



Prescott 
Russell

Prescott and Russell
**RESPONSE
AND ECONOMIC
RECOVERY PLAN**
COVID-19

JANUARY 2021

"Seize growing opportunities"

Currently, all communities around the world are being affected at different levels by the Coronavirus COVID-19 pandemic.

The Prescott and Russell region is no exception, which is why its regional government has prepared a concrete plan to organize and implement the economic recovery.

This document is intended as a resource available to the community that will be used to coordinate regional economic recovery efforts.

Of course, this recovery phase will be carried out in an uncertain context, and the community's actions will have to be reactive and based on primary and secondary research.

This document is an ongoing working guide distributed for information purposes only.

It is through a collaborative and community-based approach that the Prescott and Russell region will restart its economy and seize growing opportunities.

TABLE OF CONTENTS

Introduction

03

Description of the Situation

04

Response Report

12

Recovery Plan

14

Action Plan

20

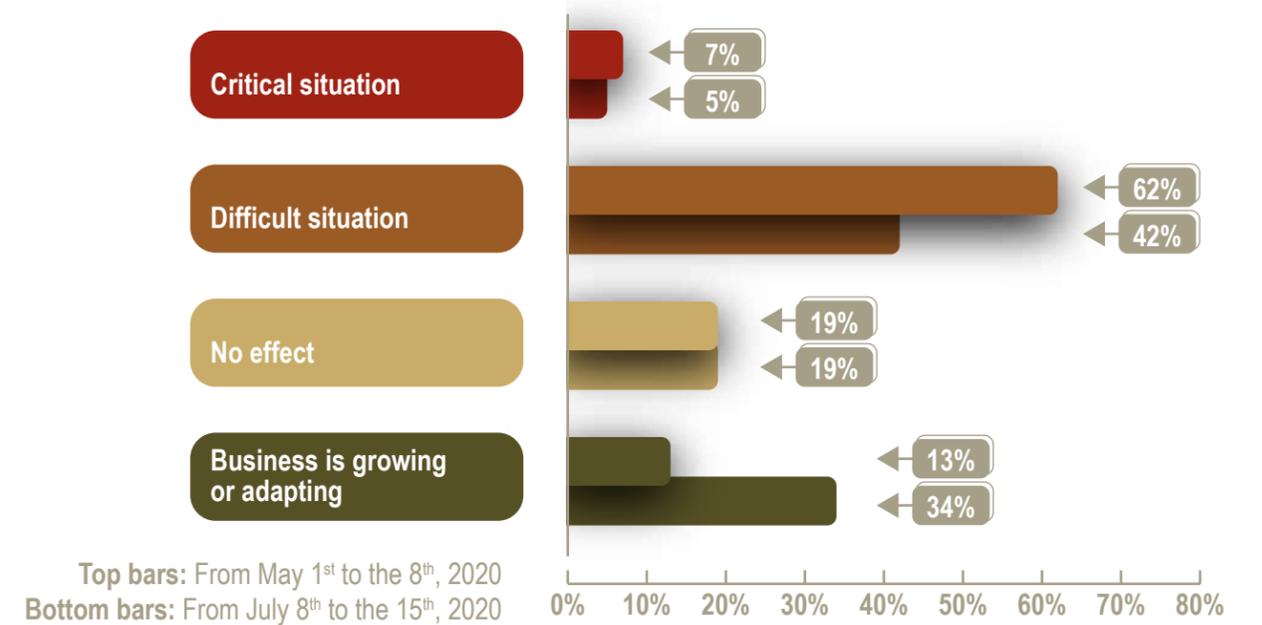


THE SITUATION

IMPACTS OF COVID-19 ON REGIONAL BUSINESSES

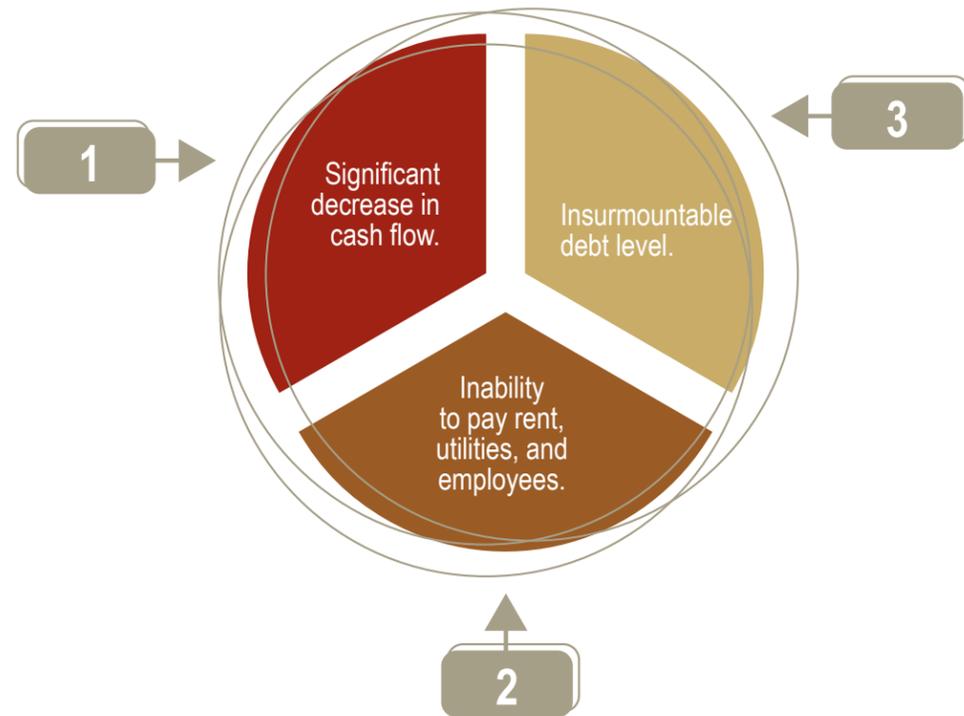
During the periods of May 1 to 8, 2020 and July 8 to 15, 2020, the United Counties of Prescott and Russell Economic Development and Tourism (PREDT) in collaboration with all regional municipalities surveyed the business community in order to clarify the effects of COVID-19 on the economic driver of the region, the local businesses.

How Do Local Entrepreneurs Describe the Situation?



Smaller employers describe themselves as being more negatively affected, while larger employers seem somewhat more likely to adapt or say they are not yet feeling the impact. Also, the more the situation is evolving, the better local businesses seem to adapt.

MAIN RISKS FACED BY REGIONAL ENTREPRENEURS



It is interesting to note that between the first survey carried out in May and the second in July, far fewer entrepreneurs were thinking of closing down their business temporarily, which coincides with provincial reopening. Also, in July, close to one out of two entrepreneurs had turned to online sales. All indications are that the economic recovery is already under way.

Examples of new services and products



Online sales/consultations offer



Home delivery



Opening of outdoor facilities

IMPACTS OF COVID-19 ON THE REGIONAL ECONOMIC SECTORS

All economic sectors in the region are feeling the impacts of COVID-19. However, some sectors are more affected than others. The following is a list of some of the hardest-hit sectors according to the survey completed in July:

Difficult situation

- Tourism attraction and accommodation
- Healthcare and social services
- Personal services
- Food services
- Administration and support

Critical situation

- Manufacturing and production
- Retail trade
- Arts, entertainment, and recreation

It is noticeable that entrepreneurs in the region are much less concerned in July than in May when it comes to bankruptcy or closing permanently. In fact, 47% of respondents currently do not anticipate any major risks arising from the current pandemic. These indicators suggest that confidence is gradually being restored within the business community.

HOW ARE PRESCOTT AND RUSSELL BUSINESSES ADAPTING?

The region's businesses are:

- introducing alternative ways of doing business (e.g., working from home);
- adding or increasing online sales;
- reducing business hours; and
- seeking short-term financing.

IMPACTS OF COVID-19 ON HIRING PROJECTIONS



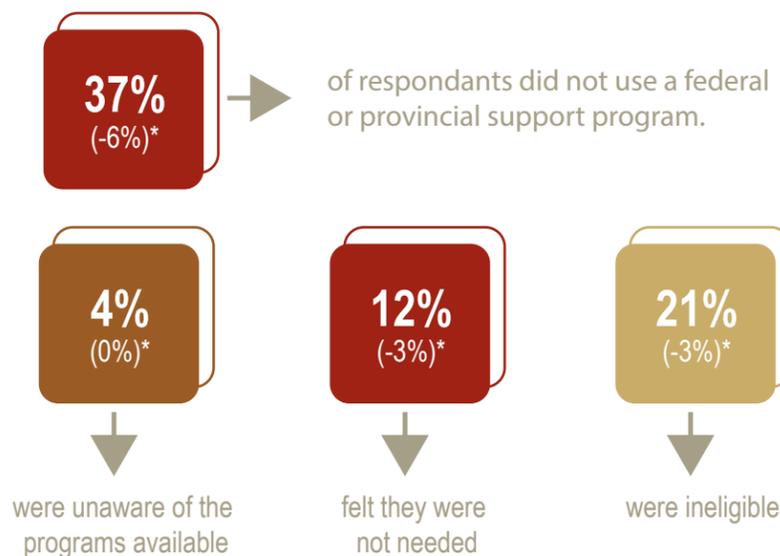
Businesses operating in the manufacturing, retail, and arts, entertainment, and recreation sectors with fewer than 20 employees anticipate the greatest number of layoffs.

PRESCOTT AND RUSSELL BUSINESSES ACCESS TO SUPPORT PROGRAMS

In general, Prescott and Russell entrepreneurs access and appreciate the available support programs. There was a slight increase of 6% in the number of entrepreneurs using support programs between May and July. However, it remains difficult for entrepreneurs to determine what type of assistance they will need in the future given the uncertainty surrounding the economic recovery. This said, many are asking for an extension of the overall support programs and more assistance regarding personal protective equipment (PPE).

Federal or provincial support program assistance

Respondents who did not use a program

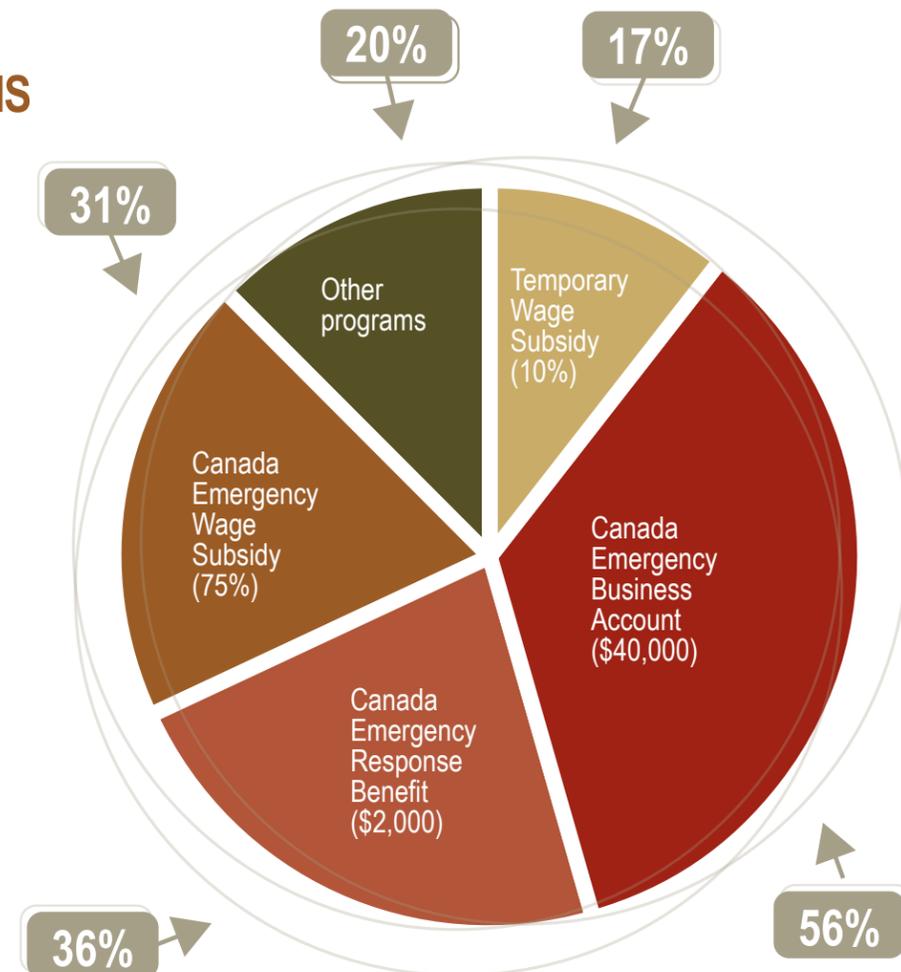


BUSINESS USE OF SUPPORT PROGRAMS

Although many entrepreneurs are concerned about not being able to pay their rent, only 9% of them have used the Canada Emergency Commercial Rent Assistance (CECRA) since the majority of them own their facilities.

The Canada Emergency Response Benefit (CERB) has an adverse effect. While it is highly effective, it creates difficulties in recruiting workers in certain sectors such as retail and customer service.

Many survey respondents testified to the importance of maintaining the various support programs in place for an extended period of time.



MAIN PRIORITIES OF THE REGIONAL ECONOMIC RECOVERY ACCORDING TO THE BUSINESS COMMUNITY



SWOT ANALYSIS

STRENGTHS

- › COVID-19 rate of contagion is under control in Prescott and Russell.
- › Active and effective business support network.
- › Resilient local businesses ready to get back on their feet.

WEAKNESSES

- › Reluctance of certain sectors of activity in the region to adopt online sales or service offerings (e.g., arts and agriculture).
- › Increased vulnerability of businesses in the region regarding COVID-19 economic impacts due to the high percentage of small employers.
- › Tendency of some entrepreneurs to wait until the end of the crisis, rather than adapt or reinvent themselves.
- › Difficulty recruiting due to CERB.

OPPORTUNITIES

- › Positive impact and effectiveness of provincial and federal emergency support programs.
- › Opportunity to create a new, more resilient economy.

THREATS

- › Unpredictable and uncertain economic recovery.
- › Threat of subsequent waves of contagion from COVID-19.
- › The precarious situation regarding the COVID-19 rate of contagion and uncertainty about a possible second economic lockdown in the U.S. threaten exports as well as the supply chains of some businesses in the region.

ANALYSIS OF THE REGIONAL SITUATION

As part of this analysis, the PREDT took the time to survey the business community and conduct consultations with the region's economic development stakeholders in order to gain an accurate understanding of the situation and organize the economic recovery.

At the present time, the region's entrepreneurs seem to be regaining confidence in the economic recovery. In fact, the proportion of entrepreneurs who perceive the impacts of COVID-19 as critical or difficult has decreased since the beginning of the crisis in March 2020. An important indicator of this trend is the 21% increase in the number of entrepreneurs who say they were either able to adapt their business or experienced an increase in business between May and July.

On the other hand, the risks that entrepreneurs are most concerned about relating to the impacts of COVID-19 on their business are the significant drop in cash flow, the inability to pay business expenses, and significant debt leverage.

All sectors of the regional economy have been affected by the impacts of COVID-19 on business. That said, at this point in time, the retail and manufacturing/production as well as the arts, entertainment, and recreation sectors are the hardest hit.

As for hiring projections, they are quite positive given the situation. In fact, in July, only 9% of respondents indicated that they anticipate layoffs in the near future. Similarly, 27% of employers expect to hire, and 64% do not plan to make any changes to their current workforce.

Businesses in the region are accessing the various emergency support programs, and many are suggesting that these programs be continued. The Emergency Account for Canadian Business (\$40,000) is the most used program by businesses in the region. Furthermore, respondents to the July survey noted that more support for the acquisition of PPE would be desirable. In addition, the business community describes a double effect with respect to the CERB, which creates additional hiring challenges in some sectors, despite the recognized positive effects of this support mechanism.

According to the business community, the priorities for economic recovery are the promotion of local purchasing behaviour, the restoration of consumer confidence, and financial support.

IMPLEMENTED INITIATIVES TO COUNTER THE EFFECTS OF COVID-19

As early as mid-March, in response to COVID-19, the Prescott and Russell economic agencies quickly activated their emergency strategies to provide immediate support to the business community.

Actions taken in response to COVID-19:

- › **Economic Development Services:** Holding weekly meetings with economic development stakeholders, distribution of two regional surveys, updating of lists of open businesses and publication of available resources via municipal websites.
- › **Prescott and Russell Entrepreneurship Centre:** Publication and daily updates of a list containing information on all available emergency support programs.
- › **Chambers of Commerce:** Weekly videoconferences were offered featuring provincial and federal MPs and professionals to discuss a wide range of current topics, creation of a forum to promote networking between business owners in the region, offer of advertising discounts, distribution of relevant information to members, representation of members' interests with municipal governments, particularly with respect to regulations.
- › **Prescott-Russell Employment Services Centre:** Held webinars dealing with online sales systems and labour law, as well as training sessions allowing 17 candidates to be placed on the labour market.
- › **Collège La Cité - La Cité des affaires:** Distribution of a survey, offering business training every Tuesday, offering of subsidized innovation services and implementation of a drive-through service in Casselman for employers looking to hire.
- › **Tourisme Prescott-Russell Tourism:** Implementation of three surveys aimed at tourism businesses in the region, increased promotion of members and cycling routes, distribution of a newsletter, publication of the Visitor's Guide, and personalized follow-ups with members.
- › **Conseil des arts Prescott-Russell Arts Council:** Distribution of a membership survey, ongoing sharing of resources available to artists, as well as the extension of membership for a period of three months, and a related cost freeze.
- › **La Société économique de l'Ontario:** Offering three webinars per week during the months of March and April dealing with entrepreneurship, employability, and immigration, as well as various current topics, offering personalized support to more than 3,000 entrepreneurs, holding decision-making coaching sessions using the Growth Wheel tool.
- › **Eastern Ontario Agri-food Network:** Consultations with members and offers of support sessions to members to encourage online product sales.
- › **Eastern Ontario Training Board:** Offered online customer service training that prepared candidates for the job market.
- › **Members of the community:** Creation of a Facebook page and implementation of an online store to promote local shopping called Shop chez nous/Signé Local With Love.

THE RESPONSE



THE RECOVERY

THE RECOVERY CONTEXT

In Canada, authorities have used a suppression technique to control the spread of COVID-19. This approach consists of taking drastic measures to slow the spread of a virus considerably and rapidly, and then gradually easing them. This method allows maintenance of control over the number of infections and thereby reducing the impact on the health care system and deaths. During this second phase of easing measures, several other waves of contagion are to be expected, but these waves will be more manageable for the health system because of the spread of cases over time. This approach is described by Thomas Pueyo and the scientific community as a hammer stroke, followed by a long dance, and an eventual return to normal.

That being said, a return to normality will not be possible until a vaccine is available, and until then, Prescott and Russell's economic recovery follows a certain choreography that balances health and economic recovery. The PREDT as well as all municipalities and economic development agencies will always base their actions on the instructions and recommendations of the federal, provincial, and regional health authorities. The success of this recovery plan depends on a careful assessment of the health, economic, and social impacts to ensure a safe and effective economic recovery.

In the meantime, in order to survive, it is imperative for companies in the region to adapt to this new business reality and this new economic model rather than wait for a return to normal. This return to normal could take several years to materialize, and it is impossible to predict what this "new normal" will look like.

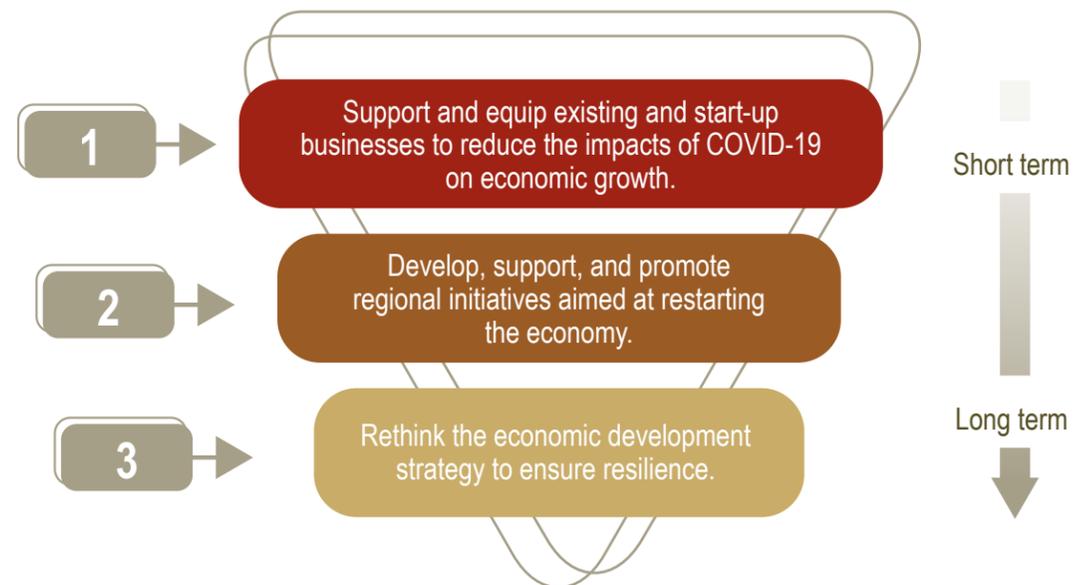
Source: <https://medium.com/@tomaspueyo/coronavirus-the-hammer-and-the-dance-be9337092b56>

A THREE-STEP APPROACH



*Estimated timeline

OBJECTIVES OF THE RECOVERY



THE LEADERS OF THE RECOVERY

In Prescott and Russell, the organization orchestrating the economic development is the United Counties of Prescott and Russell Economic Development and Tourism (PREDT). In partnership with the region's eight municipalities and local economic development organizations, the PREDT is responsible for issuing a regional economic development strategy.

The following is a list of local economic development organizations and their areas of expertise:

- › **Prescott and Russell Entrepreneurship Centre (PREC):**
free business mentoring resources, business start-up/expansion support, grant programs
- › **Prescott-Russell Community Development Corporation (PRCDC):**
support to businesses in the start-up or expansion phase
- › **Prescott-Russell Employment Services Centre (PRESC):**
labour and workforce support
- › **Eastern Ontario Training Board (EOTB):**
workforce development
- › **Tourisme Prescott-Russell Tourism (TPRT):**
support to the tourism sector
- › **Conseil des Arts Prescott-Russell Arts Council (CAPRAC):**
support to the artistic sector
- › **Eastern Ontario Agri-food Network (EOAN):**
support to agri-food sector
- › **Regional Chambers of Commerce:**
business networking and private sector
- › **Collège La Cité - La Cité des affaires**
francophone entrepreneurship and innovation support
- › **Société économique de l'Ontario (SÉO):**
francophone coaching and mentoring
- › **Business Improvement Area Associations:**
downtown development
- › **Hawkesbury Industrial Investment Association (HIIA):**
industrial sector

SHORT-TERM RECOVERY STRATEGY

Strategic pillar

1

Support for businesses

- › Free mentoring for local entrepreneurs.
- › Implementation of targeted programs and initiatives for the most affected sectors and areas of importance.
- › Promote business retention through the creation of strong relationships (create effective channels to get the pulse of the business community and create/maintain relationships).
- › Analyze longer-term economic impacts (e.g., real estate market, business park development, etc.).

Strategic pillar

2

Promotion of local purchasing behaviour

- › Implementation of initiatives that promote local purchasing.
- › Implementation of initiatives to identify and promote businesses in the region.
- › Support community initiatives that promote local purchasing behaviour.

Strategic pillar

3

Digital pivot

- › Support and encourage training in the use of new technologies.
- › Provide financial support to businesses in the region for the implementation of new technologies.

LONG-TERM RECOVERY STRATEGY

Strategic pillar

4

Improving the resilience of the business community

- › Develop major projects to grow and diversify key sectors of the economy.
- › Provide support to the region's non-profit organization.

Strategic pillar

5

Review strategic economic planning

- › Review the Prescott and Russell Economic Development Plan and adapt it to new regional realities.
- › Reorganize and make more collaborative the network of economic development organizations serving the region.

Strategic pillar

6

Develop the regional workforce

- › Determine post COVID-19 labour requirements.
- › Put in place a workforce attraction and development plan that will enable candidates to acquire the knowledge and experience needed to take part in the economy of tomorrow.

Strategic pillar

7

Restoring consumer confidence in the region

- › Restore consumer confidence, especially among tourists, through coordinated marketing and communication effects.



THE ACTION PLAN

Action Plan BUSINESS SUPPORT AND RESILIENCE

Action	Leader(s)	Budget	Timeline
1 Constant update of the "resources" section of the Prescott and Russell Entrepreneurship Centre's website and presenting the information by sector of activity.	› PREC	Internally	Ongoing
2 Adjust existing PREC programs to better serve companies in the economic sectors most affected by COVID-19 and encourage business start-ups.	› PREC	Internally	Ongoing
3 Hold videoconferences and create a virtual community to facilitate networking among the business community.	› Collège La Cité - La Cité des affaires	FedDev Ontario	August 2020 to March 2021
4 Organize a virtual edition of the Prescott and Russell Global Entrepreneurship Week.	› PREDT, CSDCEO, PRESC, SÉO, PREC, UCFO, TPRT, Hawkesbury, Prescott and Russell Chamber of Commerce, RAEO, Contak and Collège La Cité - La Cité des affaires	n/a	Completed
5 Offer training sessions to entrepreneurs.	› PRESC	n/a	Ongoing
6 Offer psychotherapy services to support entrepreneurs during the period of COVID-19 and beyond.	› PRESC	n/a	Ongoing
7 Launch of the Prescott and Russell Creative Community to promote exchanges between artistic and cultural actors.	› CAPRAC	n/a	Completed
8 Distribute a toolkit to support cultural and artistic businesses.	› CAPRAC	n/a	Winter 2021

Action Plan - continued

BUSINESS SUPPORT AND RESILIENCE

Action	Leader(s)	Budget	Timeline
9 Organize monthly meetings to coordinate the actions of the regional business support network.	› PREDT and all stakeholders	n/a	Ongoing
10 Offer start-up and business development support through Growth Wheel.	› SÉO	n/a	Ongoing
11 Publish a business reactivation kit.	› SÉO	\$14,000	Ongoing
12 Launch the Economic Reactivation Program.	› SÉO	\$1.5M	March 2021
13 Provide support to agri-food businesses through networking and mentoring.	› EOAN	n/a	Ongoing
14 Provide funding through the Regional Relief and Recovery Fund (RRRF) and the COVID-19 Recovery Loan.	› PRCDC	n/a	Ongoing
15 Offer free membership to members of the Prescott-Russell Chamber of Commerce.	› PRCDC	n/a	December 2021

Action Plan

PROMOTION OF LOCAL PURCHASING BEHAVIOUR

Action	Leader(s)	Budget	Timeline
16 Implement an initiative to promote businesses that are open to consumers.	› TPRT › PREC › Clarence-Rockland › Russell › CAPRAC	n/a	Ongoing

Action Plan - continued

PROMOTION OF LOCAL PURCHASING BEHAVIOUR

Action	Leader(s)	Budget	Timeline
17 Elaborate a campaign to promote local purchasing behaviour.	› Local Chambers of Commerce	n/a	Ongoing
18 Launch the Prescott and Russell Agri-Tourism Route.	› PREDT › TPRT	n/a	Summer 2021

Action Plan

DIGITAL PIVOT

Action	Leader(s)	Budget	Timeline
19 Implement the Prescott and Russell E-business Grant Program for SME.	› PREDT › PREC › HIIA › EOTB › PRCDC › Hawkesbury › Russell › The Nation › East Hawkesbury › Clarence-Rockland › Alfred-Plantagenet › Casselman › Desjardins	\$67,000	December 2020
20 Inform businesses of available programs supporting the digital pivot.	› PREC	Internally	Ongoing
21 Inform cultural and artistic businesses of digital best practices and promote e-commerce.	› CAPRAC	n/a	Ongoing
22 Write success stories related to the digital pivot of cultural or artistic entrepreneurs.	› CAPRAC	n/a	Winter 2021

Action Plan - continued

DIGITAL PIVOT

Action	Leader(s)	Budget	Timeline
23 Offer training about the Shopify platform.	› Collège La Cité - La Cité des affaires	n/a	Ongoing

Action Plan

RETHINKING THE ECONOMY

Action	Leader(s)	Budget	Timeline
24 Food processing and distribution facility (Food Hub).	› PREDT	36 M \$	Fall 2022
25 Elaborate a Workforce Development Plan.	› PRESC	n/a	n/a
26 Review the Prescott and Russell Strategic Economic Development Plan and Action Plan.	› PREDT	n/a	n/a

Action Plan

DEVELOPING THE REGIONAL WORKFORCE

Action	Leader(s)	Budget	Timeline
27 Conduct an analysis on shifting labour requirements post COVID-19.	› PRESC › EOTB › PREDT	n/a	Completed
28 Implement a computer loan service and Internet access to facilitate local candidates' job search.	› PRESC	n/a	Completed
29 Implement the Prescott and Russell Labour Shortage strategic action plan.	› EOTB › PREC › PRESC	\$65,000	March 2021

Action Plan - continued

DEVELOPING THE REGIONAL WORKFORCE

Action	Leader(s)	Budget	Timeline
30 Deliver the 2021 Job Succession Scholarship.	› PRESC	n/a	March 2021
31 Organize the Catalyzing Innovation Virtual Forum to provide business owners with a learning opportunity on Artificial Intelligence (AI) as a workforce recruitment tool.	› Collège La Cité - La Cité des affaires	n/a	Completed
32 Continuation of the existing subsidy program that provides up to \$10,000 to allow for adequate training of candidates from local employers.	› PRESC	n/a	n/a
33 Opening of the Newcomer Services Centre in Prescott and Russell.	› EOTB	n/a	September 2021
34 Organize events to promote career opportunities in the region.	› PRESC	n/a	Ongoing

Action Plan

RESTORING CONSUMER AND TOURIST CONFIDENCE

Action	Leader(s)	Budget	Timeline
35 Implement a tourism promotion campaign adapted to the new realities aimed at the Prescott and Russell market and the surrounding area.	› TPRT	n/a	Summer 2020
36 Organize the distribution of PPE to local businesses free of charge.	› Prescott-Russell Chamber of Commerce › Collège La Cité - La Cité des affaires › PRCDC	n/a	Completed
36a Organize the distribution of PPE to members of the Chamber of Commerce.	› Hawkebury Chamber of Commerce	n/a	Completed

RESTORING CONSUMER AND TOURIST CONFIDENCE

Action	Leader(s)	Budget	Timeline
37	Draft a guide for businesses in the region aimed at restoring consumer confidence.	› PREDT	Internally Completed
38	Distribute free stickers to guide customers through stores or commercial facilities.	› Prescott-Russell Chamber of Commerce	n/a Completed
39	Implement Prescott and Russell Local Delivery Service.	› TPRT › Collège La Cité – La Cité des affaires › EOAN › The Nation	FedDev Ontario Completed

