

BEAUTY UNITED

A WOMEN'S INDUSTRY IN **CRISIS**
SURVEY of ONTARIO BEAUTY SECTOR
RE: COVID-19 RESPONSE

Submitted to The Honourable Doug Ford,
Premier of Ontario

June 18, 2020

INTRODUCTION

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BEAUTY UNITED OVERVIEW beautyunited.ca

BEAUTY UNITED was founded and began its work in May 2020.

Our mission is to understand and advocate on behalf of the sector, as well as advocate for stricter standards of safety.

More than organizations have [signed our letter to government](#) calling for a faster reopening of spas and emergency aid for business owners beyond what is currently available.

We continue to update sector leadership with regular communications.

We are submitting this survey report at what is clearly a time of crisis where most Ontario spas are on the verge of permanent closure.

SURVEY OVERVIEW

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SURVEY OVERVIEW

Sent to 110 organizations on May 10, 2020.

Closed July 17, 2020; received 55 responses.

The following report details responses received.

We have aggregated long-form answers, no attributions are made; representative quotes have been extracted and presented unedited.

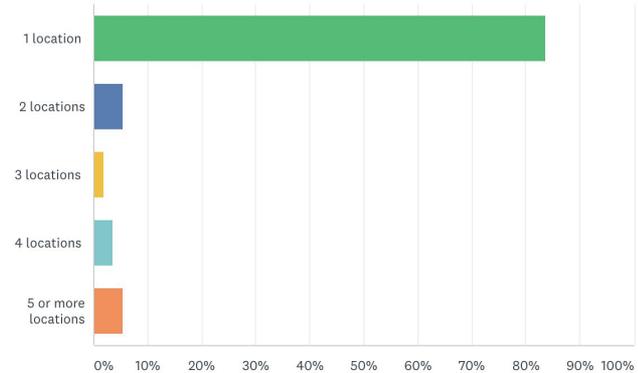
A remarkable 50% response rate was achieved, meaning the findings can be confidently generalized with a high degree of reliability.

Respondents' Organization Size

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What size is your organization?

Answered: 55 Skipped: 0



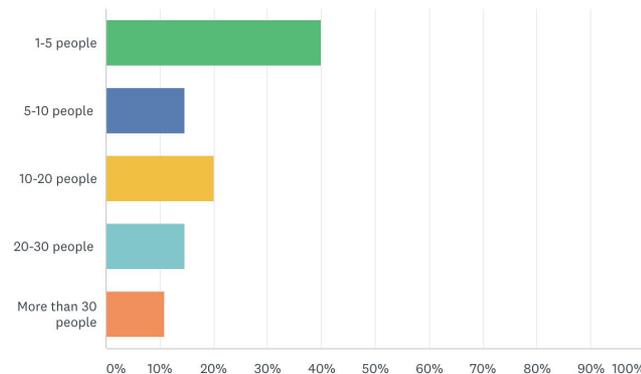
ANSWER CHOICES	RESPONSES
▼ 1 location	83.64% 46
▼ 2 locations	5.45% 3
▼ 3 locations	1.82% 1
▼ 4 locations	3.64% 2
▼ 5 or more locations	5.45% 3

Number of employees

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How many people do you employ?

Answered: 55 Skipped: 0



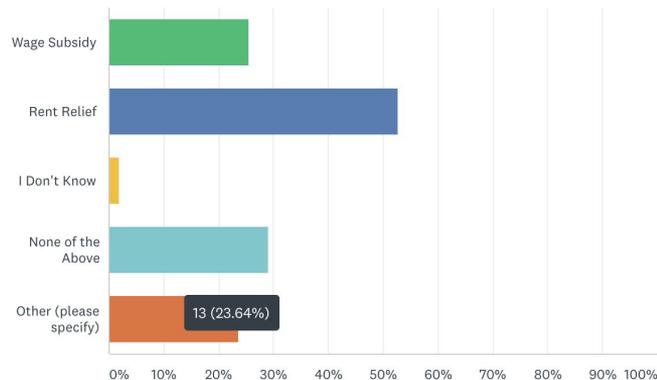
ANSWER CHOICES	RESPONSES
▼ 1-5 people	40.00% 22
▼ 5-10 people	14.55% 8
▼ 10-20 people	20.00% 11
▼ 20-30 people	14.55% 8
▼ More than 30 people	10.91% 6

Sources of Government Relief Helping Businesses

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What sources of government emergency relief are helping your business?

Answered: 55 Skipped: 0



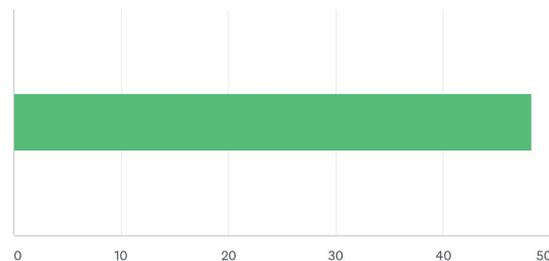
ANSWER CHOICES	RESPONSES
▼ Wage Subsidy	25.45% 14
▼ Rent Relief	52.73% 29
▼ I Don't Know	1.82% 1
▼ None of the Above	29.09% 16
▼ Other (please specify)	Responses 23.64% 13

Impact of Phase 2 Exclusion of Facial Services - 48% of Businesses' Revenue Lost on Average

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Phase two reopening has been announced and includes spas and salons. However, most facial services are excluded, including facials and eyebrows. What percentage of your expected revenue is lost as a result?

Answered: 53 Skipped: 2

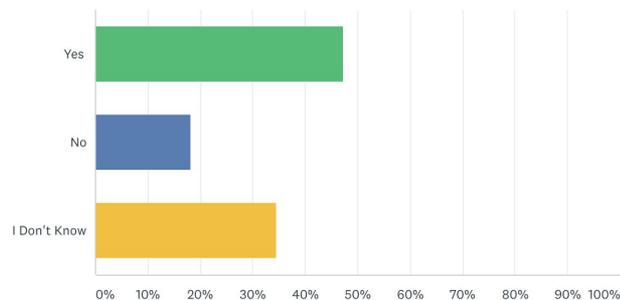


% of Businesses Threatened by Closure Before Year-End 2020

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It is estimated that up to 50% of Ontario spas and salons could close permanently without relief. Is your business threatened by permanent closure before the end of 2020?

Answered: 55 Skipped: 0



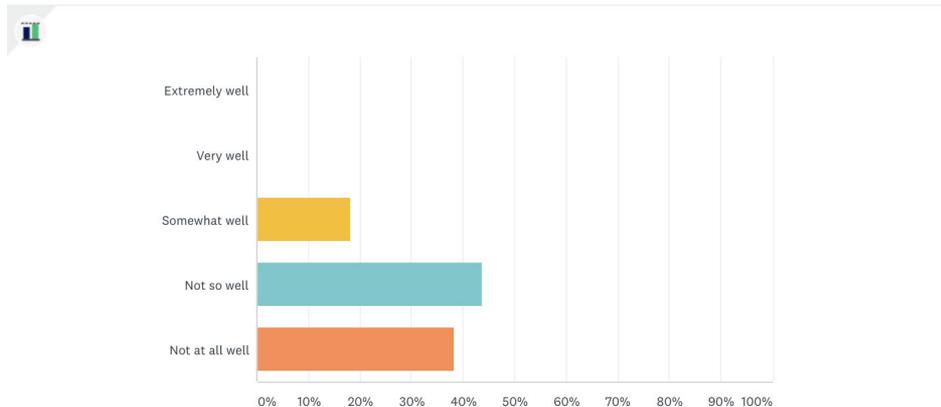
ANSWER CHOICES	RESPONSES	
▼ Yes	47.27%	26
▼ No	18.18%	10
▼ I Don't Know	34.55%	19
TOTAL		55

Efficacy and Impact of Government Support

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How well does The Government of Ontario's COVID-19 Response for the Beauty Industry meet your needs?

Answered: 55 Skipped: 0



ANSWER CHOICES	RESPONSES	
Extremely well	0.00%	0
Very well	0.00%	0
Somewhat well	18.18%	10
Not so well	43.64%	24
Not at all well	38.18%	21
TOTAL		55

Respondents' Rationale of Assessment of Government Relief To-Date (Themes)

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Comments are aggregated here and anonymized. Themes found in comments:

Funding aid too late / not enough	17 comments
Lack of clear safety guidelines	12 comments
Landlords do not participate in rent relief program	9 comments
Opening delays	8 comments
Loss of facial revenue	7 comments
Government lacks understanding of beauty industry	7 comments
Cost increases	5 comments
Loss of Staff	3 comments
Decent support from government	1 comment
Inability to provide foot care to elderly	1 comment

Respondents' Rationale of Assessment of Government Relief To-Date (Select Comments)

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“The Ontario government does not see us as the professionals we are. We have been practicing infection control for our entire careers and to disease more deadly than covid such as HIV/AIDS hepatitis, staph, ecoli and more. Give us the guidelines they require and we will keep up and excellent more than any other big box store.”

- A survey respondent

“Because the beauty industry has been left in the background with little thought from the government We are fighting to keep our business alive and losing all of our savings in the meantime. We are being left until last when we are highly trained in disease control, sanitization and disinfecting on a regular, well before covid-19 We are more safe to open than clothing stores and dentists and daycare facilities.”

- A survey respondent

Respondents' Rationale of Assessment of Government Relief To-Date (Select Comments)

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“No attention has been given and no special supports. This industry is bleeding right now to extinction.”

- A survey respondent

“Because I’m self employed and the money supported is more of an insult to my career. I understand that it’s their Version of help but it’s not. I still have to pay rent to my chair to the landlord and even with the support for rent relief it’s still up in the air for us as our landlord to the owner didn’t agree to the rent relief program. This has put my family in Jeopardy”

- A survey respondent

Respondents' Rationale of Assessment of Government Relief To-Date (Select Comments)

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“ I tried to apply for CEBA but didn't qualify as I don't draw a paycheck and I am self employed. I dug into my line of credit to cover my business expenses and home expenses.”

- A survey respondent

“Lack of information provided by the Ontario government. In comparison to other provinces this is unacceptable. We are Canada's most populous province and the COVID-19 response in terms of a reopening plan has been abysmal at best.”

- A survey respondent

“My landlord didn't want a take government commercial rent support. So i lost my space. And I have very small business just by myself. So I wasn't eligible for apply for any other plans.”

- A survey respondent

Respondents' Rationale of Assessment of Government Relief To-Date (Select Comments)

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“They have forgotten about us... In my 20 yrs of being in this industry they never really paid attention to us and now i feel like they cant be bothered to put their time into it because its gotten so out of hand. I feel like they just don't have the man power to tackle it at anytime especially now during COVID19.”

- A survey respondent

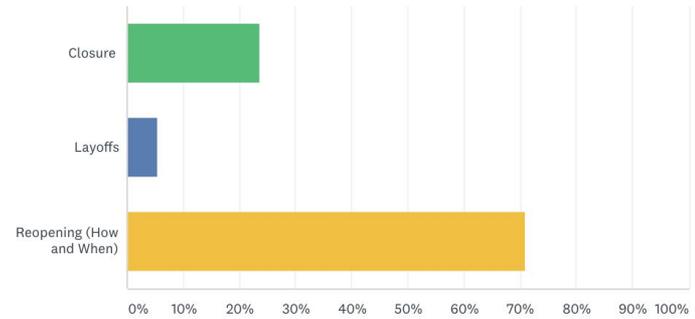
“I have all my PPE and safeguards in place. I feel I can safely open. My main income earning services are still not available. My staff is also content to stay off for the summer and collect the government money that has been too easy to receive”

- A survey respondent

Top Concerns

What is your top concern at this moment?

Answered: 55 Skipped: 0



ANSWER CHOICES	RESPONSES
▼ Closure	23.64% 13
▼ Layoffs	5.45% 3
▼ Reopening (How and When)	70.91% 39
TOTAL	55

Immediate Actions Respondents Would Like to See From Government (Themes)

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Comments are aggregated here and anonymized. Themes found in comments:

Open safe spas now	26 Comments
Provide additional financial aid	14 Comments
Make rent relief mandatory	11 Comments
Allow all services (e.g. facial)	9 comments
Provide consistent guidelines	6 comments
More regulation in dialogue with industry leaders	5 comments
Address personal protective equipment and cleaning supply chain	2 comments

Interpreting Results

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A large majority of the industry, 84%, are single location business owners.

Beauty businesses are facing a significant existential threat despite government aid to-date where 47% will not survive to the end of 2020 without further aid, and a further 35% are unsure whether they will (slide 14).

Applying these ratios to Ontario's \$ 1.2 billion spa industry, if up to 82% of businesses are threatened with closure, that would be a \$ 420 million impact on the economy, the loss of 2,870 of the province's 3,500 beauty businesses, and 28,000+ estheticians being unemployed or worse doing services in uncontrolled environments without proper safety protocols.

The lack of emergency funding and pressure from landlords are exacerbating these issues, as well as reopening delays and the exclusion of facial services in Phase 2 which survey respondents estimate will cost them 48% of revenue on average.

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THANK YOU

CONTACT:
Paola Girotti,
BEAUTY UNITED CHAIR
info@beautyunited.ca
+1-647-997-4509