



Canada Emergency Wage Subsidy (CEWS) support for Rural Businesses in Ontario, March 15, 2020 to January 16, 2021

*Special Issue,
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Highlights

- Rural businesses in Ontario received 19% of total CEWS rural business distribution in Canada.
 - For rural/urban distribution in Ontario, rural businesses received 5% of CEWS in Ontario.
 - The CEWS program provided wage subsidies of \$1.27 billion in rural areas in Ontario, supporting an average of 78,931 employees per claim term.
 - The highest percent of supported employees occurred in the claim period of July 5 – August 1, 2020, while the lowest was September 27 - October 24 2020.
 - The number of rural businesses supported by CEWS in Ontario was higher in the manufacturing, construction, accommodation and food service sectors.
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Why look at the CEWS support for rural businesses?

The COVID-19 pandemic has had significant impacts on most businesses in Canada. Some businesses have remained operational throughout the pandemic. However, they have experienced a decrease in revenue. The CEWS helps businesses cover part of their employees' wages, allowing them to maintain employment, re-hire employees, and prevent future layoffs.

The impacts of COVID-19 on business operations and employment have been different in Ontario's rural and urban regions. By analyzing and comparing the data on CEWS support for businesses and employees in rural and urban areas, we can better understand the pandemic's economic effects on rural Ontario.

Data sources

Statistics Canada has recently released version 2 of the database containing key CEWS usage estimates at the regional and community levels covering 11 four-week claim periods beginning March 15, 2020 to January 16, 2021, for various regions and industries.

In terms of geographical levels, the database covered the rural and urban areas for Canada, provinces and territories, CMAs and CAs and census subdivisions. When it comes to how Statistics Canada classifies rural/urban areas, all census subdivisions outside of a census metropolitan area and census agglomeration were rural. All census subdivisions within them were urban.

Some data variables were suppressed for census subdivisions and industries for confidentiality purposes. Confidential data are included in the higher-level aggregate

subtotals and totals. For example, subsidy amount and supported employee variables were not suppressed in the database at the Canadian and provincial/territorial levels but for census subdivisions and industry sectors. Thus, charts breaking down these variables for census subdivisions and industry sectors won't add to the provincial total.

Version 2 of the database also contains aggregated values from the Canada Revenue Agency website for the 11 claim periods for the Canadian and province/territory regional and industry levels. Data on the CRA website are more up to date with late claim submissions and revised claims. CRA aggregated total does not include rural/urban breakdowns for each province or census subdivisions.

Findings

For the 11 claim periods from March 15, 2020 to January 16, 2021, Ontario received 40% of \$72.3 billion in subsidies for all of Canada. CEWS provided \$29 billion in subsidies to an average of 1.8 million employees and 106,012 business locations per claim period in Ontario. When it comes to rural/urban subsidy distribution, rural businesses received 10% of the total subsidies for the country at the Canadian level. Ontario had the lowest rural/urban distribution at 5% for rural areas, while Nunavut had the highest at 100% and Northwest Territories at 44% (Table 1).

Of the \$6.6 billion for all rural areas in Canada, rural Ontario businesses received 19%, the third-highest share of CEWS subsidies. Quebec's rural businesses received the most significant percentage at 29% (Chart 1).

The program provided Ontario \$1.2 billion in rural communities, supporting an average of 7,040 rural businesses and 78,931 rural employees per claim period. The highest number of supported employees occurred in the July

5 – August 1 claim period at 98,135, while the lowest occurred in the September 27 - October 24, 2020 claim period at 55,761. (Table 2 and 3, Chart 2 and 3)

In Ontario, the number of rural businesses receiving support from CEWS was smaller than the number of urban businesses supported by the program. This comparison is consistent at the Canadian level. The average subsidy per claim period received by rural Ontario was \$115,639,364, which is smaller than the average amount received by urban Ontario at \$2,233,954,091 (Chart 4).

The largest subsidies within industry sectors in rural Ontario were manufacturing, construction and accommodation and food services. These sectors received 23%, 16%, and 12% respectively of the province's total amount of rural subsidies. The industry with minor subsidies was finance and insurance with 0.3%. (Table 3)

Regarding the average number of employees supported, the sectors with the most significant numbers were manufacturing, accommodation and food services and construction, with 15,357, 14,514, and 10,115 employees supported, respectively. The industry with the smallest number of employees supported was finance and insurance

with 351. For additional information on rural businesses during COVID-19 in this period, please read Focus on Rural Ontario factsheet "[Business Conditions in Rural Ontario, 3rd Quarter of 2020.](#)"

Summary

Overall, Ontario received the largest share of CEWS among the provinces/territories at \$29 billion of the \$72.3 billion (40%). Within Ontario, rural areas received \$1.2 billion, 19% of CEWS distributed to all rural businesses across Canada. The program supported an average of 78,931 employees and 7,040 businesses per claim period in rural Ontario.

There is a substantial difference with urban areas in Ontario, which received 19 times more subsidies than rural areas amounting to 1.4 million employees and 98,972 businesses per claim period in urban areas.

The top three industries to receive CEWS, the manufacturing, construction, and accommodation, and food service sectors, are consistent with the patterns in rural regions across Canada.

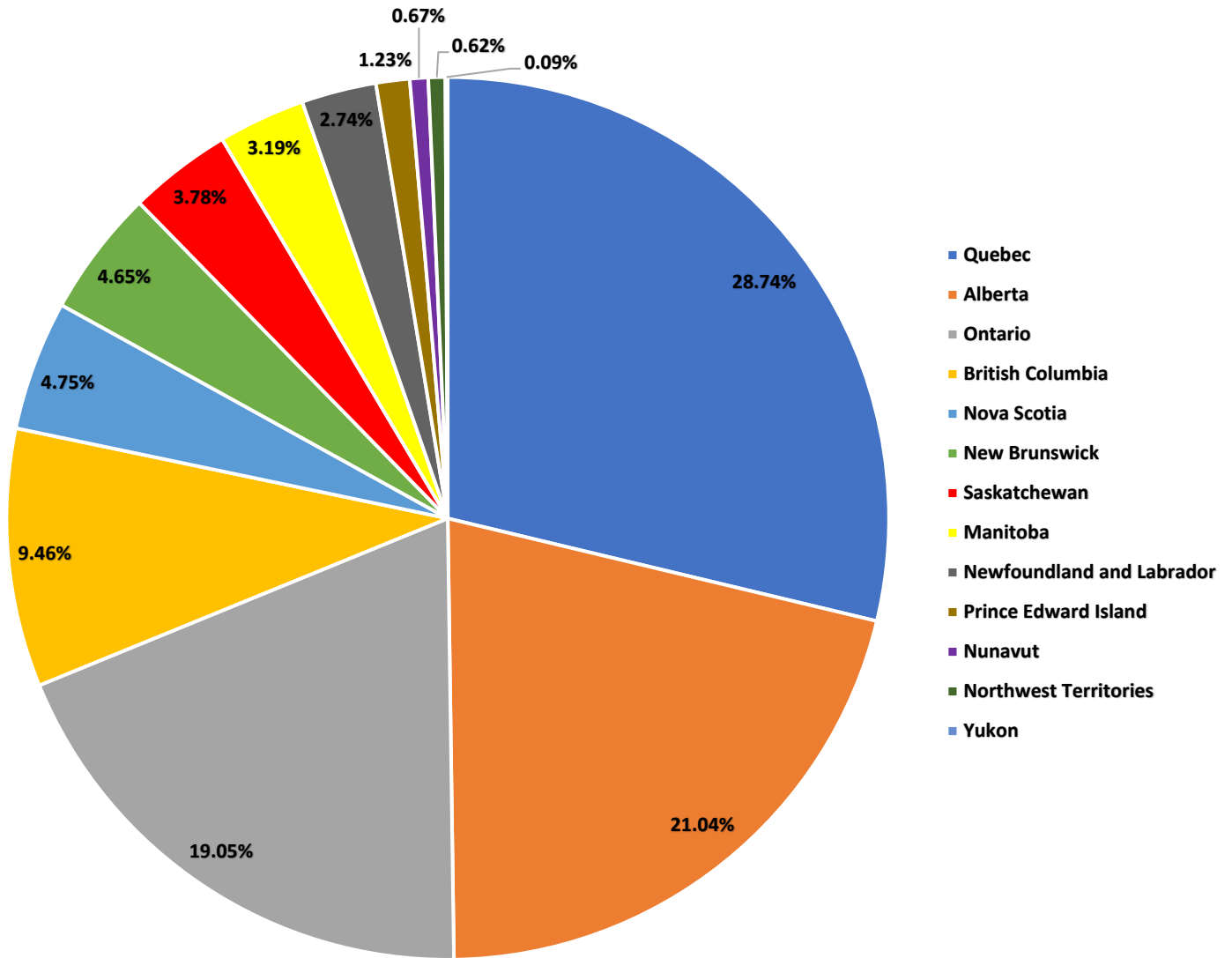
Table 1

Total CEWS by Provinces/Territories and Rural/Urban Areas Ranked by Percent of Provincial/Territorial CEWS paid to Rural Businesses				
Provinces/Territories	Total CEWS	Rural Businesses	Urban Businesses	Rural CEWS as a percent of total
Ontario	\$29,034,553,000	\$1,272,033,000	\$24,573,495,000	5%
British Columbia	\$8,629,250,000	\$631,413,000	\$7,566,599,000	8%
Yukon	\$74,531,000	\$5,681,000	\$53,015,000	10%
Manitoba	\$2,373,366,000	\$213,274,000	\$1,438,964,000	13%
Quebec	\$16,201,017,000	\$1,919,182,000	\$12,710,128,000	13%
Alberta	\$11,326,996,000	\$1,404,917,000	\$9,291,638,000	13%
Saskatchewan	\$1,367,899,000	\$252,171,000	\$1,130,142,000	18%
Nova Scotia	\$1,265,185,000	\$317,336,000	\$893,131,000	26%
Newfoundland and Labrador	\$630,322,000	\$183,129,000	\$485,302,000	27%
New Brunswick	\$1,157,357,000	\$310,459,000	\$722,803,000	30%
Prince Edward Island	\$251,362,000	\$82,274,000	\$146,050,000	36%
Northwest Territories	\$55,865,000	\$41,367,000	\$52,956,000	44%
Nunavut	\$17,871,000	\$44,774,000	\$0	100%
Total	\$72,385,574,000	\$6,678,010,000	\$59,064,223,000	10%

Source: (Canada Revenue Agency, 2021), (Centre for Special Business Projects, 2021)

Chart 1

RURAL BUSINESSES CEWS DISTRIBUTION IN PROVINCES/TERRITORIES



Source: (Centre for Special Business Projects, 2021)

Table 2

Total CEWS by Rural/Urban for Ontario's Census Divisions				
Census Divisions ID	Census Division	Rural Census Subdivisions	Urban Census Subdivisions	Total Census Subdivisions
3501	Stormont, Dundas, and Glengarry	\$50,256,000	\$67,490,000	\$117,746,000
3502	Prescott and Russell	\$32,727,000	\$54,663,000	\$87,390,000
3506	Ottawa	\$0	\$1,676,024,000	\$1,676,024,000
3507	Leeds and Grenville	\$34,932,000	\$58,347,000	\$93,279,000
3509	Lanark	\$32,977,000	\$23,587,000	\$56,564,000
3510	Frontenac	\$2,266,000	\$214,627,000	\$216,893,000
3511	Lennox and Addington	\$28,376,000	\$3,941,000	\$32,317,000
3512	Hastings	\$14,601,000	\$136,411,000	\$151,012,000
3513	Prince Edward	\$16,978,000	\$0	\$16,978,000
3514	Northumberland	\$26,905,000	\$68,007,000	\$94,912,000
3515	Peterborough	\$5,874,000	\$156,952,000	\$162,826,000
3516	Kawartha Lakes	\$0	\$49,724,000	\$49,724,000
3518	Durham	\$28,001,000	\$643,284,000	\$671,285,000
3519	York	\$0	\$2,719,788,000	\$2,719,788,000
3520	Toronto	\$0	\$6,495,709,000	\$6,495,709,000
3521	Peel	\$0	\$3,513,121,000	\$3,513,121,000
3522	Dufferin	\$12,428,000	\$49,693,000	\$62,121,000
3523	Wellington	\$46,817,000	\$468,929,000	\$515,746,000
3524	Halton	\$0	\$1,267,114,000	\$1,267,114,000
3525	Hamilton	\$0	\$902,860,000	\$902,860,000
3526	Niagara	\$12,587,000	\$667,801,000	\$680,388,000
3528	Haldimand-Norfolk	\$38,060,000	\$74,517,000	\$112,577,000
3529	Brant	\$681,000	\$231,134,000	\$231,815,000
3530	Waterloo	\$14,714,000	\$1,180,765,000	\$1,195,479,000
3531	Perth	\$49,947,000	\$114,369,000	\$164,316,000
3532	Oxford	\$55,181,000	\$180,831,000	\$236,012,000
3534	Elgin	\$28,034,000	\$85,474,000	\$113,508,000
3536	Chatham-Kent	\$0	\$51,145,000	\$51,145,000
3537	Essex	\$15,952,000	\$792,206,000	\$808,158,000
3538	Lambton	\$20,750,000	\$169,051,000	\$189,801,000
3539	Middlesex	\$8,679,000	\$785,478,000	\$794,157,000
3540	Huron	\$68,498,000	\$0	\$68,498,000
3541	Bruce	\$48,788,000	\$0	\$48,788,000
3542	Grey	\$70,933,000	\$46,358,000	\$117,291,000
3543	Simcoe	\$69,998,000	\$557,877,000	\$627,875,000
3544	Muskoka	\$93,397,000	\$0	\$93,397,000
3546	Haliburton	\$14,208,000	\$0	\$14,208,000
3547	Renfrew	\$28,538,000	\$56,132,000	\$84,670,000
3548	Nipissing	\$10,569,000	\$117,414,000	\$127,983,000
3549	Parry Sound	\$20,619,000	\$2,379,000	\$22,998,000
3551	Manitoulin	\$4,330,000	\$0	\$4,330,000
3552	Sudbury	\$9,573,000	\$131,000	\$9,704,000
3553	Greater Sudbury	\$0	\$266,737,000	\$266,737,000
3554	Timiskaming	\$34,555,000	\$0	\$34,555,000
3556	Cochrane	\$20,845,000	\$55,073,000	\$75,918,000
3557	Algoma	\$20,537,000	\$169,890,000	\$190,427,000
3558	Thunder Bay	\$4,641,000	\$196,297,000	\$200,938,000
3559	Rainy River	\$16,154,000	\$0	\$16,154,000
3560	Kenora	\$37,254,000	\$19,003,000	\$56,257,000
Total		\$1,151,160,000	\$24,390,333,000	\$25,541,493,000

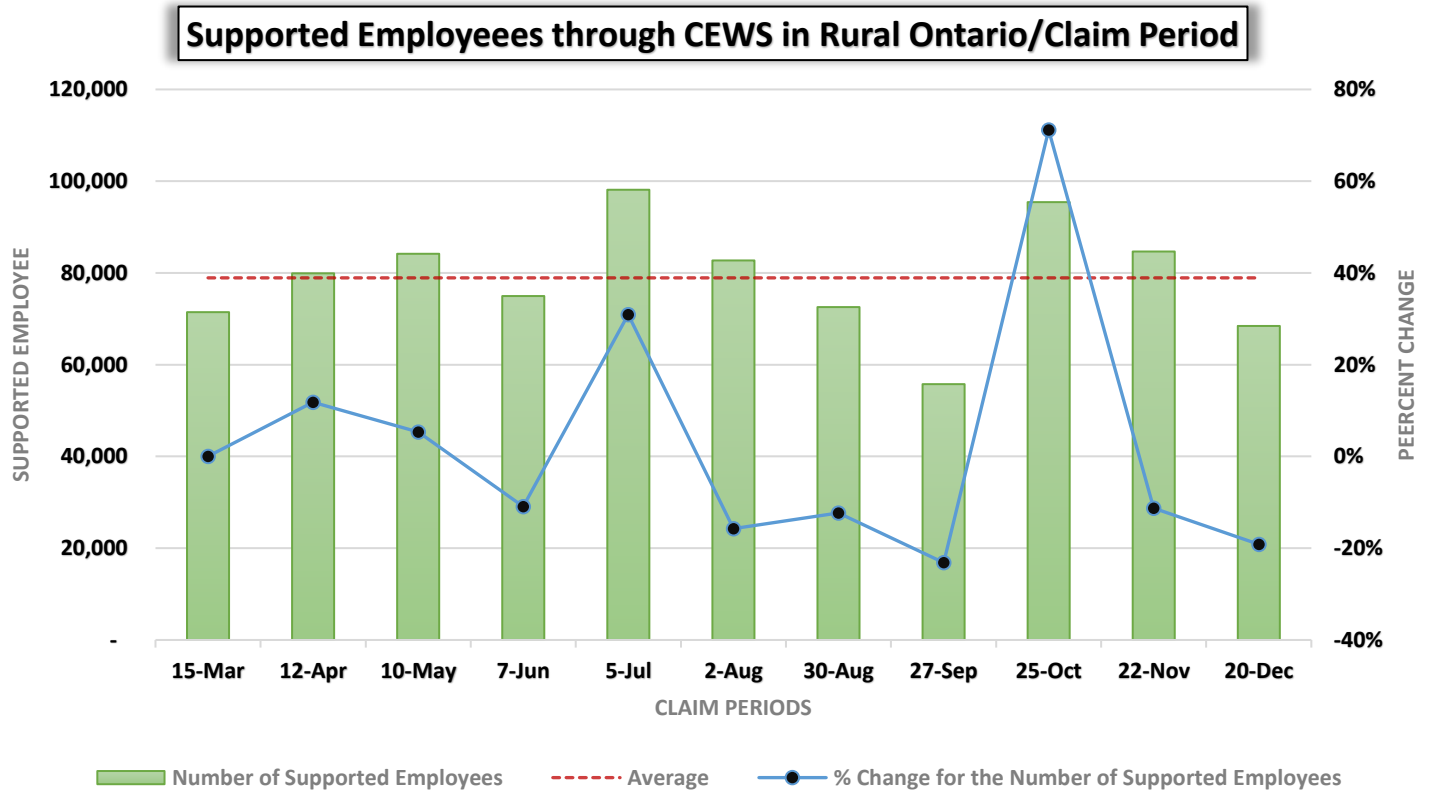
Source: (Centre for Special Business Projects, 2021)

Table 2

Ontario CEWS Distribution/Claim Period and Rural and Urban Breakdown						
	Rural			Urban		
CEWS Claim Period	Subsidy Amount	Number of Business Locations	Number of Supported Employees	Subsidy Amount	Number of Business Locations	Number of Supported Employees
March 15 2020 to April 11 2020	\$147,091,000	7,530	71,455	\$2,933,834,000	105,345	1,366,392
April 12 2020 to May 9 2020	\$184,652,000	8,770	79,917	\$3,514,682,000	117,245	1,425,048
May 10 2020 to June 6 2020	\$194,255,000	8,430	84,176	\$3,577,446,000	113,475	1,462,135
June 7 2020 to July 4 2020	\$169,251,000	7,110	74,964	\$3,237,404,000	101,945	1,404,020
July 5 to 2020 August 1 2020	\$146,158,000	7,130	98,135	\$2,773,675,000	101,200	1,579,944
August 2 2020 to August 29 2020	\$128,580,000	6,655	82,726	\$2,439,861,000	95,920	1,535,053
August 30 2020 to September 26 2020	\$68,488,000	5,815	72,558	\$1,420,698,000	85,810	1,432,890
September 27 2020 to October 24 2020	\$43,366,000	4,575	55,761	\$982,026,000	73,190	1,200,954
October 25 2020 to November 21 2020	\$72,767,000	8,355	95,433	\$1,357,614,000	108,805	1,750,000
November 22 2020 to December 19 2020	\$66,186,000	7,235	84,670	\$1,256,885,000	99,640	1,660,000
December 20 2020 to January 16 2021	\$51,239,000	5,830	68,442	\$1,079,370,000	86,120	1,290,000
Total	\$1,272,033,000			\$24,573,495,000		
Average	\$115,639,364	7,040	78,931	\$2,233,954,091	98,972	1,464,221

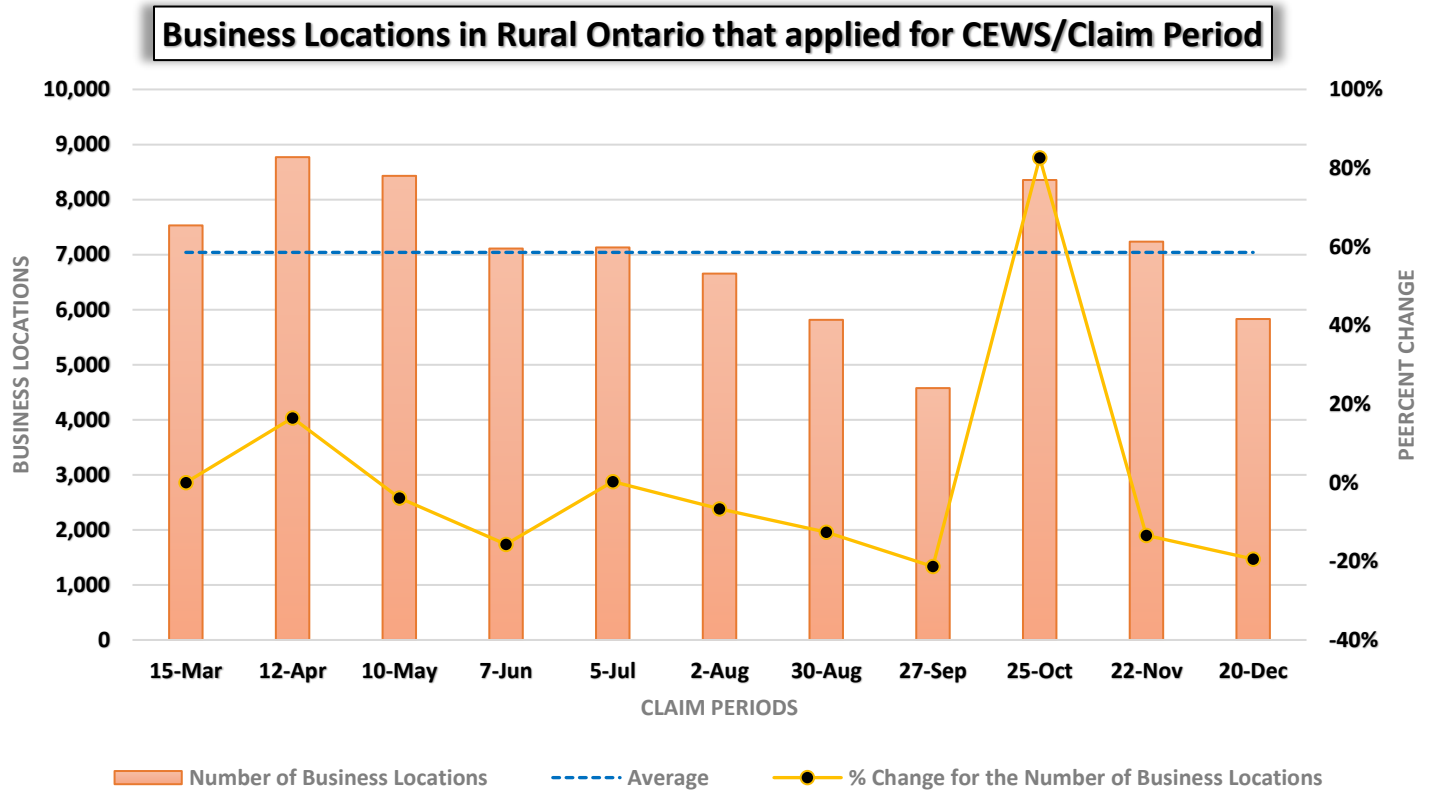
Source: (Centre for Special Business Projects, 2021)

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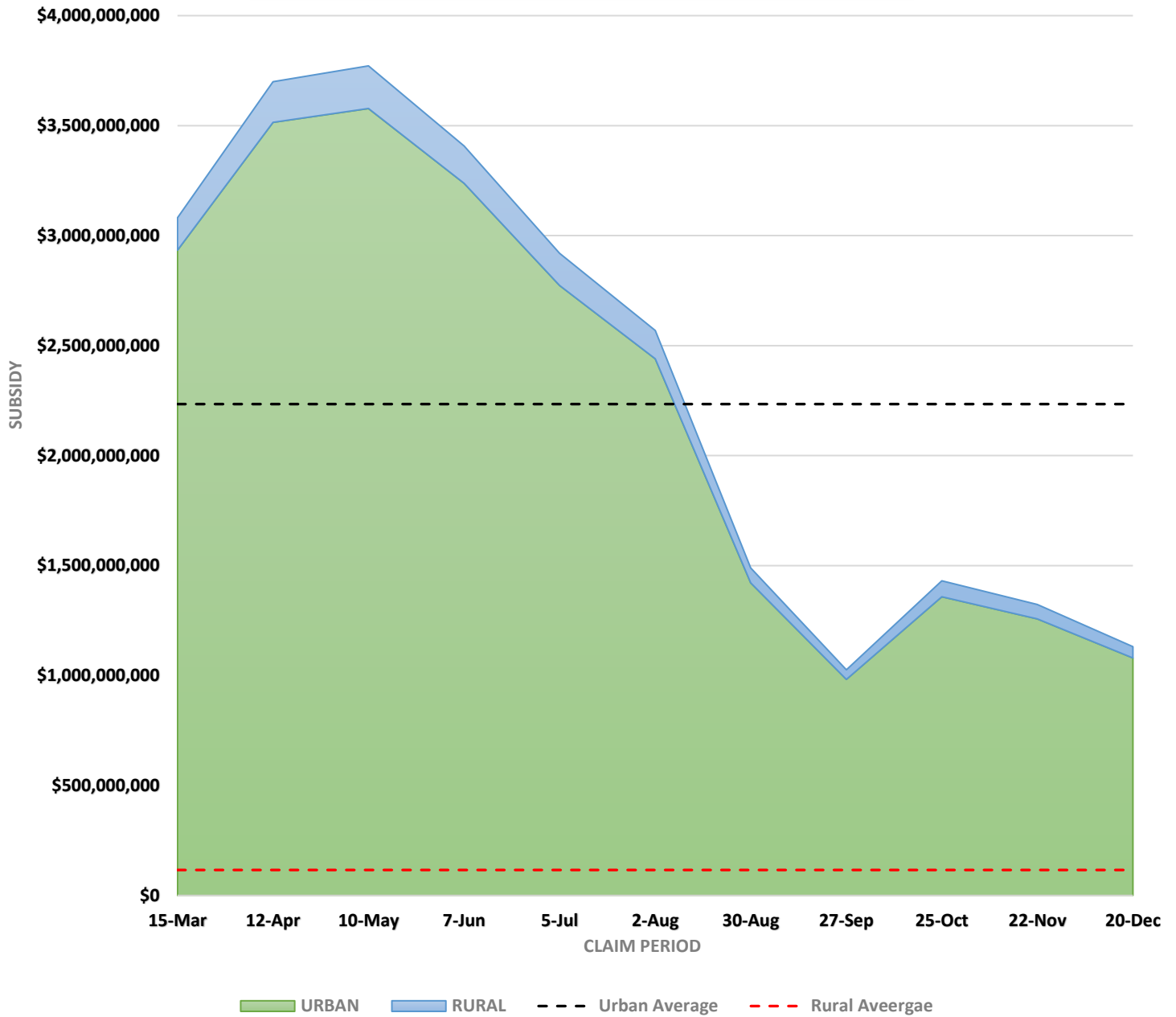
Chart 3



Source: (Centre for Special Business Projects, 2021)

Chart 4

Ontario CEWS by Rural and Urban Areas



Source: (Centre for Special Business Projects, 2021)

Table 3

Ontario CEWS Distribution by Industry Sector and Rural/Urban Breakdown							
		Rural			Urban		
NAICS code	Industry Sector	Subsidy total over 11 claim periods	Average # of Business Locations over 11 claim periods	Average # of Supported Employees over 11 claim periods	Subsidy total over 11 claim periods	Average # of Business Locations over 11 claim periods	Average # of Supported Employees over 11 claim periods
11	Agriculture, forestry, fishing, and hunting	\$35,792,000	303	2,721	\$121,171,000	510	8,724
21	Mining, quarrying, and oil and gas extraction	\$8,908,000	30	Data not available	\$23,050,000	87	2,823
22	Utilities	\$0	6	Data not available	\$2,660,000	30	803
23	Construction	\$191,340,000	1,148	10,115	\$2,368,902,000	8,135	109,287
31-33	Manufacturing	\$276,252,000	502	15,357	\$5,029,616,000	6,333	246,841
41	Wholesale trade	\$58,169,000	279	3,060	\$1,866,948,000	5,788	97,600
44-45	Retail trade	\$95,673,000	940	6,560	\$1,740,143,000	13,020	138,925
48-49	Transportation and warehousing	\$73,042,000	311	4,599	\$1,139,758,000	2,616	59,276
51	Information and cultural industries	\$18,360,000	164	1,113	\$724,462,000	2,431	40,718
52	Finance and insurance	\$3,651,000	53	351	\$318,713,000	1,723	16,252
53	Real estate and rental and leasing	\$8,564,000	132	491	\$385,052,000	2,455	20,526
54	Professional, scientific, and technical services	\$54,709,000	426	2,842	\$2,554,440,000	11,485	116,170
55	Management of companies and enterprises	\$12,200,000	15	686	\$689,289,000	614	39,893
56	Administrative and support, waste management and remediation services	\$38,160,000	238	2,328	\$1,403,818,000	4,511	108,343
61	Educational services	\$8,603,000	70	567	\$419,615,000	2,115	25,737
62	Health care and social assistance	\$74,981,000	486	5,192	\$1,610,852,000	10,800	107,511
71	Arts, entertainment, and recreation	\$34,668,000	169	2,068	\$562,111,000	2,286	35,984
72	Accommodation and food services	\$148,997,000	967	14,514	\$1,894,873,000	12,388	193,870
99	Other and Missing NAICS	\$58,818,000	801	3,921	\$1,505,464,000	11,645	91,314

Source: (Centre for Special Business Projects, 2021)

References

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This edition of [Focus on Rural Ontario](#) was prepared by Jason Robinson, Rural Data Analyst for the Rural Ontario Institute. Questions on data sources and any comments or discussions can be directed to info@ruralontarioinstitute.ca.