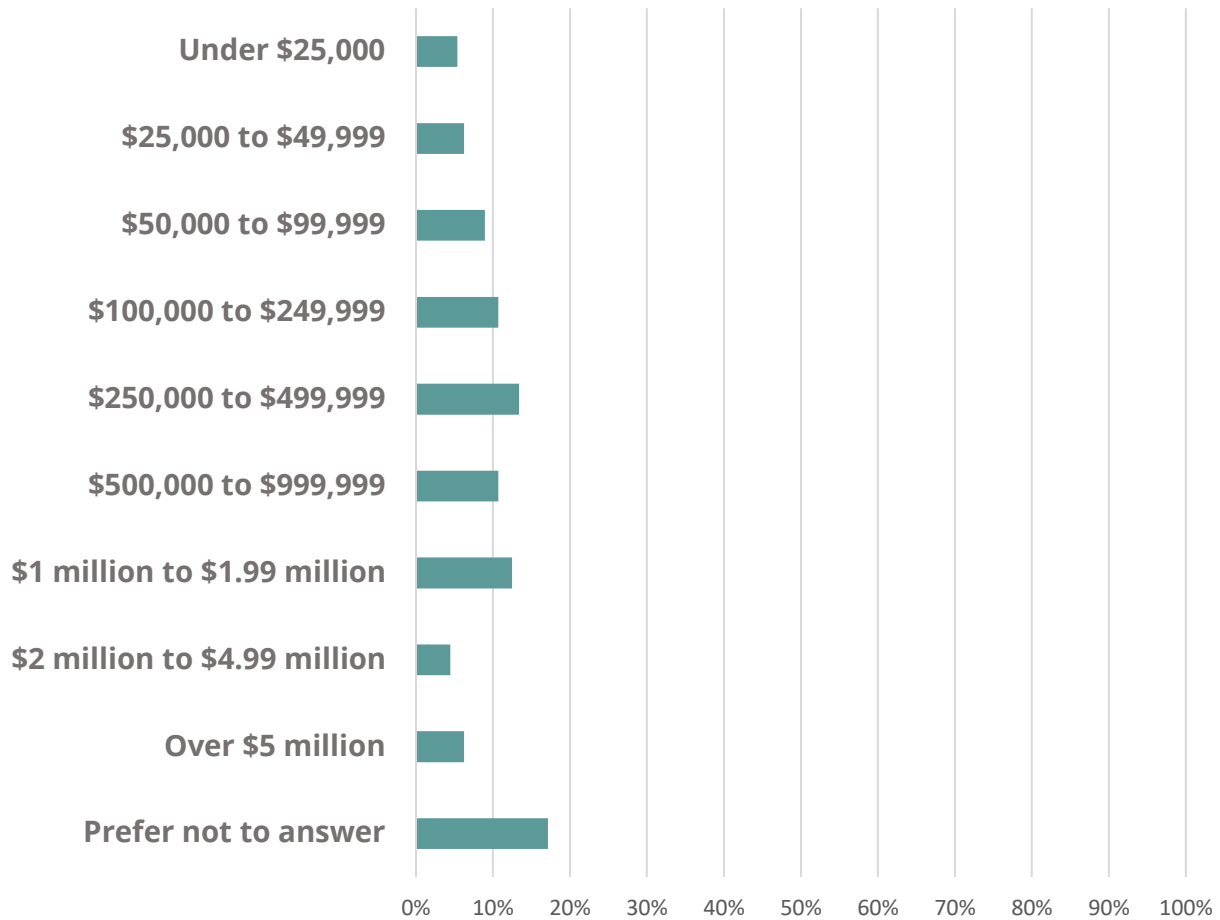
Answered: 117 Skipped: 2



ANSWER CHOICES	RESPONSES	
Less than 1 year	2.56%	3
1-4 years	20.51%	24
5-9 years	17.09%	20
10-19 years	20.51%	24
20+ years	39.32%	46
Total Respondents:		117

Q7 If you think about the last 2-4 years, what is the average annual gross revenue of your company?

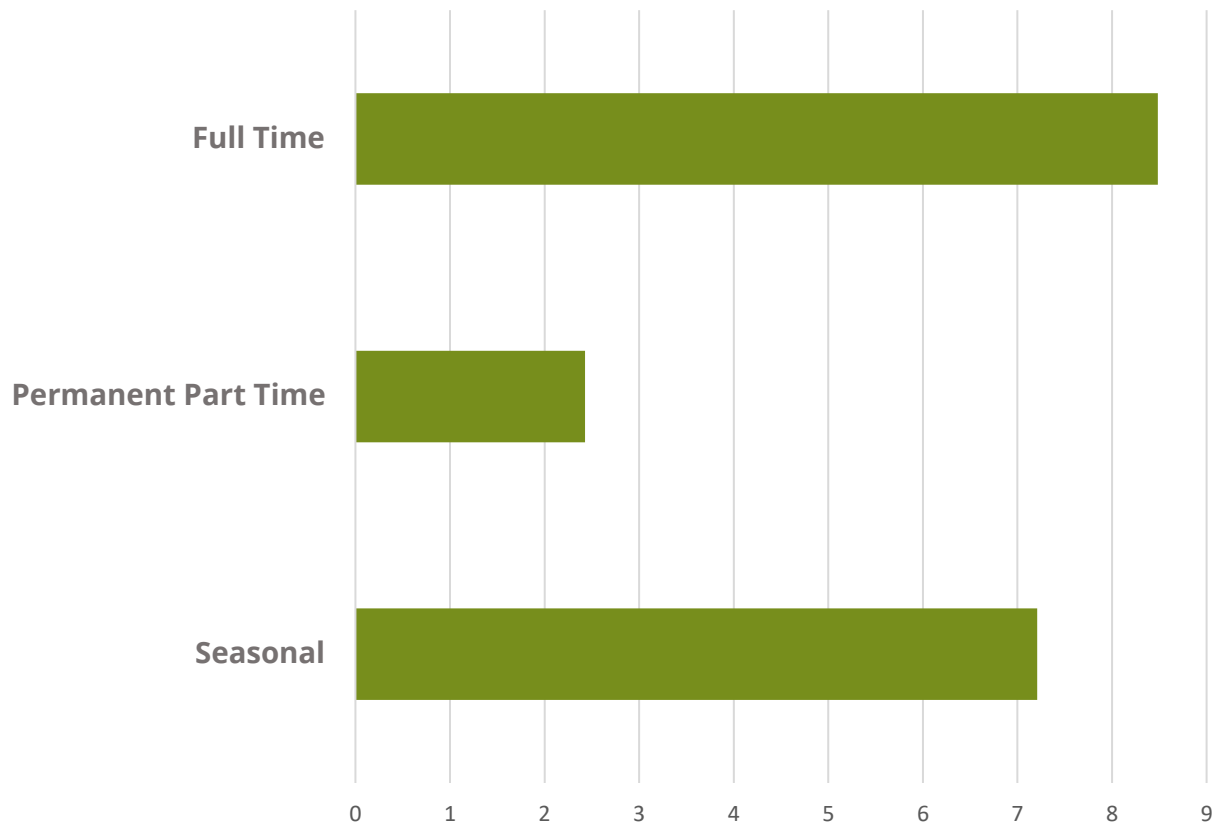
Answered: 112 Skipped: 7



ANSWER CHOICES	RESPONSES	
Under \$25,000	5.36%	6
\$25,000 to \$49,999	6.25%	7
\$50,000 to \$99,999	8.93%	10
\$100,000 to \$249,999	10.71%	12
\$250,000 to \$499,999	13.39%	15
\$500,000 to \$999,999	10.71%	12
\$1 million to \$1.99 million	12.50%	14
\$2 million to \$4.99 million	4.46%	5
Over \$5 million	6.25%	7
Prefer not to answer	21.43%	24
Total Respondents:		112

Q8 What is the typical number of employees at your business? (the owner classifies as an employee)? - with Teck Coal Limited removed

Answered: 105 Skipped: 0

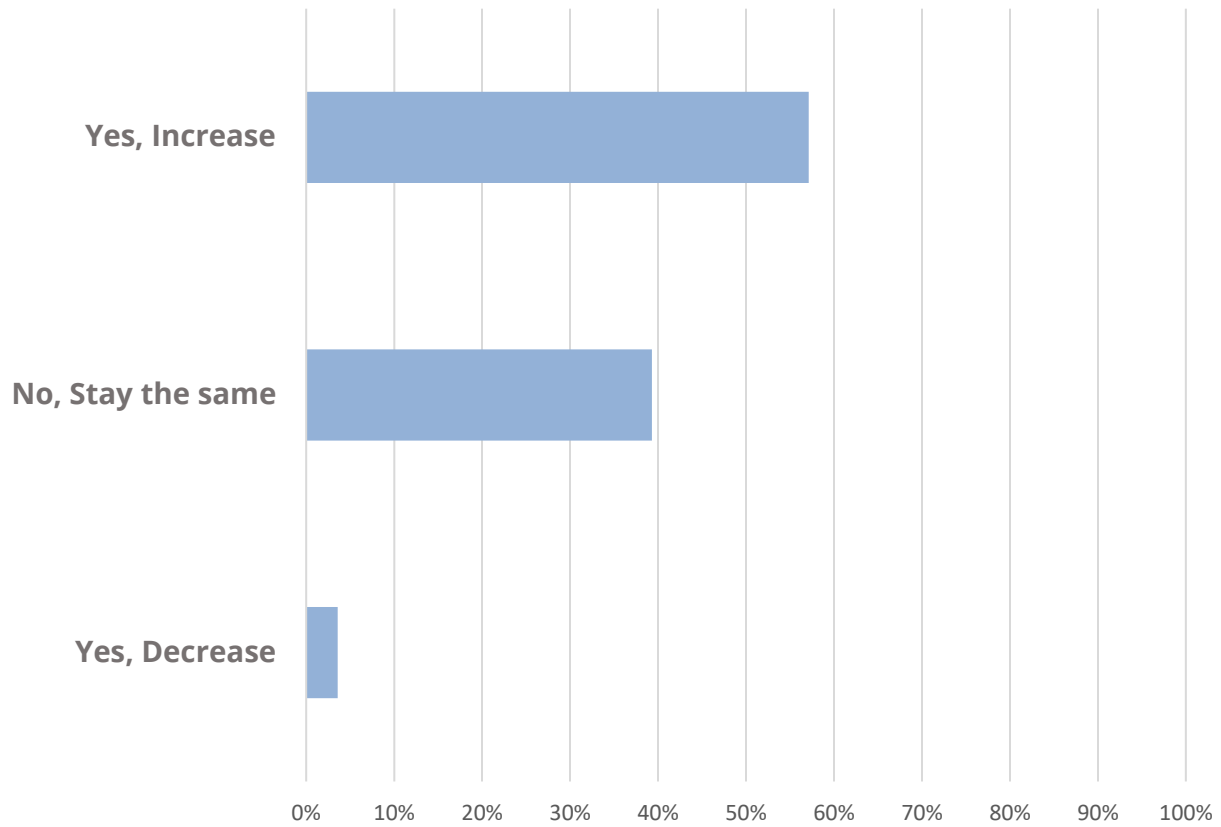


ANSWER CHOICES	AVERAGE NUMBER	TOTAL NUMBER	RESPONSES
Full Time	8	891	105
Permanent Part Time	2	148	61
Seasonal	7	310	43
Total Respondents:			105

ANSWER CHOICES	MINIMUM	MAXIMUM	MEDIAN	MEAN	STANDARD DEVIATION
Full Time	0.00	120.00	4.00	8.49	15.34
Permanent Part Time	0.00	20.00	2.00	2.43	3.15
Seasonal	0.00	150.00	1.00	7.21	23.37

Q9 Do you expect the number of employees to change over the next 3 years?

Answered: 112 Skipped: 7



ANSWER CHOICES	RESPONSES	
Yes, Increase	57.14%	64
No, Stay the same	39.29%	44
Yes, Decrease	3.57%	4
Total Respondents:		112

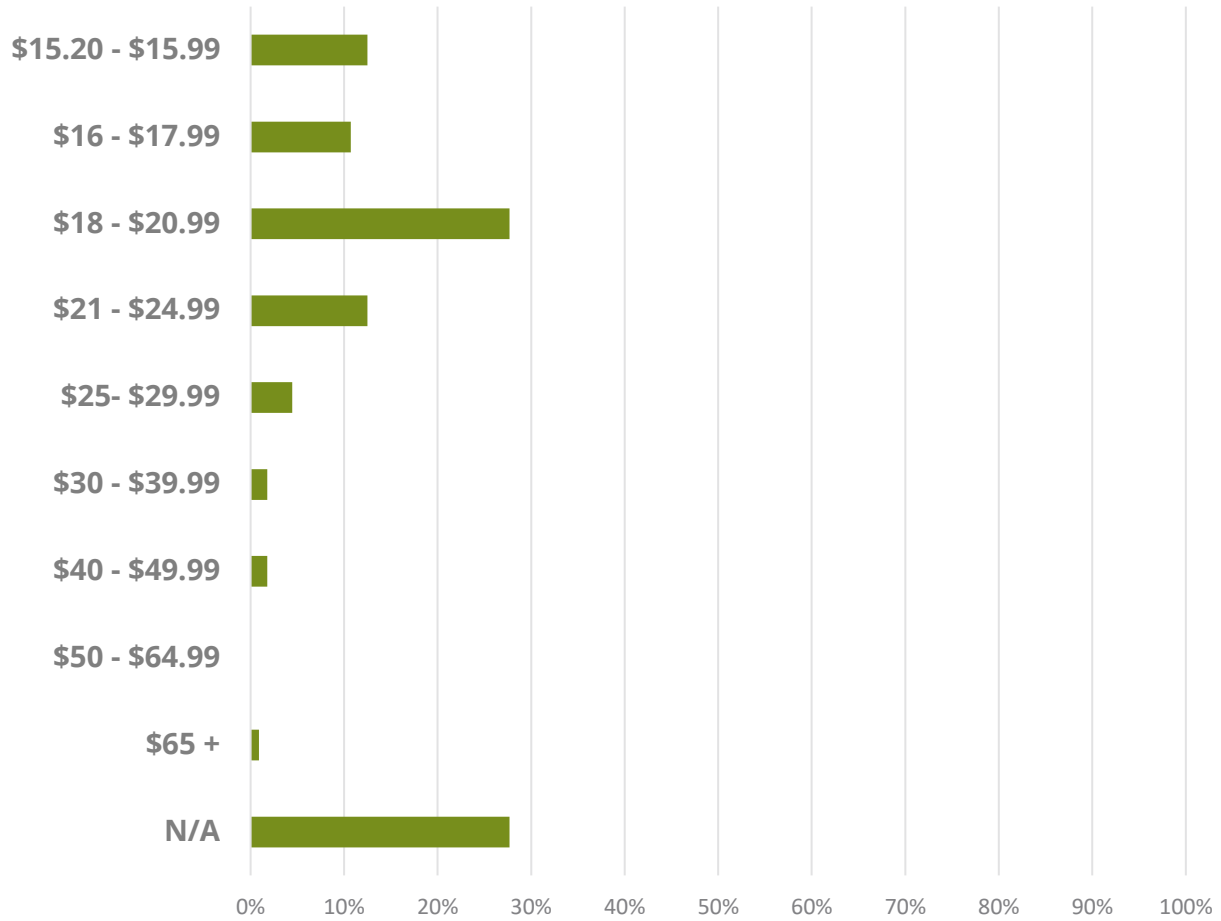
Q10 Why do you expect this?

Answered: 102 Skipped: 17

QUALITATIVE DATA – CONFIDENTIAL

Q11 Entry Level

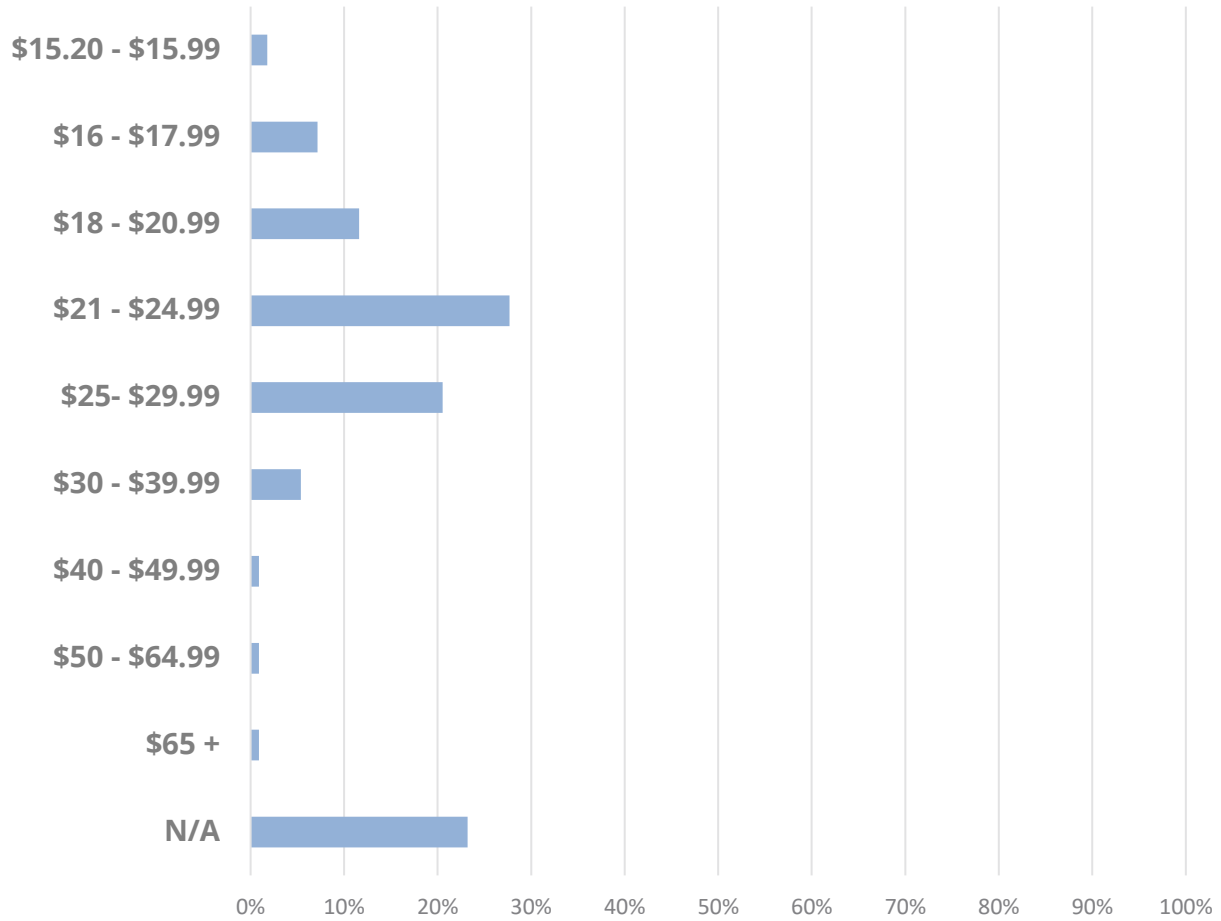
Answered: 112 Skipped: 7



ANSWER CHOICES	RESPONSES	
\$15.20 - \$15.99	12.50%	14
\$16 - \$17.99	10.71%	12
\$18 - \$20.99	27.68%	31
\$21 - \$24.99	12.50%	14
\$25 - \$29.99	4.46%	5
\$30 - \$39.99	1.79%	2
\$40 - \$49.99	1.79%	2
\$50 - \$64.99	0.00%	0
\$65 +	0.89%	1
N/A	27.68%	31
Total Respondents:		112

Q12 Semi-Skilled

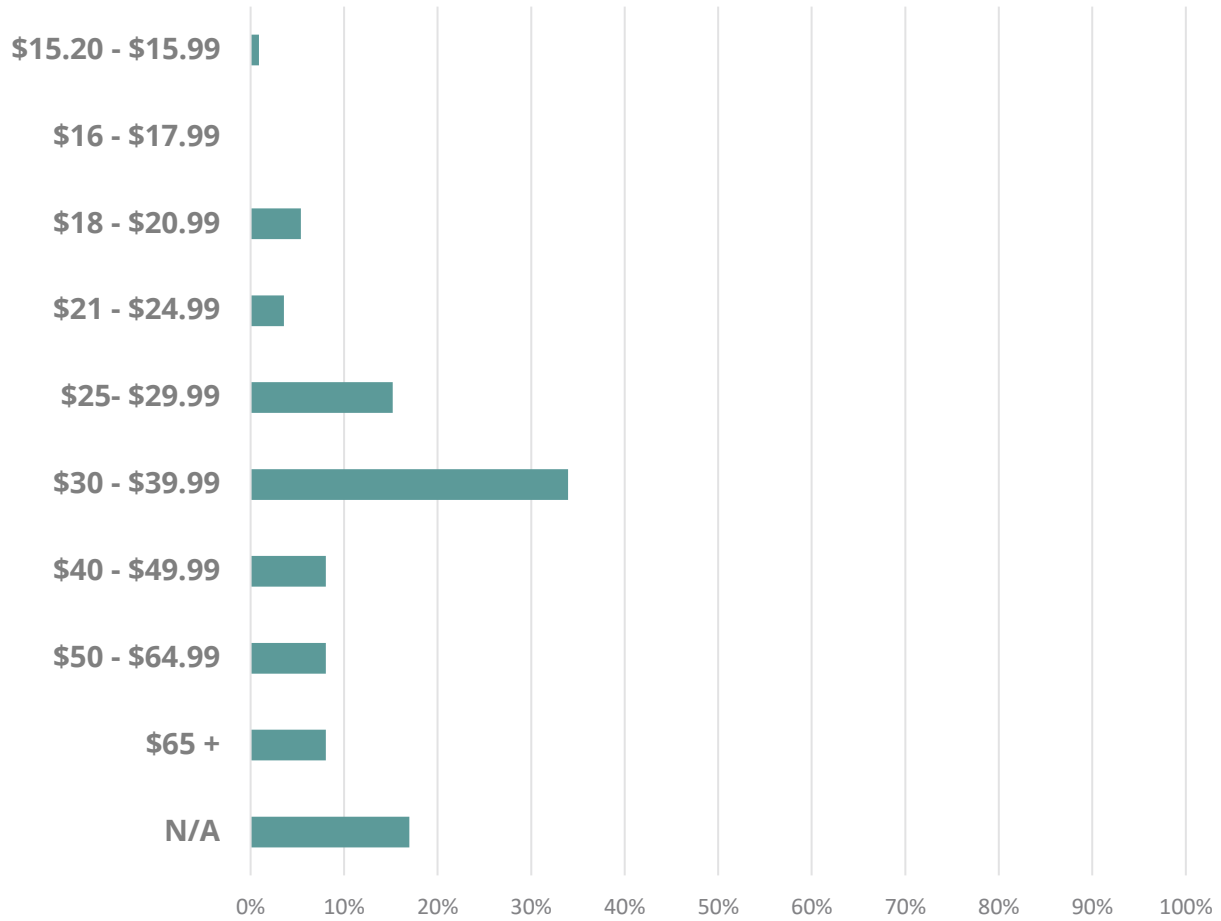
Answered: 112 Skipped: 7



ANSWER CHOICES	RESPONSES	
\$15.20 - \$15.99	1.79%	2
\$16 - \$17.99	7.14%	8
\$18 - \$20.99	11.61%	13
\$21 - \$24.99	27.68%	31
\$25- \$29.99	20.54%	23
\$30 - \$39.99	5.36%	6
\$40 - \$49.99	0.89%	1
\$50 - \$64.99	0.89%	1
\$65 +	0.89%	1
N/A	23.21%	26
Total Respondents:		112

Q13 Skilled / Professional

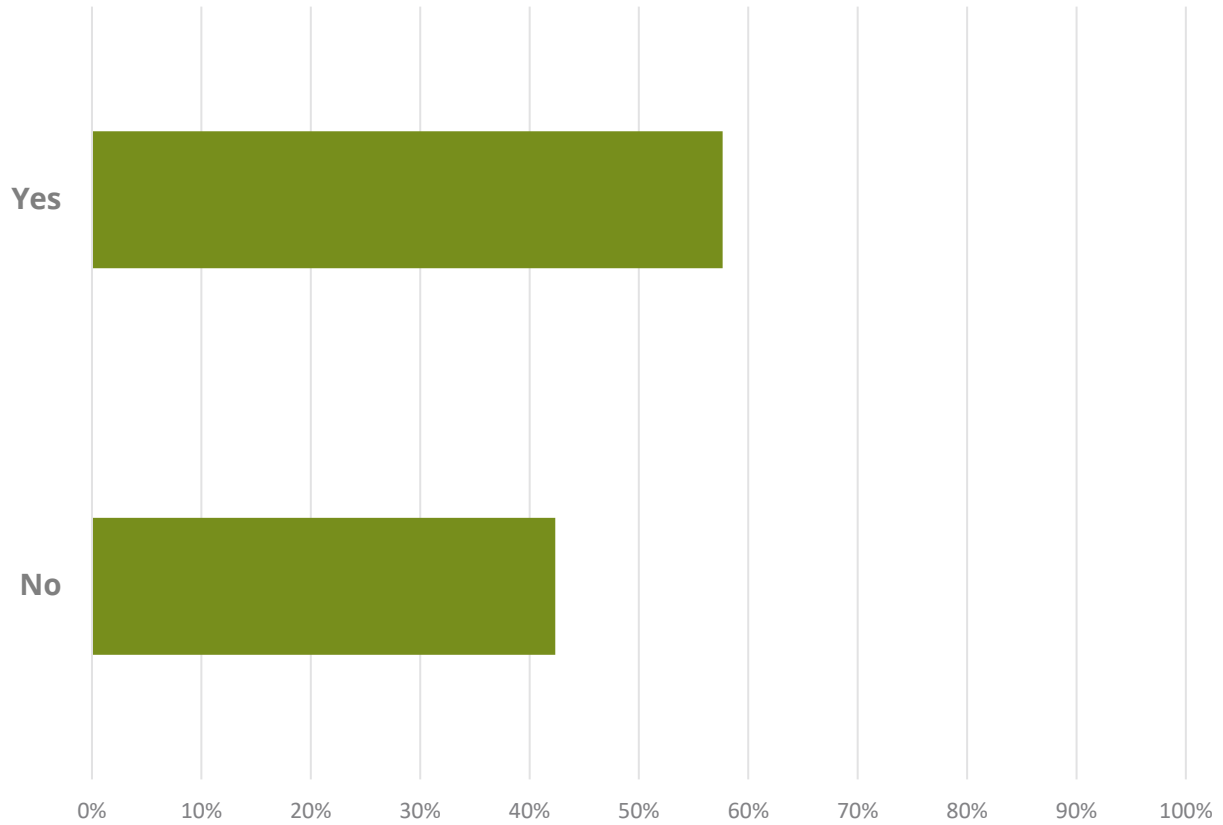
Answered: 112 Skipped: 7



ANSWER CHOICES	RESPONSES	
\$15.20 - \$15.99	0.89%	1
\$16 - \$17.99	0.00%	0
\$18 - \$20.99	5.36%	6
\$21 - \$24.99	3.57%	4
\$25- \$29.99	15.18%	17
\$30 - \$39.99	33.93%	38
\$40 - \$49.99	8.04%	9
\$50 - \$64.99	8.04%	9
\$65 +	8.04%	9
N/A	16.96%	19
Total Respondents:		112

Q14 Has employee recruitment been a problem in the last 3 years?

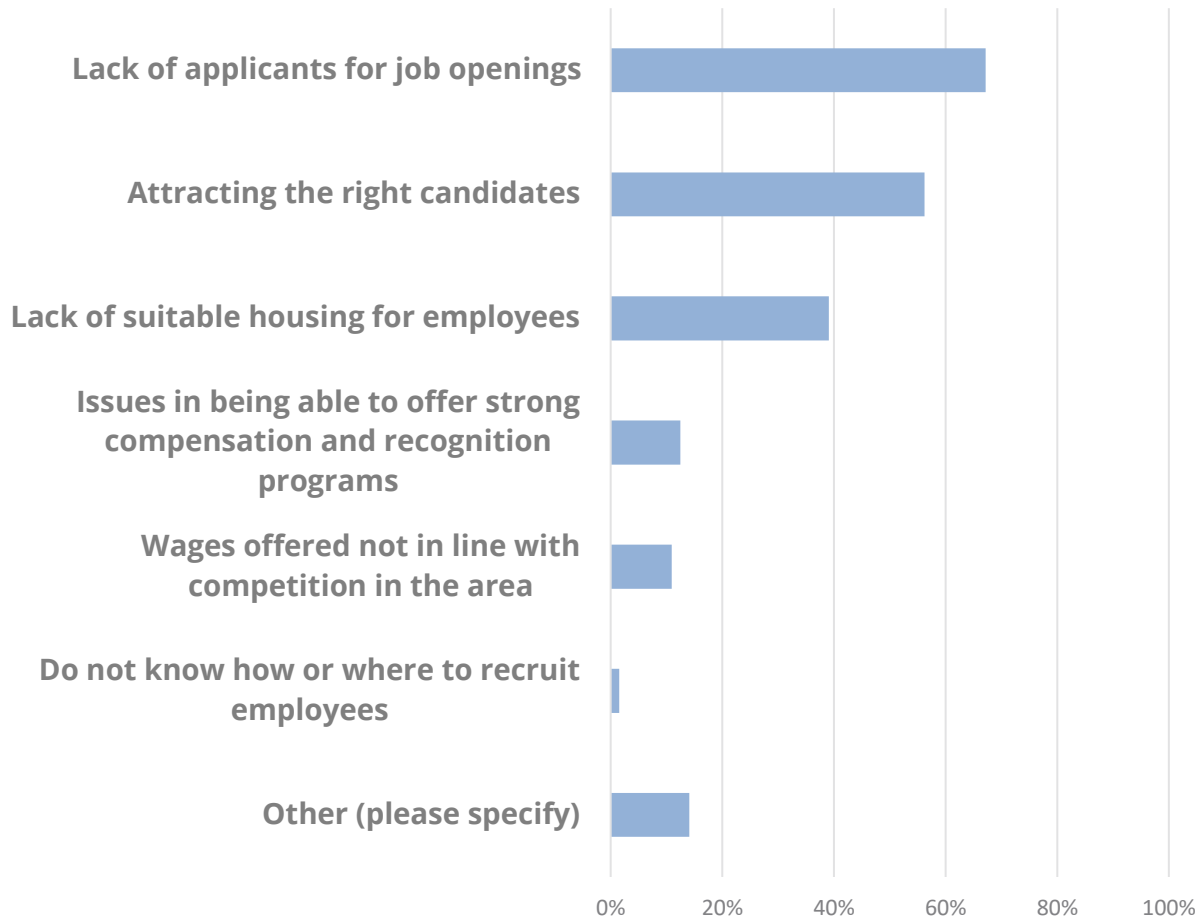
Answered: 111 Skipped: 8



ANSWER CHOICES	RESPONSES	
Yes	57.66%	64
No	42.34%	47
Total Respondents:		111

Q15 What are the underlining issues impacting employee recruitment for your business?

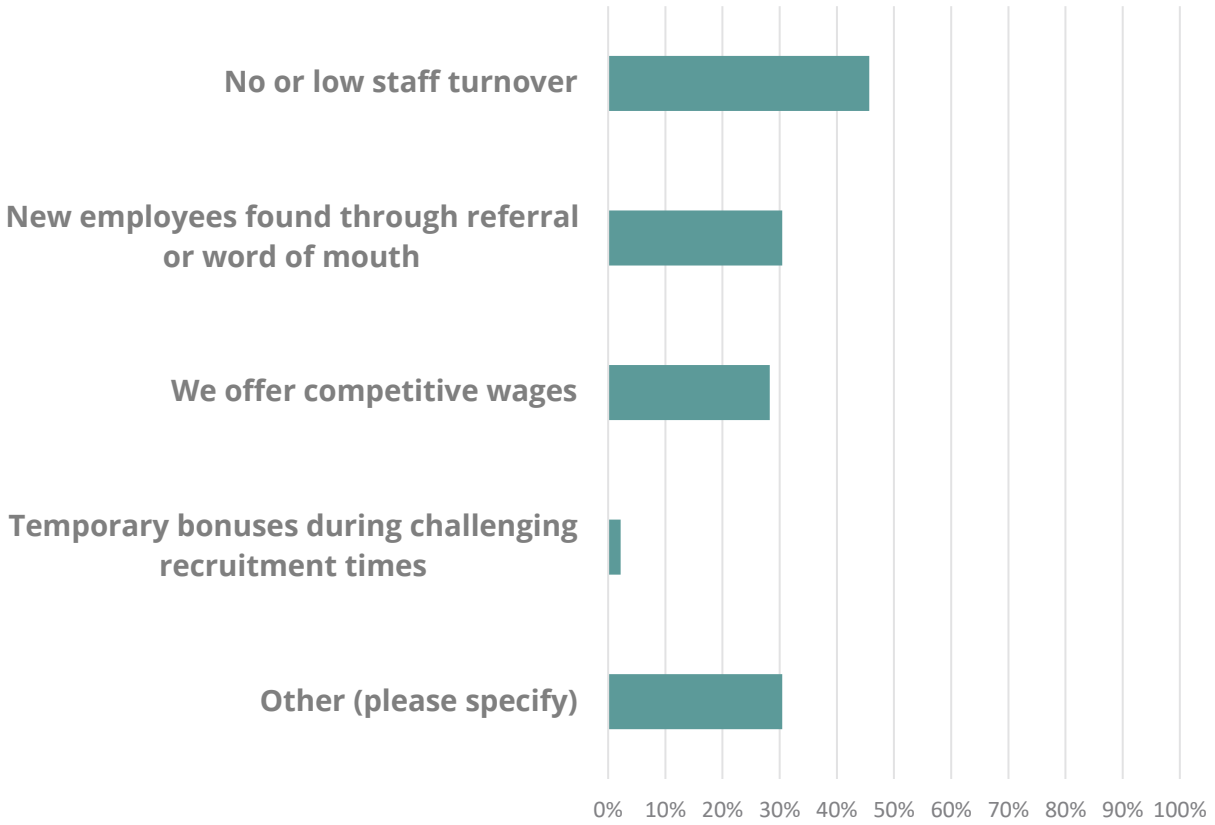
Answered: 64 Skipped: 55



ANSWER CHOICES	RESPONSES	
Lack of applicants for job openings	67.19%	43
Attracting the right candidates	56.25%	36
Lack of suitable housing for employees	39.06%	25
Issues in being able to offer strong compensation and recognition programs	12.50%	8
Wages offered not in line with competition in the area	10.94%	7
Do not know how or where to recruit employees	1.56%	1
Other (please specify)	14.06%	9
Total Respondents:		64

Q16 What strategies / factors have you employed that make employee recruitment not a problem?

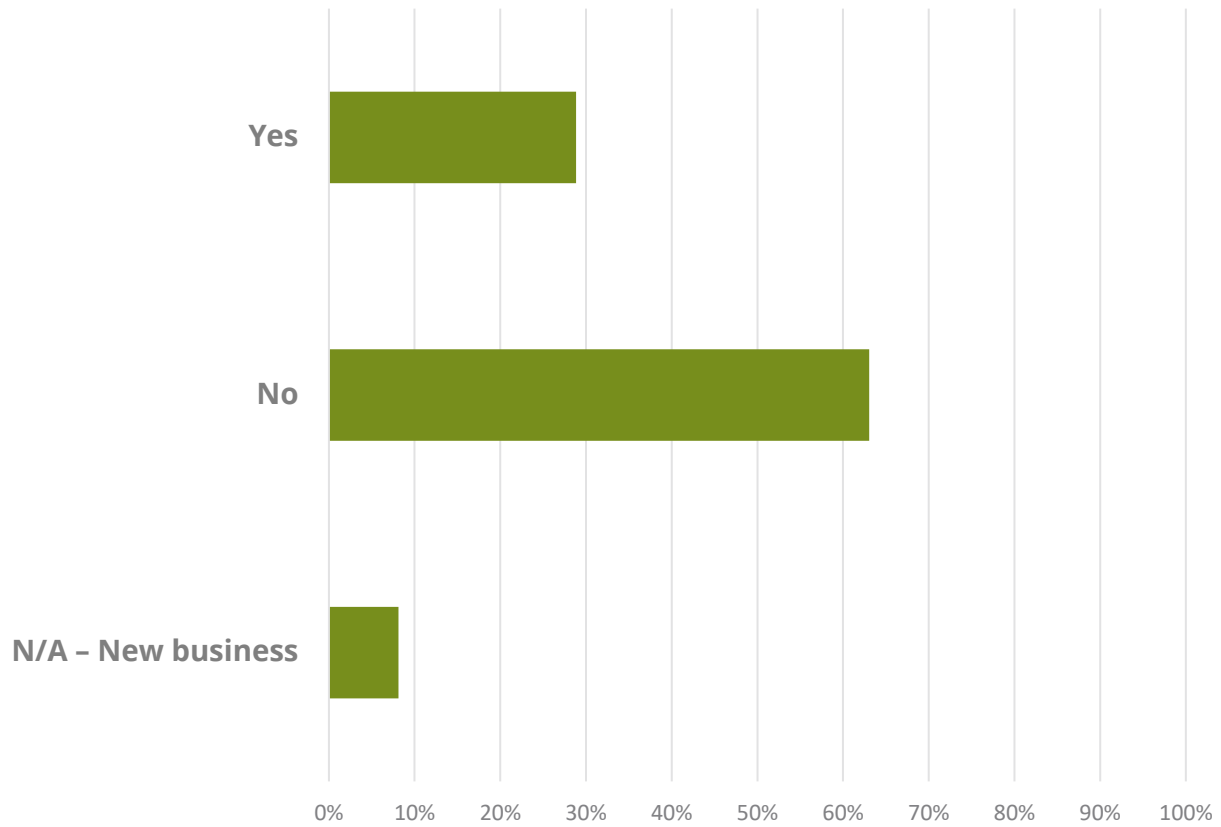
Answered: 46 Skipped: 73



ANSWER CHOICES	RESPONSES	
No or low staff turnover	45.65%	21
New employees found through referral or word of mouth	30.43%	14
We offer competitive wages	28.26%	13
Temporary bonuses during challenging recruitment times	2.17%	1
Other (please specify)	30.43%	14
Total Respondents:		46

Q17 Has employee retention been a problem in the last 3 years?

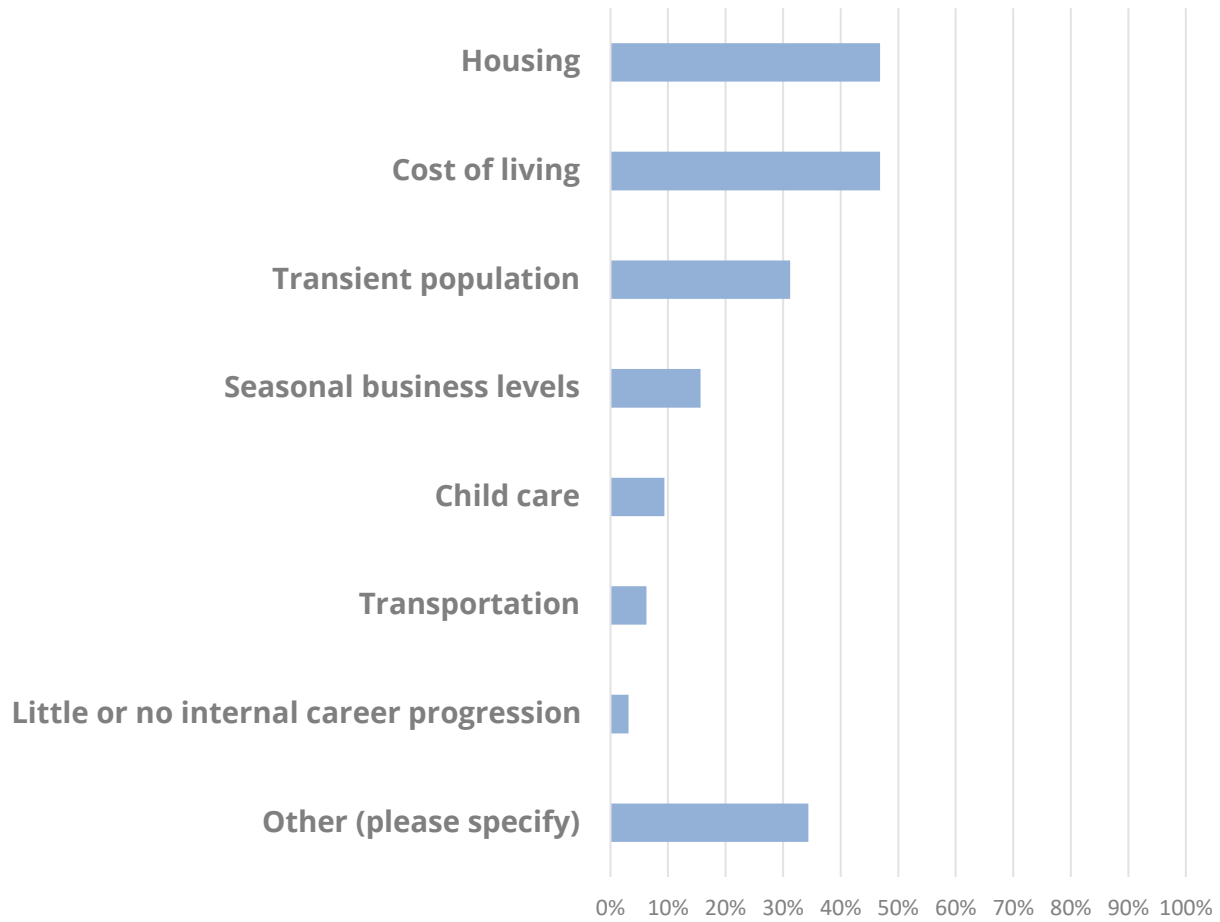
Answered: 111 Skipped: 18



ANSWER CHOICES	RESPONSES	
Yes	28.83%	32
No	63.06%	70
N/A - New business	8.11%	9
Total Respondents:		111

Q18 What are the underlining issues impacting employee retention for your business?

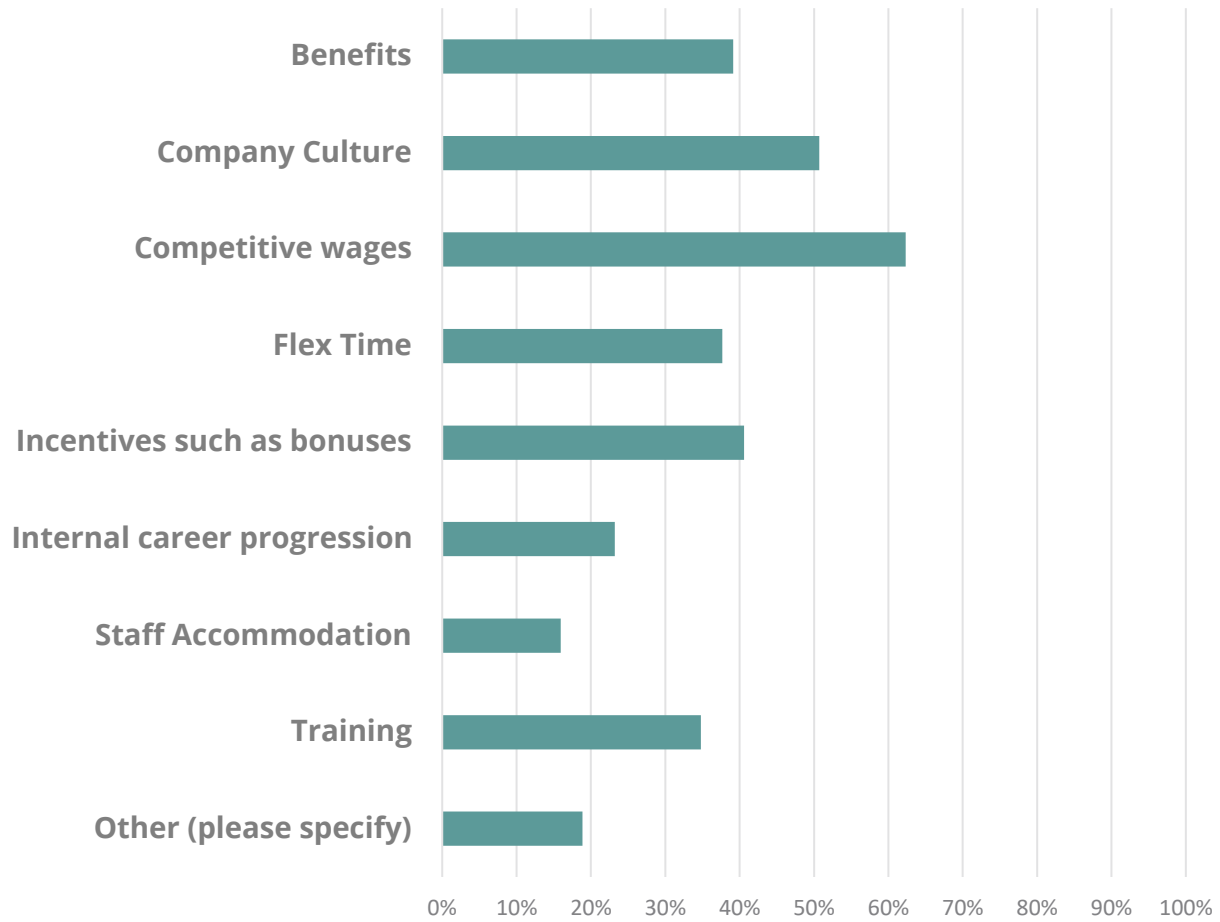
Answered: 32 Skipped: 87



ANSWER CHOICES	RESPONSES	
Housing	46.88%	15
Cost of living	46.88%	15
Transient population	31.25%	10
Seasonal business levels	15.63%	5
Child care	9.38%	3
Transportation	6.25%	2
Little or no internal career progression	3.13%	1
Other (please specify)	34.38%	11
Total Respondents:		32

Q19 What strategies / factors have you employed that make employee retention not a problem?

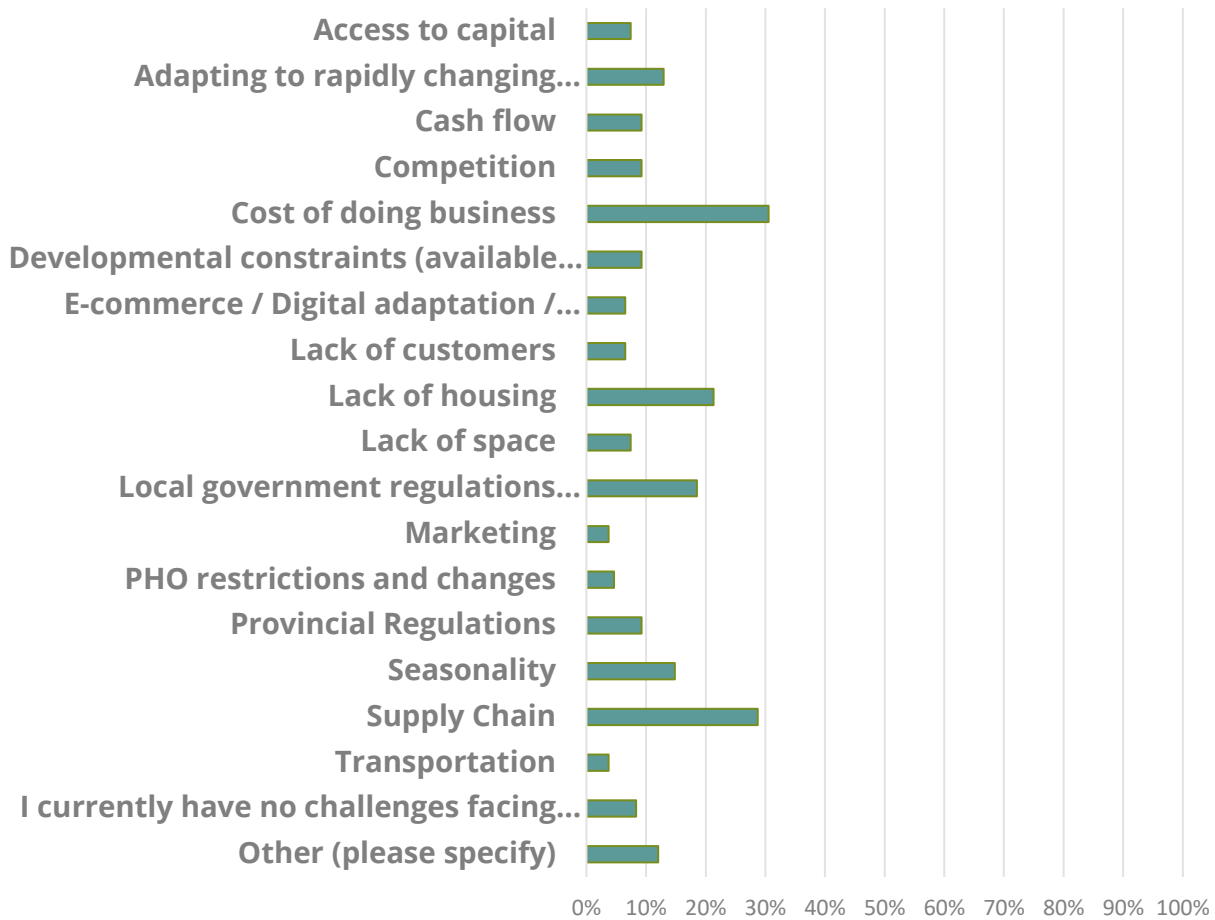
Answered: 69 Skipped: 50



ANSWER CHOICES	RESPONSES	
Benefits	39.13%	27
Company Culture	50.72%	35
Competitive wages	62.32%	43
Flex Time	37.68%	26
Incentives such as bonuses	40.58%	28
Internal career progression	23.19%	16
Staff Accommodation	15.94%	11
Training	34.78%	24
Other (please specify)	18.84%	13
Total Respondents:		69

Q20 What are the biggest challenges facing your business, other than labour? (Please select top 3)

Answered: 108 Skipped: 11



ANSWER CHOICES	RESPONSES	
Access to capital	7.41%	8
Adapting to rapidly changing business landscape	12.96%	14
Cash flow	9.26%	10
Competition	9.26%	10
Cost of doing business	30.56%	33
Developmental constraints (available land, financing, building age)	9.26%	10
E-commerce / Digital adaptation / Online presence	6.48%	7
Lack of customers	6.48%	7
Lack of space	7.41%	8
Local government regulations (approval process, inspections, licensing, bylaw, "red tape")	18.52%	20
Marketing	3.70%	4
PHO restrictions and changes	4.63%	5
Seasonality	14.81%	16
Supply Chain	28.70%	31
Transportation	3.70%	4
Lack of housing	21.30%	23
Provincial Regulations	9.26%	10
I currently have no challenges facing my business	8.33%	9
Other (please specify)	12.04%	13
Total Respondents:		108

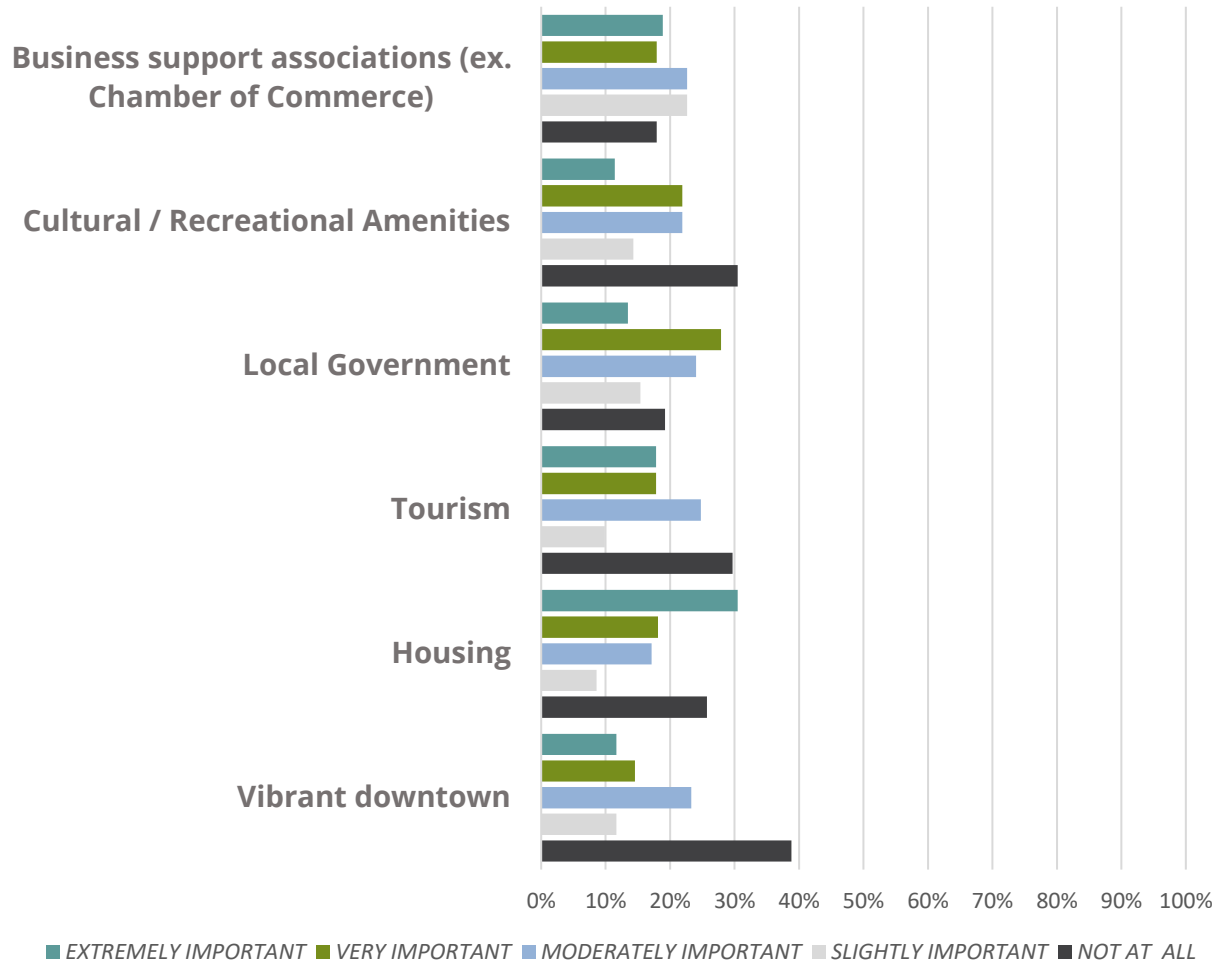
Q21 What specifically about "Development constraints" or "Local government regulations" are a challenge for your business? Please feel free to provide as much detail as wanted.

Answered: 12 Skipped: 107

QUALITATIVE DATA – CONFIDENTIAL

Q22 On a scale of 1-5, with 1 being not important and 5 being extremely important, please rate how important the following categories are to your business's success.

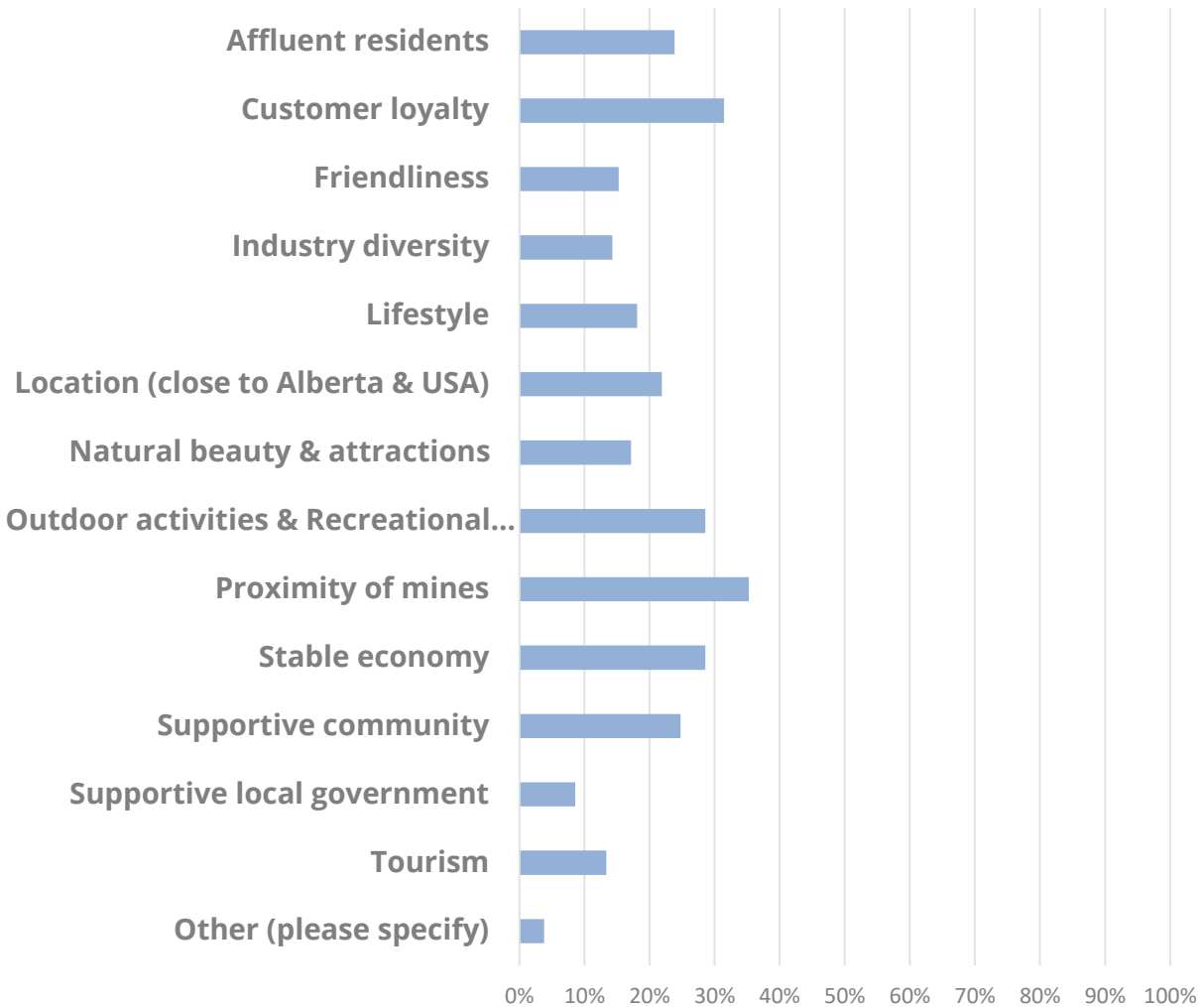
Answered: 96 Skipped: 18



	NOT AT ALL	SLIGHTLY IMPORTANT	MODERATELY IMPORTANT	VERY IMPORTANT	EXTREMELY IMPORTANT	TOTAL
Business support associations (ex. Chamber of Commerce)	17.92%	22.64%	22.64%	17.92%	18.87%	106
Cultural / Recreational Amenities	30.48%	14.29%	21.90%	21.90%	11.43%	105
Local Government	19.23%	15.38%	24.04%	27.88%	13.46%	104
Tourism	29.70%	9.90%	24.75%	17.82%	17.82%	101
Housing	25.71%	8.57%	17.14%	18.10%	30.48%	105
Vibrant downtown	38.83%	11.65%	23.30%	14.56%	11.65%	100

Q23 What are the community's strengths as a place to do business? (Please select 1-3 answers)

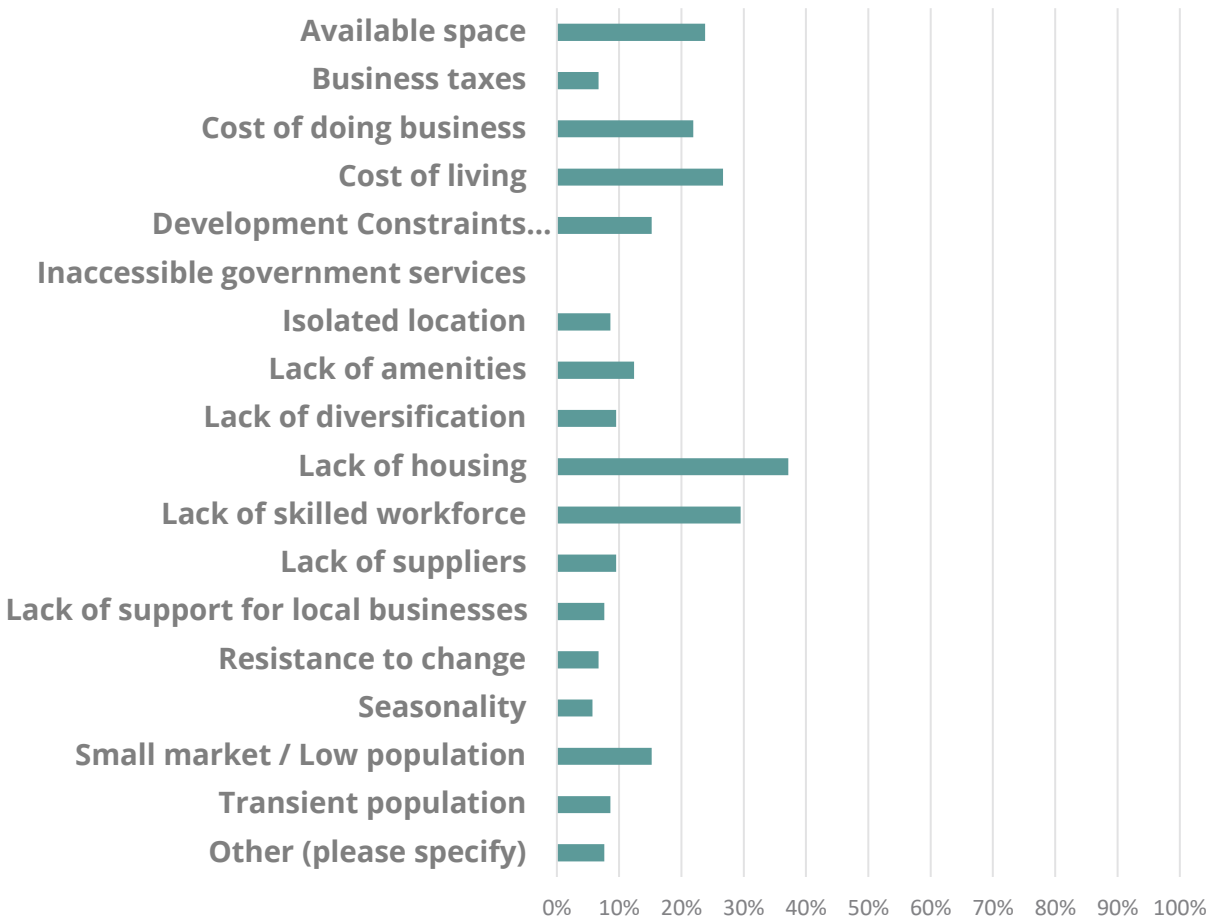
Answered: 105 Skipped: 14



ANSWER CHOICES	RESPONSES	
Affluent residents	23.81%	25
Customer loyalty	31.43%	33
Friendliness	15.24%	16
Industry diversity	14.29%	15
Lifestyle	18.10%	19
Location (close to Alberta & USA)	21.90%	23
Natural beauty & attractions	17.14%	18
Outdoor activities & Recreational Opportunities	28.57%	30
Proximity of mines	35.24%	37
Stable economy	28.57%	30
Supportive community	24.76%	26
Supportive local government	8.57%	9
Tourism	13.33%	14
Other (please specify)	3.81%	4
Total Respondents:		105

Q24 What are the community's weaknesses as a place to do business? (Please select 1-3 answers)

Answered: 105 Skipped: 14



ANSWER CHOICES	RESPONSES	
Available space	23.81%	25
Cost of doing business	21.90%	23
Development Constraints (Zoning/Bureaucracy/Permits)	15.24%	16
Business taxes	6.67%	7
Cost of living	26.67%	28
Inaccessible government services	0.00%	0
Isolated location	8.57%	9
Lack of housing	37.14%	39
Lack of amenities	12.38%	13
Lack of diversification	9.52%	10
Lack of skilled workforce	29.52%	31
Lack of suppliers	9.52%	10
Lack of support for local businesses	7.62%	8
Resistance to change	6.67%	7
Seasonality	5.71%	6
Small market / Low population	15.24%	16
Transient population	8.57%	9
Other (please specify)	7.62%	8
Total Respondents:		105

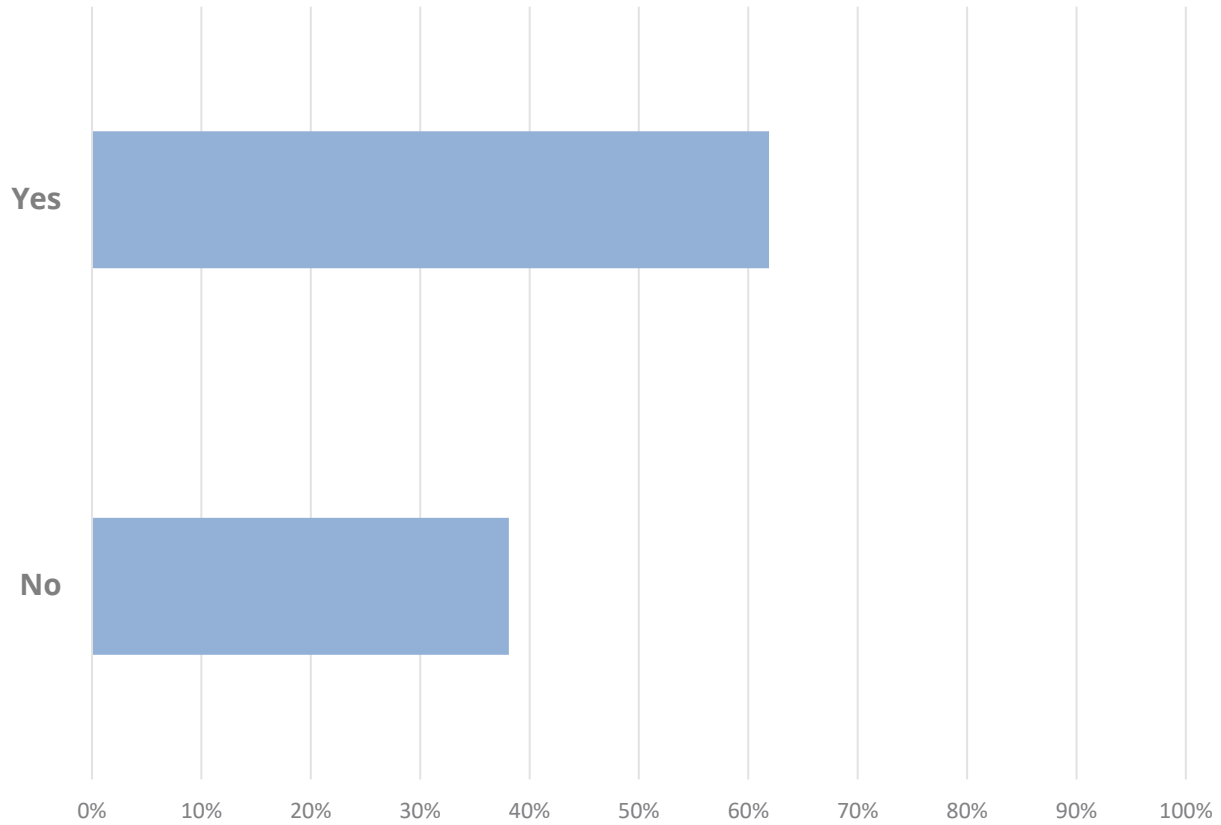
Q25 If you would like to expand on the community weakness's you identified above, please enter your comments below.

Answered: 24 Skipped: 95

QUALITATIVE DATA – CONFIDENTIAL

Q26 Do you plan to expand your business in the next 3 years?

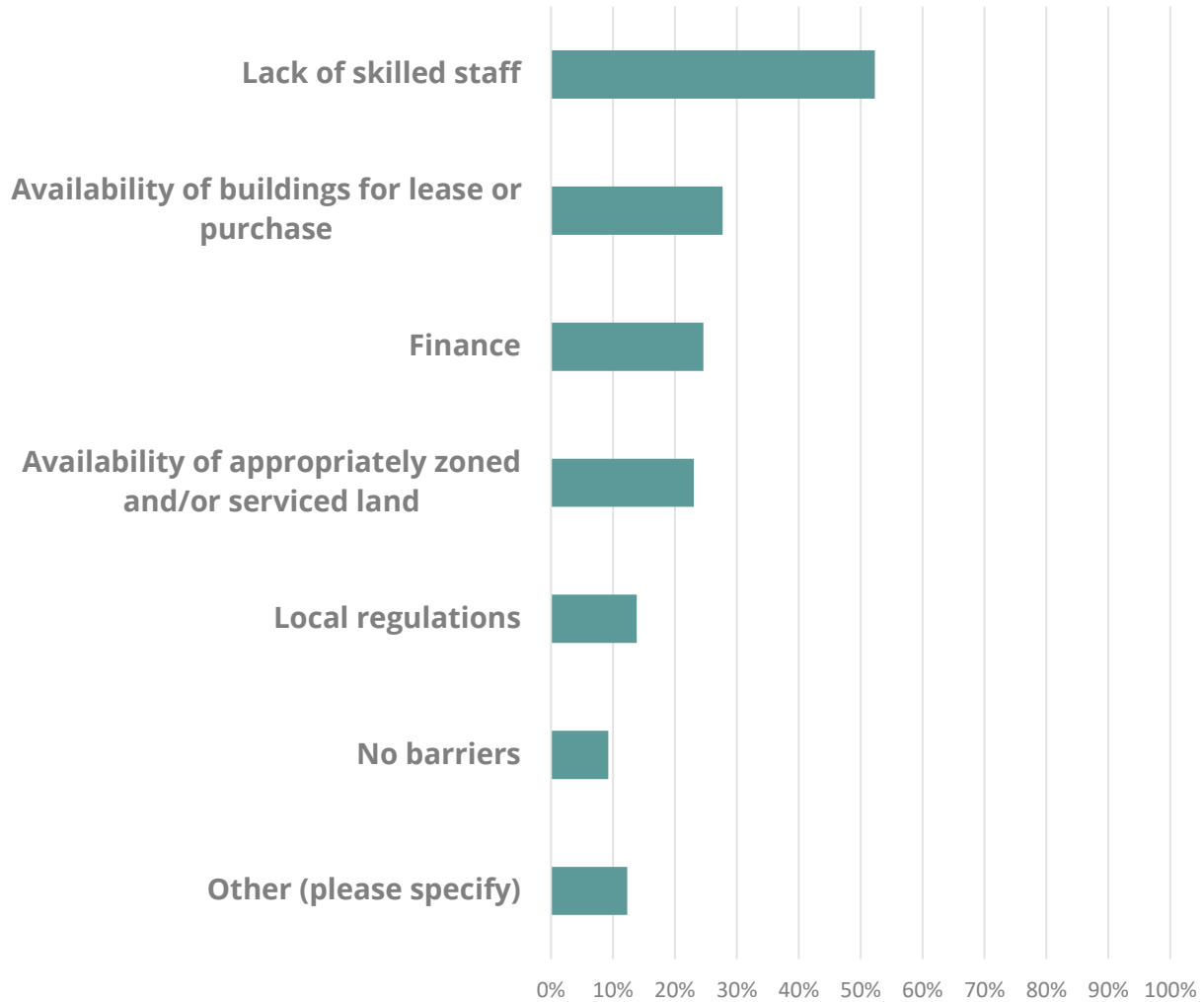
Answered: 105 Skipped: 14



ANSWER CHOICES	RESPONSES	
Yes	61.90%	65
No	38.10%	40
Total Respondents:		105

Q27 What are the major barriers for your expansion?

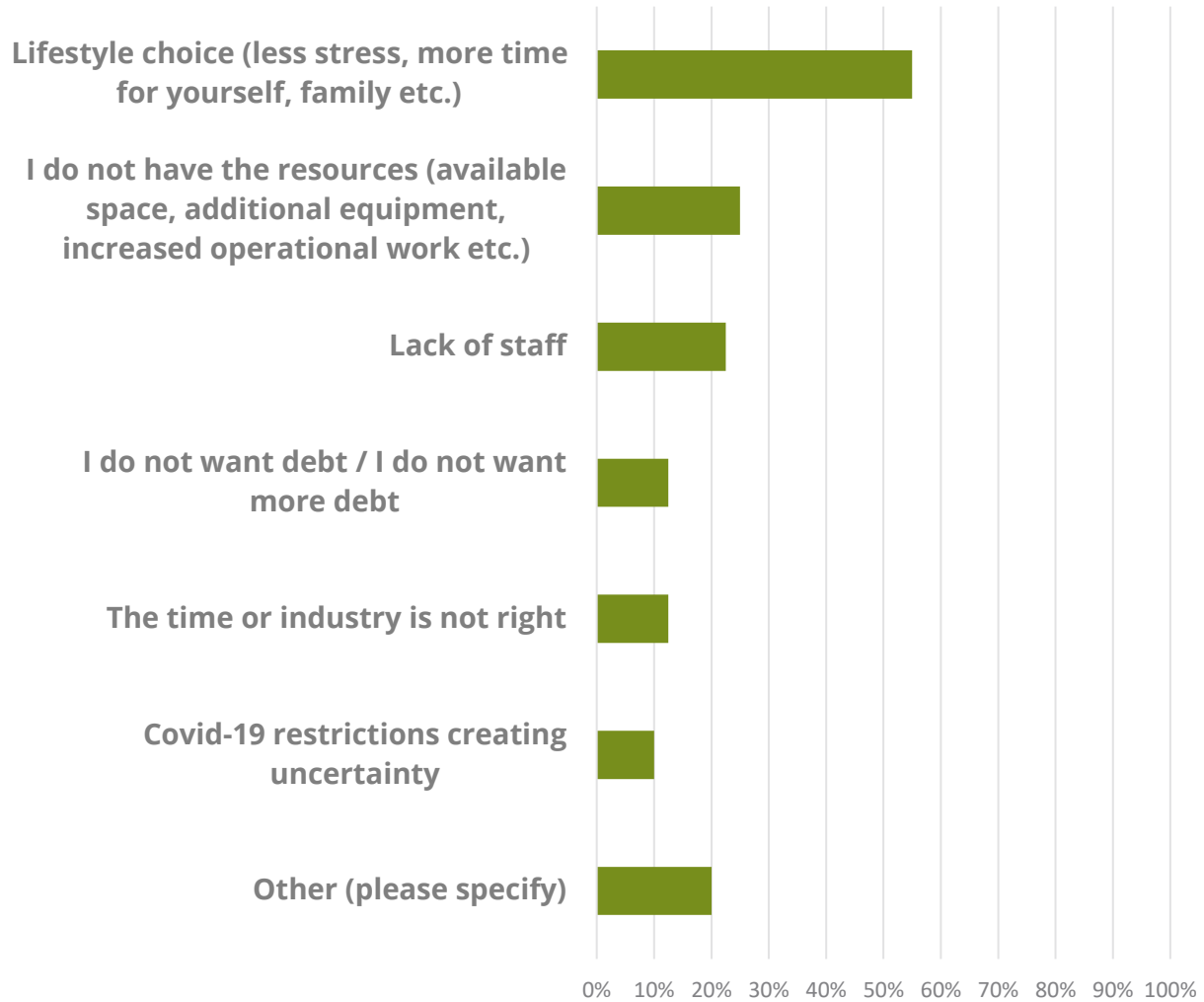
Answered: 65 Skipped: 54



ANSWER CHOICES	RESPONSES	
Lack of skilled staff	52.31%	34
Availability of buildings for lease or purchase	27.69%	18
Finance	24.62%	16
Availability of appropriately zoned and/or serviced land	23.08%	15
Local regulations	13.85%	9
No barriers	9.23%	6
Other (please specify)	12.31%	8
Total Respondents:		65

Q28 Why do you not plan on expanding?

Answered: 40 Skipped: 79



ANSWER CHOICES	RESPONSES	
Lifestyle choice (less stress, more time for yourself, family etc.)	55.00%	22
I do not have the resources (available space, additional equipment, increased operational work etc.)	25.00%	10
Lack of staff	22.50%	9
I do not want debt / I do not want more debt	12.50%	5
The time or industry is not right	12.50%	5
Covid-19 restrictions creating uncertainty	10.00%	4
Other (please specify)	20.00%	8
Total Respondents:		40

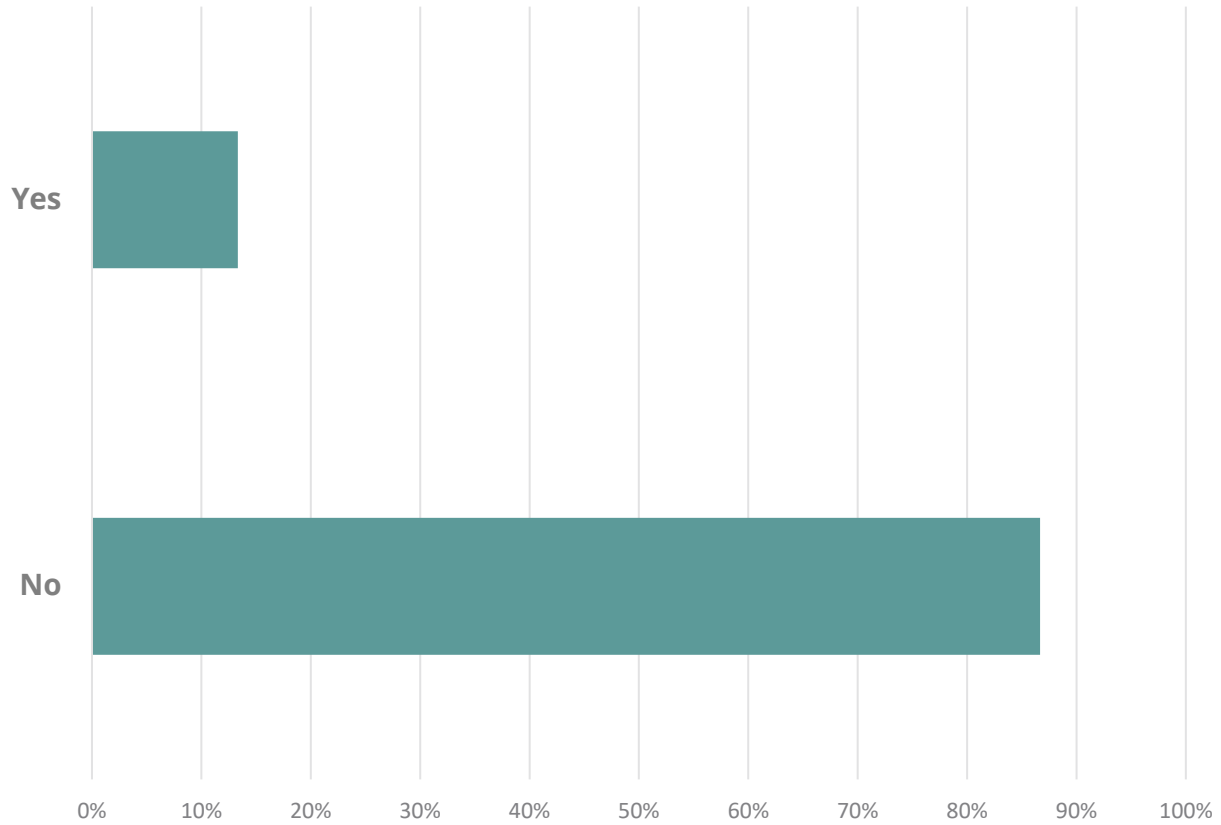
Q29 What specifically about "Local regulations" are a barrier to your expansion? Please feel free to provide as much detail as wanted.

Answered: 6 Skipped: 113

QUALITATIVE DATA – CONFIDENTIAL

Q30 Do you plan to retire or sell your business within the next 3-5 years?

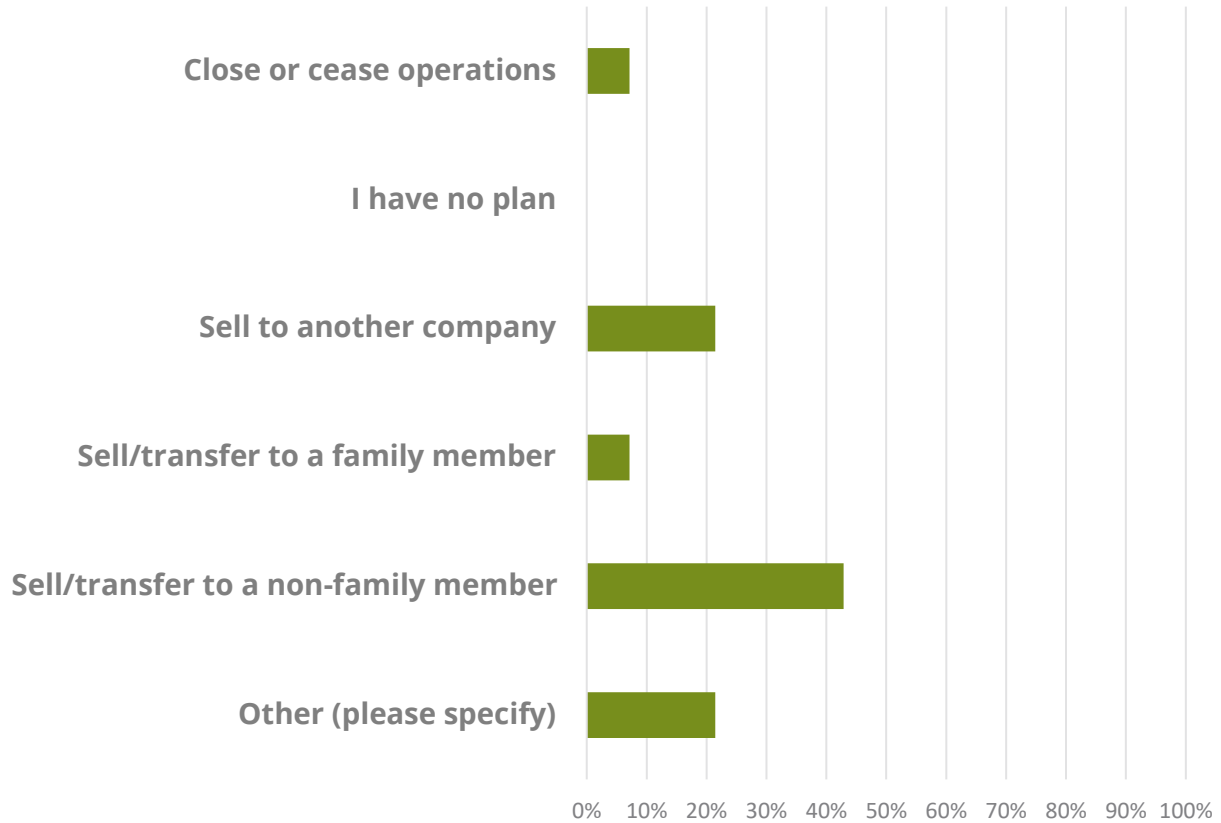
Answered: 105 Skipped: 14



ANSWER CHOICES	RESPONSES	
Yes	13.33%	14
No	86.67%	91
Total Respondents:		105

Q31 How do you intend to exit the business?

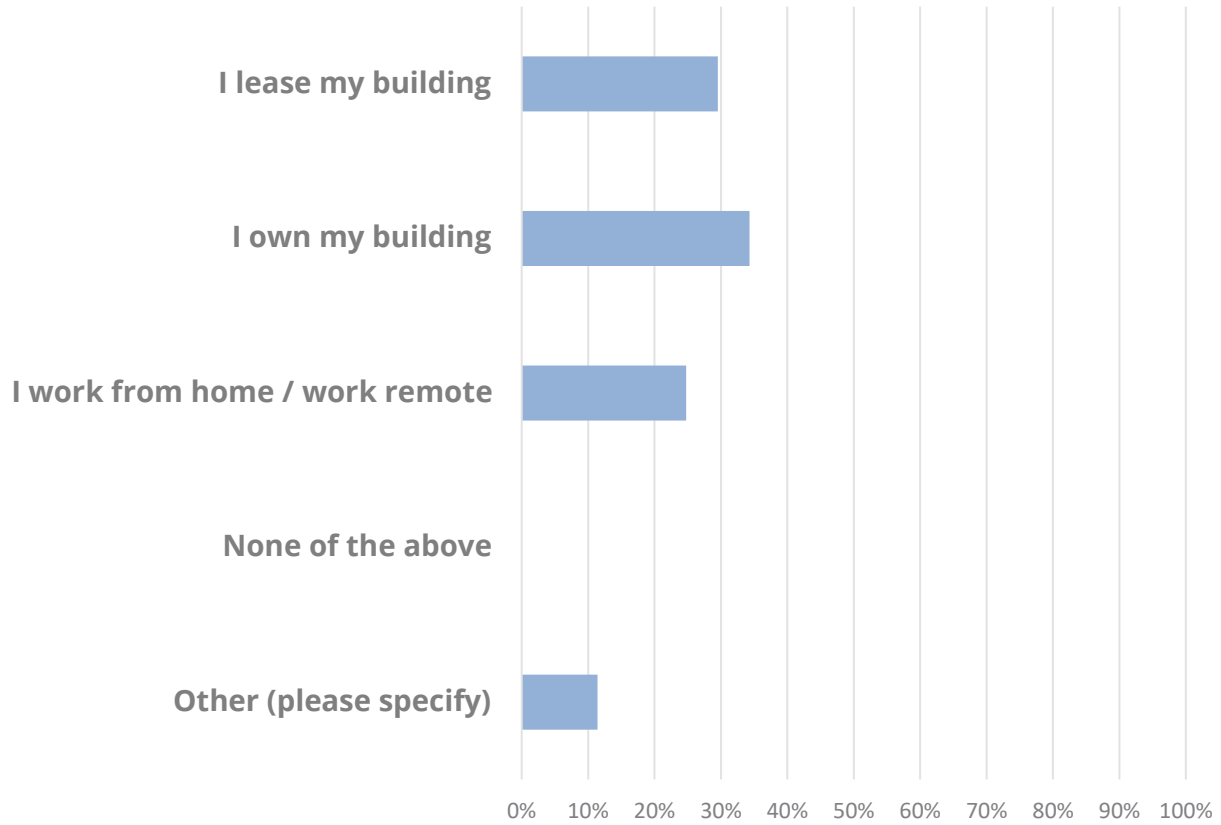
Answered: 14 Skipped: 105



ANSWER CHOICES	RESPONSES	
Close or cease operations	7.14%	1
I have no plan	0.00%	0
Sell to another company	21.43%	3
Sell/transfer to a family member	7.14%	1
Sell/transfer to a non-family member	42.86%	6
Other (please specify)	21.43%	3
Total Respondents:		14

Q32 What is the status of your business's building?

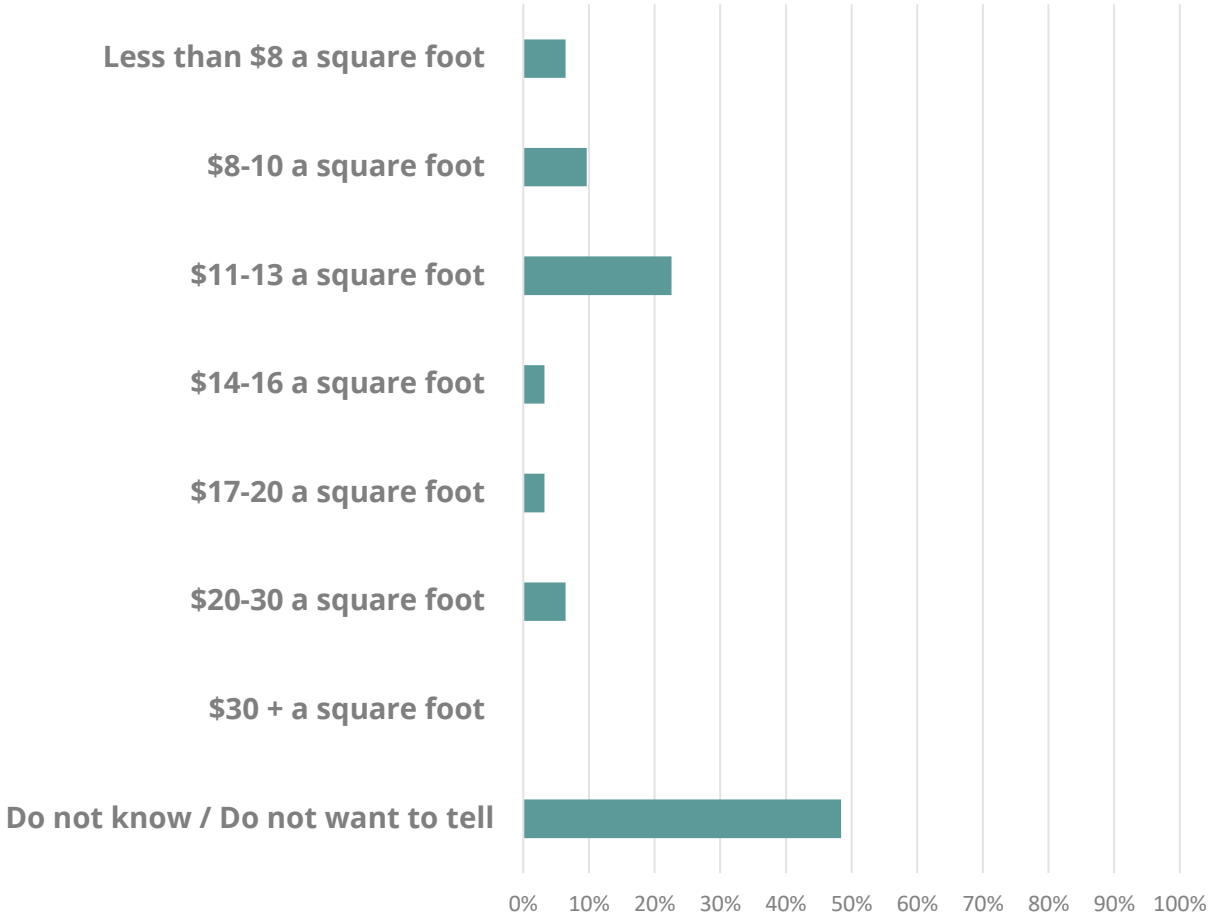
Answered: 105 Skipped: 14



ANSWER CHOICES	RESPONSES	
I lease my building	29.52%	31
I own my building	34.29%	36
I work from home / work remote	24.76%	26
None of the above	0.00%	0
Other (please specify)	11.43%	12
Total Respondents:		105

Q33 What is your current lease rate, based on triple net lease? (Lease agreement on a property whereby the tenant or lessee promises to pay all the expenses of the property, including real estate taxes, building insurance, and maintenance)

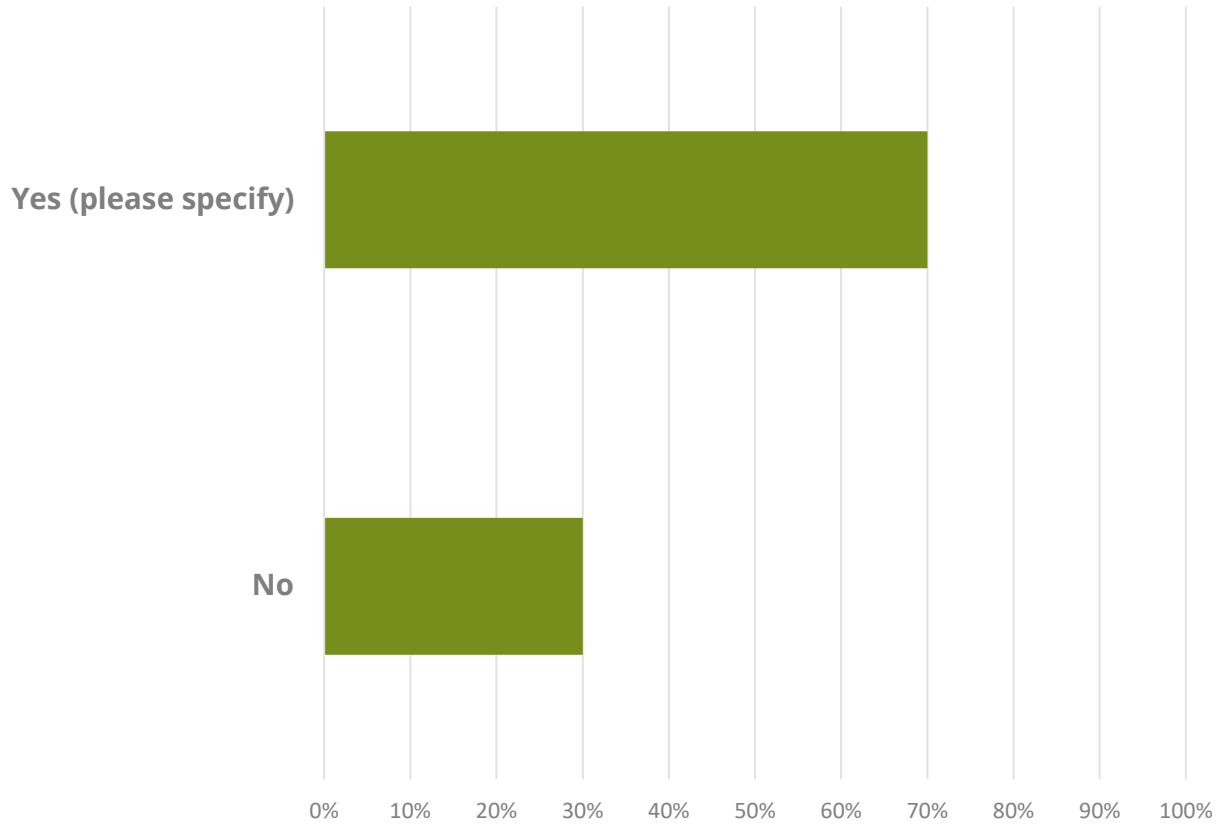
Answered: 31 Skipped: 88



ANSWER CHOICES	RESPONSES	
Less than \$8 a square foot	6.45%	2
\$8-10 a square foot	9.68%	3
\$11-13 a square foot	22.58%	7
\$14-16 a square foot	3.23%	1
\$17-20 a square foot	3.23%	1
\$20-30 a square foot	6.45%	2
\$30 + a square foot	0.00%	0
Do not know / Do not want to tell	48.39%	15
Total Respondents:		31

Q34 Do you have any barriers to updating your building, if needed?

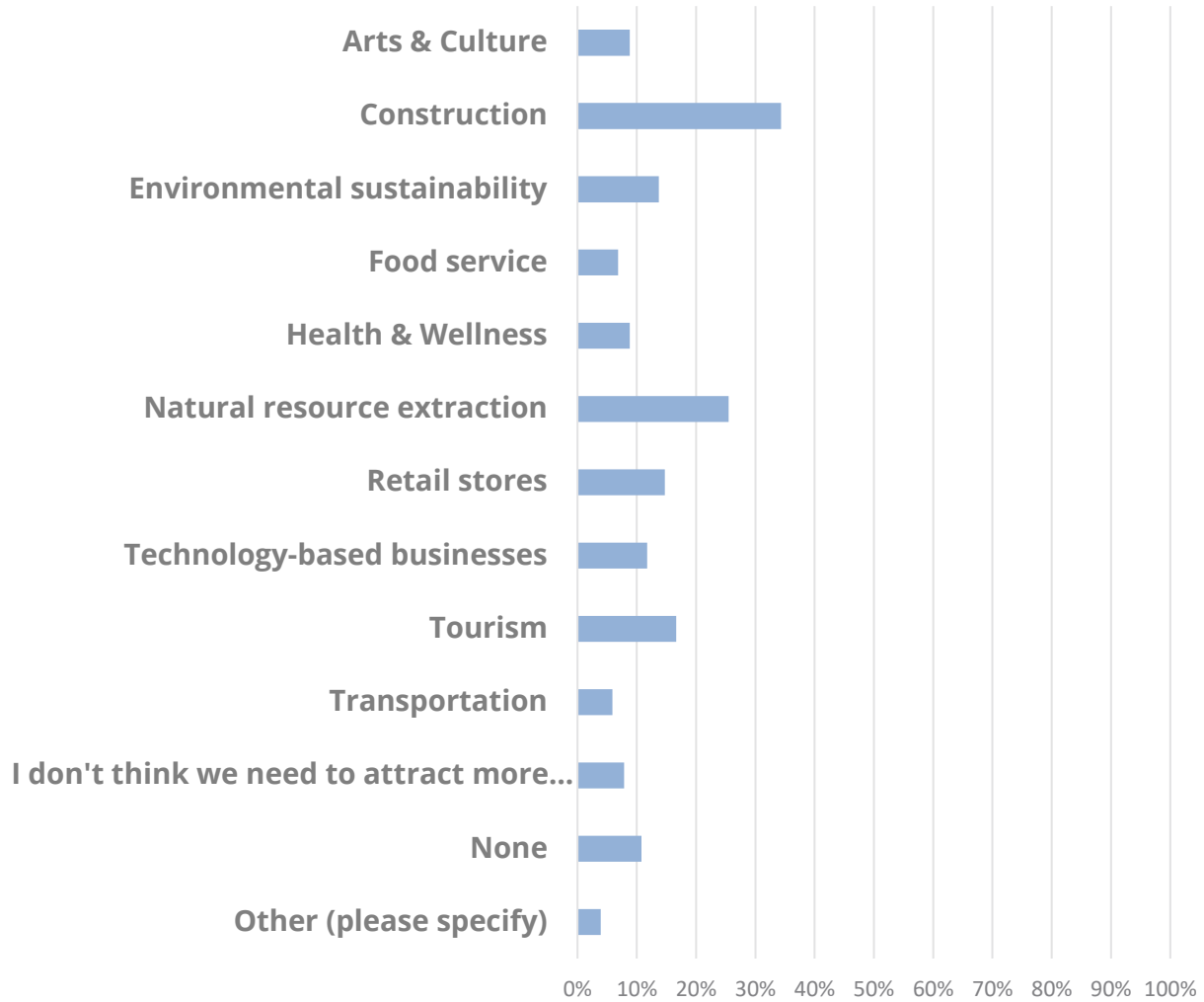
Answered: 50 Skipped: 69



ANSWER CHOICES	RESPONSES	
Yes (please specify)	70.00%	35
No	30.00%	15
Total Respondents:		50

Q35 If an effort was made to attract a business, sector, or industry to the Elk Valley, which options below would benefit you? (Please pick up to 2 answers)

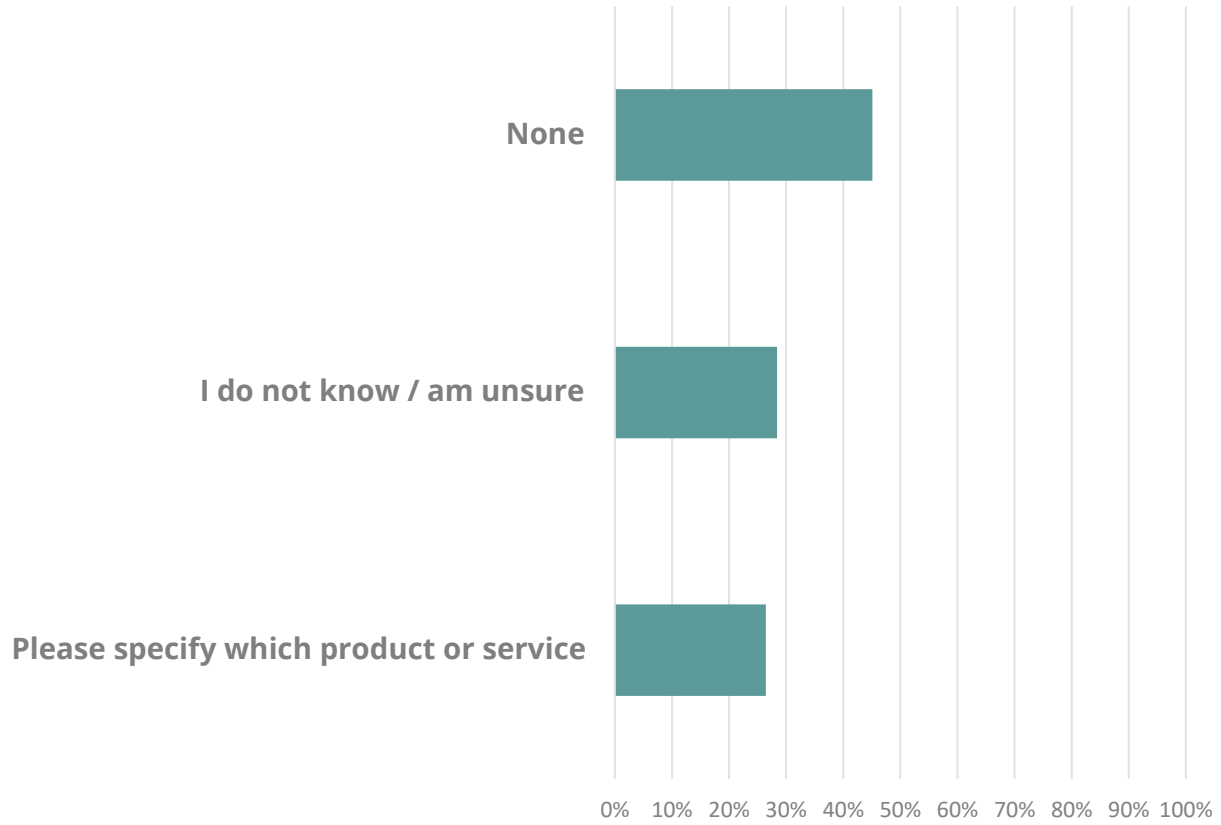
Answered: 102 Skipped: 17



ANSWER CHOICES	RESPONSES	
Arts & Culture	8.82%	9
Construction	34.31%	35
Environmental sustainability	13.73%	14
Food service	6.86%	7
Health & Wellness	8.82%	9
Natural resource extraction	25.49%	26
Retail stores	14.71%	15
Technology-based businesses	11.76%	12
Tourism	16.67%	17
Transportation	5.88%	6
I don't think we need to attract more business	7.84%	8
None	10.78%	11
Other (please specify)	3.92%	4
Total Respondents:		102

Q36 What products or services, if any, are you purchasing from outside the area for which you would like to have a local supplier?

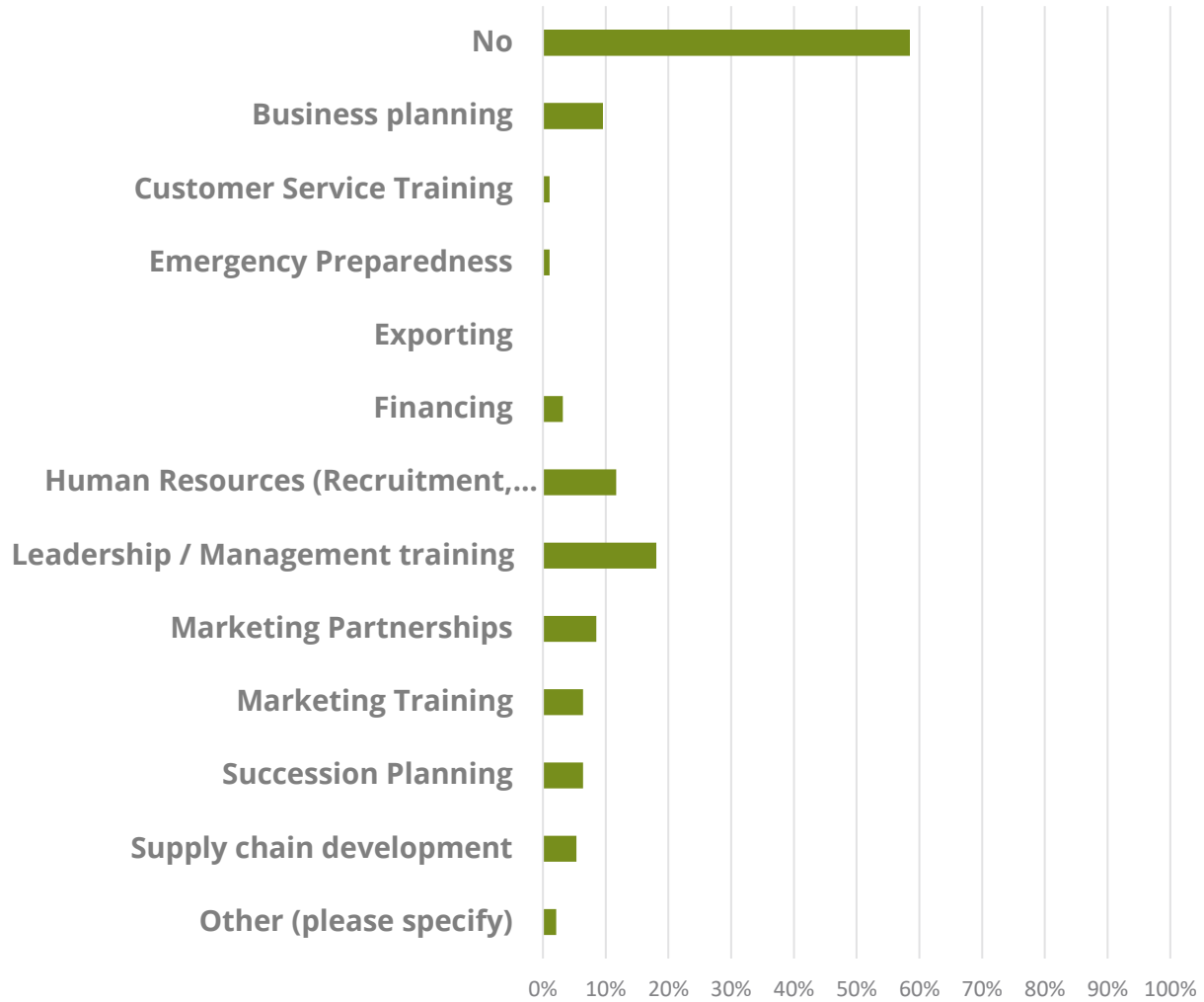
Answered: 102 Skipped: 17



ANSWER CHOICES	RESPONSES	
None	45.10%	46
I do not know / am unsure	28.43%	29
Please specify which product or service	26.47%	27
Total Respondents:		102

Q37 Do you have any desired business supports that are not currently available to you?

Answered: 94 Skipped: 25



ANSWER CHOICES	RESPONSES	
No	58.51%	55
Business planning	9.57%	9
Customer Service Training	1.06%	1
Exporting	0.00%	0
Financing	3.19%	3
Human Resources (Recruitment, Retention, Policies etc.)	11.70%	11
Marketing Partnerships	8.51%	8
Marketing Training	6.38%	6
Succession Planning	6.38%	6
Supply chain development	5.32%	5
Emergency Preparedness	1.06%	1
Leadership / Management training	18.09%	17
Other (please specify)	2.13%	2
Total Respondents:		94

Q38 Is there something you would like to add, that we did not ask?

Answered: 25 Skipped: 94

QUALITATIVE DATA – CONFIDENTIAL