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October 1, 2020

Movement of United Professionals  
c/o Allevato Quail & Roy, Barristers and Solicitors  
405-510 West Hastings St.  
Vancouver, BC  
V6B 1L8

Attention: Mr. Jim Quail

Dear Mr. Quail

**Re: FortisBC Inc. (FBC)**  
**Project No. 1599119**  
**Annual Review for 2020 and 2021 Rates (Application)**  
**Response to Canadian Office and Professional Employees Union, Local 378**  
**(known as Movement of United Professionals or MoveUP) Information Request**  
**(IR) No. 1**

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On August 19, 2020, FBC filed the Application referenced above. In accordance with the British Columbia Utilities Commission Order G-211-20 setting out the Regulatory Timetable for the review of the Application, FBC respectfully submits the attached response to MoveUP IR No. 1.

If further information is required, please contact the undersigned.

Sincerely,

**FORTISBC ENERGY INC.**

***Original signed:***

Diane Roy

Attachments

cc (email only): Commission Secretary  
Registered Parties

FortisBC Inc. (FBC or the Company) Annual Review for 2020 and 2021 Rates – Project No. 1599119 (Application)	Submission Date: October 1, 2020
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## 1.0 TOPIC: COVID-19 CUSTOMER RECOVERY FUND DEFERRAL ACCOUNT

REFERENCE: p. 63

### (a) Bill payment deferrals provided to residential and small commercial customers

The 3-month bill payment deferral program has been offered to residential and small commercial customers affected by COVID-19 from April to June 2020. The bill payment deferrals are to be repaid by customers over a 12-month period with such repayments beginning in July 2020.

Table 7-6: Bill Payment Deferral Forecast

COVID-19 Deferral Account	Year	Opening Bal.	Gross Additions	Less Taxes	Amortization Expense	Ending Bal.
COVID-19 Customer Recovery Fund - Bill Payment Deferrals	2020	-	424	-	-	424
COVID-19 Customer Recovery Fund - Bill Payment Deferrals	2021	424	(424)	-	-	-

The deferral account gross additions of \$0.424 million related to this customer relief offering have been estimated as the outstanding customer accounts receivable balances of \$0.848 million as of July 2020, less the estimated customer repayments from July 2020 through to the end of 2020. As customers are expected to repay the balances over a 12-month term, beginning in July 2020, there is not expected to be an ending balance of bill payment deferral balances as at the end of 2021.

### Bill payment deferrals

1.1 Please provide a table showing total monthly deferrals under this program for each of the residential and small commercial customer classes from the inception of the program through August of 2020.

### Response:

Please refer to the table below for the monthly cumulative balance of the bill payment deferral amounts by customer class.

#### Bill Payment Deferral Balance

Amounts in \$'000s

Date <sup>(1)</sup>	Residential	Small Commercial	Total <sup>(2)</sup>
31-May-20	793	149	942
30-Jun-20	876	146	1,022
31-Jul-20	726	122	848
31-Aug-20	668	109	777

### Notes:

<sup>1</sup> FBC considers the balances at May 31, 2020 to include the first complete month of program from April to May activity, given the variability of when customer billing cycles complete.

<sup>2</sup> Monthly amounts shown prior to July 31, 2020 were estimated based on outstanding customer balances and balances were validated in July at the end of the eligible deferment period.

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#### Repayment of bill payment deferrals

- 1.2 Please provide a table showing total monthly bill deferral repayments under this program for each of the residential and small commercial customer classes in each of July and August 2020, in total dollar amounts and as a percentage of the total repayments that had come due under the program for each month (i.e., percentage of recovery of repayments as they have come due).

#### Response:

Please refer to the table below. Due to the timing of billing cycles, repayments were billed beginning in July with the first payments received in August. The table shows that for both Residential and Small Commercial bill deferrals, repayments received were greater than planned repayments. This is attributable to some customers choosing to pay their entire deferred balance.

Residential Bill Payment Deferral Repayments				
Amounts in \$'000s				
Date	Payments Received	Expected Payments	Variance (\$)	% of Expected Repayment
31-Jul-20	-	-	-	0%
31-Aug-20	61	59	2	103%
Small Commercial Bill Payment Deferral Repayments				
Amounts in \$'000s				
Date	Payments Received	Expected Payments	Variance (\$)	% of Expected Repayment
31-Jul-20	-	-	-	0%
31-Aug-20	19	10	9	190%

#### Notes:

- Due to the variability in customer billing cycles, installment plans were created for customers throughout the month of July once billing cycles completed. Therefore all installment plans and expected repayments commenced in August.
- Approximately \$23 thousand in repayments throughout the month of August are from customers paying off their deferred balances in full.

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**REFERENCE: p. 65**

21 For residential and small commercial customers, the loss rate took into account the relative  
22 increase in the forecast 2020 unemployment rate for BC from 5.0 percent prior to the pandemic  
23 to 8.2 percent. Similarly, there was a loss rate applied for industrial and large commercial  
24 customers which incorporated the forecast 2020 GDP decrease in BC of 4.5 percent. The loss  
25 rate was then applied to forecast revenues from March 2020 through to December 2020. The  
26 unemployment and GDP indicators are macroeconomic factors based on forecasts from five  
27 financial institutions and corroborated through the Conference Board of Canada.

1.3 Please identify the “five financial institutions” and provide the date of each  
forecast and their corroboration through the Conference Board of Canada.

1.4 Please file the five forecasts and the corroborative document produced by the  
Conference Board of Canada.

**Response:**

The five financial institutions’ reports are listed below, in addition to the forecast from the  
Conference Board of Canada Report.

- Scotiabank Global - Economics Forecast Update, March 2020
- CIBC Economics - Forecast Update, April 2020
- Central 1 – Economic Analysis of British Columbia, April 2020
- TD Economics - Provincial Economic Forecast, June 2020
- Conference Board of Canada – Provincial Outlook British Columbia, June 2020

Please refer to Attachment 1.3 for copies of the reports noted above.



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## 2.0 TOPIC: SERVICE QUALITY INDICATORS – ALL INJURY FREQUENCY RATE (AIFR)

2.1 Please produce a table with updated 2020 year-to-date injuries, identifying with respect to each injury:

- General nature of the injury
- How the injury occurred
- Affiliation (MoveUP, IBEW or Non-union)
- Work-days lost
- Actions taken, if any, to prevent recurrence

### Response:

The requested table is provided below.

Affiliation	Nature of Injury	How Injury Occurred	Work-days Lost	Preventative/Corrective actions
IBEW	Struck Against Object (Post)	Employee experienced pain in elbow after moving branches laying across customer's service	Lost time, 7 days	<ul style="list-style-type: none"> <li>Assess all trucks to determine if there is an unpadded post near the boom that a PLT could contact their elbow during operation. If there is an unpadded post, install padding around the post to prevent potential injuries.</li> <li>Install padding around the piece of the boom which workers are contacting on all affected trucks.</li> <li>Review the event during the safety meeting, highlight the hazards of the boom on F550 operations bucket truck, there is a part of the boom where operators are contacting their elbow.</li> </ul>
IBEW	Crush	Employee's finger was caught between pole and hidden 8" concrete post	Medical Treatment, 0 days	<ul style="list-style-type: none"> <li>Supervisor shall review the event during the next safety meeting highlighting the line of fire hazards, using a tag line to carry the pole to keep hands out of the line of fire, exercise caution and maintain good observation of your work zone while it is expanding.</li> </ul>

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**3.0 TOPIC: COVID-19 and SERVICE QUALITY INDICATORS – CALL CENTRE-BASED SERVICES (First Contact Resolution, Telephone Service Factor (Non-Emergency) and Average Speed of Answer**

3.1 Please describe the measures and protocols taken in order to protect the safety of call centre staff during the COVID-19 pandemic, and the staffing and logistical measures taken in order to maintain service levels under these circumstances.

**Response:**

The safety, health and well-being of employees and the safety of customers has remained a top priority for FortisBC throughout the COVID-19 pandemic. Measures and protocols in place at the contact centres are consistent with the measures and protocols in place at all FortisBC sites and are summarized in the table below.<sup>1</sup>

Category	Summary of Measures and Protocols
Individual Responsibility	<ul style="list-style-type: none"> <li>Self-check for COVID-19 symptoms prior to coming into the workplace. Symptoms to be reported to their Manager</li> <li>Any person indicating they have COVID-19 symptoms is instructed to stay home and report symptoms to their Manager</li> <li>Physical distance of 2m/6ft to be maintained and if it cannot be maintained, PPE requirements must be followed</li> <li>Follow good personal hygiene practices (washing hands, sanitizers, wipes, covering coughs/sneezes)</li> <li>Follow Safety Data Sheet (SDS), manufacturer's instructions and report any exposure event when using cleaning/disinfecting products</li> <li>Complete working remote safety training course (if working remotely)</li> </ul>
Leadership Responsibility	<ul style="list-style-type: none"> <li>Outline, communicate and follow the Exposure Control Plan (including communicating and following risk assessment process for risk exposure events)</li> <li>Department plans developed to communicate department-specific requirements including scheduling/staggering of work activities and remote work capabilities</li> <li>Ensure site safe work plans are developed, in place and communicated</li> <li>Conduct virtual training where possible</li> <li>Joint Health and Safety Committee engaged in controls and measures including inspections, review of issues and ongoing communication</li> <li>Ensuring completion of working remote safety training course (for employees working remotely)</li> </ul>

<sup>1</sup> Please note that this should be considered a summary of the key measures and protocols that have been put in place and may not be an exhaustive list.

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Category	Summary of Measures and Protocols
Facilities	<ul style="list-style-type: none"> <li>• Workstation layout, proximity and high traffic and common areas reviewed and assessed with measures implemented to promote proper hygiene and allow for physical distancing requirements to be met. Examples include: <ul style="list-style-type: none"> <li>○ Workstations rearranged where necessary to allow for physical distancing.</li> <li>○ Non-essential shared spaces where social distancing could not be maintained were closed.</li> <li>○ Unnecessary furniture removed from workplace.</li> <li>○ Physical barriers installed where required (workstations, reception etc.).</li> <li>○ Occupancy limits for meeting rooms, washrooms, elevators, lunch rooms (and common spaces) posted and adhered to.</li> <li>○ Building signage directing employee path of travel, hand washing and physical distancing posted.</li> <li>○ Disinfecting spray and paper towels provided at high touch areas.</li> </ul> </li> <li>• Building occupancy limits posted and adhered to</li> <li>• Access into the workplace is limited to employees (limited to no access for guests, visitors and customers)</li> <li>• Increased frequency of professional cleaning and disinfection</li> </ul>
Personal Protective Equipment (PPE)	<ul style="list-style-type: none"> <li>• Clear guidelines on when PPE is required and how to use it</li> <li>• PPE supplied and available</li> </ul>

1

2 Over a period of five weeks commencing March 23, 2020, more than 75 percent of Customer  
3 Service employees were transitioned to remote work capabilities. During this transition period,  
4 there was reduced staff on site with a portion of employees asked to stay at home and on call.  
5 With reduced numbers of people taking calls and completing billing related work, contact centre  
6 hours were temporarily reduced. Information was shared with customers on these temporary  
7 measures and the Company promoted the use of self-service options to help mitigate the impact  
8 on service levels overall. Throughout the transition period and continuing beyond, those who  
9 work in the office are at workstations that ensure physical distancing and the measures and  
10 protocols in place, as noted above, maintain the safety of the work environment.

11 To further support the continued achievement of service levels throughout the pandemic,  
12 training, development and coaching activities have continued to take place for all Customer  
13 Service employees, including hiring new Customer Service Representatives. The external  
14 contact centre hiring process, meetings and individual coaching sessions have been virtual  
15 whenever possible. In most cases, training was completed virtually; however, when virtual  
16 training was not possible, class sizes were reduced or training classes were split as required to  
17 ensure physical distancing was maintained.

18 As the pandemic evolves and customer expectations and needs shift, the percentage of  
19 employees on site may increase to ensure continued support of service level commitments and  
20 if so, will be done safely and consistent with the measures and protocols in place to ensure a  
21 continued safe work environment.

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3.1.1 Please file one or more contemporaneous workplace document that captures these measures and protocols.

**Response:**

Please refer to Attachment 3.1.1, which captures several of the measures and protocols outlined in the response to MoveUP IR1 3.1. The following are included in Attachment 3.1.1:

1. Exposure Control Plan
2. COVID-19 Safe Work Plan (template)
3. PPE Kit Insert
4. PPE Decision Tree
5. Return to the Office Guide

3.2 Please summarize communication measures and strategies in relation to call centre staff and their representatives in relation to these measures and protocols.

**Response:**

FortisBC has taken various steps to communicate COVID-19 safety measures and strategies in relation to all employees, including customer service employees. A summary of these measures are listed in the table below.

Measure	Details	Frequency
CEO updates	<ul style="list-style-type: none"> <li>CEO updates and videos posted on intranet for all employees to keep employees informed.</li> </ul>	Ongoing
COVID-19 page on FortisBC's intranet	<ul style="list-style-type: none"> <li>Detailed overview of all safety measures in place, FortisBC's reintegration plan, risk assessment process and a copy of all risk assessments done to date.</li> </ul>	Ongoing (updated frequently as needed)
2-way Communication	<ul style="list-style-type: none"> <li>Dialogue encouraging employees to ask questions, and provide feedback through their leaders as well as FortisBC's intranet.</li> </ul>	Ongoing

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Measure	Details	Frequency
Wellness Wednesday	<ul style="list-style-type: none"> <li>Share safety tips and resources on an ongoing basis to encourage employees to keep their physical and mental well-being top of mind.</li> <li>This is a Corporate-wide communication with tips and resources made available to all employees though the Connector site.</li> </ul>	Ongoing
Leadership communications	<ul style="list-style-type: none"> <li>Leadership communications through conference call and email.</li> </ul>	Ongoing
COVID-19 PPE education pieces	<ul style="list-style-type: none"> <li>Decision tree and safety documents to educate on COVID precautions (PPE, for example).</li> <li>Education pieces are shared via Safe Work Plans, emails, OHS Presentations and Team Manager communications.</li> </ul>	Ongoing
Safe work plans	<ul style="list-style-type: none"> <li>Safe work plans established for all sites, including all contact centres.</li> <li>Daily review and sign-off required.</li> </ul>	Ongoing
Covid-19 frontline safety education	<ul style="list-style-type: none"> <li>More than 20 conference calls set-up to reach all contact centre employees to review reintegration and PPE safety measures.</li> </ul>	September
Joint Health and Safety Committee (JHSC)	<ul style="list-style-type: none"> <li>COVID-19 related safety measures are discussed at JHSC co-chair calls including risk assessment process, reintegration and PPE. COVID related measures are also discussed at JHSC meetings and employees have access to these minutes.</li> </ul>	Ongoing
Remote working safely elearning module	<ul style="list-style-type: none"> <li>Additional support and education to contact centre employees on working safely remotely.</li> </ul>	Launched in July
Weekly COVID-19 safety newsletter	<ul style="list-style-type: none"> <li>Established during phase one for a 6 week timeframe to further educate frontline staff on safety changes.</li> <li>This was a Corporate-wide communication with four newsletters made available to all employees and provided to contact centre staff though email.</li> </ul>	April/May

3.3 Please confirm that call centre bargaining unit staff are employed by FBC and FEI as a single “common employer” under the BC Labour Relations Code.

**Response:**

FBC is responding to this information request as a courtesy only. FBC's view is that this question and response are not relevant to this proceeding, and that there should be no further questions regarding labour relations that are not relevant to setting rates. FBC confirms that with respect to employees in the Customer Services Centres bargaining unit only, the Labour

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- 1 Relations Board in its certification determined that FBC and FEI constitute one employer for the
- 2 purposes of the Labour Relations Code. The certification was made pursuant to an application
- 3 for certification by COPE, Local 378 of the employees in the Customer Services Centres
- 4 bargaining unit listing FEI as the sole employer of employees in this bargaining unit.

## **Attachment 1.3**

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**A note to our readers: Owing to the speed at which developments are occurring and the uncertainty associated with them, we will be publishing more frequent, but irregular, updates to our forecast. The pace at which we update our forecasts will be dictated by developments.**

**CONTACTS**

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**Forecast Update: Economies Shutting Down**

- More countries implementing restrictions on individuals and business activity. This is having a major impact on forecasts. Global GDP now expected to remain flat this year.
- In Canada, GDP is expected to contract by 28% in Q2 given the shutdown of non-essential businesses in Quebec and Ontario. A decline of 35% could be observed if other provinces follow suit.
- Assuming a return to more normal operating conditions by the end of Q2, Canadian GDP is expected to fall 4.1% this year followed by a rebound of 5.1% in 2021.
- Canadian GDP could decline by more than 6% in 2020 if the shutdown were to extend through Q3.
- Significant additional stabilization measures are expected in Canada but not incorporated in this forecast.

Rapidly evolving developments necessitate an update to the forecasts we published just last Friday. Additional quarantine or shut-down measures have been put in place in a number of countries in the last few days. As a result, we now anticipate global GDP growth to be 0% in 2020, followed by a sizeable rebound in activity in 2021 given our view that economic activity will rebound quickly once the virus is no longer a serious threat to public health. At present, we believe activity will begin to return to normal in the third quarter, except in countries where containment measures were aggressively deployed in the first quarter (essentially the Asian economies), where activity resumes in the second quarter.

In Canada, the closure of non-essential business in Quebec and Ontario announced earlier this week will have large economic consequences. At present, we believe Canadian economic activity will fall by 28% in Q2 as these measures are felt. If other provinces follow, the fall in Q2 economic activity would be in the 35% range.

We now assume that economic activity resumes by the start of the third quarter and that growth rebounds sharply at that time. However, the 20% drop in US economic activity in the second quarter will restrain the rebound in Canadian activity in the third quarter owing to the usual lags between US and Canadian economic outcomes. Under these assumptions, Canadian GDP would fall by slightly more than 4% in 2020 and rebound by 5.1% in 2021. Though we have not

included any additional measures in this update beyond those already announced, we believe a substantial ramping up of fiscal support measures in Canada is forthcoming.

There is a chance that aggressive virus management measures are required beyond Q2 to ensure the virus is truly well-contained. Evidence in Asia this week suggests that even in countries where aggressive management measures have been put in place, COVID-19 can come back quite quickly. If measures in Canada are not lifted by the end of Q2, growth would fall again in Q3, and GDP would fall by 6.3% in 2020 instead of the 4.1% we currently expect.

A key question for forecasters is the length of the virus-related restrictions on firms and households. As noted above, a shift of one quarter in the resumption of normal operating conditions can have a large impact on growth outcomes. Since we do not have a good handle on the ultimate length of the interruptions, we consider it more informative to assign probabilities to the time at which virus containment measures end. At this time, we believe there is a 75% chance that activity resumes by Q3 and a 25% chance that activity returns to more normal levels by Q4. How officials manage virus containment internationally, as well as the evolution of the virus, will inform our assessment of probabilities going forward.

International	2010–18	2018	2019	2020f	2021f	2010–18	2018	2019	2020f	2021f
	<b>Real GDP</b> (annual % change)					<b>Consumer Prices</b> (y/y % change, year-end)				
World (based on purchasing power parity)	3.8	3.7	2.9	0.1	4.2					
Canada	2.2	2.0	1.6	-4.1	5.1	1.7	2.0	2.1	-0.1	2.4
United States	2.3	2.9	2.3	-2.0	4.1	1.7	2.2	2.0	0.8	2.8
Mexico	3.0	2.1	-0.1	-5.8	1.8	4.1	4.8	2.8	4.4	4.1
United Kingdom	1.9	1.3	1.4	-3.1	1.5	2.2	2.1	1.8	0.6	1.5
Eurozone	1.4	1.9	1.2	-4.2	1.9	1.3	1.5	1.3	0.5	1.0
Germany	2.1	1.5	0.6	-4.3	2.0	1.3	1.6	1.5	0.5	1.1
France	1.4	1.7	1.3	-4.1	1.9	1.1	1.6	1.5	0.4	1.0
China	7.9	6.8	6.1	3.0	7.0	2.5	1.8	4.5	2.3	2.5
India	7.2	6.8	5.3	4.0	7.0	7.3	2.1	7.4	4.3	4.9
Japan	1.4	0.3	0.7	-1.0	1.8	0.6	0.3	0.8	0.6	0.8
South Korea	3.4	2.7	2.0	1.0	2.8	1.8	1.3	0.7	1.6	2.1
Australia	2.7	2.7	1.8	1.2	2.7	2.1	1.8	1.8	1.9	2.1
Thailand	3.8	4.1	2.4	-2.5	3.5	1.5	0.4	0.9	1.2	1.6
Brazil	1.4	1.3	1.1	-3.0	1.5	6.0	3.8	4.3	7.3	8.2
Colombia	3.8	2.5	3.3	1.2	2.8	3.9	3.2	3.8	2.9	3.0
Peru	4.8	4.0	2.2	0.3	3.5	3.0	2.2	1.9	1.4	2.0
Chile	3.5	4.0	1.1	-2.1	2.9	3.1	2.6	3.0	3.0	3.0
<b>Commodities</b>	(annual average)									
WTI Oil (USD/bbl)	74	65	57	31	42					
Brent Oil (USD/bbl)	82	72	64	35	43					
WCS - WTI Discount (USD/bbl)	-18	-26	-14	-14	-21					
Nymex Natural Gas (USD/mmbtu)	3.39	3.07	2.53	2.39	2.63					
Copper (USD/lb)	3.10	2.96	2.72	2.80	3.00					
Zinc (USD/lb)	1.02	1.33	1.16	1.10	1.05					
Nickel (USD/lb)	7.00	5.95	6.32	6.50	7.00					
Aluminium (USD/lb)	0.89	0.96	0.81	0.90	0.90					
Iron Ore (USD/tonne)	101	70	94	78	70					
Metallurgical Coal (USD/tonne)	179	207	184	145	150					
Gold, (USD/oz)	1,342	1,268	1,393	1,525	1,450					
Silver, (USD/oz)	21.64	15.71	16.21	18.75	17.75					

Sources: Scotiabank Economics, Statistics Canada, BEA, BLS, IMF, Bloomberg.

March 25, 2020

North America	2010–18	2018	2019	2020f	2021f	2010–18	2018	2019	2020f	2021f
	<b>Canada</b>					<b>United States</b>				
	(annual % change, unless noted)					(annual % change, unless noted)				
Real GDP	2.2	2.0	1.6	-4.1	5.1	2.3	2.9	2.3	-2.0	4.1
Consumer spending	2.6	2.1	1.6	-0.2	4.5	2.4	3.0	2.6	0.7	3.3
Residential investment	2.7	-1.5	-0.5	-10.3	4.7	4.8	-1.5	-1.5	-7.8	4.9
Business investment*	2.4	1.8	-0.8	-14.7	5.7	5.2	6.4	2.1	-10.8	8.7
Government	1.2	3.4	1.6	1.4	2.5	-0.3	1.7	2.3	2.2	2.7
Exports	3.6	3.1	1.2	-6.9	9.4	4.1	3.0	0.0	-9.5	4.5
Imports	3.9	2.6	0.3	-2.9	7.1	4.9	4.4	1.6	-1.0	3.1
Nominal GDP	3.9	3.9	3.6	-5.8	7.4	4.0	5.4	4.1	-0.9	5.6
GDP deflator	1.7	1.8	1.9	-1.8	2.3	1.7	2.4	1.7	1.2	1.4
Consumer price index (CPI)	1.7	2.3	1.9	0.8	1.6	1.8	2.4	1.8	1.1	2.4
Core inflation rate**	1.9	1.9	2.0	1.4	1.2	1.6	1.9	1.6	1.4	1.8
Pre-tax corporate profits	5.8	2.5	0.3	-14.1	1.5	4.6	3.4	-0.6	-8.9	2.1
Employment	1.2	1.3	2.1	-2.0	2.7	1.4	1.6	1.4	-0.7	0.2
Unemployment rate (%)	7.0	5.8	5.7	8.5	7.0	6.5	3.9	3.7	5.5	6.2
Current account balance (CAD, USD bn)	-58.4	-55.5	-45.4	-68.3	-63.1	-421	-491	-507	-682	-673
Merchandise trade balance (CAD, USD bn)	-13.0	-22.1	-18.2	-48.3	-47.1	-754	-887	-879	-1009	-1036
Federal budget balance (FY, CAD, USD bn)	-19.4	-19.0	-14.0	-26.6	-110.0	-813	-779	-960	-1,008	-1,784
percent of GDP	-1.0	-0.9	-0.6	-1.2	-4.7	-4.6	-3.8	-4.5	-4.7	-8.0
Housing starts (000s, mn)	200	213	209	124	215	0.96	1.25	1.30	1.14	1.27
Motor vehicle sales (000s, mn)	1,810	1,983	1,922	1,552	1,696	15.5	17.2	16.9	14.2	15.5
Industrial production	2.7	3.1	-1.1	-7.3	6.7	2.2	4.0	0.8	-6.7	5.1
	<b>Mexico</b>									
	(annual % change)									
Real GDP	3.0	2.1	-0.1	-5.8	1.8					
Consumer price index (year-end)	4.1	4.8	2.8	4.4	4.1					
Current account balance (USD bn)	-21.2	-23.0	-2.4	-0.3	-10.8					
Merchandise trade balance (USD bn)	-6.8	-13.6	5.8	8.9	-1.8					

Sources: Scotiabank Economics, Statistics Canada, CMHC, BEA, BLS, Bloomberg. \*For Canada it includes capital expenditures by businesses and non-profit institutions.  
\*\* US: core PCE deflator; Canada: average of 3 core measures published by the BoC.

Quarterly Forecasts	2019	2020				2021			
<b>Canada</b>	<b>Q4</b>	<b>Q1f</b>	<b>Q2f</b>	<b>Q3f</b>	<b>Q4f</b>	<b>Q1f</b>	<b>Q2f</b>	<b>Q3f</b>	<b>Q4f</b>
Real GDP (q/q ann. % change)	0.3	-3.4	-28.1	12.3	15.8	5.8	4.2	3.6	3.9
Real GDP (y/y % change)	1.5	0.3	-8.4	-5.9	-2.5	-0.3	9.4	7.2	4.4
Consumer prices (y/y % change)	2.1	2.1	0.3	0.8	-0.1	-0.1	1.9	2.2	2.4
Avg. of new core CPIs (y/y % change)	2.1	1.8	1.6	1.4	1.0	1.1	1.2	1.3	1.4
<b>United States</b>									
Real GDP (q/q ann. % change)	2.1	-2.1	-20.7	13.4	7.7	5.1	3.8	3.4	3.1
Real GDP (y/y % change)	2.3	1.0	-5.2	-2.6	-1.3	0.5	7.5	5.0	3.9
Consumer prices (y/y % change)	2.0	2.1	0.8	0.6	0.8	1.7	2.4	2.6	2.8
Total PCE deflator (y/y % change)	1.4	1.5	0.4	0.3	0.3	1.3	2.1	2.4	2.7
Core PCE deflator (y/y % change)	1.6	1.7	1.5	1.3	1.1	1.5	1.7	1.9	2.0

Sources: Scotiabank Economics, Statistics Canada, BEA, BLS, Bloomberg.

	2019	2020				2021			
Central Bank Rates	Q4	Q1f	Q2f	Q3f	Q4f	Q1f	Q2f	Q3f	Q4f
<b>Americas</b>									
				(% , end of period)					
Bank of Canada	1.75	0.75	0.25	0.25	0.25	0.25	0.25	0.25	0.25
US Federal Reserve (upper bound)	1.75	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25
Bank of Mexico	7.25	6.25	6.00	6.00	6.00	6.00	6.00	6.00	6.00
Central Bank of Brazil	4.50	3.75	3.75	4.25	4.75	5.75	6.75	7.75	8.25
Bank of the Republic of Colombia	4.25	4.00	3.50	3.50	3.50	3.75	4.25	4.25	4.25
Central Reserve Bank of Peru	2.25	1.25	0.75	0.75	1.00	1.25	1.50	1.75	1.75
Central Bank of Chile	1.75	1.00	0.50	0.50	0.50	1.00	1.25	1.75	2.00
<b>Europe</b>									
European Central Bank MRO Rate	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
European Central Bank Deposit Rate	-0.50	-0.50	-0.60	-0.60	-0.60	-0.60	-0.60	-0.60	-0.60
Bank of England	0.75	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10
<b>Asia/Oceania</b>									
Reserve Bank of Australia	0.75	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25
Bank of Japan	-0.10	-0.10	-0.10	-0.10	-0.10	-0.10	-0.10	-0.10	-0.10
People's Bank of China	4.15	4.05	3.90	3.90	3.90	3.90	3.90	3.90	3.90
Reserve Bank of India	5.15	5.15	4.40	4.15	4.15	4.15	4.15	4.15	4.15
Bank of Korea	1.25	0.75	0.50	0.50	0.50	0.50	0.50	0.50	0.50
Bank of Thailand	1.25	0.75	0.50	0.50	0.50	0.50	0.50	0.50	0.50
<b>Currencies and Interest Rates</b>									
<b>Americas</b>									
				(% , end of period)					
Canadian dollar (USDCAD)	1.30	1.48	1.48	1.45	1.42	1.40	1.37	1.34	1.32
Canadian dollar (CADUSD)	0.77	0.68	0.68	0.69	0.70	0.71	0.73	0.75	0.76
Mexican peso (USDMXN)	18.93	23.90	23.13	22.66	22.84	22.93	22.75	22.68	22.74
Brazilian real (USDBRL)	4.02	5.37	5.12	4.72	4.84	5.11	4.64	4.52	4.49
Colombian peso (USDCOP)	3,287	4,050	3,950	3,851	3,654	3,473	3,465	3,458	3,450
Peruvian sol (USDPEN)	3.31	3.57	3.56	3.47	3.45	3.42	3.43	3.39	3.40
Chilean peso (USDCLP)	753	860	820	800	790	780	760	740	720
<b>Europe</b>									
Euro (EURUSD)	1.12	1.08	1.09	1.10	1.12	1.13	1.14	1.15	1.16
UK pound (GBPUSD)	1.33	1.15	1.16	1.17	1.18	1.20	1.21	1.23	1.25
<b>Asia/Oceania</b>									
Japanese yen (USDJPY)	109	108	108	107	107	106	106	106	105
Australian dollar (AUDUSD)	0.70	0.57	0.57	0.58	0.58	0.59	0.59	0.60	0.60
Chinese yuan (USDCNY)	6.96	7.00	6.90	6.80	6.80	6.70	6.70	6.60	6.60
Indian rupee (USDINR)	71.4	76.0	75.0	74.0	74.0	73.0	73.0	72.0	72.0
South Korean won (USDKRW)	1,156	1,220	1,200	1,180	1,180	1,160	1,160	1,140	1,140
Thai baht (USDTHB)	30.0	33.0	32.5	32.0	32.0	31.0	31.0	30.0	30.0
<b>Canada (Yields, %)</b>									
3-month T-bill	1.66	0.45	0.20	0.25	0.25	0.25	0.25	0.25	0.25
2-year Canada	1.69	0.60	0.40	0.45	0.55	0.70	0.80	0.90	1.00
5-year Canada	1.68	0.70	0.55	0.65	0.75	0.90	1.05	1.15	1.20
10-year Canada	1.70	0.80	0.80	0.90	1.00	1.20	1.30	1.40	1.50
30-year Canada	1.76	1.30	1.20	1.25	1.35	1.45	1.55	1.65	1.80
<b>United States (Yields, %)</b>									
3-month T-bill	1.51	0.00	0.10	0.10	0.10	0.10	0.10	0.10	0.15
2-year Treasury	1.57	0.35	0.45	0.50	0.60	0.70	0.80	0.90	1.00
5-year Treasury	1.69	0.50	0.60	0.70	0.90	1.00	1.10	1.20	1.30
10-year Treasury	1.92	0.80	1.00	1.05	1.15	1.25	1.35	1.45	1.60
30-year Treasury	2.39	1.35	1.70	1.80	1.95	2.00	2.05	2.05	2.10
Sources: Scotiabank Economics, Bloomberg.									

The Provinces											
	(annual % change except where noted)										
Real GDP	CA	NL	PE	NS	NB	QC	ON	MB	SK	AB	BC
2010–18	2.2	0.5	2.0	0.9	0.6	1.7	2.2	2.2	2.5	2.8	2.8
2018	2.0	-3.5	2.6	1.5	0.8	2.5	2.2	1.3	1.3	1.6	2.6
2019e	1.6	2.1	2.8	1.7	0.6	2.7	1.6	1.3	1.0	0.5	2.1
2020f	-4.1	-3.3	-1.1	-1.5	-2.1	-5.5	-5.6	-1.6	-2.6	-2.9	-1.8
2021f	5.1	1.5	3.8	3.1	2.0	6.1	6.3	2.2	3.8	4.7	3.5
Nominal GDP											
2010–18	3.9	3.2	3.9	2.7	2.8	3.7	4.1	4.0	3.3	3.8	4.5
2018	3.9	1.7	4.2	3.3	3.2	4.8	3.7	2.2	1.4	3.8	4.5
2019e	3.6	3.8	4.8	3.5	2.3	4.4	3.5	3.1	2.7	2.3	4.4
2020f	-5.8	-6.1	-1.5	-2.2	-2.7	-7.0	-7.2	-2.2	-4.5	-5.6	-2.6
2021f	7.4	3.0	6.2	5.2	3.8	8.4	8.6	4.5	6.1	7.2	5.8
Employment											
2010–18	1.2	0.5	1.2	0.2	-0.2	1.1	1.3	0.8	0.9	1.5	1.4
2018	1.3	0.5	3.0	1.5	0.3	0.9	1.6	0.6	0.4	1.9	1.1
2019e	2.1	0.6	2.7	2.2	0.8	1.8	2.9	0.9	1.8	0.5	2.6
2020f	-2.0	-3.9	1.0	-0.7	-0.5	-2.2	-2.3	-0.2	-1.4	-2.9	-1.1
2021f	2.7	0.8	2.7	1.3	1.2	3.1	3.1	1.7	1.9	2.0	2.5
Unemployment Rate (%)											
2010–18	7.0	13.3	10.8	8.8	9.3	7.4	7.3	5.5	5.2	6.1	6.4
2018	5.8	13.8	9.4	7.6	8.0	5.5	5.6	6.0	6.1	6.6	4.7
2019e	5.7	11.9	8.8	7.2	8.0	5.1	5.6	5.3	5.4	6.9	4.7
2020f	8.5	14.3	9.2	8.5	8.6	8.0	9.1	6.2	7.4	10.0	6.5
2021f	7.0	13.4	7.5	7.5	7.6	6.1	7.2	5.1	6.2	9.3	5.5
Housing Starts (units, 000s)											
2010–18	200	2.4	0.8	4.1	2.7	44	70	6.5	6.4	31	33
2018	213	1.1	1.1	4.8	2.3	47	79	7.4	3.6	26	41
2019e	209	0.9	1.5	4.7	2.9	48	69	6.9	2.4	27	45
2020f	124	0.5	0.3	2.9	1.0	29	45	2.8	2.0	19	21
2021f	215	1.2	1.5	4.4	2.4	45	80	6.4	4.4	32	38
Motor Vehicle Sales (units, 000s)											
2010–18	1,810	33	7	52	42	439	725	56	54	241	197
2018	1,983	28	8	51	38	449	853	67	47	226	217
2019e	1,922	30	8	51	40	442	818	56	48	218	204
2020f	1,552	25	8	47	34	360	645	47	41	170	175
2021f	1,696	26	8	50	36	394	712	50	44	188	188
Budget Balances, Fiscal Year Ending March 31 (CAD mn)											
2019	-14,000	-552	57	120	73	4,803	-7,435	-163	-268	-6,711	1,535
2020f*	-26,600	-944	1	41	98	1,900	-9,023	-325	37	-7,540	203
2021f	-110,000	-796	7	55	92	0	-6,800	-234	49	-6,810	227

\* NL budget balance in 2020 is net of one-time revenue boost via Atlantic Accord. Sources: Scotiabank Economics, Statistics Canada, CMHC, Budget documents; Quebec budget balance figures are after Generations Fund transfers.

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# Forecast Update

April 3, 2020

Economics (416) 594-7355

## CANADA FORECAST DETAIL

(real % change, SAAR, unless otherwise noted)

	19:4A	20:1F	20:2F	20:3F	20:4F	21:1F	21:2F	21:3F	21:4F	2019F	2020F	2021F
<b>GDP At Market Prices (\$Bn)</b>	2,338	2,304	2,094	2,208	2,287	2,343	2,381	2,418	2,452	2,304	2,223	2,399
% change	4.5	-5.6	-31.7	23.6	15.2	10.1	6.7	6.2	5.8	3.6	-3.5	7.9
<b>Real GDP (\$2007 Bn)</b>	2,100	2,080	1,919	1,994	2,045	2,077	2,097	2,115	2,130	2,092	2,010	2,105
% change	0.3	-3.8	-27.5	16.6	10.6	6.4	3.8	3.5	2.9	1.6	-3.9	4.7
<b>Final Domestic Demand</b>	0.7	-2.4	-19.0	9.0	6.5	5.7	4.1	3.4	2.9	1.2	-2.5	3.7
<b>Household Consumption</b>	2.0	-3.1	-21.5	10.4	6.3	5.9	4.6	3.7	2.9	1.6	-3.0	3.8
<b>Total Govt. Expenditures</b>	0.5	1.9	2.7	3.6	3.3	2.9	2.0	2.4	2.0	1.6	2.1	2.8
<b>Residential Construction</b>	1.1	-5.2	-33.7	17.2	9.9	7.1	5.1	3.1	3.4	-0.6	-4.2	4.5
<b>Business Fixed Investment*</b>	-5.8	-6.9	-40.6	12.3	15.4	11.6	5.9	4.3	4.6	-0.7	-9.5	5.5
<b>Inventory Change (\$2007 Bn)</b>	10.5	6.6	-13.5	5.6	11.7	8.6	7.6	7.1	6.6	14.7	2.6	7.5
<b>Exports</b>	-5.1	-7.4	-39.7	22.4	16.0	11.5	5.2	5.1	2.2	1.2	-8.0	6.7
<b>Imports</b>	-2.5	-5.1	-23.9	11.5	6.5	6.8	5.4	4.4	1.8	0.3	-5.3	4.2
<b>GDP Deflator</b>	4.1	-1.9	-5.8	6.0	4.1	3.4	2.8	2.7	2.9	1.9	0.4	3.0
<b>CPI (yr/yr % chg)</b>	2.1	1.8	0.4	1.4	1.7	2.3	3.1	2.3	2.1	1.9	1.3	2.4
<b>Unemployment Rate (%)</b>	5.7	5.9	11.7	11.5	9.4	8.6	8.4	8.2	8.1	5.7	9.6	8.4
<b>Employment Change (K)</b>	23	-28	-1152	119	467	211	116	103	91	391	-641	494
<b>Goods Trade Balance (AR, \$bn)</b>	-12.6	-14.4	-50.0	-36.1	-24.8	-17.6	-18.0	-17.2	-16.7	-18.2	-31.3	-32.1
<b>Housing Starts (AR, K)</b>	202	191	70	88	157	195	207	211	215	209	127	207

\* M&E plus Non-Res Structures and Intellectual Property and NPISH



## US FORECAST DETAIL

(real % change, SAAR, unless otherwise noted)

	19:4A	20:1F	20:2F	20:3F	20:4F	21:1F	21:2F	21:3F	21:4F	2019A	2020F	2021F
<b>GDP At Market Prices (\$Bn)</b>	21,727	21,611	19,892	20,863	21,498	21,902	22,253	22,577	22,889	21,427	20,966	22,405
% change	3.5	-2.1	-28.2	21.0	12.7	7.7	6.5	6.0	5.6	4.1	-2.2	6.9
<b>Real GDP (\$2009 Bn)</b>	19,221	19,072	17,577	18,352	18,795	19,052	19,270	19,440	19,587	19,073	18,449	19,337
% change	2.1	-3.1	-27.9	18.8	10.0	5.6	4.7	3.6	3.1	2.3	-3.3	4.8
<b>Final Sales</b>	3.1	-3.1	-26.8	15.5	10.3	5.9	4.8	3.7	3.1	2.2	-3.1	4.7
<b>Personal Consumption</b>	1.7	-3.0	-24.3	16.6	13.2	6.0	5.5	4.0	3.2	2.6	-2.2	5.8
<b>Total Govt. Expenditures</b>	2.6	1.0	1.2	3.8	3.7	1.2	1.2	1.2	1.2	2.3	2.2	2.0
<b>Residential Investment</b>	6.1	13.9	-31.2	22.1	12.8	7.9	5.3	4.9	4.3	-1.5	1.1	6.3
<b>Business Fixed Investment</b>	-2.3	-6.7	-43.8	18.0	10.0	10.1	6.4	6.0	4.2	2.1	-10.0	4.8
<b>Inventory Change (\$2009 Bn)</b>	13.0	14.9	-47.1	80.0	68.2	52.5	46.1	38.9	39.7	67.0	29.0	44.3
<b>Exports</b>	2.1	-3.6	-45.9	29.9	13.4	6.5	5.9	5.4	4.8	0.0	-7.8	5.4
<b>Imports</b>	-8.6	0.7	-24.0	19.0	17.0	5.2	6.0	5.1	4.2	1.0	-3.2	6.8
<b>GDP Deflator</b>	1.3	1.0	-0.5	1.8	2.5	2.1	1.8	2.3	2.5	1.8	1.1	2.0
<b>CPI (yr/yr % chg)</b>	2.0	2.2	1.0	1.0	1.3	1.7	2.5	2.7	2.7	1.8	1.4	2.4
<b>Core CPI (yr/yr % chg)</b>	2.3	2.3	2.2	1.9	1.9	1.9	2.1	2.2	2.3	2.2	2.1	2.1
<b>Unemployment Rate (%)</b>	3.5	3.8	12.0	8.7	7.8	7.2	6.7	6.2	5.8	3.7	8.1	6.5
<b>Housing Starts (AR, K)</b>	1,441	1,481	963	1,190	1,232	1,253	1,320	1,410	1,472	1,298	1,217	1,364



## PROVINCIAL FORECAST DETAIL

(real % change, SAAR, unless otherwise noted)

	Real GDP Y/Y % Chg			Nominal GDP Y/Y % Chg			Unemployment Rate %			Housing Starts 000s Units			Consumer Price Index Y/Y % Chg		
	2019F	2020F	2021F	2019F	2020F	2021F	2019A	2020F	2021F	2019A	2020F	2021F	2019F	2020F	2021F
BC	1.9	-3.7	5.1	3.8	-2.3	7.5	4.7	8.8	7.6	44.9	26.0	42.0	2.3	1.4	2.4
Alta	0.5	-4.5	3.9	2.5	-8.5	10.9	6.9	10.8	9.8	27.3	18.0	33.0	1.7	1.9	2.2
Sask	0.5	-3.9	3.7	2.5	-6.9	9.5	5.4	8.9	8.1	2.4	1.5	4.0	1.7	1.2	2.3
Man	1.4	-3.8	4.2	3.3	-2.4	6.5	5.3	8.9	7.9	6.9	3.5	7.0	2.3	1.3	2.4
Ont	1.7	-3.8	4.8	3.6	-2.4	7.2	5.6	9.6	8.1	69.0	43.0	68.0	1.9	1.2	2.4
Qué	2.7	-3.5	5.2	4.6	-2.2	7.6	5.1	8.8	7.6	48.0	30.0	43.0	2.1	1.4	2.3
NB	1.1	-4.1	4.7	2.9	-2.8	7.0	8.0	12.2	11.1	2.9	1.5	3.0	1.7	1.3	2.4
NS	1.5	-4.2	4.9	3.3	-2.8	7.2	7.2	11.5	10.3	4.7	2.5	4.0	1.6	1.5	2.3
PEI	2.3	-4.0	5.0	4.1	-2.6	7.3	8.8	12.8	11.6	1.5	0.8	1.0	1.2	1.1	2.4
N&L	1.9	-4.4	4.0	3.9	-7.4	9.8	11.9	16.9	16.3	0.9	0.5	1.5	1.0	1.0	2.4
<b>Canada</b>	<b>1.6</b>	<b>-3.9</b>	<b>4.7</b>	<b>3.6</b>	<b>-3.5</b>	<b>7.9</b>	<b>5.7</b>	<b>9.6</b>	<b>8.4</b>	<b>209</b>	<b>127</b>	<b>207</b>	<b>1.9</b>	<b>1.3</b>	<b>2.4</b>

Sources: CIBC, Statistics Canada, CMHC

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## B.C. Economic Forecast Update - April 2020

### Highlights:

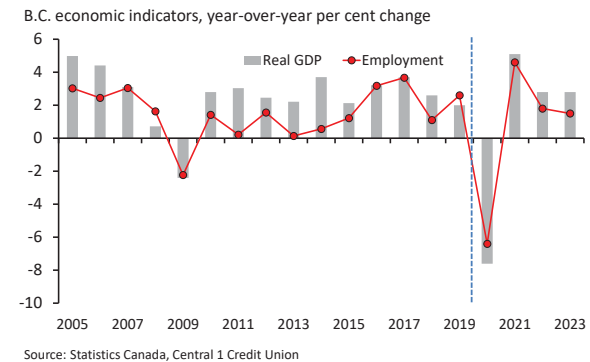
- B.C. GDP to contract 7.3 per cent in 2020 as COVID-19 effects and government containment measures stem the health crisis, but freezes economic activity
- Layoffs surge amidst the economic downturn pushing unemployment to average of eight per cent in 2020 but unprecedented measures provide to support households and business through pandemic
- Recovery phase for economy in sight as government expected to partially re-open affected sector late in the first half lifting growth to 5.1 per cent in 2021
- Rebound will be relatively strong but gradual as government balance risks to public health with economic growth and many containment are maintained
- Tourism and other customer facing service sectors to remain challenged over next two years

Canadian economic activity has been hit by an unfathomable amount due to the COVID-19 health crisis and containment measures.

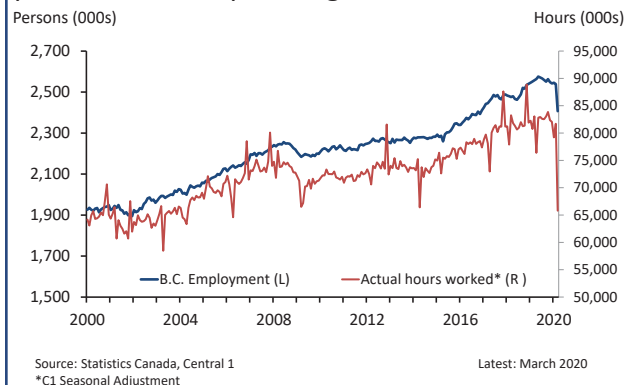
The global economy is amidst a deep COVID-19 induced recession as governments press pause to limit the spread of the virus and protect healthcare systems. Central 1 forecasts Canadian GDP to contract 40 per cent during second quarter 2020 as the full COVID-19 effects are observed, combined with the effects of the collapse in oil prices. We forecast a full-year contraction in the Canadian economy of eight per cent this year, with a six per cent rebound in 2021.

Within B.C. – where there is less oil sector exposure but more tourism exposure – we forecast GDP to plummet more than seven per cent this year, with annual unemployment averaging eight per cent. Broadly poor business conditions are expected to continue into mid-year, before a re-opening of the economy underpins a stronger recovery phase through 2021. Overall, B.C.'s economy is still expected to 'outperform' the Canadian average for whatever solace that may bring.

### B.C. economy dives in 2020 on COVID-19 impact



### B.C. employment losses align with national picture, services post largest contraction



While our baseline forecast is presented here, there is substantial uncertainty given that economic outcomes are entirely dependent on the evolution of the COVID-19 epidemic and government policies to relax or tighten containment measures.

### *Economic data begins to reflect COVID-19 impacts*

The severity of the COVID-19 health crisis and government containment measures has been evident in the daily lives of B.C. residents and Canadians at large. Swaths of businesses have been impacted, with many under temporary closure. Restaurants have closed or shifted business models to allow take out only, while municipal services such as recreation centres and schools have closed. Meanwhile, the broad downturn demand both domestically and abroad amidst the pandemic has impacted export-oriented goods and services producers.

While there is no question that the speed and magnitude has been severe, we are only now receiving confirmation from the economic data.

Labour market and economic output are far worse than most economic prognosticators, including us, had expected. Preliminary estimates of Canadian industry-economic output showed an unprecedented month-to-month contraction of 9.0 per cent from February. On an annualized basis, the economy contracted by 10 per cent in the first quarter owing largely to services producing industries. As containment measures intensified across the country in the second half of March, the plunge in economic activity will be more evident in the second quarter.

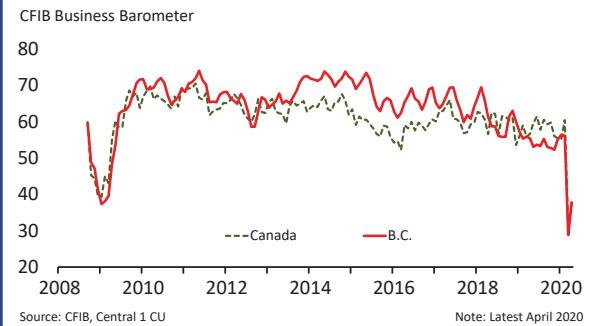
Jobs lost in the current environment have been numbing. Nation-wide, Statistics Canada estimated more than 1 million jobs lost in March, marking a 5.3 per cent decline from February, which was deeper than any on record. During the Great Financial Crisis period from 2008-2009, the worst single-month decline was about 125,000 jobs, while the peak to trough decline during the period was 426,000 over a seven-month period. Given the global nature of the shock, similar patterns were observed across the country.

B.C. employment contracted by a similar 5.2 per cent or 132,400 persons, with the unemployment rate up more than two points to 7.2 per cent. Service-sector workers, particularly those in face-to-face roles in sectors such as accommodations and foodservices, information and culture, and retail bore the brunt of the decline. Younger workers and females have been most deeply impacted. Headline labour market data understates the full effect of the COVID-19 crisis on workers and those still employed but with diminished or no hours. Hours worked in B.C. fell 20 per cent from both February and a year ago. Sectoral contractions were similar in the province, with the bulk occurring in Metro Vancouver.

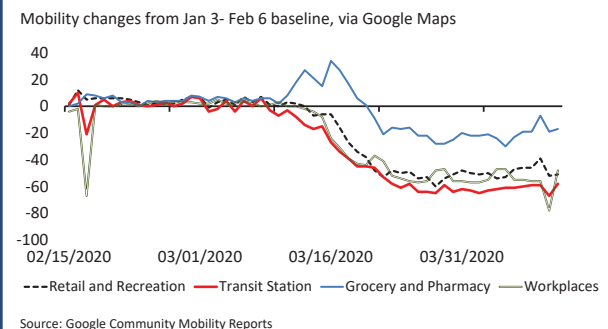
March employment declines are not the last given timing of the survey. The survey captured a reference week ending March 21. Many with lost hours or no hours will likely join the ranks of the officially unemployed in April, while other businesses and municipal governments also laid off staff. Examples of the latter in B.C. has included the City of Vancouver laying off 1,800 staff due to closures of recreation facilities, parks and other services.

For the most part, standard economic indicators do not yet reflect the current environment due to data availability lags. Indeed, much of the data still shows a mild growth environment from early this year, where retail

### Small business confidence plummets in March as pandemic effects hit



### Physical distancing measures help flatten the curve, but also the economy



spending rose for four straight months through February, resale market activity was firm, and manufacturing slowdown looked to abate. More timely sources point to the magnitude of contraction. Small business confidence remains near historic lows according to the Canadian Federation of Independent Businesses, with the share of businesses being fully open at only 25 per cent. Near real time information published by Google Maps point to lower mobility since mid-March, with travel to retail, workplaces, and transit down 50 per cent. This is also translating into lower economic activity. That said, the stronger lead-in to current weakness provides for some optimism for when the current challenges abate.

### Government support to bridge the economy

This recession is like no other. Rather than supply or demand excesses, this downturn is largely by decree as the government combats the raging health crisis. Indeed, the flurry of government programs to mitigate the effects on household finances, and to a lesser extent businesses, has been breathtaking. The federal government has introduced a laundry list of temporary measures aimed at bridging the economy to the other side of the pandemic and minimizing the extent of

long-term damage. These include: emergency cash benefits for impacted households through the Canada Emergency Response Benefit, wage subsidies of up to 75 per cent for nearly all businesses with revenues severely impacted via the Canada Emergency Wage Subsidy, along with interest-free emergency loans for small business with possibility of partial loan forgiveness via the Canada Emergency Business Account. The direct programs will cost nearly \$150 billion, excluding tax deferral measures. Employment numbers should pick up with wage subsidies, despite many workers at home during the duration of the pandemic.

The B.C. government also introduced a one-time \$1,000 payment for affected individuals as well as temporary rent support for affected individuals.

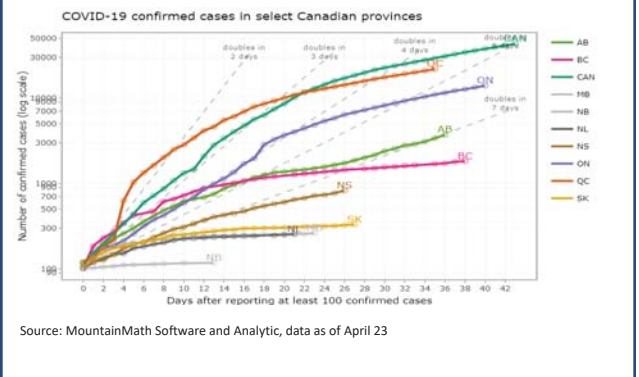
#### *B.C. economic forecast and the uncertain road to recovery*

The extent of the damage is still uncertain, although it is clear that this will be one of the deepest economic contractions on record. That said it is also anticipated to be brief, reflecting its nature as a health crisis and policy driven pause in the economy.

Our base case for the recovery phase is that authorities will re-open segments of the economy in late May as Canadians' efforts to flatten the epidemic curve bear fruit. While cases continue to grow, the rate of growth is slowing and trending well below the paths of countries like the U.S. and European epicenters. However, expect this recovery phase to be gradual in the absence of a vaccine which is unlikely to emerge within the next 12 months. Authorities will be vigilant in trying to control further breakouts, suggesting the age of physical distancing will be with us for some time. On the productive capacity front, retail shops, restaurants, and other face-to-face sectors will see a recovery limited by both requirements to impose distancing in their locations while consumers who will be wary of spreading of the virus may be hesitant to return to normal activities. Physical distancing will be the norm across sectors. Tourism will remain in a deep funk into 2021. Many small businesses may be unable to survive the duration of the health crisis, curtailing a rebound. Economic output is not expected to return to pre-COVID19 trends until mid-2021.

Provincial paths will be similar, but dependent on the success in COVID-19 management. B.C is in relatively stronger shape to re-open affected sectors earlier than other large provinces (to the elation of residents). Earlier mitigation strategies and strong buy-in by residents looks to have flattened the curve with spread of COVID-19. Nevertheless, like other regions, there is no return to normal given the absence of a vaccine.

#### B.C. residents successfully flattening the curve for now



With the rapid contraction in the first half of this year and ramp up thereafter, we forecast a contraction in B.C.'s economy of 7.3 per cent before a rebound of 5.1 per cent in 2021. This will exceed the previous record contraction of 6.4 per cent observed in 1982, albeit with a strong recovery. Growth is forecast to return exceed 2.5 per cent in both 2022 and 2023.

Nearly all sectors of the economy will negatively impacted by COVID-19 with accommodations/foodservices, recreation, personal services and, to a lesser extent, retail trade bearing the brunt. This reflects the combination of lower consumer spending and a prolonged slump in the tourism cycle. Retail sales are forecast to decline 12 per cent this year, although this may be optimistic. Fewer home sales, hunkered down families and higher unemployment rates are cutting into sales of vehicles, clothing, gasoline and other products. The recovery phase will likely see pent-up demand unleashed in the second half of the year providing a lift to retailers which remain open. Consumption may overshoot temporarily as households make up for some lost time, although many households and business owners will bear the scars of income loss.

The housing sector is also expected to contract sharply this year. While underlying demand for housing has been robust in recent years, driven by population growth and strong employment, the sector will contract. Home sales will plunge through mid-year with the rest of the economy. Buyers will be hesitant to engage, while sellers may also be uncomfortable to open their homes for listing. A 30 per cent decline in home sales this year would not surprise, although home prices should be supported by cuts to listings. Short-term pricing will not be indicative of a post-pandemic housing conditions. Housing construction activity continues but housing starts are forecast to decline from nearly 45,000 units in 2019 to 31,400 units this year. Supply side constraints could delay construction and developers may take a wait and see attitude to construction in light of the pandemic.



With the global economy amidst a sharp recession, B.C. exports are set to fall more than six per cent. The International Monetary Fund (IMF) dubbed the current downturn as the Great Lockdown and predicts the deepest recession since the Depression, with global GDP contracting three per cent and with considerable uncertainty about the outlook. In turn, low commodity prices, contraction in global consumption and weak tourism contribute to weakness in exports. This will have a related effects on sectors like TV and film, accommodations and foodservices. National borders, which will undoubtedly thicken temporarily, will likely drag on these sectors going forward.

The health sector is one area of the economy which will remain relatively firm this year, given increased requirements for care and increased government investments, although private practices are experiencing loss of income. Major project construction also continues on projects like the Site C dam, although work has been temporarily scaled back at LNG Canada's Kitimat plant construction due to virus concerns. Nevertheless, major project construction remains an area of growth for the province, amidst weak domestic demand and likelihood of small businesses scaling back investments.

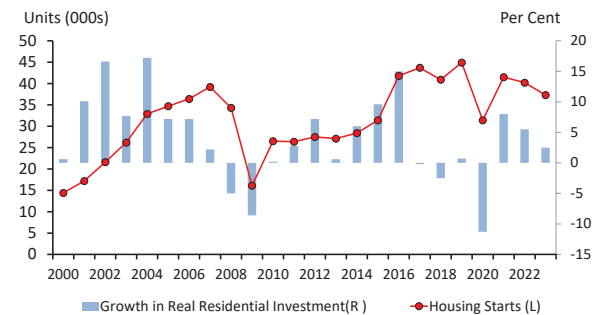
Average unemployment is forecast to peak partway through the second quarter at near 10 per cent but shift lower thereafter. The Canada Emergency Wage Subsidy will likely drive more companies to hire back its workforce (even if temporary idled) to ensure workforce availability during the recovery phase. A recovery phase will lift employment quickly at the front-end before gradually rising. This reflects the expectation of a start – idle – start re-opening of the economy. Permanent closures of some businesses, and persistent weakness in sectors will limit the recovery. Annual average employment for 2020 declines 6.4 per cent with a 4.6 per cent increase in 2021, while the average unemployment rate hits 8.0 per cent before trending to 6.3 per cent in 2021 and 5.7 per cent in 2022.

The combination of higher joblessness over the next year and travel restrictions will constrict population growth which has been one of B.C.'s – and more broadly, Canada's – pillars of growth in recent years. Population growth is forecast to sink to 0.4 per cent this year from 1.4 per cent in 2019, marking the lowest increases in decades, before rebounding to 1.1 per cent in 2021.

#### *A recovery can take many forms*

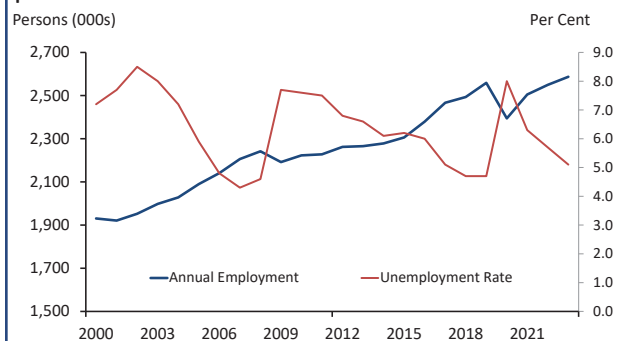
We have sketched out our expectations for the economy based on what we deem as the most

### Housing starts decline despite ongoing construction work



Source: Statistics Canada, CMHC, Central 1 Credit Union

### Return to pre-COVID19 employment a gradual process



Source: Statistics Canada, Central 1

Latest: 2019

probable scenario: a truncated V-shape rebound that takes time to regain lost footing given epidemic related constraints and persistent weakness in some sectors. There are however other possible outcomes very much in the realm of possibility which generate a more challenging outlook.

A realistic alternative is U-shaped recovery if we witness an extended duration of current containment measures due to the inability of Canada and B.C. to flatten the curve in the near-term. Duration of containment would persist into the third quarter, requiring ongoing federal assistance. This would, in the terms of the IMF, lead to increased long-term scarring on the economy. More businesses would fail in this scenario given insufficient funds to cover fixed costs on an ongoing basis, and hesitation to add additional debt. Longer-term unemployment would rise as these businesses exit the market, while investment spending would also decline.

Another alternative is the re-emergence of a CO-VID-19 outbreak following a short re-opening of the economy in late 2020 or early-2021 (or a W-shaped recovery). This would likely drive a second round of current containment measures. Health systems should

be in a better place to cope given current experience, but this will have a substantial impact on both consumers and businesses. Confidence would be sapped with a second round, more businesses would likely cease permanently given uncertainty, and persistent unemployment would entail.

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Provincial Forecast							
	2017	2018	2019	2020	2021	2022	2023
GDP at market prices	7.1	4.5	4.7	-5.9	6.6	4.9	5.5
Real GDP, expenditure-based	3.7	2.6	2.0	-7.3	5.1	2.8	2.8
Household consumption	4.6	2.3	1.5	-9.8	5.5	3.5	4.2
Government expenditure	2.9	3.0	2.5	1.3	1.0	1.2	1.0
Government capital formation	14.2	6.3	14.2	1.7	3.3	-2.5	-2.8
Business capital formation	4.4	0.6	2.4	-5.7	7.7	0.7	-0.2
Residential structures	-0.2	-2.5	0.7	-11.2	8.0	5.5	2.6
Machinery and equipment	3.3	5.5	4.3	-9.2	0.7	-0.9	8.6
Non-residential structures	15.1	1.7	5.9	6.5	11.5	-6.8	-10.4
Final domestic demand	4.4	2.2	2.3	-6.6	4.9	2.3	2.4
Exports	2.7	4.2	1.4	-8.3	6.1	3.9	4.2
Imports	5.6	2.9	1.4	-6.8	5.9	4.1	2.7
Net exports, \$2007 bil.	-22.2	-21.6	-21.9	-22.0	-23.2	-24.3	-23.4
Employment	3.7	1.1	2.6	-6.4	4.6	1.8	1.5
Unemployment rate (%)	5.1	4.7	4.7	8.0	6.3	5.7	5.1
Personal income	6.2	4.3	5.0	-4.6	6.7	4.9	4.8
Disposable income	7.0	4.1	4.6	-4.5	7.2	4.7	4.7
Net operating surplus: Corporations	18.0	-0.4	1.0	-16.2	-4.3	-1.4	3.7
CPI	2.1	2.7	2.3	1.3	2.1	1.6	1.6
Retail sales	9.3	2.0	0.7	-12.4	6.9	4.7	5.8
Housing starts, 000s	43.7	40.9	44.9	31.5	41.5	40.3	37.4
Population Growth (%)	1.3	1.6	1.4	0.4	1.1	0.9	0.8
Key External Forecasts							
U.S. Real GDP	2.4	3.0	2.3	-7.0	5.0	2.0	2.2
Canada Real GDP	3.1	2.0	1.6	-8.0	6.0	2.1	1.8
European Union Real GDP	2.7	1.5	1.2	-8.0	5.0	1.6	1.7
China Real GDP	6.0	6.6	6.1	0.0	4.0	5.7	5.5
Japan Real GDP	1.9	0.8	0.7	-6.0	4.0	0.9	0.8
Canada 3-month t-bill, %	0.71	1.37	1.66	0.30	0.25	0.40	0.50
Canada GoC long-term Bond, %	2.18	2.36	1.80	1.10	1.10	1.50	1.80
U.S.-Canada Exchange Rate, cents/dollar	77.1	77.2	76.2	71.9	73.0	74.1	76.3
Crude Oil WTI USD\$ per barrel	51	65	57	31	42	50	55
Henry Hub Natural Gas Price, US\$ per mmbtu	2.99	3.15	2.56	1.90	2.50	2.70	2.90

Statistics Canada, CMHC, Central 1 Forecast

Real Gross Domestic Product: Industries							
Provincial Forecast							
	2017	2018	2019	2020	2021	2022	2023
All Industries	240,658	246,506	251,490	234,082	246,039	252,939	260,082
% change	4.0	2.4	2.0	-6.9	5.1	2.8	2.8
Agriculture	2,865	3,245	3,235	2,933	3,039	3,098	3,161
% change	-1.2	13.2	-0.3	-9.3	3.6	2.0	2.0
Forestry	1,822	1,912	1,762	1,607	1,612	1,627	1,644
% change	-3.5	5.0	-7.8	-8.8	0.3	0.9	1.1
Fishing, hunting, trapping and agriculture and forestry support	298	292	293	267	279	283	288
% change	-1.9	-2.1	0.2	-8.8	4.4	1.6	1.8
Oil and Gas Mining	3,705	4,528	4,614	4,717	4,819	5,099	5,390
% change	1.7	22.2	1.9	2.2	2.2	5.8	5.7
Other Mining	4,580	4,686	4,758	4,336	4,856	4,549	4,537
% change	-3.5	2.3	1.5	-8.9	12.0	-6.3	-0.3
Support activities for oil, gas, and other mining	713	835	804	721	683	603	629
% change	-4.1	17.1	-3.7	-10.4	-5.3	-11.7	4.4
Utilities	5,261	4,940	4,993	4,706	4,887	4,969	5,105
% change	5.6	-6.1	1.1	-5.7	3.8	1.7	2.7
Construction	20,478	21,110	21,479	21,048	22,496	23,120	23,160
% change	10.8	3.1	1.8	-2.0	6.9	2.8	0.2
Residential Construction	8,939	9,272	9,289	8,233	8,741	9,327	9,544
% change	2.5	3.7	0.2	-11.4	6.2	6.7	2.3
Non-Residential Construction	2,039	2,308	2,600	2,435	2,534	2,653	2,846
% change	-8.0	13.2	12.6	-6.3	4.1	4.7	7.3
Engineering Construction	6,150	6,128	6,062	6,668	7,336	7,054	6,500
% change	37.9	-0.4	-1.1	10.0	10.0	-3.9	-7.8
Other Construction	3,350	3,401	3,527	3,712	3,885	4,086	4,270
% change	8.7	1.5	3.7	5.2	4.7	5.2	4.5
Manufacturing	17,354	17,711	17,826	16,278	17,315	17,727	18,252
% change	5.6	2.1	0.6	-8.7	6.4	2.4	3.0
Food Products	2,153	2,155	2,235	2,060	2,179	2,233	2,306
% change	3.5	0.1	3.7	-7.8	5.8	2.5	3.3
Wood Products	2,986	2,975	2,680	2,539	2,581	2,670	2,730
% change	-0.9	-0.4	-9.9	-5.3	1.7	3.4	2.3
Paper and Allied Product	1,451	1,483	1,446	1,345	1,385	1,403	1,417
% change	3.8	2.2	-2.5	-7.0	3.0	1.3	1.0
Primary Metals	1,471	1,453	1,352	1,245	1,295	1,290	1,326
% change	10.9	-1.2	-6.9	-7.9	4.0	-0.4	2.8
Non-Metallic Minerals	1,378	1,591	1,620	1,487	1,578	1,634	1,676
% change	15.2	15.5	1.8	-8.2	6.1	3.5	2.6
Fabricated Metals	1,167	1,383	1,525	1,313	1,523	1,570	1,610
% change	7.1	18.5	10.3	-13.9	16.0	3.1	2.5
Machinery	1,190	1,148	1,273	1,174	1,292	1,324	1,368
% change	22.3	-3.5	10.9	-7.8	10.0	2.5	3.4
Wholesale trade	9,655	9,900	10,105	9,274	9,689	9,955	10,227
% change	6.0	2.5	2.1	-8.2	4.5	2.7	2.7

# Real Gross Domestic Product: Industries (continued)

## Provincial Forecast

	2017	2018	2019	2020	2021	2022	2023
Retail trade	14,609	14,768	14,917	13,247	14,073	14,730	15,261
% change	6.4	1.1	1.0	-11.2	6.2	4.7	3.6
Transportation And Warehousing	14,289	14,830	15,346	13,867	14,493	15,701	17,102
% change	7.5	3.8	3.5	-9.6	4.5	8.3	8.9
Pipelines	1,307	1,313	1,493	1,401	1,453	1,717	1,829
% change	4.3	0.4	13.7	-6.1	3.7	18.2	6.5
Other Transportation & Warehousing	12,982	13,517	13,854	12,466	13,040	13,984	15,274
% change	7.8	4.1	2.5	-10.0	4.6	7.2	9.2
Finance, Insurance & Real Estate	28,813	28,703	29,209	26,792	28,095	29,052	30,098
% change	2.3	-0.4	1.8	-8.3	4.9	3.4	3.6
Owner-Occupied Housing	28,342	29,465	30,538	30,938	31,970	32,937	33,957
% change	3.7	4.0	3.6	1.3	3.3	3.0	3.1
Professional, scientific and technical services	15,029	15,289	15,522	14,460	15,146	15,512	15,835
% change	3.2	1.7	1.5	-6.8	4.7	2.4	2.1
Administrative and support, waste management and remediation services	6,931	7,026	7,177	6,609	6,943	7,129	7,325
% change	-0.8	1.4	2.2	-7.9	5.1	2.7	2.8
Other services (except public administration)	5,253	5,330	5,428	4,985	5,171	5,344	5,539
% change	2.3	1.5	1.8	-8.2	3.7	3.3	3.7
Arts, entertainment and recreation	2,259	2,315	2,359	1,872	2,121	2,185	2,266
% change	2.2	2.5	1.9	-20.7	13.3	3.0	3.7
Information and cultural industries	8,228	8,097	8,252	7,485	7,777	7,978	8,236
% change	2.5	-1.6	1.9	-9.3	3.9	2.6	3.2
Educational services	12,229	12,684	12,991	12,973	12,978	12,905	12,776
% change	1.7	3.7	2.4	-0.1	0.0	-0.6	-1.0
Health care and social assistance	16,339	16,825	17,347	17,669	18,077	18,486	18,885
% change	2.1	3.0	3.1	1.9	2.3	2.3	2.2
Government Services	13,104	13,367	13,681	13,922	14,024	14,224	14,408
% change	2.1	2.0	2.3	1.8	0.7	1.4	1.3
Accommodation and food services	7,219	7,577	7,735	5,133	7,357	7,586	7,875
% change	5.9	5.0	2.1	-33.6	43.3	3.1	3.8

\* includes direct hunting, fishing and trapping

Statistics Canada, Central 1 Forecast

Labour Market Indicators: British Columbia							
Provincial Forecast							
	2017	2018	2019	2020	2021	2022	2023
Employment by Industry: British Columbia							
Total	2,466.8	2,493.6	2,559.0	2,394.9	2,505.8	2,550.4	2,587.8
% Change	3.7	1.1	2.6	-6.4	4.6	1.8	1.5
Agriculture	26.2	23.6	26.6	24.8	25.4	25.4	25.2
% Change	7.4	-9.9	12.7	-6.8	2.3	0.0	-0.7
Other Primary	49.8	49.7	44.5	43.6	45.2	44.5	44.3
% Change	-2.0	-0.2	-10.5	-2.0	3.6	-1.5	-0.4
Manufacturing	174.2	174.3	165.7	152.2	158.2	158.6	158.5
% Change	2.4	0.1	-4.9	-8.2	3.9	0.3	-0.1
Utilities	12.9	13.9	12.2	11.6	12.0	12.0	12.0
% Change	-4.4	7.8	-12.2	-5.1	3.4	0.4	0.2
Construction	228.6	238.4	236.6	222.8	230.2	236.2	238.5
% Change	8.2	4.3	-0.8	-5.8	3.3	2.6	1.0
Transportation & Warehousing	139.4	135.8	140.6	127.4	132.1	135.0	138.1
% Change	1.1	-2.6	3.5	-9.4	3.7	2.2	2.3
Trade	374.0	368.4	389.2	357.8	373.9	382.7	387.9
% Change	1.1	-1.5	5.6	-8.1	4.5	2.3	1.4
FIRE	156.2	150.8	158.9	149.5	156.2	159.5	162.2
% Change	14.9	-3.5	5.4	-5.9	4.5	2.1	1.6
Professional, Scientific, Managerial	299.7	309.1	336.0	318.4	332.6	338.1	339.7
% Change	-0.2	3.1	8.7	-5.2	4.5	1.7	0.5
Accommodation & Food Services	182.6	187.7	191.2	140.8	177.0	184.0	197.0
% Change	4.8	2.8	1.9	-26.4	25.7	3.9	7.1
Education Services	166.6	168.6	178.7	178.3	178.2	177.0	175.0
% Change	1.0	1.2	6.0	-0.2	-0.1	-0.7	-1.1
Health & Welfare Services	303.5	323.2	312.6	318.1	325.2	332.2	339.0
% Change	4.1	6.5	-3.3	1.8	2.2	2.2	2.1
Other Services	251.2	245.7	250.3	231.9	241.5	245.5	249.1
% Change	8.7	-2.2	1.9	-7.4	4.1	1.7	1.5
Government Services	101.9	104.3	116.0	117.8	118.4	119.9	121.2
% Change	-1.7	2.4	11.2	1.5	0.5	1.2	1.1

Labour Market Indicators: British Columbia							
Source Population	3,979.7	4,031.8	4,097.3	4,117.3	4,165.4	4,208.6	4,246.9
% Change	1.2	1.3	1.6	0.5	1.2	1.0	0.9
Participation Rate	65.3	64.9	65.5	63.2	64.2	64.3	64.2
Labour Force	2,600.7	2,616.5	2,684.7	2,603.4	2,675.3	2,705.2	2,727.6
% Change	2.7	0.6	2.6	-3.0	2.8	1.1	0.8
Employment	2,466.8	2,493.6	2,559.0	2,394.9	2,505.8	2,550.4	2,587.8
% Change	3.7	1.1	2.6	-6.4	4.6	1.8	1.5
Unemployment	133.9	122.9	125.7	208.4	169.5	154.8	139.8
% Change	-12.4	-8.2	2.3	65.8	-18.7	-8.6	-9.7
Unemployment Rate	5.1	4.7	4.7	8.0	6.3	5.7	5.1

Statistics Canada, Central 1 Forecast

## Reopening of provincial economies: different speed, scale and outcomes

June 10, 2020

The end of the Great Lockdown is still a long way away but we're seeing positive steps across Canada. All provinces are now reopening parts of their economy gradually. And as they do, businesses are calling back laid-off workers and increasing work hours—getting the wheels of the economy spinning again. Barring any setbacks at containing the spread of COVID-19, we believe this reopening process will set the stage for a meaningful economic recovery over the second half of this year and into 2021. The pace of the recovery will be uneven across the country. Some provinces are proceeding a little more quickly than others with lifting lockdown restrictions—in part reflecting further progress at containing the pandemic. We believe this will give Manitoba, British Columbia and New Brunswick a head-start on the recovery. Low oil prices pose an additional hurdle for oil-producing provinces leaving Newfoundland and Labrador, Alberta and Saskatchewan as the weakest performers.

We have updated our provincial forecast based on data recently released and the latest government reopening plans. The main story hasn't really changed from all interim updates since March—we expect all provincial economies to contract severely this year—though we now believe contractions won't be quite as massive as we thought previously. The May labour report showed an earlier pick-up in jobs and hours worked than we anticipated for most provinces, which we believe marked the turning point. Other economic indicators—including housing starts and [RBC's proprietary consumer card spending data](#)—also point to some near-term resilience or strengthening.

The GDP recovery path we assume for most provinces now generally has a slightly higher cyclical bottom in April-May compared to our [May Provincial Outlook Update](#). We expect Manitoba, BC and New Brunswick will recover the most ground lost by year-end, with Newfoundland and Labrador, Alberta and PEI trailing all provinces. Full recovery will be a long and bumpy road for all provinc-

### GDP recovery path assumptions

February 2020 = 100

	Feb 2020	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec 2020
NL	100	84	78	80	86	87	87	86	87	87	87
PE	100	83	89	89	91	93	92	92	92	92	92
NS	100	88	89	88	94	94	95	94	94	94	94
NB	100	88	88	88	94	95	95	95	95	95	95
QC	100	87	74	83	91	94	94	94	94	94	94
ON	100	89	84	83	91	94	94	94	94	94	94
MB	100	93	90	88	93	95	95	95	95	95	96
SK	100	91	85	87	93	94	94	94	93	93	93
AB	100	91	86	86	89	90	90	90	92	92	92
BC	100	87	85	85	93	95	95	95	95	95	95



es—easily stretching into 2022 or beyond in some cases. The maintenance of some forms of social distancing, permanent business closures, weakened balance sheets and lower in-migration will restrain the economic rebound. We expect the impact of COVID-19 on some sectors like home construction will continue to grow well into 2021. Lower in-migration levels are poised to sap demand for new housing units, causing housing starts to fall in virtually every province next year. Still, despite many possible cross-currents, our forecast calls for positive economic growth to return from coast to coast in 2021—though this will say more about extremely low comparison point in 2020 than the degree of vitality in 2021.

#### Forecast details

% change unless otherwise indicated

	Real GDP				Nominal GDP				Employment				Unemployment, %				Housing starts, (000s)				Retail sales				CPI			
	18	19F	20F	21F	18	19F	20F	21F	18	19F	20F	21F	18	19F	20F	21F	18	19F	20F	21F	18	19F	20F	21F	18	19F	20F	21F
N.& L.	-3.5	4.0	-9.9	2.7	1.7	5.4	-16.2	6.5	0.5	0.6	-7.6	-0.1	13.8	11.9	15.1	14.4	1.1	0.9	0.5	0.4	-2.3	-0.1	-9.7	-0.4	1.7	1.0	0.4	0.8
P.E.I.	2.6	4.5	-5.7	3.5	4.2	6.7	-3.2	4.2	3.0	2.7	-2.4	3.3	9.4	8.8	10.8	9.5	1.1	1.5	0.9	0.6	2.9	3.6	-6.2	4.0	2.3	1.2	0.7	0.8
N.S.	1.5	2.1	-5.5	3.8	3.3	4.3	-3.0	4.7	1.5	2.2	-5.2	4.9	7.6	7.2	10.1	8.4	4.8	4.7	3.8	3.4	0.3	2.7	-5.5	4.0	2.2	1.6	0.4	1.6
N.B.	0.8	1.0	-5.3	3.7	3.2	3.0	-2.8	4.5	0.3	0.8	-3.6	3.6	8.0	8.0	10.4	8.3	2.3	2.9	2.7	2.0	1.7	2.1	-4.6	4.0	2.2	1.7	0.4	1.1
QUE.	2.5	2.8	-6.0	4.3	4.8	4.9	-3.4	5.2	0.9	1.8	-5.0	5.2	5.5	5.1	9.6	7.6	46.9	48.0	44.0	34.8	2.9	1.9	-6.5	5.0	1.7	2.1	0.2	1.1
ONT.	2.2	1.9	-5.8	4.2	3.7	4.1	-3.1	5.1	1.6	2.9	-4.7	5.4	5.6	5.6	8.9	7.1	78.7	69.0	67.7	55.8	4.4	2.9	-4.6	4.3	2.4	1.9	0.4	1.1
MAN.	1.3	1.0	-3.8	3.6	2.2	3.0	-1.1	4.5	0.6	0.9	-3.1	4.8	6.0	5.3	7.8	6.1	7.4	6.9	5.7	5.3	2.9	1.2	-3.4	2.2	2.5	2.3	0.3	1.1
SASK.	1.3	-0.8	-6.2	3.8	1.4	0.6	-11.8	9.5	0.4	1.8	-6.0	4.0	6.1	5.4	9.5	8.4	3.6	2.4	2.4	3.0	-0.3	-0.5	-4.1	0.4	2.3	1.7	0.4	1.2
ALTA.	1.6	-0.6	-8.7	4.5	3.8	-0.1	-16.9	11.3	1.9	0.5	-8.2	4.2	6.6	6.9	11.3	9.5	26.1	27.3	21.1	22.5	2.0	-0.9	-9.9	3.3	2.5	1.7	0.1	1.2
B.C.	2.6	2.8	-4.2	3.9	4.5	5.3	-1.4	5.0	1.1	2.6	-5.9	5.9	4.7	4.7	8.7	6.3	40.9	44.9	34.7	27.3	2.0	0.6	-4.0	3.9	2.7	2.3	0.2	1.2
CANADA	2.0	1.7	-5.9	4.2	3.9	3.6	-5.4	6.0	1.3	2.1	-5.5	5.1	5.8	5.7	9.5	7.6	213	209	184	155	2.9	1.6	-5.7	4.0	2.3	1.9	0.4	1.1

#### Key provincial comparisons

(2018 unless otherwise stated)

	Canada	NL	PE	NS	NB	QC	ON	MB	SK	AB	BC
Population (000s, 2018)	37,589	522	157	971	777	8,485	14,567	1,369	1,174	4,371	5,071
Gross domestic product (\$ billions)	2,223.9	33.2	7.0	44.4	37.0	439.4	857.4	72.7	80.7	344.8	295.4
Real GDP (\$2012 billions)	2,058.1	32.4	6.3	40.2	33.2	394.9	778.5	67.4	86.6	346.5	264.1
Share of provincial GDP of Canadian GDP (%)	100.0	1.5	0.3	2.0	1.7	19.8	38.6	3.3	3.6	15.5	13.3
Real GDP growth (CAGR, 2013-18, %)	1.9	-0.8	2.1	1.3	0.9	1.9	2.4	1.8	0.8	0.9	3.0
Real GDP per capita (\$ 2012)	55,538	61,655	41,111	41,948	43,059	47,077	54,371	49,824	74,462	80,563	52,800
Real GDP growth rate per capita (CAGR, 2013-18, %)	0.8	-0.8	0.8	0.9	0.6	1.2	1.3	0.5	-0.3	-0.6	1.4
Personal disposable income per capita (\$)	33,310	31,665	29,241	30,145	30,108	29,924	33,488	29,943	33,357	38,872	35,749
Employment growth (CAGR, 2013-18, %)	1.1	-1.5	0.5	0.1	0.0	1.0	1.2	0.7	0.2	0.9	1.9
Employment rate (May 2020, %)	52.9	45.1	54.8	49.6	51.6	53.4	52.0	56.2	56.8	55.9	52.5
Discomfort index (inflation + unemp. rate, April 2020)	7.6	14.5	9.5	11.4	11.9	17.2	11.2	10.8	9.9	12.9	11.5
Manufacturing industry output (% of GDP)	10.4	4.0	10.6	7.8	10.7	14.1	12.2	9.8	6.4	8.5	7.1
Personal expenditures on goods & services (% of GDP)	56.4	52.1	66.4	70.7	65.4	57.4	57.8	58.1	48.0	46.3	62.7
International exports (% of GDP)	32.1	45.2	22.7	17.9	39.1	29.6	34.1	24.6	40.8	35.8	25.3

**Forecast Details**

% change unless otherwise specified

**British Columbia**

	2013	2014	2015	2016	2017	2018	2019F	2020F	2021F
Real GDP	2.2	3.7	2.0	2.8	3.7	2.6	2.8	-4.2	3.9
Nominal GDP	3.4	5.6	2.8	5.2	7.1	4.5	5.3	-1.4	5.0
Employment	0.1	0.6	1.2	3.2	3.7	1.1	2.6	-5.9	5.9
Unemployment Rate (%)	6.6	6.1	6.2	6.0	5.1	4.7	4.7	8.7	6.3
Retail Sales	2.8	6.3	7.0	7.7	9.3	2.0	0.6	-4.0	3.9
Housing Starts (Thousands of Units)	27.1	28.4	31.4	41.8	43.7	40.9	44.9	34.7	27.3
Consumer Price Index	-0.1	1.0	1.1	1.9	2.1	2.7	2.3	0.2	1.2

**Alberta**

	2013	2014	2015	2016	2017	2018	2019F	2020F	2021F
Real GDP	5.7	5.9	-3.7	-3.5	4.8	1.6	-0.6	-8.7	4.5
Nominal GDP	9.6	10.0	-14.0	-6.1	9.2	3.8	-0.1	-16.9	11.3
Employment	2.5	2.2	1.2	-1.6	1.0	1.9	0.5	-8.2	4.2
Unemployment Rate (%)	4.6	4.7	6.0	8.1	7.8	6.6	6.9	11.3	9.5
Retail Sales	7.2	7.9	-4.0	-1.1	7.1	2.0	-0.9	-9.9	3.3
Housing Starts (Thousands of Units)	36.0	40.6	37.3	24.5	29.5	26.1	27.3	21.1	22.5
Consumer Price Index	1.4	2.6	1.2	1.1	1.5	2.5	1.7	0.1	1.2

**Saskatchewan**

	2013	2014	2015	2016	2017	2018	2019F	2020F	2021F
Real GDP	6.5	2.0	-0.8	-0.1	1.7	1.3	-0.8	-6.2	3.8
Nominal GDP	6.7	-0.4	-3.9	-5.0	5.1	1.4	0.6	-11.8	9.5
Employment	3.1	1.0	0.5	-0.9	-0.2	0.4	1.8	-6.0	4.0
Unemployment Rate (%)	4.1	3.8	5.0	6.3	6.3	6.1	5.4	9.5	8.4
Retail Sales	5.2	4.7	-3.3	1.5	4.1	-0.3	-0.5	-4.1	0.4
Housing Starts (Thousands of Units)	8.3	8.3	5.1	4.8	4.9	3.6	2.4	2.4	3.0
Consumer Price Index	1.4	2.4	1.6	1.1	1.7	2.3	1.7	0.4	1.2

**Manitoba**

	2013	2014	2015	2016	2017	2018	2019F	2020F	2021F
Real GDP	2.9	2.1	1.2	1.4	3.1	1.3	1.0	-3.8	3.6
Nominal GDP	4.2	3.1	2.5	2.1	5.7	2.2	3.0	-1.1	4.5
Employment	0.7	0.1	1.6	-0.4	1.7	0.6	0.9	-3.1	4.8
Unemployment Rate (%)	5.4	5.4	5.6	6.1	5.4	6.0	5.3	7.8	6.1
Retail Sales	3.8	4.2	1.3	3.7	7.8	2.9	1.2	-3.4	2.2
Housing Starts (Thousands of Units)	7.5	6.2	5.5	5.3	7.5	7.4	6.9	5.7	5.3
Consumer Price Index	2.3	1.8	1.2	1.3	1.6	2.5	2.3	0.3	1.1

**Ontario**

	2013	2014	2015	2016	2017	2018	2019F	2020F	2021F
Real GDP	1.4	2.5	2.5	2.1	2.9	2.2	1.9	-5.8	4.2
Nominal GDP	2.3	4.4	4.6	4.0	4.6	3.7	4.1	-3.1	5.1
Employment	1.8	0.8	0.7	1.1	1.8	1.6	2.9	-4.7	5.4
Unemployment Rate (%)	7.6	7.3	6.8	6.5	6.0	5.6	5.6	8.9	7.1
Retail Sales	2.7	5.7	5.3	6.9	7.7	4.4	2.9	-4.6	4.3
Housing Starts (Thousands of Units)	61.1	59.1	70.2	75.0	79.1	78.7	69.0	67.7	55.8
Consumer Price Index	1.1	2.3	1.2	1.8	1.7	2.4	1.9	0.4	1.1

## Forecast Details

% change unless otherwise specified

### Quebec

	2013	2014	2015	2016	2017	2018	2019F	2020F	2021F
Real GDP	1.3	1.6	0.9	1.6	2.8	2.5	2.8	-6.0	4.3
Nominal GDP	3.0	3.0	2.9	3.0	5.0	4.8	4.9	-3.4	5.2
Employment	1.4	0.0	0.9	0.9	2.2	0.9	1.8	-5.0	5.2
Unemployment Rate (%)	7.6	7.7	7.6	7.1	6.1	5.5	5.1	9.6	7.6
Retail Sales	3.0	2.6	1.9	6.6	5.5	2.9	1.9	-6.5	5.0
Housing Starts (Thousands of Units)	37.8	38.8	37.9	38.9	46.5	46.9	48.0	44.0	34.8
Consumer Price Index	0.8	1.4	1.1	0.7	1.1	1.7	2.1	0.2	1.1

### New Brunswick

	2013	2014	2015	2016	2017	2018	2019F	2020F	2021F
Real GDP	-0.3	0.1	0.7	0.8	2.2	0.8	1.0	-5.3	3.7
Nominal GDP	0.3	1.8	3.1	2.6	4.4	3.2	3.0	-2.8	4.5
Employment	0.4	-0.2	-0.6	-0.1	0.4	0.3	0.8	-3.6	3.6
Unemployment Rate (%)	10.3	10.0	9.8	9.6	8.1	8.0	8.0	10.4	8.3
Retail Sales	0.7	3.7	2.2	2.1	6.8	1.7	2.1	-4.6	4.0
Housing Starts (Thousands of Units)	2.8	2.3	2.0	1.8	2.3	2.3	2.9	2.7	2.0
Consumer Price Index	0.8	1.5	0.5	2.2	2.3	2.2	1.7	0.4	1.1

### Nova Scotia

	2013	2014	2015	2016	2017	2018	2019F	2020F	2021F
Real GDP	-0.3	1.0	0.7	1.6	1.6	1.5	2.1	-5.5	3.8
Nominal GDP	2.1	2.9	2.2	2.2	3.2	3.3	4.3	-3.0	4.7
Employment	-1.1	-1.1	0.1	-0.4	0.6	1.5	2.2	-5.2	4.9
Unemployment Rate (%)	9.1	8.9	8.6	8.3	8.4	7.6	7.2	10.1	8.4
Retail Sales	3.2	2.8	0.2	4.7	7.8	0.3	2.7	-5.5	4.0
Housing Starts (Thousands of Units)	3.9	3.1	3.8	3.8	4.0	4.8	4.7	3.8	3.4
Consumer Price Index	1.2	1.7	0.4	1.2	1.1	2.2	1.6	0.4	1.6

### Prince Edward Island

	2013	2014	2015	2016	2017	2018	2019F	2020F	2021F
Real GDP	1.8	0.1	1.4	2.1	4.4	2.6	4.5	-5.7	3.5
Nominal GDP	3.2	1.6	3.9	4.7	5.3	4.2	6.7	-3.2	4.2
Employment	1.4	-0.1	-1.2	-2.2	3.1	3.0	2.7	-2.4	3.3
Unemployment Rate (%)	11.5	10.6	10.5	10.8	9.8	9.4	8.8	10.8	9.5
Retail Sales	0.9	3.5	2.6	7.3	6.3	2.9	3.6	-6.2	4.0
Housing Starts (Thousands of Units)	0.6	0.5	0.6	0.6	0.9	1.1	1.5	0.9	0.6
Consumer Price Index	2.0	1.6	-0.6	1.2	1.8	2.3	1.2	0.7	0.8

### Newfoundland and Labrador

	2013	2014	2015	2016	2017	2018	2019F	2020F	2021F
Real GDP	5.3	-1.2	-1.2	1.5	0.4	-3.5	4.0	-9.9	2.7
Nominal GDP	7.6	-0.6	-9.2	1.1	3.7	1.7	5.4	-16.2	6.5
Employment	0.8	-1.7	-1.0	-1.5	-3.7	0.5	0.6	-7.6	-0.1
Unemployment Rate (%)	11.6	11.9	12.8	13.4	14.8	13.8	11.9	15.1	14.4
Retail Sales	5.2	3.7	0.7	0.4	2.4	-2.3	-0.1	-9.7	-0.4
Housing Starts (Thousands of Units)	2.9	2.1	1.7	1.4	1.4	1.1	0.9	0.5	0.4
Consumer Price Index	1.7	1.9	0.4	2.7	2.4	1.7	1.0	0.4	0.8

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# Provincial Economic Forecast

## Economies Turning the Corner But a Tough Road Lies Ahead

June 17, 2020

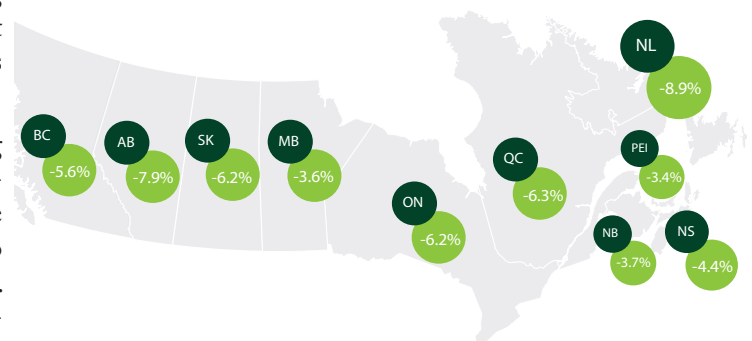
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[Jump to: BC | AB | SK | MB | ON | QC | NB | NS | PE | NL | Forecast Table](#)

- With provincial economic data for May flowing in, we are just now getting a true sense of the extent of economic declines suffered from coast to coast in the second quarter. In short, no province will be spared from an unprecedented contraction in activity and jobs.
- As provinces push ahead with their phased re-openings, focus is shifting to the shape of the recovery. Although all provinces are expected to return back to the growth track starting in the third quarter, a number of smaller provinces (i.e., New Brunswick, PEI, and Manitoba) are likely to outperform, reflecting both a more moderate hit from the pandemic and a faster restart.
- In the larger provinces, B.C.'s progress in tackling the pandemic positions it well to perform better than the others this year. Quebec's economy has likely suffered the most initial damage from COVID-19, but has begun the long healing process. Meanwhile, Ontario will likely underperform, partly given its go-slow approach to re-opening.
- Canada's oil-producing provinces have seen their fortunes improve recently, with an easing in lockdowns complemented by rising oil prices. That said, capital spending plans will remain weak amid uncertainty related to the path of global oil demand. We expect Alberta and Newfoundland & Labrador to register the weakest GDP showings this year, with Saskatchewan faring somewhat better.
- The Labour Force Survey for May highlighted the tough slog ahead in provincial job markets. A number of provinces recorded a rebound in jobs last month. However, unemployment rates still moved broadly higher on a bounce-back in participation rates. Partly owing to a still-challenged business environment, unemployment rates are likely to end 2020 2.9-5.7 ppts above their pre-virus levels.
- We've downgraded our near-term expectations for housing markets across the country. Tighter lending conditions, a slow recovery in job markets, and soft population growth will dampen home sales, prices and housing construction moving forward.
- In 2021, a rebound in growth rates conceal ongoing moderate recoveries from the crisis, while some permanent scarring leaves unemployment rates on the elevated side. The largest provinces are expected to record some convergence on the smaller provinces. However, ongoing soft oil market conditions in Alberta will likely leave it on its back foot.

Provincial Real GDP Growth Forecast (2020)



Source: TD Economics. Forecast as of June 2020.

For more details on our national forecast see our [Quarterly Economic Forecast](#)

## British Columbia

With the focus now shifting to the shape of the recovery, B.C. enjoys an edge relative to other large provinces. It has been among the most successful in bending the COVID-19 curve (Chart 1). B.C. is now approaching Phase 3 of its reopening plan, after which restrictions will remain in place only on international tourism and activities where larger gatherings are the norm.

Although still early days, this success in tackling the pandemic has manifested in comparatively better indicators. For instance, B.C.'s manufacturing sales fell by a cumulative 14.7% through March and April. This compared favorably with the drastic 35.5% drop seen nationally. In March, retail sales fell by 4.6%, compared to 10% nationally. Mobility data have outpaced those of Central Canada, and restaurant activity is gradually picking up (Chart 2).

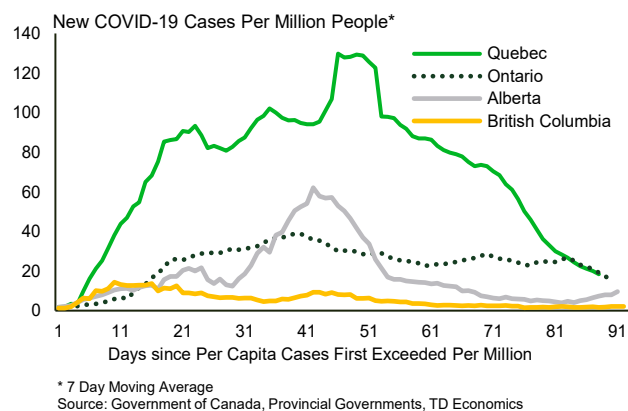
B.C.'s diverse economy has allowed for some pockets of relative strength. Its non-residential construction sector has also seen scaled back activity and employment. However, progress on key projects such as the TransMountain pipeline, the Site C Dam, and LNG Canada, has reportedly either remained on track or experienced only minor setbacks.

With these green shoots in mind, B.C.'s economy still faces notable pressures. The province's reliance on its tourism sector, where prospects remain challenged over the near term, is among the highest in Canada. Moreover, the hit to labour markets since February has been roughly equal to that suffered nationwide. Indeed, employment is still a stark 13.9% below its February levels (compared to 14.1% nationally). Encouragingly, May's jobs report showed a 2% m/m gain, and earlier reopening plans should result in a further pick up during the summer.

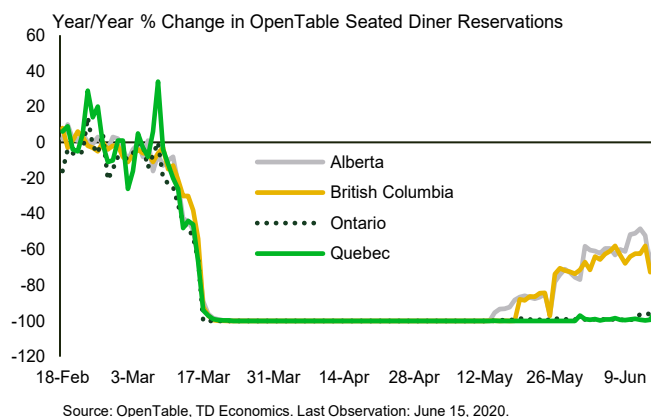
On the housing market front, the picture is also mixed. B.C.'s home prices have showed some resilience during the pandemic. However, a likely slowdown in population growth due to reduced immigration and tightening to mortgage rules is expected to weigh on prices in the upcoming quarters.

B.C.'s fiscal position remains the envy of other provinces. B.C.'s government has responded to the crisis by earmarking about \$5 billion, with dedicated funding to the post-COVID recovery (\$1.5 billion). This package comes on top of a hefty 2020/21 capital spending plan. Offers are taking a substantial hit, but its net debt/GDP ratio is expected to be among the lowest in the country as it exits the crisis.

**Chart 1: B.C. was Able to Bend Its COVID-19 Curve Earlier than Other Large Provinces**



**Chart 2: B.C. Seeing a Gradual Uptick in Seated Restaurant Diners**



### British Columbia Economic Forecasts

[ Annual average % change, unless otherwise noted ]

	2019	2020	2021
Real GDP	2.8	-5.6	5.4
Nominal GDP	5.3	-3.1	7.4
Employment	2.6	-7.1	6.8
Unemployment Rate (%)	4.7	9.0	6.6
Housing Starts (000's)	45.1	35.0	35.4
Existing Home Prices	-1.5	3.3	-2.5
Home Sales	-1.5	-15.6	22.6

Source: Statistics Canada, CMHC, CREA, Forecast by TD Economics

## Alberta

Alberta is experiencing its third deep recession in less than a decade, owing to the 1-2 punch from COVID-related restrictions and the oil price collapse. On a brighter note, recent improvements in oil prices and progress in reopening the economy suggest that the worst is in the rear-view mirror. However, a long, arduous recovery period awaits the province's economy.

The freefall in oil prices in the March-April period (Chart 1) prompted producers in Alberta to slash capital spending plans and cut production by a reported 1 million barrels per day (slightly more than 25% of production). As a result, Alberta's oil output has been hit harder during this year's pandemic relative to the 2014 oil price shock.

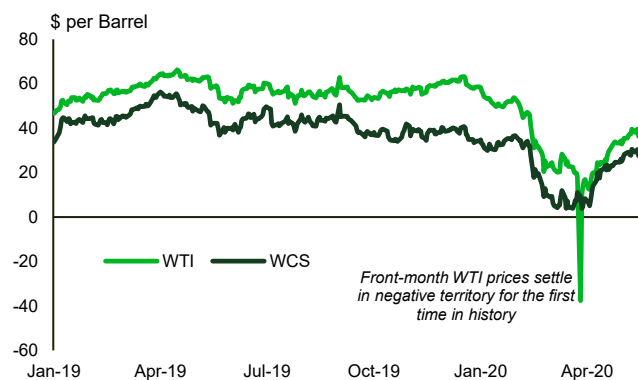
Since May, a recovery in WTI prices back up to around \$37 per barrel has provided a much-needed lift to sentiment. Additionally, the reduced production in Western Canada has supported a narrowing in the WCS-WTI price spread in recent weeks. Still, with little further upside in prices expected over the near term, capital spending plans are likely to remain subdued.

This year's recession is dealing a further blow to labour markets, which had yet to heal from the 2014 oil price shock. Indeed, Alberta's unemployment rate is now projected to be the highest outside of Newfoundland & Labrador this year. In turn, this unfavorable backdrop will weigh on already-wary consumers and housing markets.

Despite this challenging environment, we take some comfort in the province's success in containing COVID-19 and strides made on its reopening plans. Elsewhere in the economy, the pickup in mobility indicators in Alberta has outpaced that of Central Canada (Chart 2). We expect further improvements to be mirrored in stronger near-term activity in the services sector. Importantly, the province's small business confidence now stands above the national average.

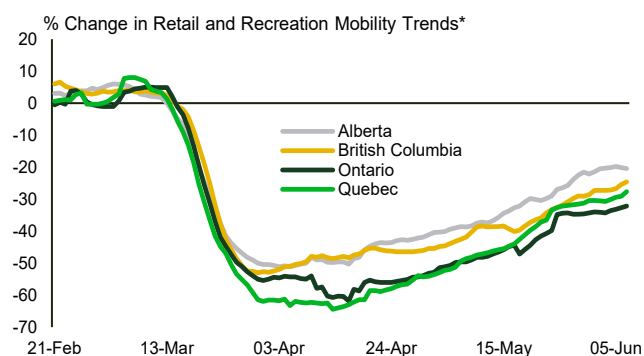
In response to the unprecedented hit, the Province has committed one of the largest stimulus packages among the provinces. Notably, the Alberta government has announced a \$1.5 billion direct equity investment in the Keystone XL pipeline, \$6 billion in loan commitments to the project, and \$1.9 billion in infrastructure outlays. Alberta's still relatively low debt burden leaves it with the capacity to undertake this level of spending, but will exit this crisis with a notably worsened debt trajectory.

**Chart 1: March and April Saw Unprecedented Movements in Global Oil Markets**



Source: Bloomberg, TD Economics. Last Observation: June 15, 2020.

**Chart 2: Alberta's Mobility Data Compares Favourably to Other Large Provinces**



\* Mobility trends relative to a baseline pre-COVID period (median value for the corresponding day of the week during Jan 3 - Feb 6). 7-Day Moving Average  
Source: Google, TD Economics. Last Observation: June 7, 2020.

### Alberta Economic Forecasts

[ Annual average % change, unless otherwise noted ]

	2019	2020	2021
Real GDP	-0.6	-7.9	5.7
Nominal GDP	1.1	-12.1	9.1
Employment	0.5	-8.7	6.3
Unemployment Rate (%)	6.9	12.2	9.6
Housing Starts (000's)	27.3	23.4	25.6
Existing Home Prices	-2.4	-1.4	-2.3
Home Sales	-0.2	-16.5	11.7

Source: Statistics Canada, CMHC, CREA, Forecast by TD Economics



## Saskatchewan

Despite facing the double whammy of an oil price shock and COVID-related restrictions, Saskatchewan has been turning in a better economic performance than we had anticipated in our April Update. This year's contraction is still expected to be hefty, but at least the province is now tracking close to the national average.

Saskatchewan has been relatively successful at reining in the pandemic - with relatively low case counts and an encouraging downtrend since May. As a result, mobility indicators have consistently outpaced the national average (Chart 1). Retail sales in Saskatchewan suffered the smallest drop nationally in March (-1.5% m/m), and relative resilience in April's new vehicle sales data points to continued retail trade outperformance last month.

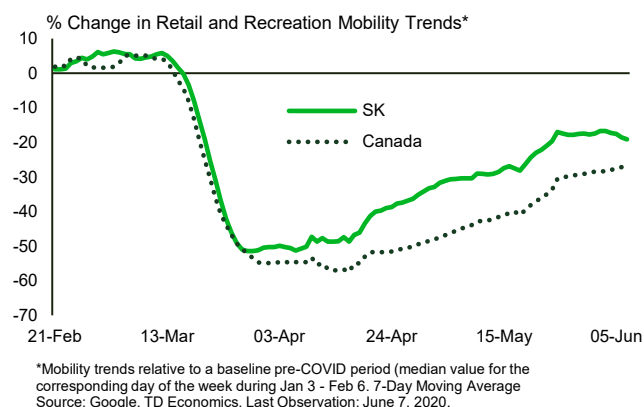
Turning to labour markets, the province has enjoyed an edge relative to most other provinces. Saskatchewan has suffered a smaller drop in employment and hours worked during the pandemic, and currently has the lowest unemployment rate outside of Manitoba.

Saskatchewan's relatively diverse commodity sector has shown its mettle in recent months, holding up relatively well in the face of sharply contracting global activity. Two industries that are better shielded from the impacts of COVID-19 than most other sectors are food/agricultural exports and potash. Rising activity in these areas is expected to support exports (Chart 2) and cushion the blow from ongoing weakness in oil production and capital spending. On the plus side, oil prices have rebounded moderately from their lows recorded earlier this year, which should support a stabilization in oil activity in 2021.

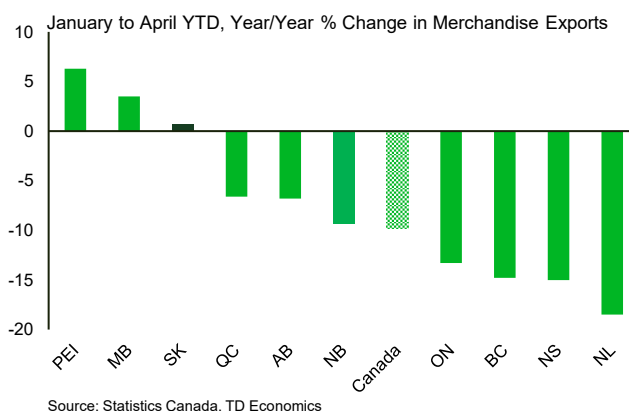
Despite relatively resilient resale activity so far this year, oversupply remains a challenge in the housing market. As a result, average home prices are expected to drift lower on an annual average basis this year and next.

In its recently-released 2020 budget, the provincial government highlighted the \$2 billion upgrade to its capital spending plan in response to COVID-19. This should provide a much-needed boost to non-residential construction investment. Like its peers, the Province is forecasting a record deficit this year. (\$2.4 billion). However, successful strides made by the government in reducing deficits and containing growth in its net debt following the 2014 oil price shock has afforded some additional wiggle room.

**Chart 1: Saskatchewan's Mobility Trends Have Outpaced the National Average**



**Chart 2: Saskatchewan's Exports Have Fared Better than Most Provinces' so Far this Year**



### Saskatchewan Economic Forecasts

[ Annual average % change, unless otherwise noted ]

	2019	2020	2021
Real GDP	-0.8	-6.2	4.7
Nominal GDP	0.6	-8.0	7.2
Employment	1.6	-6.1	4.2
Unemployment Rate (%)	5.4	9.3	7.5
Housing Starts (000's)	2.4	2.5	3.6
Existing Home Prices	-0.5	-2.0	-2.6
Home Sales	1.1	-1.7	11.0

Source: Statistics Canada, CMHC, CREA, Forecast by TD Economics

## Manitoba

The COVID-19 outbreak in Manitoba has been less severe than in most other provinces (Chart 1). As a result, Manitoba has side-stepped some of the economic damage felt in other parts of the country. In the jobs market, employment plunged 12%, while hours worked were down 17%, from February through May. While still nightmarish collapses, the rest of the country fared even worse. Similarly, retail spending and non-residential building fell by comparatively less in March, while wholesale trade and manufacturing shipments managed to rise (Chart 2). The latter could partly reflect timing, as the pandemic struck later in March. However, more current data also points to the province holding up comparatively well. As such, we see Manitoba's economy contracting by less than the country overall this year.

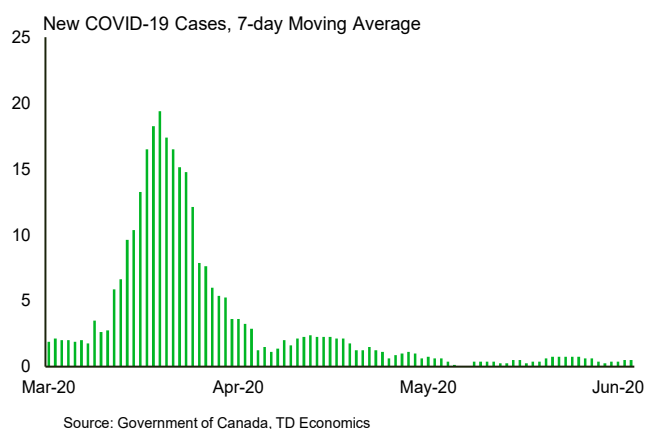
The composition of Manitoba's well-diversified economy should help cushion the blow from COVID-19. For example, tourism activity, which has been decimated by the pandemic, accounts for a low share of economic activity. On the other hand, food manufacturing, which represents a relatively large share of output, is likely to outperform.

Success in containing its COVID-19 curve has allowed Manitoba to move to Phase 2 in its re-opening plan. With this development, virtually all of the industries that were temporarily closed to combat the spread of the virus have re-opened, although several must operate with capacity constraints. The province hopes to move to Phase 3 by June 21st, which would, among other things, relax occupancy rules for several sectors and lift limits on public gatherings.

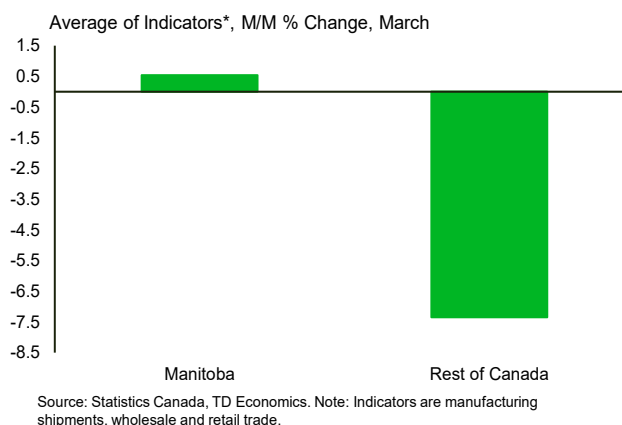
These positive developments notwithstanding, there are some key factors that will restrain growth this year. Non-residential investment is likely to decline as the massive Keeyask project winds down. This is despite a \$500 million investment in "shovel-ready" infrastructure projects by the province, which should support growth, both this year and in 2021. In addition, China's ongoing ban on canola imports will continue to dampen output in Manitoba's agricultural industry. Furthermore, the province's heavy reliance on interprovincial shipments, particularly to Alberta and Saskatchewan, leaves it exposed to the weakness taking place in those provinces.

Next year should see much better growth, as the economy is boosted by rising demand from other Canadian provinces and U.S. markets as their economies improve.

**Chart 1: Manitoba Has Flattened its COVID-19 Curve**



**Chart 2: Manitoba Holding Strong Through the Pandemic**



### Manitoba Economic Forecasts

[ Annual average % change, unless otherwise noted ]

	2019	2020	2021
Real GDP	1.0	-3.6	3.0
Nominal GDP	1.9	-2.5	3.9
Employment	0.9	-4.2	4.6
Unemployment Rate (%)	5.3	8.4	6.7
Housing Starts (000's)	7.0	5.8	6.0
Existing Home Prices	0.1	-0.2	0.1
Home Sales	8.5	-1.3	19.4

Source: Statistics Canada, CMHC, CREA, Forecast by TD Economics



## Ontario

As the province with the second worst COVID-19 outbreak, Ontario has not only suffered larger pandemic-related disruptions than most other regions, but appears to be lagging behind in the early stages of recovery. Notably, it was the only province which didn't record a job gain in May and has seen employment fall by more than the rest of the country during the outbreak. This in part reflects Ontario's go-slow approach towards re-opening its economy as well as global demand headwinds and supply chain constraints that continue to impart a substantial blow to the auto and overall manufacturing sectors.

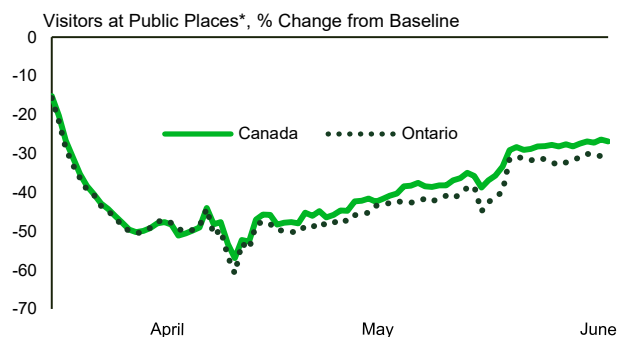
Ontario's cautious stance on re-opening shows itself in mobility trends depicting a slower recovery in consumer traffic compared to other jurisdictions (Chart 1). However, the province announced a partial reopening of retail stores, the resumption of certain medical services, and the re-start of several other industries following the Victoria Day weekend. This should feed through to the start of a job market recovery beginning in June. In addition, much of Ontario recently entered Stage 2 of its re-opening plan, which allows certain personal services, shopping malls (under restrictions) and several other industries to re-start.

Elsewhere, goods exports plunged by 40% m/m in April (compared to a 22% drop in imports), as shipments of vehicles plunged at an almost-unbelievable 90% rate (Chart 2). Fortunately, auto plants came back online through May, with production likely to ramp up in relatively short order. In tandem with an improving U.S. economy, this should support a snap-back in exports in the second half.

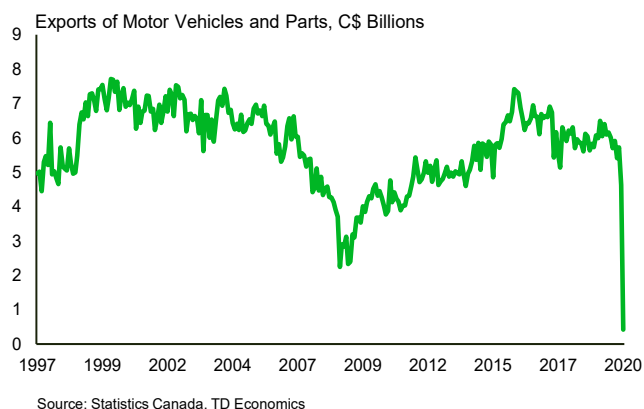
Ontario has experienced the steepest decline in home sales since the onset of the pandemic. And, the likelihood that the province's formerly strong population growth will slow to a crawl in the near term will keep home sales subdued, even as they continue to bounce off their April lows, thereby putting a significant damper on price growth after double-digit annual gains to begin the year.

Substantial government support is helping to cushion the blow from COVID-19. The provincial government has committed to support totalling around 3% of GDP. At the same time, the province's large financial services sector is buffering the jobs market, with employment in this industry roughly flat since the onset of the pandemic.

**Chart 1: Mobility Data Points to Lagging Activity in Ontario**



**Chart 2: Plunging Vehicle Exports Put the Brakes on Overall Shipments in Ontario**



### Ontario Economic Forecasts

[ Annual average % change, unless otherwise noted ]

	2019	2020	2021
Real GDP	1.9	-6.2	5.1
Nominal GDP	4.1	-3.7	6.8
Employment	2.9	-6.0	5.9
Unemployment Rate (%)	5.6	9.6	7.3
Housing Starts (000's)	69.0	74.6	76.6
Existing Home Prices	6.2	4.2	-1.7
Home Sales	8.9	-16.9	15.4

Source: Statistics Canada, CMHC, CREA, Forecast by TD Economics

## Québec

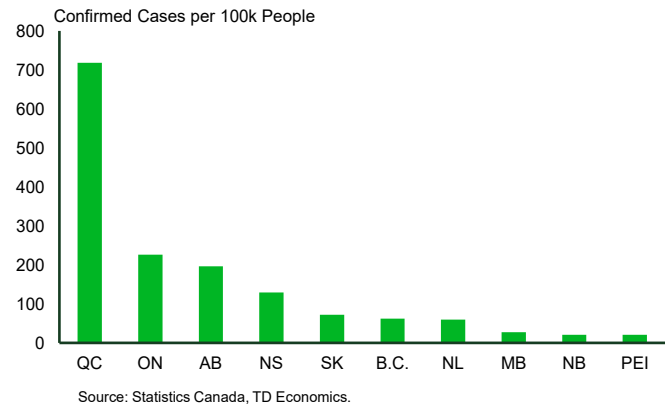
The COVID-19 outbreak hit Quebec especially hard. The province has seen over 50,000 cases, about 70% higher than second-worst hit Ontario (Chart 1). The gravity of the situation in Quebec necessitated the imposition of (by far) the most severe social distancing measures in the country. By our count, about 40% of economic activity in Quebec was deemed non-essential and temporarily shuttered by the provincial government in order to combat the spread of the virus. This includes much of the construction and manufacturing industries, which were mostly able to avoid closing in other provinces. The real estate industry was also labelled as non-essential, although transactions have continued, lessening the impact on overall growth.

These measures likely caused Quebec's economy to contract at a steeper rate than the rest of Canada in March and April. This is evident in the jobs market, where employment dropped by 20% during that time (with a notable 40% collapse in construction jobs) compared to a 15% decline elsewhere in Canada (Chart 2). A similar story is told through the hours worked and retail trade data, although the latter only spans through March.

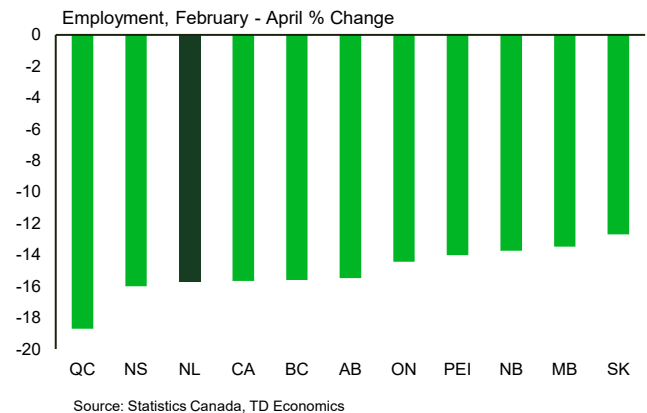
Still, prospects for a turnaround are looking up heading into the summer. The aggressive earlier steps taken by the province have paid dividends, with new COVID-19 cases slowing rapidly in recent weeks. In addition, the province continues to roll out its ambitious re-opening plan, which has seen the construction, manufacturing, real estate, many retail, and numerous personal services industries re-open since mid-May. Pre and elementary schools outside of Montreal also re-opened at that time. The restart of these industries has given a lift to the economy, with the province adding 230k net new positions during the month. This marked the largest gain in the country. Many private health care services have also now restarted as of June, in addition to restaurants. These developments, alongside government support rolled out during the pandemic – including an additional \$2.9 billion in infrastructure spending this fiscal year – points to much better second half growth.

A word of caution is warranted, as it will take time for capacity to fully return to these industries. For example, traffic at retailers remains well below early-year levels despite an uptick in late May tied to store re-openings in Montreal. In addition, the province is still very much battling the COVID-19 pandemic, accounting for nearly 90% of active cases in the country.

**Chart 1: Quebec Has Struggled With the Worst COVID-19 Outbreak by Far**



**Chart 2: The Pandemic Hammered Quebec's Economy in March and April**



### Québec Economic Forecasts

[ Annual average % change, unless otherwise noted ]

	2019	2020	2021
Real GDP	2.7	-6.3	5.3
Nominal GDP	4.4	-4.0	7.0
Employment	1.7	-6.8	6.0
Unemployment Rate (%)	5.1	10.1	7.2
Housing Starts (000's)	48.1	39.6	37.9
Existing Home Prices	5.1	7.9	-0.3
Home Sales	11.8	-5.6	25.2

Source: Statistics Canada, CMHC, CREA, Forecast by TD Economics

## New Brunswick

While still a tough year by any stretch, New Brunswick is on track to record the third smallest decline in real GDP this year among the provinces. This relative outperformance is aided by success in tackling the pandemic. Strict initial restrictions and a quicker flattening of its COVID-19 curve paved the way for an earlier reopening than in most provinces. New Brunswick managed to proceed to the “Yellow” phase of the recovery in late May, leaving only limited types of activities restricted. In turn, it has recorded better mobility indicators relative to most peers.

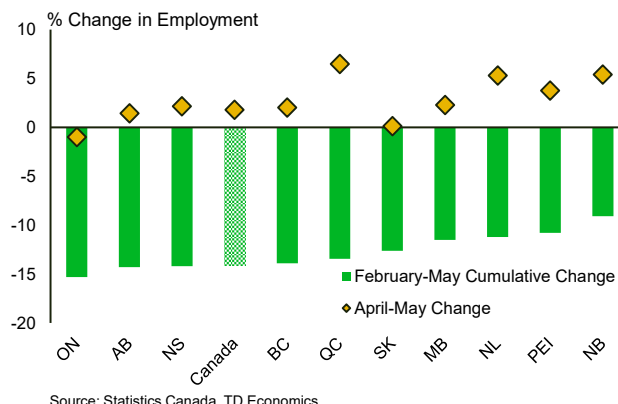
New Brunswick’s outperformance is most evident in its labour markets (Chart 1). The province has suffered the lowest contraction in employment since February (-9.1% compared to -14.1% nationally) and the second highest rebound in May (5.8%). Hours worked have also fallen by less than average and its unemployment rate is now the third lowest in the country. A recent survey by the Canadian Federation of Independent Business (CFIB) highlighted that the province has the highest proportion of small businesses that have now fully reopened (Chart 2).

Home resale activity has benefitted from a mix of strong momentum heading into the pandemic, a lesser hit to employment, and past gains in population growth. In contrast to most provinces, average home prices are expected to avoid dipping into negative territory in the next two years. However, reduced immigration (and thus lower population growth) will likely cap any meaningful acceleration.

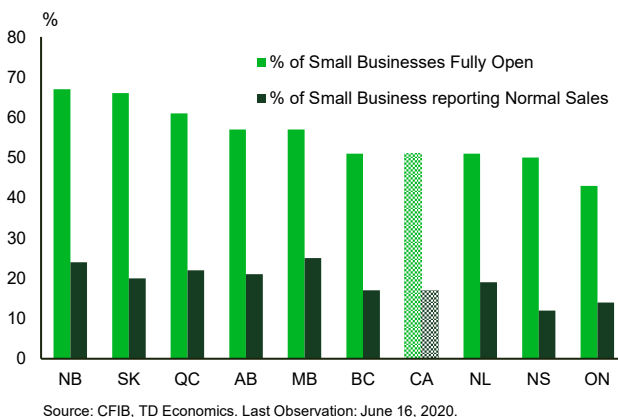
With this in mind, it is important to note that New Brunswick’s economy won’t be left unscathed by the pandemic. Heavily geared towards oil products and other commodities, New Brunswick’s manufacturing shipments and exports have plummeted since February. New Brunswick also suffers from a weak handoff in its mining sector given the permanent closure of the Belledun lead smelter late last year. Additionally, non-residential construction plans were already lackluster prior to the onset of COVID-19.

The government has offered bridge support, payment deferrals and working capital in response to the pandemic. Reflecting these measures, the Province is now projecting a \$300 million deficit this fiscal year. While marking a sharp turnaround from its March 2020 budget surplus projection of \$92 million, this revised tally is significantly smaller than some analysts had anticipated ahead of its May Update.

**Chart 1: New Brunswick’s Labour Markets Have Suffered the Least Significant Hit so Far**



**Chart 2: A Greater Percentage of Small Businesses Have Reopened in New Brunswick**



### New Brunswick Economic Forecasts

[ Annual average % change, unless otherwise noted ]

	2019	2020	2021
Real GDP	1.0	-3.7	3.0
Nominal GDP	2.8	-1.8	4.9
Employment	0.7	-4.4	2.9
Unemployment Rate (%)	8.0	10.4	9.1
Housing Starts (000's)	2.9	2.8	3.3
Existing Home Prices	2.7	5.6	1.8
Home Sales	13.4	-10.0	9.7

Source: Statistics Canada, CMHC, CREA, Forecast by TD Economics

## Nova Scotia

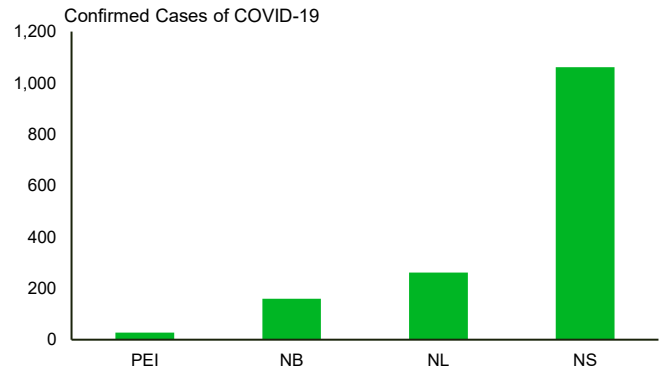
Nova Scotia has the dubious distinction of having the most COVID-19 cases in the Atlantic Region (Chart 1), and 4th most, on a per-capita basis, among the provinces. The extent of the outbreak forced a strict adherence to social distancing by Nova Scotians. Indeed, mobility data showed less traffic at retailers, grocery stores and public transit, compared to the rest of Atlantic Canada, through May. This is despite a comparatively small amount of businesses being forced into temporary shutdowns versus other, highly affected provinces like Ontario and Quebec. This combination of forced closures and voluntary distancing has deeply affected Nova Scotia's economy, with employment down 14% from February through May. The pandemic itself has also weighed, with the illness forcing Irving Shipbuilding to lay off 1,100 employees in March.

Although Nova Scotia has a high number of cumulative cases, the bulk of them were recorded in March and April. New cases have fallen dramatically through May and June, paving the way for industry re-openings. Nova Scotia has generally avoided a phased approach, with most industries re-started on June 5th, and daycares following suit on June 15th. This should result in a burst of activity in June, as pent-up demand is unleashed, and set the table for improved growth in the back-half of the year. Nova Scotia's economy will also draw support, over the forecast horizon, from a robust government infrastructure program as expenditures are forecast to double this fiscal year, with an additional \$230 million recently pledged.

Even before the pandemic hit, Nova Scotia's economy was likely to record sluggish growth in 2020. A chunk of this weakness is chalked up to the closure of the Northern Pulp mill in January, with negative indirect impacts to industries along its supply chain. For many years, the mill sent its effluent to the Boat Harbour treatment site. With the mill closed, the Province will move forward on its plan to clean up Boat Harbour. This large-scale project will cost at least \$217 million and is slated to start next year.

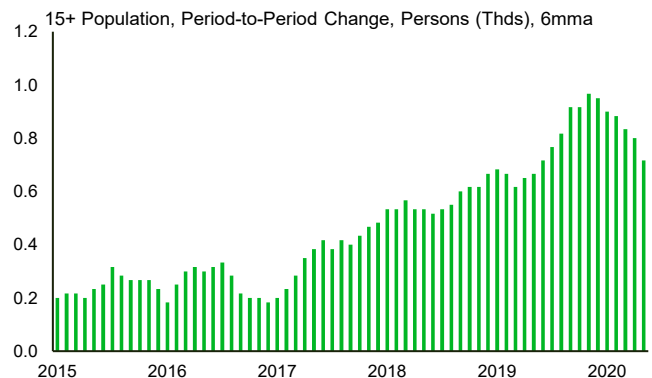
A strong expansion of Nova Scotia's population had been supporting growth in recent years (Chart 2). However, we expect a notable slowdown in population growth to take place in the near-term. This means that housing demand, construction, and consumer spending will take a hit, further lengthening the time required for a recovery to manifest.

**Chart 1: Nova Scotia Had the Worst Outbreak of Cases in the Atlantic Region**



Source: Government of Canada, TD Economics. Last observation: June 16, 2020.

**Chart 2: Pandemic to Cool Nova Scotia's Formerly Strong Population Growth**



Source: Statistics Canada, TD Economics

### Nova Scotia Economic Forecasts

[ Annual average % change, unless otherwise noted ]

	2019	2020	2021
Real GDP	2.1	-4.4	3.4
Nominal GDP	4.1	-2.4	5.2
Employment	2.2	-7.0	3.8
Unemployment Rate (%)	7.2	11.0	9.2
Housing Starts (000's)	4.7	4.1	4.6
Existing Home Prices	8.0	4.3	0.0
Home Sales	10.6	-14.1	12.3

Source: Statistics Canada, CMHC, CREA, Forecast by TD Economics

## Prince Edward Island

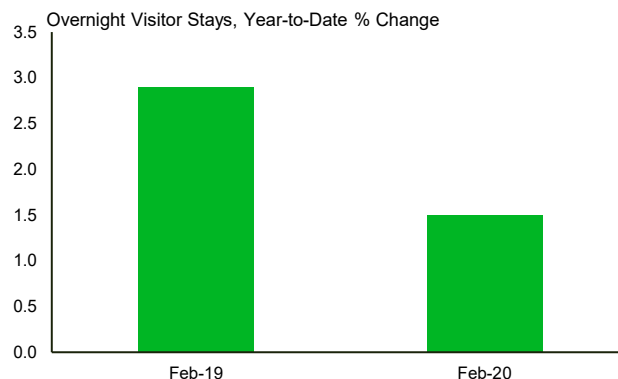
Prince Edward Island has enjoyed considerable success in containing its COVID-19 outbreak. The first case didn't arrive on the Island until March 15th – later than most provinces. And, the last new case was recorded in late April, yielding the lowest per capita level of cases of any province in the country. A lack of testing is not driving this result either, as PEI has testing rates that exceed all but the most heavily impacted provinces.

This less-damaging experience with the illness so far has stoked a broad outperformance for PEI's economy, compared to the rest of Canada. This is evident in the labour market, where the Island has shed 11% of its jobs through the pandemic – a better result than the 14% plunge observed for Canada overall. As such, a lesser contraction in PEI's economy is anticipated this year. Still, PEI's re-opening plan is relatively cautious, which has prevented an even larger gap with the rest of Canada from emerging. For example, personal services and certain public spaces were only allowed to open on June 1st – a similar timeframe to Quebec and well after Manitoba, two provinces that were harder-hit by the pandemic.

The COVID-19 pandemic has still left marks on some of the Island's key industries. PEI's potato production industry suffered under the weight of widespread restaurant closures in U.S. and Canada. Fortunately, this trend should turn around as restaurants continue to re-open and ramp up. However, the same probably can't be said for PEI's out-sized tourism industry, which should experience depressed conditions for several quarters to come (Chart 1).

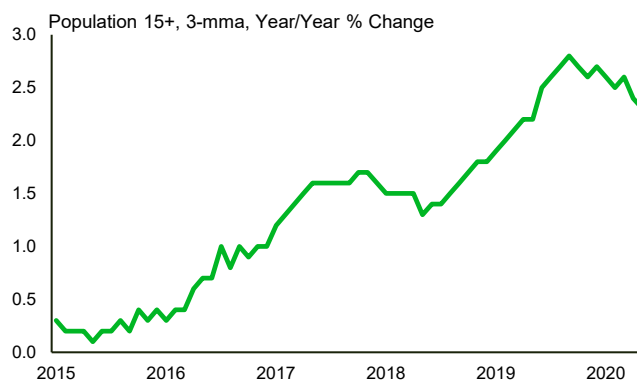
PEI has recorded the strongest population growth in the country in recent years (Chart 2). Indeed, the gap in population growth between PEI and Canada was the largest on record last year. This strength has underpinned the robust economic expansion observed in PEI. Moving forward, population dynamics will play a nuanced role in shaping PEI's economy. On the one hand, past gains will be a source of pent-up demand for housing. On the other, slower population growth moving forward will take some steam out of the Island's recovery in the second half of this year and 2020 and 2021. Fortunately, the provincial government has planned a robust infrastructure program, which should support growth through 2021.

**Chart 1: Tourism in PEI Already Softening Heading into the Pandemic; Industry to Suffer Deeply Due to COVID-19**



Source: Tourism Industry Association of PEI, TD Economics

**Chart 2: Population Growth Already Cooling Before COVID-19; The Pandemic Should Exacerbate this Trend**



Source: Statistics Canada, TD Economics

P.E.I. Economic Forecasts			
[ Annual average % change, unless otherwise noted ]			
	2019	2020	2021
Real GDP	4.5	-3.4	2.5
Nominal GDP	6.6	-1.5	4.2
Employment	2.7	-2.8	3.0
Unemployment Rate (%)	8.8	10.9	9.8
Housing Starts (000's)	1.3	0.9	1.6
Existing Home Prices	11.7	10.8	-0.4
Home Sales	-6.8	-18.2	1.7

Source: Statistics Canada, CMHC, CREAA, Forecast by TD Economics



## Newfoundland & Labrador

Newfoundland & Labrador's economy is expected to record the deepest contraction this year among the provinces, as COVID-19 and a collapse in oil prices earlier this year deliver a severe blow across its major industries.

Brent prices have staged a gradual recovery since May, but still remain more than 35% below pre-COVID levels. This unprecedented shock to the oil sector prompted producers to take a cleaver to spending plans. For instance, drilling activity was halted and layoffs were announced at the Hibernia field. Likewise, construction has reportedly ceased at the West White Rose expansion project. Exploration activity in the Flemish Pass Basin will likely take back seat amid uncertainty related to global oil demand. In a similar vein, a final investment decision on the large Bay Du Nord project has been put on hold.

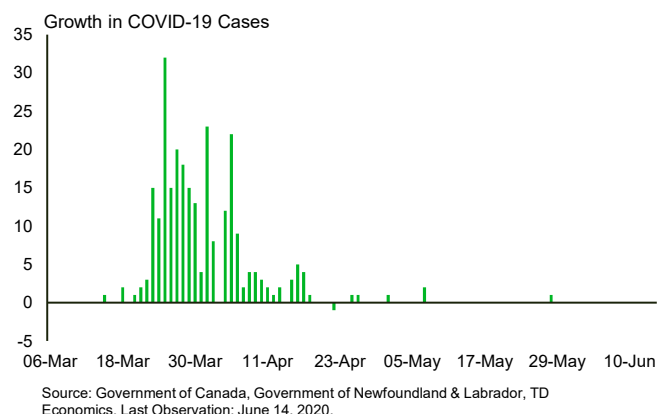
With the oil shock impacting the entire value chain, Newfoundland & Labrador's Come by Chance refinery – responsible for processing up to 130K bpd of crude oil products – had announced a temporary shutdown of operations. Outside of the energy sector, activity was also paused for at Voisey's Bay nickel mine. The metals industry also faces weaker incomes given the broad drop in commodity prices since February.

Elsewhere in the economy, Newfoundland & Labrador has been amongst the slowest in relaxing COVID-19 restrictions, with retail stores and restaurants only allowed to reopen once Alert Level 3 was implemented on June 7th. The silver lining to this is that the province has not recorded any new cases since late May (Chart 1). This should lessen the likelihood of a second wave and provide reassurance to consumers as the economy reopens.

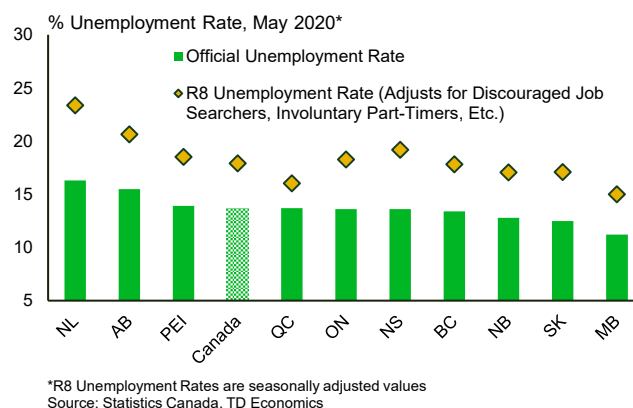
Newfoundland & Labrador has shed less jobs compared to most other provinces since February. That said, the labour market backdrop is still struggling deeply. Indeed, Newfoundland & Labrador has had four consecutive quarters of job losses, and will continue to grapple with the highest unemployment rate in the country (Chart 2).

The Province's recently released a fiscal update showed a further worsening of its 2019-20 structural deficit. This year, revenues are expected to suffer a sizeable drop given its heavy reliance on oil royalties. Amid this wide budget shortfall and lofty net debt burden, the Province has held the line on delivering significant COVID-19 stimulus efforts.

**Chart 1: Newfoundland & Labrador Hasn't Recorded New COVID-19 Cases since Late May**



**Chart 2: Newfoundland & Labrador Suffers from an Elevated Unemployment Rate**



### NFLD & Labrador Economic Forecasts

[ Annual average % change, unless otherwise noted ]

	2019	2020	2021
Real GDP	4.0	-8.9	3.5
Nominal GDP	5.6	-12.5	5.7
Employment	0.7	-8.8	1.8
Unemployment Rate (%)	11.9	14.8	13.9
Housing Starts (000's)	0.9	0.5	1.3
Existing Home Prices	-3.0	-2.5	-2.8
Home Sales	9.6	-13.1	11.6

Source: Statistics Canada, CMHC, CREA, Forecast by TD Economics

## Provincial Economic Forecasts

Provincial Economic Forecasts																		
	Real GDP (% Chg.)			Nominal GDP (% Chg.)			Employment (% Chg.)			Unemployment Rate (average, %)			Housing Starts (Thousands)			Home Prices (% Chg.)		
	2019	2020	2021	2019	2020	2021	2019	2020	2021	2019	2020	2021	2019	2020	2021	2019	2020	2021
<b>National</b>	<b>1.7</b>	<b>-6.1</b>	<b>5.2</b>	<b>3.6</b>	<b>-4.9</b>	<b>7.0</b>	<b>2.1</b>	<b>-6.6</b>	<b>5.8</b>	<b>5.7</b>	<b>10.0</b>	<b>7.6</b>	<b>209</b>	<b>189</b>	<b>196</b>	<b>2.3</b>	<b>2.3</b>	<b>-1.0</b>
Newfoundland & Labrador	4.0	-8.9	3.5	5.6	-12.5	5.7	0.7	-8.8	1.8	11.9	14.8	13.9	0.9	0.5	1.3	-3.0	-2.5	-2.8
Prince Edward Island	4.5	-3.4	2.5	6.6	-1.5	4.2	2.7	-2.8	3.0	8.8	10.9	9.8	1.3	0.9	1.6	11.7	10.8	-0.4
Nova Scotia	2.1	-4.4	3.4	4.1	-2.4	5.2	2.2	-7.0	3.8	7.2	11.0	9.2	4.7	4.1	4.6	8.0	4.3	0.0
New Brunswick	1.0	-3.7	3.0	2.8	-1.8	4.9	0.7	-4.4	2.9	8.0	10.4	9.1	2.9	2.8	3.3	2.7	5.6	1.8
Québec	2.7	-6.3	5.3	4.4	-4.0	7.0	1.7	-6.8	6.0	5.1	10.1	7.2	48.1	39.6	37.9	5.1	7.9	-0.3
Ontario	1.9	-6.2	5.1	4.1	-3.7	6.8	2.9	-6.0	5.9	5.6	9.6	7.3	69.0	74.6	76.6	6.2	4.2	-1.7
Manitoba	1.0	-3.6	3.0	1.9	-2.5	3.9	0.9	-4.2	4.6	5.3	8.4	6.7	7.0	5.8	6.0	0.1	-0.2	0.1
Saskatchewan	-0.8	-6.2	4.7	0.6	-8.0	7.2	1.6	-6.1	4.2	5.4	9.3	7.5	2.4	2.5	3.6	-0.5	-2.0	-2.6
Alberta	-0.6	-7.9	5.7	1.1	-12.1	9.1	0.5	-8.7	6.3	6.9	12.2	9.6	27.3	23.4	25.6	-2.4	-1.4	-2.3
British Columbia	2.8	-5.6	5.4	5.3	-3.1	7.4	2.6	-7.1	6.8	4.7	9.0	6.6	45.1	35.0	35.4	-1.5	3.3	-2.5

Source: CREA, CMHC, Statistics Canada, TD Economics. Forecasts by TD Economics as at June 2020.

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**The Conference  
Board of Canada**

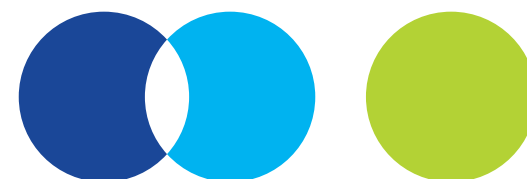
# **Provincial Outlook British Columbia**

British Columbia's Key Industries Hammered by COVID-19



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- 3 Key findings**
- 4 British Columbia snapshot**
- 6 Tough times for B.C. economy**
- 7 Consumption**
- 9 Investment**
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# Key findings

- Real GDP in B.C. will decline by close to 4.0 per cent this year.
- Growth will rebound and expand by 7.0 per cent in 2021 as the impact of the virus gradually fades and economic activity returns to more normal levels.
- Real household spending will drop by close to 41 per cent (annualized) in the second quarter of this year.
- B.C. exporters will be hurt by slumping demand and weaker commodity prices.



# British Columbia snapshot

## Government background and information

Premier	John Horgan
Next election	Unknown
Population (2020Q1)	5,110,273
Government balance (2020–21)	\$227 million

Sources: The Conference Board of Canada; B.C. Ministry of Finance; Statistics Canada.

## Key economic indicators

(percentage change)

	2019	2020	2021
Real GDP	2.5	–3.8	7.0
Consumer price index	2.3	1.0	2.6
Household disposable income	4.8	1.6	4.3
Employment	2.6	–4.5	3.9
Unemployment rate (level)	4.7	7.6	5.5
Retail sales	0.6	–3.3	8.0
Wages and salaries per employee	2.7	1.9	1.6
Population	1.5	0.9	0.9

Shaded area represents forecast data.

Sources: The Conference Board of Canada; Statistics Canada.

## Forecast risk



### Short term

If another wave of COVID-19 erupts in the autumn, that could lead to another downturn in growth in the final quarter of this year.

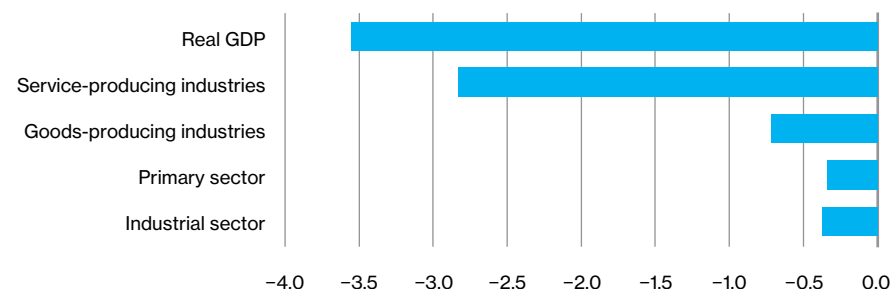


### Medium term

The dispute over the Coastal GasLink pipeline could drag on for years, restraining production at the LNG plant in Kitimat.

## Contributions to British Columbia real GDP growth, 2020

(by industry/sector, percentage point; GDP, per cent)



Note: "Primary" is the sum of agriculture, forestry, fishing and trapping, and mining sectors.

"Industrial" is the sum of manufacturing, construction, and utilities sectors.

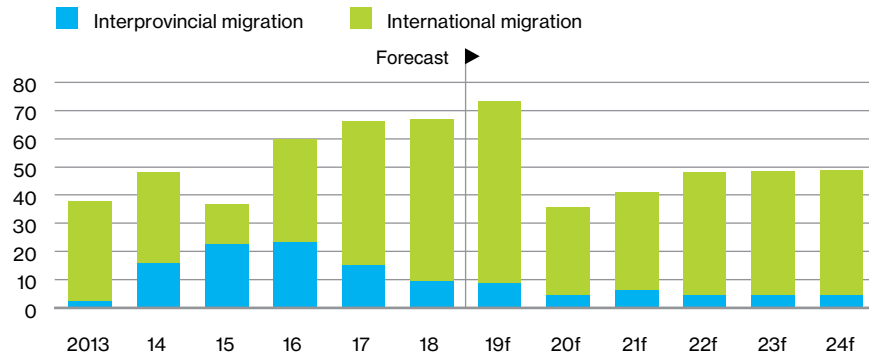
Sources: The Conference Board of Canada; Statistics Canada.



## British Columbia snapshot (cont'd)

### Sources of migration

(British Columbia net migration, 000s)

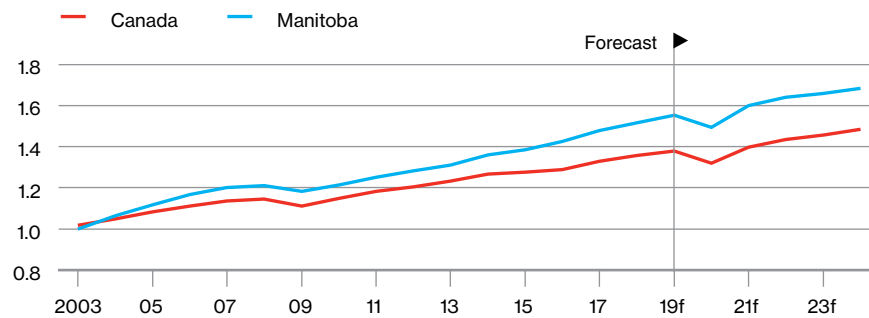


f = forecast

Sources: The Conference Board of Canada; Statistics Canada.

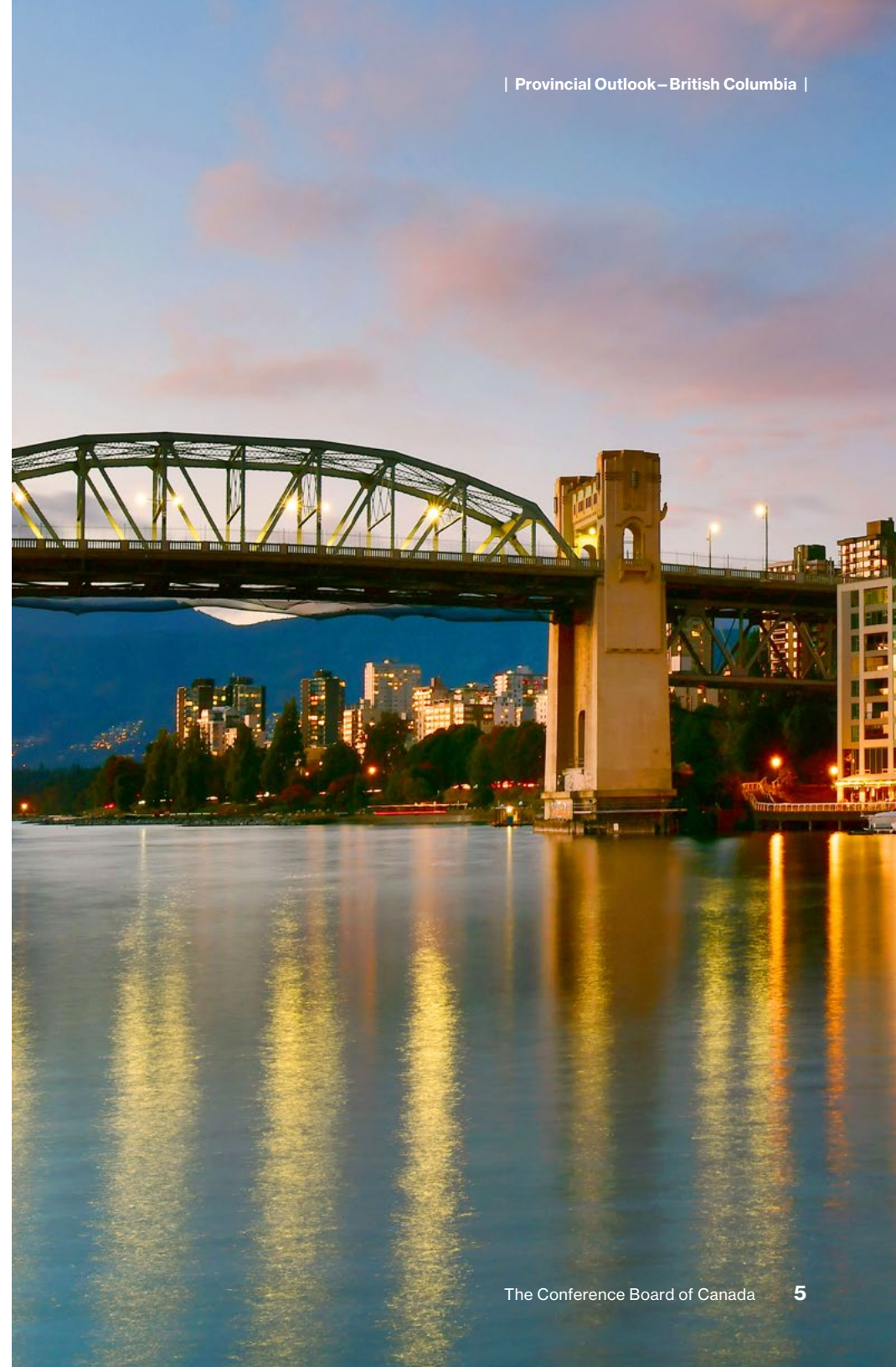
### Real GDP, 2003 to 2024

(index, 2003 = 1.0)



f = forecast

Sources: The Conference Board of Canada; Statistics Canada.



# Tough times for B.C. economy

In mid-February, the B.C. government released an optimistic forecast for the province's economy, which included another fiscal surplus. But the situation changed dramatically in the space of a few weeks, and we now expect real GDP in B.C. to drop by 3.8 per cent this year. Fortunately, as the impact of the virus gradually fades and life returns to some semblance of normalcy in the second half of this year, economic growth is expected to rebound and expand by 7.0 per cent in 2021.

The province's dependence on tourism and trade with Asia has left B.C.'s economy vulnerable to the devastating effects of COVID-19. In B.C., the travel and tourism industry's share of the provincial economy is the second largest in Canada, behind only Prince Edward Island. Travel to B.C. has ground to a halt, as the U.S. border remains closed to pleasure travel and the number of overseas visitors has slowed to a trickle as airlines have slashed flights in the face of tumbling demand. On the trade front, the province's exports are closely linked to numerous commodities for which prices have collapsed amid plummeting global trade volumes. While world oil prices have received much of the attention due to their dramatic crash in the second half of April, prices for other commodities, such as natural gas, have also come under pressure. Chinese demand for B.C.'s resources will also be weaker, as projections for China's economic growth in 2020 have dropped from around 6.0 per cent at the beginning of this year to less than 2.0 per cent today.

Not surprisingly, the outlook for consumer spending is bleak, as social distancing and stay-at-home measures have restrained demand. In particular, food services, accommodations, retail, entertainment, and the arts and cultural industries are all set to post significant declines this year. However, once the restrictions start to ease in the second half of this year, consumer demand will begin to recover, setting the stage for a solid rebound in activity in 2021. Other factors that should boost the prospects for higher growth once the effects of the virus start to fade are the anticipated resumption of full-time work on the LNG and Trans Mountain pipeline projects in the second half of this year. Also, B.C. is in a better fiscal situation compared with other provinces, and the government has promised to boost financial assistance over the next few months.



# Consumption

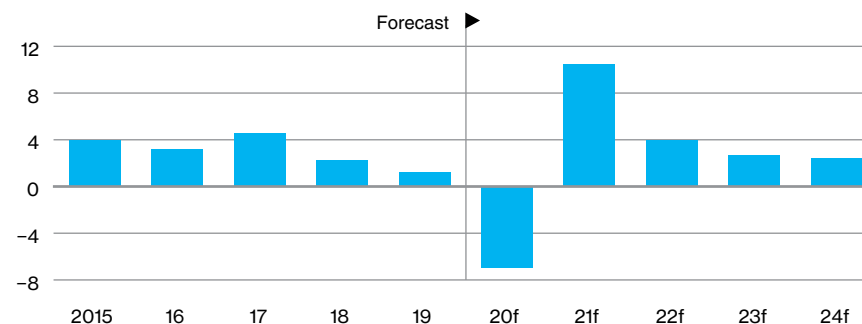
Last year, real household spending expanded by 1.2 per cent as modest economic growth of 2.5 per cent restrained gains in employment and income. In 2020, the outlook for the consumer has turned much worse, as the COVID-19 virus has led to a shutdown of the B.C. economy, similar to the situation in other provinces. Consequently, we expect employment to decline by 4.5 per cent this year, with the majority of the slump taking place in the second quarter. At the same time, the unemployment rate will increase from 4.7 per cent last year to 7.6 per cent in 2020 with, once again, most of the damage taking place in the second quarter. The decline in employment will limit gains in wages and salaries per employee to 1.9 per cent this year, down from a 2.7 per cent increase in 2019. Declining gains in income will lead to an overall drop in real household spending of close to 7.0 per cent this year (see Chart 1) including a close to 41 per cent plunge in the second quarter. Spending on services will bear the brunt of the damage, as a drop of 9.1 per cent is anticipated in 2020, compared with a decline of 3.6 per cent in spending on goods. This is not surprising given that the B.C. provincial government ordered restaurants, beauty salons, gyms, and physiotherapists, among other outlets, to close their doors to contain the spread of the virus.

The good news is that in the third quarter of this year spending will start to make a comeback as the government gradually reopens the economy. In early May, Premier John Horgan announced that shops forced to close due to the pandemic in March could begin to reopen on May 19. Outlets that do reopen—from restaurants to hair salons to recreation facilities—must

**Chart 1**

## Real household spending in B.C. set to plunge

(percentage change)



f = forecast

Sources: The Conference Board of Canada; Statistics Canada.

follow strict physical-distancing measures and publicly display them. Physical distancing measures will likely be in place for at least another year. Sporting events and concerts won't be permitted for another 12 to 18 months.

These reopenings will lead to a 14.0 per cent rebound in household spending in the third quarter, with an additional gain of 20.8 per cent anticipated in the final quarter of 2020. In 2021, we expect household spending to increase by 7.3 per cent. In addition to the return of operations for numerous retail outlets, spending will also benefit from pent-up demand as some consumers who put off purchasing appliances or a new car while the stay-at-home measures were in effect return to more normal spending patterns.



**These re-openings will lead to a 14.0 per cent rebound in The degree to which spending in B.C. comes back depends on how consumer behaviour unfolds over the next few months.**



The degree to which spending in B.C. and other parts of the country comes back depends on how consumer behaviour unfolds over the next few months. B.C. residents may be unwilling to go to a restaurant or a pub, even if they have reopened, due to worries about contracting the virus, which will remain a threat to the public even though the infection rate has declined in the province. Evidence from Sweden, which took a different approach to COVID-19 than other developed countries, provides some key insights into what could be in store for B.C. over the near term. The Swedish government didn't close shops, bars, and restaurants, choosing instead to simply urge citizens to act responsibly and practice social distancing measures. But even though Swedes could go out to restaurants and other entertainment venues, revenues declined sharply, as people were concerned about contracting the virus in places where staying a safe distance away from others can be challenging. This suggests that there is downside risk to our outlook for household spending in B.C. over the second half of this year.



## Investment

The outlook for investment spending in B.C. is mixed. Spending on equipment is expected to decline by 15.0 per cent this year as companies pull back on investment spending in the face of tumbling revenues and earnings. However, the outlook for non-residential investment spending is optimistic and runs counter to what we're seeing in other parts of the country. We expect spending on structures in B.C. to expand by close to 20.0 per cent this year in the wake of a 27.0 per cent surge in 2019. The gains are closely linked to the ongoing construction of the \$18-billion LNG Canada export terminal in Kitimat B.C. and the Trans Mountain pipeline.

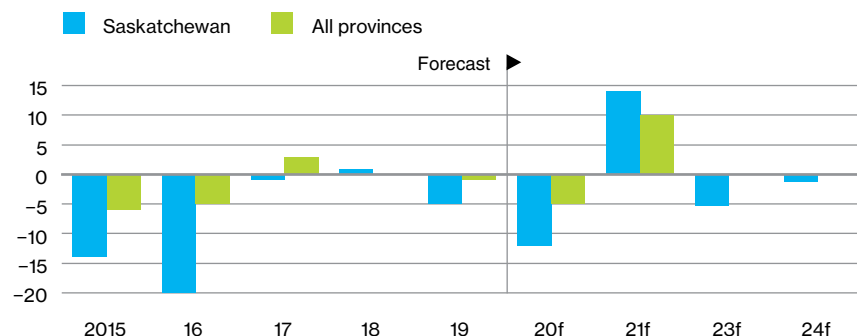
While construction of the LNG terminal is ongoing, there is still considerable uncertainty concerning the future of the project due to the status of the Coastal GasLink pipeline, which would transport natural gas from northeastern B.C. to the Kitimat plant. At the end of April, the B.C. and federal governments agreed to a process ensuring that hereditary leaders within the Wet'suwet'en First Nation would have the final say in determining the construction activity taking place on their territory. A few months ago, there were large protests and rail blockades across Canada in support of the hereditary chiefs' opposition to the pipeline. The pipeline would go through their territory. And although the chiefs and the provincial and federal



government reached an agreement in mid-May on ways to resolve such disputes, the deal did not specifically mention the pipeline project. Elected chiefs generally support the Coastal GasLink pipeline, but they are angry about being left out of the agreement with the hereditary chiefs, and it is uncertain what their role in determining the future of the project will be. The pipeline is a crucial link in the overall infrastructure for the LNG terminal. The terminal is being constructed on the traditional territory of the Haisla Nation, whose elected leaders support the overall project.

Spending on machinery and equipment will begin to recover in the second half of 2020, and a strong gain of more than 27 per cent is anticipated in 2021. (See Chart 2.) Investment in structures will post solid gains through 2022 thanks to ongoing expenditures on pipelines and LNG plants.

**Chart 2**  
**Real spending on machinery and equipment in B.C.**  
(percentage change)



f = forecast

Sources: The Conference Board of Canada; Statistics Canada.

## Housing

Economic uncertainty and physical distancing measures will stifle the housing sector over the near term. After reaching a peak in 2019, new housing construction is expected to drop off, with 35,300 housing starts forecast this year, down from close to 45,000 in 2019. In 2021, based on our assumption that the pandemic will gradually fade away, starts are expected to rebound and expand to 38,000. A combination of pent-up demand and low mortgage rates will help drive demand. The Bank of Canada cut interest rates to close to zero in March to help fight the steep recession, and we expect rates to remain at rock-bottom levels, as the anticipated recovery in the second half of 2020 and into 2021 will be too fragile to justify raising interest rates. While housing demand will rebound, housing starts aren't expected to return to their pre-COVID-19 levels before the end of the medium term.

Investment in residential structures started to drop in 2018 due mainly to measures implemented by the provincial and federal governments to cool down Vancouver's overheated housing market. Last year, spending dropped by 2.2 per cent, and the pandemic will reinforce this trend. A decline in spending of 5.2 per cent is expected for 2020. Next year should see a sharp rebound in activity, with a gain of more than 10 per cent anticipated. However, growth will subsequently slump back into negative territory as the demographic trends in the province—specifically an aging population—restrain housing activity.

**Economic uncertainty and physical distancing measures will stifle the housing sector over the near term.**



Looking at Vancouver's housing market, sales plunged in April as the virus caused activity in the traditionally busy spring season to drop sharply. The Real Estate Board of Greater Vancouver reported that sales were down 40 per cent compared with April 2019, hitting their lowest levels since 1982. However, despite the drop in sales, buyers didn't receive much of a break on prices, as a lack of listings (also a result of COVID-19) offset the slump in demand. In fact, the average price of a home increased by 2.5 per cent from a year earlier. The average price of a home in Metro Vancouver is currently about \$1.04 million, far out of the reach of the typical homebuyer, especially in an economy experiencing a severe downturn.

## Government

In early February, the provincial government projected a small surplus for the fiscal year beginning on April 1. The projection was based on modest economic growth in the 2.0 per cent range. These optimistic projections evaporated as COVID-19 quickly sent the B.C. economy into a tailspin. In late March, the provincial government announced plans to provide payments of \$1,000 to B.C. workers whose jobs had been affected by COVID-19. Workers received the payments at the beginning of May and the funds are tax-free for workers struggling to make ends meet due to layoffs linked to the virus. B.C. workers who qualified for extended EI benefits from federal government programs still qualified to receive the \$1,000 from the provincial government. Parents with children who must stay at home due to school and daycare closures, as well as those with sick family members, also qualify for the funding.



The \$1,000 is part of a larger \$5-billion package that will see \$2.8 billion earmarked for households and \$2.2 billion provided to help businesses hurt by the severe economic downturn. Some of the funds are designed to help renters who have lost their jobs remain in their current locations. Compared with other provinces, the B.C. government is in a good position to assist B.C. residents during these challenging times because it has been running budget surpluses for several years. We expect real government spending to increase by about 3.0 per cent this year, up from a solid 2.6 per cent gain in 2019. Next year, as the provincial government attempts to return the province to a healthier fiscal position, spending is forecast to expand by only 0.2 per cent.



## Trade

B.C. exports grew by just 1.8 per cent last year, much slower than gains the two previous years, due to a combination of slower growth in global trade volumes, U.S. tariffs implemented by the Trump administration, and the dispute between Ottawa and Beijing over Canada's detention of Huawei executive Meng Wanzhou on a U.S. extradition request. In 2020, the plunge in global trade linked to COVID-19 and the subsequent drop in the price of several commodities that the province exports will result in a drop of close to 10 per cent in real export volumes, significantly lowering revenues.

In 2021, as the global economy recovers from the effects of the virus, B.C. exports are expected to rebound and increase by 5.3 per cent. The weaker value of the loonie could also help boost B.C. exports to the key U.S. market. The Canadian dollar was trading in the US\$0.75 range before the virus took hold but has subsequently depreciated to a US\$0.70–0.71 range, mainly because of plunging world oil prices. While we expect the loonie to slowly appreciate over the near term, there is considerable risk to this outlook for the exchange rate, given the ongoing volatility in global currency markets.

## B.C.'s tourism and travel industry hammered by COVID-19

The province's key travel and tourism industry is being hit especially hard by the global economic downturn linked to the pandemic.

This key sector of the economy has been hurt in several different ways. The border with the United States has been closed since mid-March to all but commercial trips. On May 19, the shutdown was extended for another 30 days, and it is likely that the border will remain closed for a good part of the summer, especially if the United States continues to struggle in its battle to contain the spread of COVID-19. The United States is the largest source of inbound travel to the province. As well, travel from non-U.S. destinations has ground to a halt. And while the number of visitors from countries other than the U.S. is far less than those from the U.S. market, overseas visitors tend to spend far more per visit.

B.C. residents also haven't been going out to restaurants and bars or visiting other parts of the province, due to the government-ordered closures and stay-at-home directives. A combination of all these factors will lead to a 38 per cent drop in real output in 2020 in the province's accommodation and food industry. The arts and recreation sector will record an even greater 60 per cent plunge in activity this year. The only other sector of the B.C. economy that will come close to matching these losses is the transportation sector, which has close linkages to the travel and tourism industry. The industry will gradually recover in the second half of this year and into 2021, but the rebound will be slower than in other sectors of the economy due to ongoing concerns on the part of B.C. residents about contracting the virus in larger gatherings. In addition to rising demand from emerging markets, implies that the long-term prospects for the sector are still strong.

## Acknowledgements

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## Disclaimer

The spread of the novel coronavirus disease (COVID-19) has created uncertainty in all global markets. We're doing our best to provide timely updates, but information can fall out of date quickly. Visit [conferenceboard.ca](https://conferenceboard.ca) for our latest insights. The Conference Board of Canada reserves the right to adjust content as necessary.

## Provincial Outlook: British Columbia—June 2020.

The Conference Board of Canada

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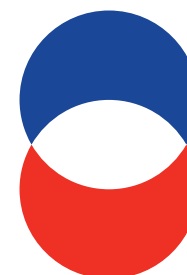
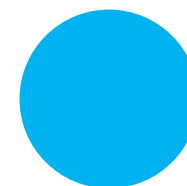
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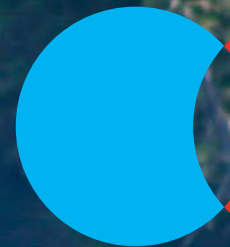
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**Attachment 3.1.1**

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## **EXPOSURE CONTROL PLAN**



# Exposure Control Plan (ECP): Controlling Exposure to Respiratory Infectious Diseases

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## 1. Purpose

The Exposure Control Plan outlines the actions to prevent potentially harmful exposures to respiratory diseases, such as COVID-19, SARS, etc.

## 2. Scope

The Exposure Control Plan (ECP) outlines FortisBC responsibilities, procedures, and tools to facilitate the health and safety of all employees when an occupational exposure to a respiratory virus may occur. This plan is applicable at FortisBC sites, facilities, and work sites.

The responsible department manager will monitor compliance with the plan with assistance from Occupational Health and Safety (OHS). OHS will assist with the development, maintenance and administration of the plan.

In addition to the plan, there are a number of other programs and guidelines outlining additional requirements for specific respiratory hazards and/or potential exposure(s) listed in the Reference section.

## 3. Applicable Regulations and Standards

Regulations relating to biological agent exposures are contained throughout the WorkSafe BC Occupational Health and Safety Regulations. Sections 5.1.1 to 5.2, 5.54, 5.55, 5.59, and 5.82 to 5.96 are particularly relevant.

In addition, other related regulations, standards, and plans must be followed (e.g. Personal Protective Equipment Plan, Hazard Management Plan, and OHS Event Analysis Plan).

## 4. Plan Administration

OHS has the responsibility to develop and oversee administration of the plan. Various departments and individuals have specific responsibilities to ensure its successful implementation and ongoing maintenance.

### 4.1. Senior Management will:

- Advocate compliance with plan elements;
- Support front-line management and OHS in the plan implementation. This includes allocation of adequate funding/resources for training, exposure monitoring and personal protective equipment.

### 4.2. Managers, Supervisors and Crew Leads (in consultation with OHS) will:

- Identify tasks/procedures and job classifications within the department(s) that have the high potential for virus exposure;
- Ensure department specific Safe Work Procedure(s) are developed and updated as needed;
- Ensure that appropriate controls are implemented to minimize potential exposure, as identified in the procedures, such as ensuring social distancing;
- Enforce plan elements. If an employee fails to follow safe work procedures, utilize appropriate safety devices and/or personal protective equipment causing increased exposure to him/her and/or other employees, then performance management may be required in consultation with HR Business Partners;

## Exposure Control Plan (ECP): Controlling Exposure to Respiratory Infectious Diseases

- Ensure that employees are trained to recognize the hazard, evaluate the risk associated with exposure and apply/select adequate control measures provided while completing/discussing Safe Work Planning;
- Ensure that educational resources such as Q&A sheets and other communication are readily accessible to employees;
- Ensure that all employees are aware of what to do in the event of a potential sickness and/or cases of an accidental exposure (e.g. a customer/visitor suddenly cough being less than 6 ft / 2m away);
- With involvement of Disability Management Department and OHS Department, promptly investigate any exposure incidents to determine the cause(s), as well as identify and implement corrective and preventive actions. Involve key stakeholders (e.g. JHSC members, OHS and/or Facilities);
- Ensure employees are aware of key messages that are communicated from Corporate Departments – HR, OHS, Disability Management, Facilities, and Employee Communications, in a timely manner.

### 4.3. Employees will:

- Participate and be familiar with all required education, information, and training;
- Read and listen to all corporate messages communicated directly or via their supervisor;
- Support and comply with all recommendations/decisions made by the company;
- Follow established safe work procedures and use appropriate control measures, including PPE;
- Report all accidental exposure incidents to supervisory personnel. Follow the site procedure to minimize exposure potential to co-workers;
- Practice social distancing (2 meters/6 feet away) where practicable and promptly report to manager/supervisor any observed health symptoms (e.g. cough, fever);
- Report immediately, illness to their immediate Supervisor / Manager.

### 4.4. Occupational Health and Safety (OHS) will:

- Provide overall administrative guidance and leadership for the plan;
- Prepare the plan based on guidelines developed by the health authorities, Federal, Provincial governments and Fortis Inc. and monitor its compliance with current regulatory requirements;
- Assist departments in the risk assessment process including determination/selection of control measures and development of safe work procedures when requested;
- Monitor and evaluate the effectiveness of the plan across FortisBC;
- Update, revise and communicate the plan to conform to current practices and guidelines;
- Assist in the development of training, educational resources, safe work procedures and implementation of the plan.
- Refer to [Appendix A](#) for OHS contact information.

### 4.5. Contractors are expected to:

- Comply with recommendations developed by WorkSafe BC, health authorities, Federal and Provincial governments;
- Provide Subject Matter Expert (SME) advice to FortisBC Executive, HR Department, OHS Department and other Business Units on the prevention and control of infectious disease at work;



- Support and comply with all recommendations/decisions made by FortisBC;
- Follow the FortisBC Covid-19 Pandemic – Precautions and Considerations (see [Appendix J](#)).
- Promptly report, to the Project Manager, any sickness case if a contractor employee has visited or worked at any FortisBC facilities.

### 5. Hazard Identification

Respiratory diseases, such as Covid-19, Influenza, SARS, MERS, etc., are caused by organisms such as viruses or bacteria that affect the respiratory system (e.g., lungs and throat). The organisms can be spread by coughing, sneezing, or face-to-face contact.

#### Coronavirus Disease 2019 (COVID-19)

Is a respiratory disease caused by the SARS-CoV-2 virus. Infection with SARS-CoV-2 can cause illness ranging from mild to severe and, in some cases, be fatal. Symptoms typically include:

- Fever
- Cough
- Sneezing
- Sore throat
- Shortness of breath

Symptoms of COVID-19 may appear in as few as 2 days or as long as 14 days after exposure. Some people, referred to as asymptomatic cases, experiencing no symptoms at all.

Currently available evidence suggests:

Although the first human cases of COVID-19 likely resulted from exposure to infected animals, infected people can spread SARS-CoV-2 to other people.

The virus spreads mainly from person-to-person contact, including:

- People in close contact with one another (much less than 6 feet / 2 meters).
- Through respiratory droplets produced when an infected person coughs or sneezes. These droplets can land in the mouths or noses of people who are nearby or possibly be inhaled into the lungs.

It may be possible that a person can get COVID-19 by touching a surface or object that has SARS-CoV-2 on it and then touching their own mouth, nose, or possibly their eyes, but this is not thought to be the primary way the virus spreads.

People are most contagious when they are **most** symptomatic (i.e., experiencing fever, cough, and/or shortness of breath).

### 6. Risk Assessment

All work tasks have an associated risk assessment and written SOPs. A list of these work tasks can be referenced in Table 1. The completed exposure risk assessment can be referenced in [Appendix B: Respiratory Infectious Disease Exposure Risk Assessment](#). FortisBC employees are grouped into two major risk groups:

### 6.1. Lower Exposure Risk (Caution)

*Lower exposure risk (caution)* jobs are those that do not require contact with people known to be, or suspected of being, infected with a respiratory infectious disease, nor frequent close contact with (i.e., within 6 feet / 2 meters) the general public. Workers in this category have minimal occupational contact with the public and other co-workers.

### 6.2. Medium Exposure Risk

*Medium exposure risk* jobs include those that require frequent and/or close contact with (i.e., within 6 feet / 2 meters) people who may be infected with a respiratory infectious disease, but who are not known to be infected.

## 7. Hazard Control

During an outbreak, it is not be possible to eliminate the hazard; however, infections can be minimized by following the hierarchy of controls from most effective protection to least effective measures: engineering controls, administrative controls, safe work practices (a type of administrative control), and PPE. There are advantages and disadvantages to each type of control measure when considering the ease of implementation, effectiveness, and cost. In most cases, a combination of control measures will be necessary to protect workers from exposure to the virus.

### 7.1. Engineering Controls

Engineering controls involve isolating employees from work-related hazards. Where appropriate, these types of controls reduce exposure to hazards without relying on worker behaviour and can be the most cost-effective solution to implement. Engineering controls could include:

- Installing physical barriers to reduce the virus spread.
- Installing high-efficiency air filters.
- Increasing ventilation rates in the work environment.

### 7.2. Administrative Controls

#### 7.2.1. Preventing the Spread of Infection

Administrative controls require action by the worker or employer. Typically, administrative controls are changes in work policy or procedures to reduce or minimize exposure to a hazard. Examples of administrative controls include:

- Mandating sick workers to stay at home for a minimum of 10 days or more from date of symptom onset until cleared to return to work by HR;
- Minimizing contact among workers, clients, and customers by replacing face-to-face meetings with virtual communications and implementing telework, where possible. When in-person meetings do occur, participants must maintain a 2 meter distance from each other and avoid physical contact, including hand shaking, and must wash/disinfect hands immediately after the meeting;
- Discontinue hosting visitors at FortisBC facilities for meetings and other purpose to minimize social contact and exposure;
- Establishing alternating days or extra shifts that reduce the employee density in a facility at a given time, allowing them to maintain distance from one another while maintaining a full onsite work week;
- Discontinuing non-essential travel;

- Developing emergency communications plans, including a forum for answering workers' concerns and internet-based communications, if feasible;
- Providing employees with up-to-date education and training on risk factors and protective behaviors (e.g., cough and sneeze etiquette and care of PPE);
- Posting handwashing signs in restrooms;
- Training employees who need to use protecting clothing and equipment how to put it on, use/wear it, and take it off correctly, clean, store/dispose of items hygienically, including in the context of their current and potential duties.

### 7.2.2. Safe Work Practices

Safe work practices are types of administrative controls that include procedures for safe and proper work used to reduce the duration, frequency, or intensity of exposure to a hazard.

Examples of safe work practices include:

- Providing resources and a work environment that promotes personal hygiene. For example, provide tissues, no-touch trash cans, hand soap, alcohol-based hand sanitizers containing at least 60 percent alcohol, disinfectant wipes / sprays, and disposable towels for workers to clean their work surfaces and meeting rooms ;
- Requiring regular hand washing or using of alcohol-based hand sanitizers. Employees should always wash hands when they are visibly soiled, after removing any PPE, and prior to food consumption.
- Frequent decontamination of commonly shared surfaces such as tabletops, handrails, door handles, water dispensers' selection keys, fridge handles, elevator buttons, telephones, washroom faucets and toilets, vending machines, in-house ATMs, etc.
- Before and after use of a Fleet vehicle or equipment, drivers/operators are to wipe down all high touch surfaces with disinfecting wipes, spray, soap or any other cleaning agent available; areas to be wiped down include:
  - Steering wheel and gear shift lever
  - Column indicator levers (i.e. signal indicator, cruise control/wipers)
  - Interior door grab handles, door opener lever
  - Push buttons (radio, climate control, etc.)
  - Exterior door handles
  - Seat control buttons and levers
- Fleet Services will, on a best efforts basis, try to contract suppliers for interior cleaning of fleet vehicles.

### 7.2.3. Training

Where there is a potential for exposure to a virus, awareness education is required. The education will include:

- Potential health effects associated with an exposure to the virus;
- Safe work procedures and practices to prevent or minimize exposure;
- Personal Protective Equipment use (e.g. gloves, respirators, and surgical masks);
- Reporting requirements

All upcoming technical and trades training events are to be postponed in order to reduce potential exposure.

The Technical and Trades Training Department is to be advised of any training requirements that become necessary due to staffing shortages.

#### 7.2.4. Safe Work Procedures

The following tasks listed in Table 1 have detailed work procedures, which can be referenced in [Appendix C: Applicable Safe Work Procedures \(SWPs\)](#).

<b>Job Aid</b>	Working Safely in the Office
<b>Job Aid</b>	Working Safely from a Home Office
<b>Job Aid</b>	Working Safely from the Field
<b>Job Aid</b>	Entering a Customer Premise
<b>Procedure</b>	Environmental Cleaning and Disinfection Procedure
<b>Procedure</b>	Controlling the Spread of Respiratory Infectious Diseases

Table 1: Safe Work Procedures List

Additional relevant OHS documents include:

#### **CRL 1096: OHS Hazard Management Program**

The assessment of risk was completed in accordance with the Fortis BC OHS Hazard Management Program.

#### **CRL 1307: Respiratory Protection Program**

Work tasks requiring the use of a respirator are done so in accordance with Fortis BC Respiratory Protection Program.

#### **CRL 1229: Working Alone**

Work tasks performed by a worker working alone or in isolation will be done in accordance with the FortisBC Working Alone Procedure. Check-ins must be conducted in accordance with the check-in procedure and interval stated.

#### 7.3. Personal Protective Equipment (PPE)

While engineering and administrative controls are considered more effective in minimizing exposure to the virus, PPE may also be needed to prevent certain exposures. While correctly using PPE can help prevent some exposures, it should not take the place of other prevention strategies.

All types of PPE must be:

- Selected based upon the hazard to the worker.
- Properly fitted and periodically refitted, as applicable (e.g., respirators).
- Consistently and properly worn when required.
- Regularly inspected, maintained, and replaced, as necessary.
- Properly removed, cleaned, and stored or disposed of, as applicable, to avoid contamination of self, others, or the environment.

#### 7.4. Control Measures by Risk Evaluation

	Low Risk	Medium Risk
<b>Engineering Controls</b>	<ul style="list-style-type: none"> <li>• No additional controls are recommended</li> </ul>	<ul style="list-style-type: none"> <li>• Install physical barriers, where feasible</li> </ul>
<b>Administrative Controls</b>	<ul style="list-style-type: none"> <li>• Monitor public health communications about COVID-19 recommendations and ensure that employees have access to that information.</li> </ul>	<ul style="list-style-type: none"> <li>• Consider offering face masks to ill employees and customers to contain respiratory secretions until they are able leave the workplace (i.e., for medical evaluation/care or to return home). In the event of a shortage of masks, a</li> </ul>

## Exposure Control Plan (ECP): Controlling Exposure to Respiratory Infectious Diseases

	Low Risk	Medium Risk
	<ul style="list-style-type: none"><li>Collaborate with employees to designate effective means of communicating important COVID-19 information.</li></ul>	<ul style="list-style-type: none"><li>reusable face shield that can be decontaminated may be an acceptable method of protecting against droplet transmission;</li><li>Where appropriate, limit customers' and the public's access to the worksite, or restrict access to only certain workplace areas – consult with OHS;</li><li>Consider strategies to incorporate physical distancing, closure of shared facilities such as gyms, cafeterias, kitchens, and meeting rooms.</li></ul>
<b>PPE</b>	<ul style="list-style-type: none"><li>CONSULT CURRENT CORPORATE GUIDANCE ON PPE.</li><li>Workers should continue to use the PPE, if any, that they would ordinarily use for other job tasks.</li><li>Additional PPE is not recommended for employees in the lower exposure risk group.</li></ul>	<ul style="list-style-type: none"><li>CONSULT CURRENT CORPORATE GUIDANCE ON PPE.</li><li>In rare situations employees in this risk category may be required to use half-face respirators equipped with P100 filter cartridges or an N95/KN95 equivalent respirator.</li><li>Employees may also need to wear some combination of gloves, and/or a face shield or goggles.</li><li>PPE ensembles will vary by work task, the hazard assessment, and the types of exposures workers have on the job. Consult with OHS Department for specific advice on hazard assessment and PPE.</li></ul>

### 8. Communication

Communication is to be aligned with requirements of the Corporate Pandemic Plan. OHS is responsible to provide timely and accurate information on changes and best practices to ensure effective decision-making. All information shall be readily available to the employees.

### 9. Controlling the Spread of Infection

Prompt identification and isolation of potentially infectious individuals is a critical step in protecting workers, customers, visitors, and others at a worksite. The process for reporting and action has been documented in [Appendix D: Suspected or Confirmed Covid-19: Controlling the Spread of Infection](#) and escalation flowchart [Appendix E](#). In the event of a suspected or confirmed case of a respiratory infectious disease, the OHS Program Manager, Event Learning and Safety Analytics, will immediately (in collaboration with internal Occupational Hygienists, employee JHSC member (when available) and external agencies, such as Public Health and WorkSafe BC) conduct a risk assessment to evaluate the potential for infection to others working in the workplace or to a FortisBC individual. The level of risk and recommendations are determined through a comprehensive review and comparison to the Risk Assessment Criteria in [Appendix F](#). A draft report of the results and recommendations will be recorded using the applicable format within 4 hours of being notified. A formal report is to be finalized and communicated in accordance with the communication standards stipulated within Appendix D. Any communication must be done in conformance with the Privacy Guidelines if a FortisBC



Employee tests positive for COVID-19 as seen in [Appendix H](#). For additional information refer to FortisBC Pandemic Plan.

### 10. Review and Evaluation

This ECP will be reviewed every 3 years, or as needed, and updated as necessary by the OHS Department, in consultation with Human Resources. The goal of the review will be to ensure effectiveness of the controls in place.

**Revision** includes, but not limited to reviewing the Exposure Control Plan and relevant documents related to and/or referenced in the document against:

- Current regulatory requirements;
- Current organizational needs and structure to ensure business continuity;
- Current best practices to mitigate exposure risk.

**Evaluation** includes:

- Reviewing reported incidents related to bio-pathogens exposure
- Reviewing Incident Investigation reports related to bio-pathogens exposure
- Reviewing current control measures to determine if they are effective and/or could be improved as per hierarchy of controls

**Appendix A**

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**OHS CONTACT INFO**

## Appendix A: OHS Contact Info

Contact	Location/Area	Cell #
<b>Business Partners</b>		
Tim Ackah-Sanzah	Zone 1	604 839 0905
Kent O'Sullivan	Zone 3 & 4	604 690 3882
Michel Mailloux	Zone 6	250 268 7805
Craig Inouye	Zone 5/Gen/Electric	250 215 6342
Stephen Henchel	LNG (Tilbury/Mt. Hayes)	604 209 6870
Mark Kredba	Supervisor, OHS	604 928 4188
<b>Occupational Hygienists</b>		
Svitlana Bondarenko	Kelowna	250 212 0804
Ken Sterling	Trail	250 364 3814
<b>Event Learning</b>		
Jeff Anderson	Surrey	604 831 0329
Sean Kealey	Kelowna	250 215 1843
<b>Leadership</b>		
Ariel Parent	Surrey	604 312 6546
John McMahon	Surrey	604 828 0736

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**Appendix B**  
**RISK ASSESSMENT**

## Appendix B: Risk Assessment

Employee group	Hazard Specifics	Initial Risk	Hazard Control Measures	Residual risk
Office employee, no interaction with public	<ul style="list-style-type: none"> <li>• Close contacts with infected family members</li> <li>• Contact with an ill co-worker or contractor.</li> <li>• Contact with an infected surface.</li> </ul>	Low	<ul style="list-style-type: none"> <li>• Working Safely from the Office Job Aid.</li> <li>• High standard of personal hygiene                             <ul style="list-style-type: none"> <li>• Frequent (e.g. every hour) hand cleaning / washing for at least 20 seconds.</li> <li>• Cover mouth and nose with a tissue or a sleeve (not your hands) when cough or sneeze, dispose of tissue immediately in waste bin or flush away.</li> <li>• Avoid touching eyes, nose, and mouth with unwashed hands.</li> <li>• Do not share food or drink.</li> </ul> </li> <li>• Clean and disinfect frequently touched objects and surfaces at least once a day per procedure (<a href="#">Appendix G</a>).</li> <li>• No office sharing or until thoroughly cleaned with approved disinfectants</li> <li>• Physical distancing of at least 2 m (6 ft).</li> <li>• Working from home, when possible.</li> <li>• Closure of group spaces or staggered break / lunch times.</li> <li>• Limiting the number of people in meeting rooms / closing smaller meeting rooms.</li> <li>• Limiting the number of people in elevators.</li> <li>• Formal return to work protocol to prevent ill employee returning to work (see <a href="#">Appendix I</a>).</li> </ul>	Low
Office employee, with direct interaction with public / customers	<ul style="list-style-type: none"> <li>• Potential interaction with an infected public member.</li> <li>• Close contact with infected family members.</li> <li>• Public interaction during work day.</li> </ul>	Moderate	<ul style="list-style-type: none"> <li>• Working Safely from the Office Job Aid.</li> <li>• High standard of personal hygiene                             <ul style="list-style-type: none"> <li>• Frequent (e.g. every hour) hand cleaning / washing for at least 20 seconds.</li> <li>• Cover mouth and nose with a tissue or a sleeve (not your hands) when cough or sneeze, dispose of tissue immediately in waste bin or flush away.</li> </ul> </li> </ul>	Low



## Exposure Control Plan (ECP): Controlling Exposure to Respiratory Infectious Diseases

Employee group	Hazard Specifics	Initial Risk	Hazard Control Measures	Residual risk
			<ul style="list-style-type: none"> <li>• Avoid touching eyes, nose, and mouth with unwashed hands.</li> <li>• Do not share food or drink.</li> <li>• Clean and disinfect frequently touched objects and surfaces at least once a day per procedure (<a href="#">Appendix G</a>).</li> <li>• No office sharing or until thoroughly cleaned with approved disinfectants</li> <li>• Physical distancing of at least 2 m (6 ft)</li> <li>• Working from home, when possible.</li> <li>• Closure of group spaces or staggered break / lunch times.</li> <li>• Limiting the number of people in meeting rooms / closing smaller meeting rooms.</li> <li>• Limiting the number of people in elevators.</li> <li>• Working Safely in the Field Job Aid.</li> <li>• Formal return to work protocol to prevent ill employee returning to work (see <a href="#">Appendix I</a>).</li> </ul>	
Field employees that do not have interactions with public	<ul style="list-style-type: none"> <li>• Potential interaction with a sick co-worker</li> <li>• Potential interaction with an infected public member</li> <li>• Close contacts with infected family members</li> <li>• Public interaction during shopping, public transportation</li> </ul>	Low	<ul style="list-style-type: none"> <li>• Working Safely in the Field Job Aid</li> <li>• High standard of personal hygiene                             <ul style="list-style-type: none"> <li>• Frequent (e.g. every hour) hand cleaning / washing for at least 20 seconds.</li> <li>• Cover mouth and nose with a tissue or a sleeve (not your hands) when cough or sneeze, dispose of tissue immediately in waste bin or flush away.</li> </ul> </li> <li>• Avoid touching eyes, nose, and mouth with unwashed hands.</li> <li>• Do not share food or drink.</li> <li>• Clean and disinfect frequently touched objects and surfaces at least once a day per procedure (<a href="#">Appendix G</a>).</li> <li>• No office sharing or until thoroughly cleaned with approved disinfectants</li> <li>• Physical distancing of at least 2 m (6 ft)</li> </ul>	Low

## Exposure Control Plan (ECP): Controlling Exposure to Respiratory Infectious Diseases

Employee group	Hazard Specifics	Initial Risk	Hazard Control Measures	Residual risk
			<ul style="list-style-type: none"> <li>Formal return to work protocol to prevent ill employee returning to work (see <a href="#">Appendix I</a>).</li> </ul>	
Field employees that have interactions with public	<ul style="list-style-type: none"> <li>Potential interaction with a sick co-worker</li> <li>Potential interaction with an infected public member</li> <li>Close contacts with infected family members</li> <li>Public interaction during shopping, public transportation</li> </ul>	Moderate	<ul style="list-style-type: none"> <li>Working Safely in the Field Job Aid</li> <li>Entering a Customer Premise</li> <li>PPE Guidance</li> <li>High standard of personal hygiene                             <ul style="list-style-type: none"> <li>Frequent (e.g. every hour) hand cleaning / washing for at least 20 seconds.</li> <li>Cover mouth and nose with a tissue or a sleeve (not your hands) when cough or sneeze, dispose of tissue immediately in waste bin or flush away.</li> <li>Avoid touching eyes, nose, and mouth with unwashed hands.</li> <li>Do not share food or drink.</li> </ul> </li> <li>Clean and disinfect frequently touched objects and surfaces at least once a day per procedure (<a href="#">Appendix G</a>).</li> <li>No office sharing or until thoroughly cleaned with approved disinfectants</li> <li>Physical distancing of at least 2 m (6 ft)</li> <li>Consider postponement of service provision until the risk level has sufficiently reduced.</li> <li>Alternate and/or add additional shifts to reduce crew size</li> <li>Additional PPE for situations of increased risk (cannot maintain physical distancing or entering unknown environments)</li> <li>No entry standards for entering known or suspected infectious environments.</li> <li>Formal return to work protocol to prevent ill employee returning to work (see <a href="#">Appendix I</a>).</li> </ul>	Low

## **Appendix C**

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# **WORKING SAFELY FROM HOME AND OFFICE**

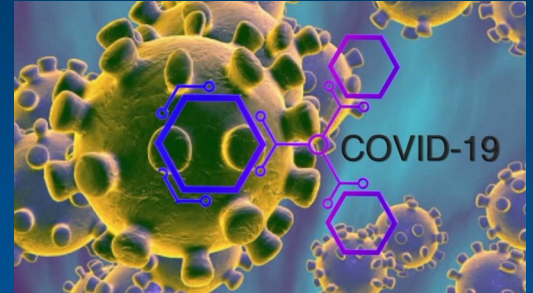
# COVID-19: Working Safely from Home

## Job Aid



The risk of COVID-19 exposure among our employees remains top of mind. To assist you with Safe Work Planning practices, this job aid provides information on how to work safely from home during the COVID-19 pandemic.

These guidelines can help you set up a workspace that alleviates discomfort and fatigue while allowing you to work effectively.



Last updated: April 17, 2020

### The three most important considerations: Location, location, location ...

Create your workspace in a place that is conducive to your health and work:

- Your workspace should be in a quiet area with a measure of privacy.
  - If there are children at home, a room with a door might work best to allow scheduling of interruptions.
- Good lighting is essential to prevent eyestrain and headaches. Set up your workspace near a window, as natural sunlight is a good source of light and a natural mood booster.
- Avoid harsh fluorescent lights and spotlights.

### Choose a work surface

Find a work surface that meets all of your needs:

- If your work requires that you spread out documents, find a space that already has a broad surface, such as a kitchen table or island, if there won't be too many interruptions there.
- Whether sitting or standing, adjust the height of your work surface so that your elbows are bent at approximately 90 degrees, with your forearms parallel with the ground.
- Ensure your forearms and wrists are not resting on the work surface.
  - If they are resting on the work surface, bring your keyboard closer to you; lift your wrists when typing and let them rest downward on natural pauses; or use a wrist support such as a small rolled-up towel.
- If your work surface is too high you may experience increased tension or discomfort in your shoulders and upper back. If you are sitting, put a cushion or some towels on your chair to lift yourself. If you are standing, you may need to find a lower surface.
- If your work surface is too low, you may slouch or hunch to reach down to the keyboard and mouse. If your seat is at the right height for your posture (see page 2), consider raising your work surface; otherwise, lower your seat.

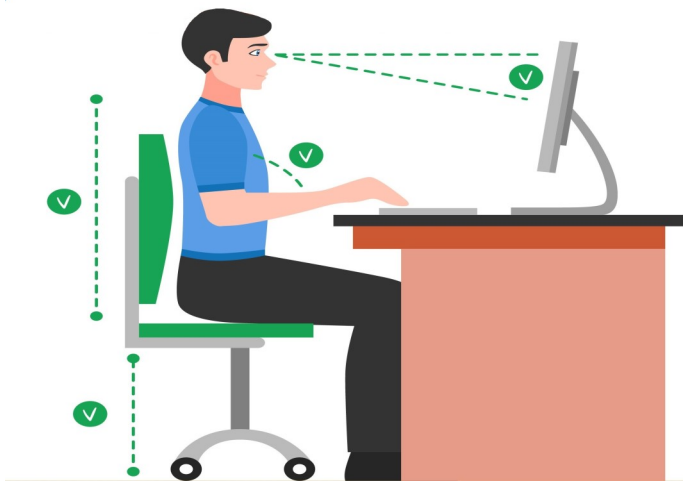
### The ergonomics of your workspace

- Consider creating a standing desk using resources available at home, especially if you tend to stand at work. The benefits will accrue no matter where you work!
- Check out [How to make your computer workstation fit you](#) for a thorough discussion of workspace ergonomics.
- Also see the [Ergonomics for the Office](#) video for a demonstration of how to set up a workstation.



## Create a comfortable seat

- Ensure your chair is comfortable, height-adjustable and provides you with back support in an upright position.
- Ensure your hips are positioned all the way back in the chair and the bottom tips of the shoulder blades are making contact with the backrest.
- If the front of the seat is hitting the back of your knees, look for an alternative chair with a smaller seat or add a cushion behind your back to push you slightly forward without losing back support.
- If your chair is too hard, consider adding extra cushioning to reduce areas of contact stress. A pillow, blanket, or towel may work.
- If your chair is lacking back support, consider adding a small pillow or folded towel to provide additional lumbar support. Make sure the lumbar support is not pushing you too far forward – your hips and shoulders should still be in contact with the backrest.
- If your feet don't touch the floor, use a footrest or alternative (sturdy binder, box, pack of copy paper, or even a cushion) to support your feet and ensure you have a stable base of support.
- If a couch is your only temporary option, try to arrange the cushions or pillows to provide back support. Aim to be supported in an upright and slightly reclined position.



## Position your monitor

- Ensure the top of the screen is directly in front of you and positioned at or slightly below eye-level.
- If using a laptop, prop it up on some books to increase the screen height.
- Position your monitor or laptop screen so that when you are working, your chin is parallel with the ground.
- If you have trouble reading your screen, try pulling the monitor or laptop closer or enlarging the font.
- If screen glare is an issue, position yourself and equipment perpendicular to a window or adjust your blinds to reduce glare.
- Ensure you are taking breaks away from the screen by following the 20/20/20 guidelines: every 20 minutes take your eyes off the screen for 20 seconds and focus on something 20 ft away.

## Arrange your keyboard and mouse

- Position your keyboard and mouse close enough that you aren't having to lean forward to use them, allowing your back to remain supported by the chair and placing your arms at a 90-degree angle.
- Postures that can cause discomfort include reaching forward with the elbows straight, flexing or bending the wrists, resting the forearms or wrists on the work surface, and pointing the elbows away from the body.



## Move!

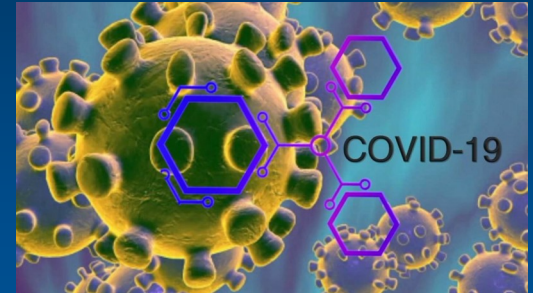
Regardless of where you establish your workspace or the configuration of your desk, regular movement remains key for a healthy body and reducing risks that arise from static or awkward postures and repetitive motions:

- Move every 20 minutes at your workspace, whether for a quick refresh exercise like a shoulder stretch, reaching upwards to unload the discs in your back, or just some ankle pumps to encourage lower body circulation.
- Give yourself a break to move beyond your workspace, like walking to the kitchen to get a drink of water or to look out of a window to relieve the strain on your eyes.
- Check out [Movesafe: Working at a computer workstation](#) for more tips on how to maintain your health while working on a computer.

# COVID-19: Working Safely in the Office Job Aid



The risk of COVID-19 exposure among our employees remains top of mind. To assist you with Safe Work Planning practices, this job aid provides information on how managers, supervisors, and employees can work safely and effectively in the office during the COVID-19 pandemic.



Last updated: April 17, 2020

## All employees

- Personal hygiene:
  - Wash your hands frequently with soap and water for a minimum of 20 seconds.
  - Cough or sneeze into your sleeve or a tissue, not your hands.
  - Avoid touching your eyes, nose and mouth.
  - Use an alcohol-based hand sanitizer with at least 60% alcohol to sanitize hands immediately after removing PPE and as required.
- Physical distancing and avoidance:
  - Maintain a physical distance of at least 2 m (6 ft).
  - Wear PPE if a safe physical distance can't be maintained.
- Daily housekeeping:
  - Limit the number of surfaces touched.
  - Regularly clean frequently used surfaces (electronics, equipment, company vehicles, etc.) with approved disinfectant solutions.
  - For “made-in-house” hand and surface sanitizer, contact FortisBC Stores.
- Awareness:
  - If you or anyone in your household has flu-like symptoms, stay home and report the symptoms to your manager or supervisor.
  - Try not to mix with employees from other locations.
  - Limit interactions with subcontractors and external workers.



**Note:** Recognize the impact of COVID-19-related stress and anxiety that you and the public are experiencing before proceeding with work.

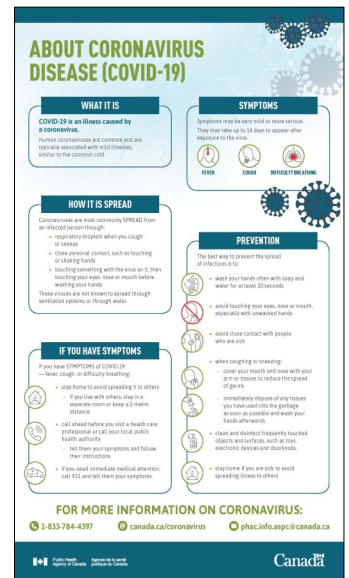
## WorkSafeBC

- WorkSafeBC is conducting additional worksite inspections because of COVID-19. If visited by a WorkSafeBC officer:
  - Use the Safe Work Plan to clearly communicate your hazard identification and risk assessment.
  - Notify your manager or supervisor.



## Managers and supervisors

- Keep yourself informed and ready to act:
  - Stay up to date on all awareness and prevention information currently being communicated across the organization.
  - Develop a plan and any other relevant information or communications for managing your area of responsibility during the pandemic.
    - Take into account the risk of employees becoming infected and the need to retain essential services.
- Wherever possible, reduce the occupation density in the workplace:
  - Ensure all employees who can work from home are doing so.
  - Maximize spacing between inhabited work stations and limit tasks to one person where possible.
  - Use virtual communications as much as possible, even within the office.
  - Restrict the density of all in-person meetings by using larger-than-necessary meeting rooms and restricting attendance to only those absolutely necessary.
  - Arrange the attendance at home musters, stations and substations to limit the number at each location.
  - Restrict non-essential FortisBC visitors, contractors, customers and deliveries from coming to the office.
  - Establish safe drop-off locations for material deliveries.
  - If activities require working closer than 2 m (6 ft), use appropriate PPE.
  - Stagger start times and lunch breaks to avoid everyone arriving at any building or room at once.
- Only essential travel is allowed, but if travel is required:
  - Hotels must be pre-screened for COVID-19 policies and procedures.
  - Kitchenettes and take-out food are preferred over restaurants.
- Display [posters](#) on hand washing and COVID-19 to increase awareness and alertness.



### Monitor for change

A heightened level of awareness is required to remain safe from COVID-19. Remember to continuously monitor for change, reassess risk and implement effective controls and barriers.

- If employees become sick:
  - Mandate that sick workers stay at home until cleared to return to work.
  - Maintain a record of employees on sick leave with COVID-19-related illness and notify Disability Management (see the procedure [COVID-19 Case Reporting](#)).
  - Obtain a doctor's certificate from employees on sick leave.

## WorkSafeBC

- If visited by a WorkSafeBC officer:
  - Ensure that you are complying with all regulations.
  - Notify Occupational Health and Safety and your manager.

## **Appendix D**

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# **CONTROLLING THE SPREAD OF RESPIRATORY INFECTIOUS DISEASES PROCEDURE**

## 1. Purpose

This procedure specifies the actions to take in the event of a suspected or confirmed case of Covid-19 to control the risk of spread of infection, including the initial investigation, assessment of the level of risk, and recommendations to remove or reduce the risk to acceptable levels.

## 2. Scope

This plan is applicable to all FortisBC employees, visitors, and contractors at all operating facilities and work sites.

## 3. Procedure

In all communications with internal or external parties, minimize the disclosure of any personal information; including the affected person's identity and medication information, where possible. See Privacy Guidelines in Appendix E of the Exposure Control Plan for Respiratory Infectious Diseases.

PERSON RESPONSIBLE	ACCOUNTABILITIES
<b>FortisBC Employee</b>	<ul style="list-style-type: none"> <li>Watch for the most common symptoms of the COVID-19 virus, including: <ul style="list-style-type: none"> <li>Cough</li> <li>Fever</li> <li>Sore Throat</li> <li>Difficulty breathing</li> <li>Sneezing</li> <li>Fatigue</li> </ul> </li> <li>If ill, or a member of immediate family is ill (with any or all of the above symptoms), report to Immediate Supervisor / Manager and stay home.</li> <li>If ill or sick, at work, advise Immediate Supervisor / Manager and leave work. If an ambulance is required, isolate (if possible) until arrival.</li> <li>Wear a surgical mask or cover mouth and nose with disposable tissue to prevent spread of biological fluids. If none is available, cough and sneeze into the crook of the elbow.</li> <li>If concerned about any of the symptoms speak with a Registered Nurse by dialing 8-1-1 or complete the BC Covid-19 Symptom online <a href="#">self-assessment tool</a>.</li> <li>Return to work, only once authorized by Disability Manager.</li> </ul>
<b>FortisBC Contractors</b>	Promptly report, to the Project Manager, any contractor employee who has symptoms of Covid-19 and has visited or worked at any FortisBC workplace.
<b>Immediate Supervisor / Manager</b>	Contact the following individuals: <ul style="list-style-type: none"> <li>BU Director / Regional Manager</li> <li>HR BP</li> <li>Disability Manager</li> <li>Labour Relations Manager</li> </ul>
<b>Project Manager</b>	<ul style="list-style-type: none"> <li>Senior Employee Relations Manager</li> <li>OHS, Manager</li> </ul> <p>If possible, schedule a call with the above.</p>

### Director's Response Team

<b>Regional Director</b>	<p>Contact the following departments for support with decision-making.</p> <ul style="list-style-type: none"> <li>PAET</li> <li><a href="mailto:EmergencyManagement@fortisbc.com">EmergencyManagement@fortisbc.com</a></li> <li>ACC Director</li> <li>EOC Directors</li> </ul>
<b>HR Team; Disability, Labour and Employee Relations</b>	<ul style="list-style-type: none"> <li>Notify Director, HR</li> <li>Complete established notification / action processes.</li> </ul>
<b>OHS Manager</b>	<ul style="list-style-type: none"> <li>Notify Director, Safety and Training</li> <li>Notify on-call team (event learning and occupational hygienists) to begin risk assessment process and advise Facilities Manager.</li> <li>Advise OHS BP, Program Manager, OHS Business Partner &amp; Compliance</li> </ul>
<b>Emergency Management</b>	<ul style="list-style-type: none"> <li>Complete established notification / action processes</li> </ul>
<b>PAET</b>	<ul style="list-style-type: none"> <li>Complete established notification / action processes</li> </ul>

### Controlling the Spread of Infection

<b>Event Learning Lead</b>	<ul style="list-style-type: none"> <li>Contact Risk Assessment Team: Immediate Supervisor / Manager, Facilities representative, Occupational Hygienist, and JHSC employee representative (if available). JHSC Representative to be apprised of Risk Assessment process.</li> <li>Gather information (if possible from the location) and prepare draft risk assessment report within 4 hours.</li> <li>Send to Manager, OHS for review.</li> <li>Finalize report; prepare redacted version within 24 hours.</li> </ul>
<b>Facilities Manager</b>	<ul style="list-style-type: none"> <li>Contact approved cleaning contractors and follow the Environmental Cleaning and Disinfection Guideline.</li> <li>In consultation with Occ. Hygienists, confirm cleaning and release workplace.</li> </ul>

### Communication of Risk Assessment

From	To	What	When	How
Immediate Manager / Supervisor	<ul style="list-style-type: none"> <li>All affected employees</li> </ul>	"Day-of" script	Immediately	Email / phone
OHS Manager	<ul style="list-style-type: none"> <li>Director, Safety and Training</li> <li>BU Director</li> <li>Facilities Manager</li> <li>Director, HR</li> </ul>	Draft Report	3 – 4 hours after notification	Email
OHS Manager	<ul style="list-style-type: none"> <li>Immediate Supervisor / Manager</li> <li>Disability, Labour and Employee Relations Managers</li> <li>Director, Safety and Training</li> <li>Director, HR</li> <li>Facilities Manager</li> </ul>	Executive Summary	3 – 4 hours after notification	Email

OHS Manager	<ul style="list-style-type: none"> <li>• Director, HR</li> <li>• Director, Safety &amp; Training</li> <li>• Disability Manager</li> <li>• Manager, Labour Relations</li> <li>• Occupational Hygienists</li> </ul>	Final Report	Within 24 hours	Email
OHS Manager	<ul style="list-style-type: none"> <li>• Director(s) EOC</li> <li>• Deputy EOC Director</li> <li>• Facilities Planning Manager</li> <li>• Director of affected Employee(s)</li> <li>• Associated Directors</li> <li>• Program Manager, OHS BP &amp; Compliance</li> <li>• VP, HR and EHS</li> </ul>	Final Report (Redacted)	Within 24 hours	Email
Event Learning	<ul style="list-style-type: none"> <li>• OHS Advisor BP, HR BP</li> </ul>	Final Report (Redacted)	Within 24 hours	Call
OHS Advisor BP	<ul style="list-style-type: none"> <li>• Affected employees</li> </ul> Supported by: <ul style="list-style-type: none"> <li>• HR BP</li> <li>• Event Learning / Occupational Hygienist</li> <li>• JHSC</li> </ul>	Executive Summary Cleaning and Disinfection Activities Risk Evaluation Criteria	Prior to releasing the workplace	Email, memo
OHS Advisor BP	<ul style="list-style-type: none"> <li>• Affected employees</li> </ul> Supported by: <ul style="list-style-type: none"> <li>• HR BP</li> <li>• Event Learning</li> <li>• JHSC</li> </ul>	Q & A	Start of next shift	Conference Call / In Person Meeting
OHS Dept.	<ul style="list-style-type: none"> <li>• JHSC Co-Chair Covid-19</li> </ul>	Risk Assessment Executive Summary	Next scheduled weekly meeting	Conference Call
ACC & EOC	<ul style="list-style-type: none"> <li>• ACC</li> <li>• EOC</li> </ul>	Results of risk assessment	Upon completion of risk assessment	Conference Call
VP HR & EHS	<ul style="list-style-type: none"> <li>• ELT</li> </ul>	Results of risk assessment	Upon completion of risk assessment	Email
OHS Manager	<ul style="list-style-type: none"> <li>• OHS Team</li> </ul>	Key Learnings	Following communication	Conference Call

#### 4. Reference Documents

##### 4.1. FortisBC Safe Work Procedures

- Covid-19 Exposure Control Plan (ECP)

##### 4.2. Records

- Risk Assessment and Recommendations Report

#### 4. Record Retention

The following records are generated and retained, as required, to implement this procedure.

Record Generated	Storage Location	Retention Time
Covid-19 Risk Assessment Report	URM	10 years

## 5. Revision History:

Date (dd-mm-yy)	Version	Originator/Author	Approved By	Description of Change
29-03-20	1	Ariel Parent		New
13-04-20	2	Ariel Parent		Addition of communication. Revised notifications.



**Appendix E**

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**OHS COVID-19 FLOWCHART**

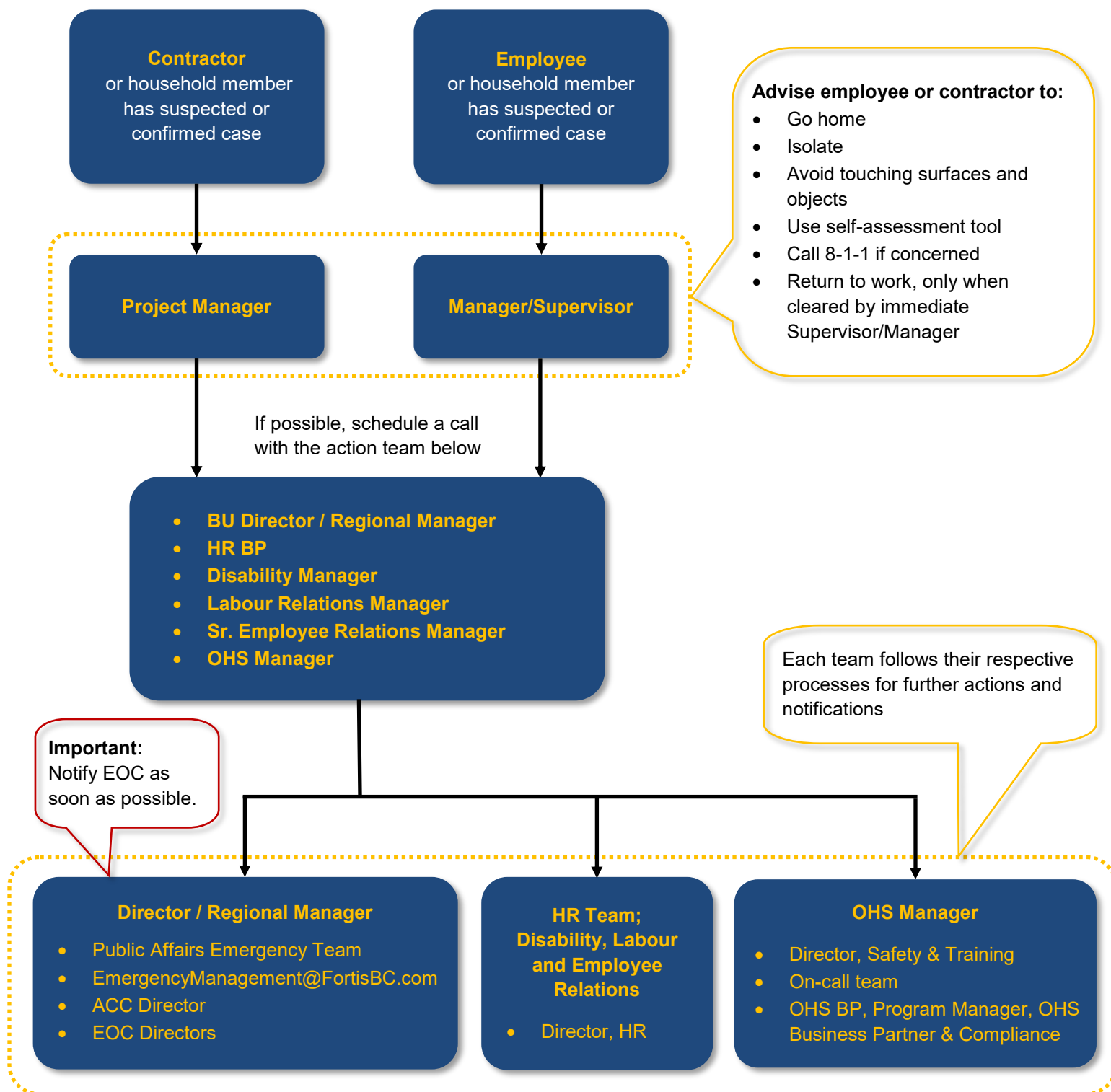
# COVID-19 Case Reporting

## Procedure



This procedure outlines the actions to take if an employee or contractor or any member of their household has a suspected or confirmed case of COVID-19.

**Important:** Minimize the disclosure of personal information, including the affected person's identity and medical information, in all communication.



## Director's response team

Title	Name	Cell	Office	Email
Manager, Disability Management	Cassandra Adler-Bock	604-809-9332	604-592-7638	<a href="mailto:Cassandra.Adler-Bock@fortisbc.com">Cassandra.Adler-Bock@fortisbc.com</a>
Manager, Labour Relations	Arlette La Freniere	604-803-4253	604-576-7075	<a href="mailto:Arlette.LaFreniere@fortisbc.com">Arlette.LaFreniere@fortisbc.com</a>
Senior Manager, Employee Relations	Adrienne Twibill	604-619-8517	604-592-7965	<a href="mailto:Adrienne.Twibill@fortisbc.com">Adrienne.Twibill@fortisbc.com</a>
Director, Human Resources	Andrea Cadogan	604-314-1226	604-592-7402	<a href="mailto:Andrea.Cadogan@fortisbc.com">Andrea.Cadogan@fortisbc.com</a>
Director, Safety & Training	John McMahon	604-828-0736	604-592-7989	<a href="mailto:John.McMahon@fortisbc.com">John.McMahon@fortisbc.com</a>
Other Directors impacted	As situation dictates, notify relevant			
Manager, Occupational Health and Safety	Ariel Parent	604-312-6546	604-576-7110	<a href="mailto:Ariel.Parent@fortisbc.com">Ariel.Parent@fortisbc.com</a>
Director, Communications & External Relations	David Bennett	604-202-2825	604-592-7850	<a href="mailto:DavidA.Bennett@fortisbc.com">DavidA.Bennett@fortisbc.com</a>
Senior Manager, Customer Communications	Arlene Whiffin	604-817-7231	604-576-7367	<a href="mailto:Arlene.Whiffin@fortisbc.com">Arlene.Whiffin@fortisbc.com</a>
Manager, Emergency Management and Business Continuity Programs	Taras Sandulak	604-813-9009	604-576-7013	<a href="mailto:Taras.Sandulak@fortisbc.com">Taras.Sandulak@fortisbc.com</a> ; <a href="mailto:EmergencyManagement@fortisbc.com">EmergencyManagement@fortisbc.com</a>

OHS Manager receives notification of potential COVID-19 exposure

Contact Joint Health & Safety Rep. (Employee)

Assemble Risk Assessment Team:

- OHS Manager (LEAD)
- Event Learning OHS Lead
- Occupational Hygienist
- JHSC Representative

Assess the level of risk of spread of infection (Risk Matrix)

**Low Risk**

Worker (A) exposed to someone (B) (e.g. contractor, colleague, family member, friend) who has had contact with another individual (C) where individual (C) is **confirmed/suspected** covid-19 and C may or may not have had symptoms at the time of exposure to B.

**Individual Worker that was exposed:**

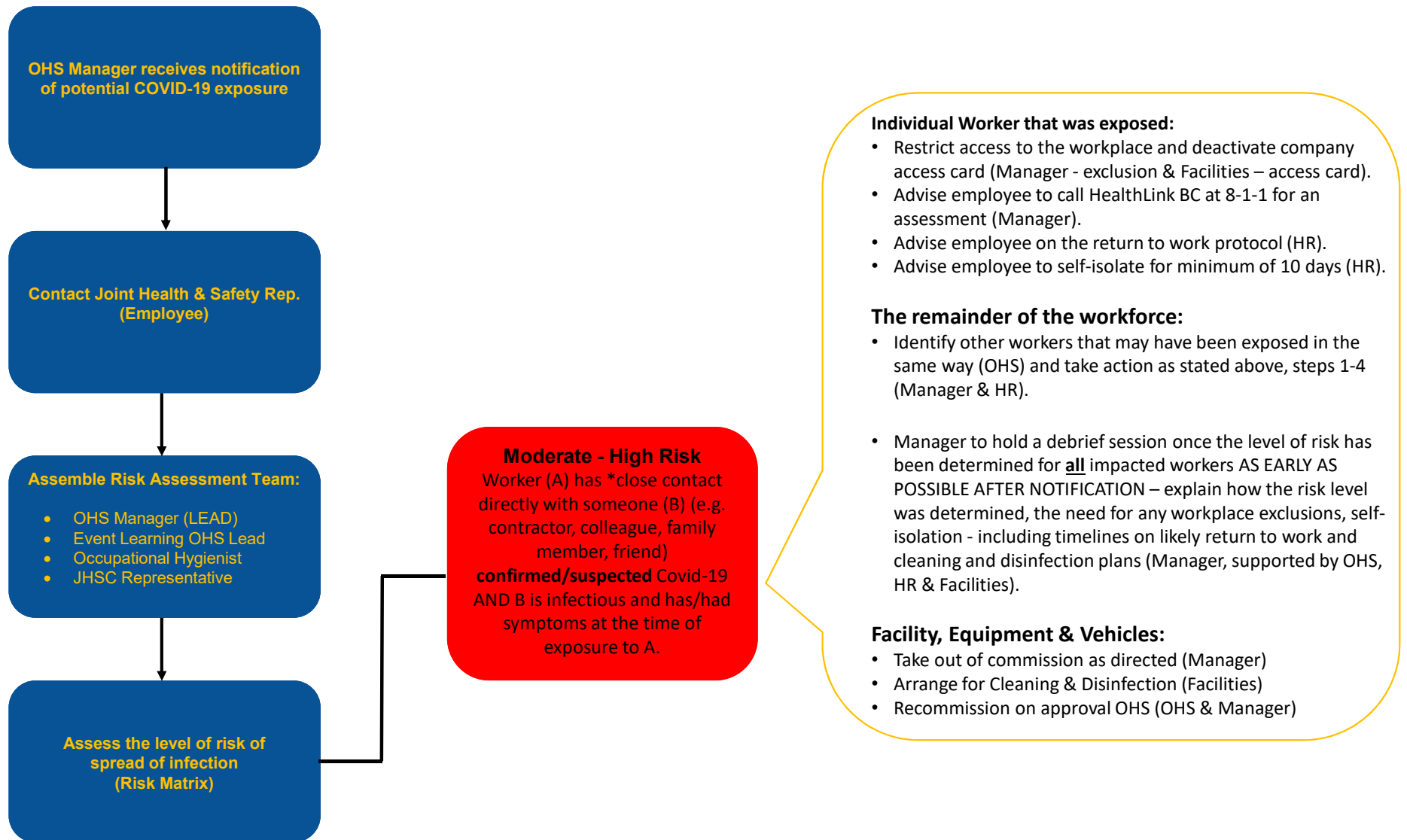
- **NO NEED TO** exclude the worker from the workplace (Manager).
- Advise worker to self-monitor for the following symptoms: cough, sneezing, fever, sore throat and difficulty breathing.

**The remainder of the workforce:**

- Identify other workers that may have been exposed in the same way (OHS) and take action as stated above (Manager & HR).
- Manager to hold a debrief session once the level of risk has been determined for **all** impacted workers AS EARLY AS POSSIBLE AFTER NOTIFICATION – explain how the risk level was determined, the reasons why there is **no need** for any workplace exclusions, self-isolation or specialized cleaning and disinfection because risk is LOW (Manager, supported by OHS, HR & Facilities).
- Advise workers to self-monitor for the following symptoms: cough, sneezing, fever, sore throat and difficulty breathing and report immediately to supervisor if they experience any (Manager).

**Facility, Equipment & Vehicles:**

- **NO NEED TO** take out of commission (Manager)
- Regular Cleaning & Disinfection sufficient (Facilities)



## Appendix F

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# RISK CLASSIFICATION AND RECOMMENDATIONS



RISK LEVEL	CRITERIA	WORKER IMMEDIATE CARE, ACTIONS, & RESPONSE	MANAGER ACTIONS in CONSULTATION WITH RESPONSE TEAM
<b>MODERATE - HIGH</b>  (Risk level determined by OHS on a case by case basis, based on available information at the time)	<p><b><u>PRIMARY EXPOSURE</u></b></p> <p><b>PRIMARY EXPOSURE IS DIRECT EXPOSURE TO CONFIRMED/SUSPECTED COVID-19 POSITIVE PERSON</b></p> <p>Worker (A) has *close contact directly with someone (B) (e.g. contractor, colleague, family member, friend) <b>confirmed/suspected</b> Covid-19 AND B is infectious and has/had symptoms at the time of exposure to A.</p> <p>*close contact is defined as person A within 6 feet of person B for greater than 15 minutes (approx.) which is likely to permit the transfer of the virus from one to the other.</p>	<ol style="list-style-type: none"> <li><b>Worker</b> must call HealthLink BC at 8-1-1 for an assessment and to determine any necessary next steps.</li> <li><b>Worker</b> must call their immediate supervisor.</li> <li><b>Worker</b> must not to return to work until approved by HR.</li> <li><b>Worker</b> should remove and treat clothing as “contaminated” and clean/dispose of immediately and conduct personal cleaning as per instruction provided by OHS.</li> <li><b>Worker</b> must work with OHS and HR to assist the Risk Assessment process. Provide approval for JHSC Employee Rep to be included in Risk Assessment process.</li> </ol>	<p><b>Once the Risk Level has been determine by OHS:</b></p> <p><b>Individual Worker that was exposed:</b></p> <ol style="list-style-type: none"> <li>Exclude the worker from the workplace and deactivate company access card (Manager - exclusion &amp; Facilities – access card).</li> <li>Advise them to call HealthLink BC at 8-1-1 for an assessment (Manager).</li> <li>Advise worker on the return to work protocol (HR).</li> <li>Advise worker to self-isolate for minimum of 14 days (HR).</li> </ol> <p><b>The remainder of the workforce:</b></p> <ol style="list-style-type: none"> <li>Identify other workers that may have been exposed in the same way (OHS) and take action as stated above, steps 1-4 (Manager &amp; HR).</li> <li>Manager to hold a debrief session once the level of risk has been determined for <b>all</b> impacted workers <b>AS EARLY AS POSSIBLE AFTER NOTIFICATION</b> – explain how the risk level was determined, the need for any workplace exclusions, self-isolation - including timelines on likely return to work and cleaning and disinfection plans (Manager, supported by OHS, HR &amp; Facilities).</li> </ol> <p><b>Facility, Equipment &amp; Vehicles:</b></p> <ol style="list-style-type: none"> <li>Take out of commission as directed (Manager)</li> <li>Arrange for Cleaning &amp; Disinfection (Facilities)</li> <li>Recommission on approval OHS (OHS &amp; Manager)</li> </ol>

**NOTE:** Limited information is available to characterize the spectrum of clinical illness, transmission efficiency and the duration of contagiousness. This protocol is based on available information and subject to change as additional information or testing capability and laboratory capacity becomes available.

<p><b>LOW</b></p> <p>(Risk level determined by OHS on a case by case basis, based on available information at the time)</p>	<p><b><u>SECONDARY EXPOSURE</u></b></p> <p><b>SECONDARY EXPOSURE IS INDIRECT EXPOSURE TO SUSPECTED OR CONFIRMED COVID-19 POSITIVE PERSON:</b></p> <p>Worker (A) exposed to someone (B) (e.g. contractor, colleague, family member, friend) who has had contact with another individual (C) where individual (C) is <b>confirmed/suspected</b> covid-19 and C may or may not have had symptoms at the time of exposure to B.</p>	<ol style="list-style-type: none"> <li><b>Worker is able to continue to work.</b> No need to remain at home or self-isolate.</li> <li><b>Worker</b> must self-monitor for the following symptoms: <b>cough, sneezing, fever, sore throat and difficulty breathing.</b></li> <li>If worker or workforce experiences any of the symptoms in #2, <b>Worker(s)</b> must: <ul style="list-style-type: none"> <li>Stay away from the workplace.</li> <li>Call HealthLink BC at 8-1-1 for an assessment and to determine any necessary next steps.</li> <li>Call their immediate supervisor.</li> <li>Must not return to work until approved by HR.</li> </ul> </li> <li><b>Worker</b> must work with OHS and HR to assist the Risk Assessment process. Provide approval for JHSC Employee Rep to be included in Risk Assessment process.</li> </ol>	<p><b>Once the Risk Level has been determine by OHS:</b></p> <p><b>Individual Worker that was exposed:</b></p> <ol style="list-style-type: none"> <li><b>NO NEED TO</b> exclude the worker from the workplace (Manager).</li> <li>Advise worker to self-monitor for the following symptoms: cough, sneezing, fever, sore throat and difficulty breathing.</li> <li>If worker reports any of the symptoms in #2:</li> <li>Advise worker to stay home.</li> <li>Advise worker to call HealthLink BC at 8-1-1 for an assessment (Manager).</li> <li>Advise worker on the return to work protocol (HR).</li> <li>Advise worker to self-isolate for 14 days if they subsequently test positive or if no test, follow Public Health advice (HR).</li> </ol> <p><b>The remainder of the workforce:</b></p> <ol style="list-style-type: none"> <li>Identify other workers that may have been exposed in the same way (OHS) and take action as stated above, steps 1-7 (Manager &amp; HR).</li> <li>Manager to hold a debrief session once the level of risk has been determined for <b>all</b> impacted workers <b>AS EARLY AS POSSIBLE AFTER NOTIFICATION</b> – explain how the risk level was determined, the reasons why there is <b>no need</b> for any workplace exclusions, self-isolation or specialized cleaning and disinfection because risk is LOW (Manager, supported by OHS, HR &amp; Facilities).</li> <li>advise workers to self-monitor for the following symptoms: cough, sneezing, fever, sore throat and difficulty breathing and report immediately to supervisor if they experience any (Manager).</li> </ol> <p><b>Facility, Equipment &amp; Vehicles:</b></p> <ol style="list-style-type: none"> <li><b>NO NEED TO</b> take out of commission (Manager)</li> <li>Regular Cleaning &amp; Disinfection sufficient (Facilities)</li> </ol>
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## **Appendix G**

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# **ENVIRONMENTAL CLEANING AND DISINFECTION PROCEDURE**

## Cleaning & Disinfecting Suspected or Confirmed COVID-19 Cases at FortisBC

Upon notification of a suspected or confirmed COVID-19 case at FortisBC sites, Facilities follows the OH&S Response Process, along with the COVID-19 Case Reporting Procedure.

The following actions will be taken by Facilities upon notification of a suspected or confirmed case:

- Vacate & lockdown access to site
- Engage with OH&S Hygienists, whom Facilities will receive guidance from and review details with for the affected site
- Engage with cleaning contractor to provide Scope of Work:
  - o Provide cleaning contractor with building and site plans
  - o Provide cleaning contractor with Cleaning & Disinfecting Checklist (see [Appendix 1](#))
  - o Provide cleaning contractor with OH&S Disinfection Guidelines (see [Appendix 2](#))
  - o Verify disinfecting product(s) to be used, OH&S confirms they are approved products
- Cleaning contractor is provided access to site, cleaning & disinfecting completed
- Completed Cleaning and Disinfecting Checklist returned to Facilities
- Upon receipt of checklist, Facilities confirms with HR and OH&S that site has been disinfected
- Facilities is provided direction from HR and OH&S on if and when the site will be re-opened

Items and areas to be deep cleaned and disinfected upon an event include, but are not limited to:

- **Work Area:**
  - Desktops and all work surfaces
  - Computer monitors, keyboards, mice, laptops, tablets, other peripherals/accessories
  - Telephone equipment
  - Chair rests and arms
  - Doorknobs and door handles
  - Light/dimmer switches
- **Kitchens/Kitchenettes:**
  - Sinks & faucets
  - Tables & chairs
  - Cabinet knobs/handles
  - Microwaves
- **Washrooms:**
  - Toilets
  - Sinks
  - Counter surfaces
  - Stall handles
- **Copy Rooms:**
  - Copy machines
  - Counter surfaces
- **Other:**
  - Water fountains (ION filtration systems), drink dispensers, and vending machines
  - Elevator lifts, doors, and buttons
  - Stairwells, hand rails, and door handles
  - Any other items particular to the site/area as identified by FortisBC and Facilities, such as vehicles

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**Appendix H**  
**PRIVACY GUIDELINES**

## **Privacy Guidelines if a FortisBC Employee tests positive for COVID-19**

- A positive COVID-19 case should be reported to the chairs of the EOC. The EOC through HR should coordinate response and communication. A person should be designated as the initial contact for reporting any known infections.
- If a general communication to all FortisBC staff is deemed necessary, that communication should state no more than that an employee (or contractor) has tested positive and the general location that person worked in e.g. Surrey Ops. The communication should state that anybody who has been exposed to that individual has been notified separately. The general communication should be reviewed with Brendan Carr, FortisBC Privacy Officer, before being released to employees.
- The individual should not be identified. Medical information about an individual should not be shared with anyone who is not required to be aware of that information.
- Colleagues who worked more closely with the infected person and or who are at risk of being exposed to that person should be advised of greater detail. For example, information such as the department the person worked in, the specific areas the person was and any other information that might be necessary to protect those colleagues and enable them to take necessary measures, may be disclosed. This communication should be through the HR Director or VP.
- Only information required to inform those that could have been exposed should be released. For example, if an employee has not attended a FortisBC office or site in the last 14 days or come in contact with any FortisBC employee, it is unnecessary to inform their direct colleagues as their status. The infected individual should still not be identified, although it is possible the individual will be able to be identified. In this case, consider obtaining consent, if practical, from the infected individual. If this is not possible, advise those colleagues provided with more information that they should not disclose any information that may identify the infected individual.
  - Even if we obtain the consent of the individual, we should consider whether we actually need to release their name.
- Senior managers (at Director level or above) from FortisBC Facilities department and FortisBC OHS should be advised by the EOC as required to carry out necessary functions – cleaning, disinfecting, conducting of necessary risk assessments. If identification of the infected person is necessary for this, the senior manager receiving that information must not disclose it further.
- Communications should be informed if the infected individual had any contact with customers, so they can prepare key messaging.
- Information, including personal information may be disclosed to the BC Provincial Health Officer or other public bodies with appropriate authorization. Requests should



be directed to Brendan Carr, the FortisBC Privacy Officer, before any personal information is disclosed.

- The infected individual may have their own independent obligation to advise public health authorities.
- **Suspected cases** – the above guidelines also apply (with appropriate modification) for cases where Covid-19 is reasonably suspected and it is decided by the EOC that colleagues are to be informed or preventative measure taken. No general communication should be necessary.

**Appendix I**

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**COVID-19 RETURN TO WORK PROTOCOL**

## COVID-19 Return to Work Protocol

With the growing concern of COVID-19, FortisBC is taking all necessary precautions to prevent, or limit, exposure in the workplace and to ensure appropriate health and safety measures are taken. As a result, we are asking supervisors and managers to ensure full adherence to the following protocol **PRIOR** to allowing an employee to return to work or coming onto a FortisBC site after an absence related to COVID-19.

Please email this form to your employee and ensure full completion of the form **THE DAY BEFORE** their intended return to work. It is imperative no employee have access to a FortisBC site or our employees until this form has been completed and based on the responses, **the employee has been cleared to return to work.**

The protocols outlined below have been developed in adherence with the guidelines provided by Health Canada and the BC Centre for Disease control (BCCDC). As per the BCCDC, *"If after 10 days, you feel better, your symptoms have improved AND you have had no fever for 72 hours, whichever is later, you may return to regular activities. Coughing may persist for several weeks, so a cough alone does not mean you need to continue to self-isolate for more than 10 days."*

**Quarantine (self-isolate):** Quarantine for 14 days if **you have no symptoms** and you:

- are returning to B.C. from travel outside of Canada
- been in close contact with a person who traveled outside of Canada & has been sick in the past 14 days
- had close contact with someone who has a presumptive or confirmed case of COVID-19
- been diagnosed with COVID-19 or are waiting for laboratory test results for COVID-19

**Isolate:** You must isolate for a minimum of 10 days if you have:

- symptoms of COVID-19, even if mild
- been advised to do so by your public health authority

**Questions to be answered PRIOR** to allowing an employee to return to work after a COVID-19 related absence:

<b>Question</b>	<b>Answer</b>
Did you return to B.C. from travel outside of Canada in the past 14 days? - If yes, date of return:	Yes or No
Did you have close contact with a person who had recently traveled outside of Canada & had been sick in the past 14 days? - If yes, last date of contact:	Yes or No
Were you directly exposed to someone who had a presumptive or confirmed case of COVID-19 in the past 14 days? - If yes, last date of contact:	Yes or No
Were you tested and/or diagnosed with COVID-19? - If yes, date of test and result (+/-):	Yes or No
<u>First Date</u> of Symptoms (if applicable)	Date:
<u>First Date</u> of Isolation or Quarantine (Self-isolation)	Date:
<u>Last Day</u> of Isolation or Quarantine (Self-isolation)	Date:
Did you adhere to the guidelines for Isolation or Quarantine?	Yes or No
Have your symptoms improved? - If no, please contact DM	Yes or No
Have you been without a fever for a minimum of the last 72 hours? - If yes, please contact DM	Yes or No
Do you feel fit to return to work? - If no, please contact DM	Yes or No

**If you require any assistance with following such protocols or collecting the necessary information, please contact Disability Management or your HR Business Partner.**

**Appendix J**

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**CONTRACTOR LETTER\_ FORTISBC COVID-19 PANDEMIC-  
PRECAUTIONS AND CONSIDERATIONS**

April 13, 2020

**Subject: FortisBC COVID-19 Pandemic – Precautions and Considerations**

Hello,

As businesses and the government take additional steps to contain the spread of the novel coronavirus COVID-19, FortisBC is committed to the safe operation of our facilities and the health and safety of our employees, customers and contractors. FortisBC is taking a proactive approach to reduce exposure and help protect the health and safety of all employees and contractors during this time. When conducting work for FortisBC, we ask you to take similar approaches to keep yourself, your employees and your business(es) safe as well.

Given that FortisBC provides an essential service of the delivery of energy to more than one million customers in BC, critical business functions must be maintained. As a critical infrastructure service provider, some of our work cannot be done remotely. To ensure we are able to deliver energy safely and reliably, we are asking the following of our contractors:

- ) Develop plans, monitor, and communicate your business continuity activities to your FortisBC Contract Representative as they relate to your ability to fulfill goods or service requirements for FortisBC. Your proactive approach to risk mitigation and communication will both influence and impact FortisBC and the customers we serve in the province.
- ) We understand your organization cannot predict the impact this outbreak may have on your employees and operations. If any changes arise in your ability to serve FortisBC, please notify FortisBC immediately.

In order to ensure the safety of both FortisBC and contractor employees, FortisBC requires that contractors working on behalf of FortisBC ensure that their Safe Work Planning incorporate COVID-19 specific provision based on Federal and Provincial exposure reduction and physical distancing requirements (listed below) as well as FortisBC minimum standards (attached Job Hazard Assessment and High Risk Impact Assessment documents for COVID-19<sup>1</sup>). These documents represent a minimum requirement for conducting work for FortisBC under current laws; however, contractors should satisfy themselves of the adequacy of these documents for their specific work and decide if individual contractor plans need to exceed these requirements:

- ) Wash or sanitize your hands before and after handling equipment;
- ) Avoid direct contact with FortisBC customers or employees by maintaining 2 meters or six feet physical distancing from any other personnel that may be on site;
- ) Avoid entering any FortisBC office space or work area unless permitted to do so;
- ) Obtain required site information through phone, text or e-mail communications (text preferred);
- ) Conduct site visits during slower operational periods, if possible;
- ) Report any safety concerns immediately to your FortisBC Contract Representative;

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<sup>1</sup> Job Hazard Assessment and High Risk Impact Assessment documents for COVID-19 are intended to be used for work conducted by or on behalf of FortisBC. They are not intended to be used or relied upon by any person, firm or corporation, for work unrelated to FortisBC. FortisBC disclaims all liability whatsoever to other parties for damages or injuries incurred by the use of these documents without the prior express written approval of FortisBC.

- ) Disinfect all high touch objects and surfaces including dispensers, nozzles, point of sale key pads, etc.
- ) For preventative maintenance, repair or construction activities that require more than one worker for safety or technical compliance reasons, a case-by-case cooperative hazard evaluation is to be conducted and work should only be conducted when all parties agree on need and risk mitigation plan; and
- ) Use of Safe Working Plans (SWP) is required. These may be site-specific plans created by FortisBC or created on a task specific basis by the contractor. Where SWP's exist, contractors are expected to review and comply with the plan requirements. If a SWP does not exist, the completion and filing of SWPs is the responsibility of each contractor. SWP's should be audited by the contractor regularly and available for FortisBC review upon request.

The above list is not inclusive and your organization may have their own additional COVID-19 safety procedures.

In an effort to educate and stay informed, we have included the following links to governing health organizations:

- ) World Health Organization: <https://www.who.int/emergencies/diseases/novel-coronavirus-2019>
- ) Health Canada: <https://www.canada.ca/en/public-health/services/diseases/2019-novel-coronavirus-infection.html>
- ) BC Centre for Disease Control: [http://www.bccdc.ca/health-info/diseases-conditions/coronavirus-\(novel\)](http://www.bccdc.ca/health-info/diseases-conditions/coronavirus-(novel))
- ) Travel Advice: [www.canada.ca/en/public-health/services/diseases/2019-novel-coronavirus-infection/latest-travel-health-advice.html](http://www.canada.ca/en/public-health/services/diseases/2019-novel-coronavirus-infection/latest-travel-health-advice.html)
- ) Travel Advisories (by country): <https://travel.gc.ca/travelling/advisories>
- ) Public Health Authority – Contact Info: [www.canada.ca/en/publichealth/services/publications/diseases-conditions/2019-novel-coronavirus-information-sheet.html#pha](http://www.canada.ca/en/publichealth/services/publications/diseases-conditions/2019-novel-coronavirus-information-sheet.html#pha)

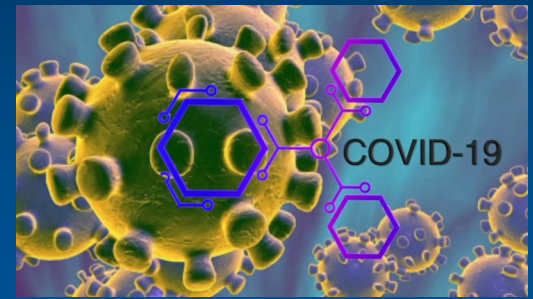
Thank you once again for your understanding and commitment during this challenging time. If you have any questions, concerns, or critical business updates please notify FortisBC in a timely manner through your FortisBC Contract Representative.

# Hazard Identification and Risk Assessment for COVID-19

## Job Aid



The risk of COVID-19 exposure among our employees remains top of mind. To assist you with Safe Work Planning practices, this job aid provides information on completing a Hazard Identification and Risk Assessment (HIRA) for the COVID-19 virus.



### Hazard identification and risk assessment

Risk increases when you:

- Have been in contact with someone who has traveled to an area where the COVID-19 virus has been confirmed in the last 14 days.
- Have been in contact with someone who is experiencing signs and symptoms of illness such as fever, cough, difficulty breathing or pneumonia.
- Make contact with surfaces that are contaminated.
- Do not maintain a physical distance of at least 2 metres (6 feet) from others including co-workers and the public.
- Do not use appropriate personal protective equipment (PPE).
- Do not follow established COVID-19 work procedures.

When assessing risk:

- You must look at the *likelihood* that the hazard will cause harm as well as the *severity* of the consequence.
- Use the FortisBC Risk Matrix to help assess the initial risk (before controls) and the residual risk (after controls) of the COVID-19 hazard.
- If the residual risk remains moderate, consider different or additional controls to reduce the risk; if the residual risk remains high, contact your Manager/Supervisor or OHS Business Partner for further guidance.

Risk Matrix		Severity of consequence →				
		(1) Very Low No injuries or minor first aid treatment	(2) Low Incident that may result in an injury requiring Medical Treatment	(3) Moderate Incident that may result in a Lost Time Injury or temporary impairment	(4) High Incident that may result in a serious injury or permanent impairment	(5) Very High Incident that may result in a fatality
Likelihood of occurring ↑	(5) Almost certain Will occur immediately or soon	Moderate risk	Moderate risk	High risk	High risk	High risk
	(4) Likely Will likely occur (daily or weekly)	Moderate risk	Moderate risk	High risk	High risk	High risk
	(3) Possible Will occur eventually (monthly or yearly)	Low risk	Moderate risk	Moderate risk	High risk	High risk
	(2) Unlikely Will occur at some point (once in many years)	Low risk	Low risk	Moderate risk	Moderate risk	Moderate risk
	(1) Rare Will rarely occur	Low risk	Low risk	Low risk	Moderate risk	Moderate risk

#### Monitor for change:

A heightened level of awareness is required. Remember to continuously monitor for change; reassess risk and implement effective controls and barriers to remain safe from COVID-19.



## Controls and barriers

Reduce the risk. Use these recommended controls and barriers for COVID-19:

- Physical distance and avoidance:
  - Try to always maintain a physical distance of at least 2 metres (6 feet) from others.
  - Assess how many people are required to perform each task; limit the task to one person, if possible.
  - Have the crew leader document the SWP plan, sign the form on behalf of all crew members and obtain verbal agreement.
  - Use cones, signage, delineators, caution tape, vehicles, etc. to identify work zones and protect the work area.
  - Restrict non-essential FortisBC visitors, contractors, customers and deliveries.
  - Establish safe drop-off locations for material delivery.
- PPE:
  - Use PPE if unable to maintain physical distance or as required based on the risk.
    1. Disposable Tyvek suit - ensure a snug fit at the neck, wrists and ankles.
    2. Half-face respirator - P100 cartridges or a N95 respirator.
    3. Safety goggles or face shield.
    4. Nitrile gloves - double gloved and taped to Tyvek suit to avoid any gaps.
  - Correctly discard of PPE waste bags at a muster for disposal.
- Personal hygiene:
  - Wash your hands regularly with soapy water for a minimum of 20 seconds.
  - Cough or sneeze into your sleeve or a tissue, not your hands.
  - Avoid touching your eyes, nose and mouth.
  - Use an alcohol-based hand sanitizer (with 70% or more alcohol by volume) to sanitize hands immediately after removing PPE and as required.
- Daily housekeeping:
  - Limit surfaces touched.
  - Regularly clean frequently used surfaces (electronics, equipment, company vehicles, etc.) with approved disinfectant solutions.
- Awareness:
  - Be sure you and your co-workers are fit for duty.
  - Stay home if you are not well; report flu-like symptoms to your Manager/Supervisor.

## Reminder: Please do not forget...

WorkSafeBC is conducting additional worksite inspections because of COVID-19. Ensure that you are:

- Practicing physical distancing.
- Reducing the number of people on a worksite.
- Limiting gatherings on worksites and in offices, musters, break areas and lunchrooms.
- Increasing hand washing.

If visited by a WorkSafeBC officer, use the Safe Work Plan to clearly communicate your hazard identification and risk assessment. Notify your Manager/Supervisor if you are visited by a WorkSafeBC officer.

# Job hazard analysis (JHA)



**JHA name** Working in COVID-19 Pandemic (April 9/2020 Version 2)

Affiliation

☐ Gas ☐ Electric ☐ Both

**Spellcheck**

Names of assessors involved	Business group/trade	Date (Yr/Mth/Day)	Overall risk level
FBC representatives	Corporate	2020/Apr/9	Low

Job/task steps	Hazard identified	Risk matrix		Initial risk	Controls and barriers	Hierarchy of controls	Risk matrix		Residual risk
		Likeli-hood	Conse-quence				Likeli-hood	Conse-quence	
Recognize the impact of COVID-19 before proceeding with work at FBC facilities or field work sites.	COVID-19 presence possible at FortisBC location/office/station	2	3	Moderate	Stagger activity at muster or meet at work site, keep >2m apart. Stay home if ill.	Substitution (for high, mod or low risks)	1	3	Low
	COVID-19 presence on SWP document and pen	2	3	Moderate	Avoid sharing paperwork. One person sign off.	Elimination (for high, mod or low risks)	1	3	Low
	COVID-19 presence for travel to work site	2	3	Moderate	Use a separate vehicle as practicable. If not able to maintain distance in vehicle, wear safety glasses, face shield or non-medical facemask or N95 or KN95 respirator or a half face piece respirator fitted with P100 filters, sanitize touchpoints, wash hands regularly.	Elimination (for high, mod or low risks)	1	3	Low

COVID-19 presence at work site	2	3	Moderate	Assess, physical distancing, separate tools, small pod groups, sanitize. Wash hands regularly.	Administrative Controls (for low risks only)	1	3	Low
Contractors on site	2	3	Moderate	Use screening process and maintain 6ft/2m distance	Administrative Controls (for low risks only)	1	3	Low
Public near work site	2	3	Moderate	Barriers to isolate the public from the work site	Administrative Controls (for low risks only)	1	3	Low
COVID-19 presence at work site (equipment and tools)	2	3	Moderate	COVID protocol: sanitize tools, wash hands.	Administrative Controls (for low risks only)	1	3	Low
Unable to use social distancing while performing operations	2	3	Moderate	Conduct a thorough Hazard Identification and Risk Assessment using the JHA for COVID-19 which incorporates the hazard of COVID-19 and other additional hazards to select and implement the most effective combination of controls available.	PPE (for low risks only)	1	3	Low

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## **COVID-19 SAFE WORK PLAN TEMPLATE**

# Hazard Identification and Risk Assessment

## Safe Work Plan: Repetitive Work - Same Location

### Work details

Phase 2	Person in charge (responsible for making sure the plan is communicated to all persons on site)
Re-Integration	
Driving directions (remote location only)	

### Working alone or in isolation

<input type="checkbox"/> Identified as a hazard	<input type="checkbox"/> Not applicable
Check-in contact person (prior communication required)	Check-in contact number
Time of scheduled check in(s) (high risk activities require more frequent check in periods)	

### First aid and emergency rescue

First aid attendant	Level: <input type="checkbox"/> 1 <input type="checkbox"/> 2 <input type="checkbox"/> 3	First aid equipment <input type="checkbox"/> ETV <input type="checkbox"/> AED <input type="checkbox"/> Kit <input type="checkbox"/> Other:	
Name and address of nearest hospital		Distance to hospital (km)	Time to hospital (minutes)
Rescue and additional information (include muster location and other important first aid and emergency response details, as required)			

### Job Hazard Analysis

☐ All relevant Job Hazard Analysis documents and Safe Work procedures have been reviewed for this type of work.

Task	Hazard	Initial risk	Controls and barriers	Residual risk
List the work task.	Document the hazards.	Identify the initial risk. (low, moderate, high)	Include as many controls and barriers as possible for each hazard.	Identify the residual risk. (none, low, moderate, high)
Building entry during the COVID-19 pandemic	Potential interaction with sick co-workers, the public, and contractors	Moderate	<p>Conduct a self-check of COVID-19 symptoms prior to coming into the office. Report symptoms to your manager and DO NOT COME INTO WORK.</p> <p>Stay at home when ill.</p> <p>Maintain physical distance of 2m/6ft. If it cannot be maintained, follow the PPE requirements.</p> <p>Arrange workstations appropriately.</p> <p>Remove unnecessary furniture.</p> <p>Use physical barriers where possible (workstations, reception, etc).</p> <p>Contractors are to follow this plan (as a minimum).</p>	Low
		Moderate	<p>Work from home where possible.</p> <p>Follow the building occupancy limits of the facility.</p> <p>Follow the occupancy limits for meeting rooms, washrooms, lunch rooms, and other identified common spaces.</p> <p>Limit access into the facility.</p> <p>Follow your departments re-integration plan related to</p>	Low

			scheduling/staggering of work activities. Follow building signage directing employee path of travel, hand washing and physical distancing.	
	Potential contact with contaminated surfaces	Moderate	Disinfecting spray and paper towels have been provided for basic cleaning of high touch areas. Cleaning/disinfection of work surfaces on a routine basis is performed by contractors, where applicable. Employees are encouraged to bring their own pre-packaged lunch and snacks to limit use of kitchens.	Low
	Personal hygiene	Moderate	Wash hands frequently with soap and water. Use provided hand sanitizers and wipes. Cover your coughs and sneezes.	Low
	Exposure to cleaning/disinfecting wipes/sprays.	Moderate	Review Safety Data Sheets. Follow manufacturers instructions placed on the product prior to use. Report any exposure incident (inhalation, skin contact, eye contact, ingestion) immediately to your supervisor and seek First Aid.	Low
Task	Hazard	Initial risk	Controls and barriers	Residual risk
Notes				


For the latest information, refer to the "COVID-19: What you need to know" webpage on Connector where you will find more information including:

- COVID-19 Job Hazard Analysis
- Choosing the appropriate PPE for the job
- Choosing the appropriate PPE when visiting a residential or industrial natural gas customer
- COVID-19 PPE kit insert
- Face coverings/masks have limitations and are not a substitute for other controls (staying at home if ill, working from home where possible, maintaining physical distance, frequent hand washing and covering coughs/sneezes).

Be familiar with the information included in your Departments Re-integration Plan - see your supervisor.

Ensure to engage your supervisor if you have questions or concerns regarding the information in this Safe Work Plan.

Joint Health and Safety Committees are to be engaged in COVID-19 safety in the workplace (i.e. inspections, resolution of issues, etc)

STOP WORK WHEN THINGS CHANGE ON SITE		START WORK ONLY WHEN IT IS SAFE TO DO SO	
	<ul style="list-style-type: none"><li>• Identify new hazards</li><li>• Assess risk</li><li>• Identify controls</li></ul>	<div>Check self/Crew<ul style="list-style-type: none"><li>• Rushing</li><li>• Frustration</li><li>• Fatigue</li><li>• Complacency</li></ul></div> <div>Confirm:<ul style="list-style-type: none"><li>• Controls and barriers are adequate.</li></ul></div>	

### Sign-off

Everyone on site must print their first and last name and initial below to confirm acknowledgement of our shared responsibilities.

Name	Date	Date	Date	Date	Date	Date	Date
	Initials	Initials	Initials	Initials	Initials	Initials	Initials
NOTE: SIGN IN USING DAILY SIGN-IN SHEET LOCATED IN THE BINDER							





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**PPE KIT INSERT**

# COVID-19 Personal Protective Equipment

We are happy to see you back in our facilities and as always, are committed to keeping you safe at work.

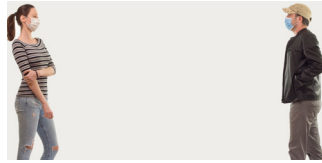
Before you get started, make sure you are ready for work by:



Ensuring you are well and healthy



Washing your hands frequently



Keeping physical distancing



Wearing the appropriate PPE

**Remember:** If you begin to feel any COVID-like symptoms or, if you come in close contact with someone who is experiencing any symptoms, you must inform your manager or HR Business Partner immediately.



Required only when you are unable to maintain physical distancing.



Required only when adequate hand washing facilities are not available.



Optional and required only when you are unable to maintain physical distancing.

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# COVID-19 Personal Protective Equipment

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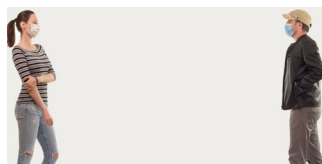
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Required only when you are unable to maintain physical distancing.



Required only when adequate hand washing facilities are not available.



Optional and required only when you are unable to maintain physical distancing.

## Make sure to wear your mask properly

### Putting on your mask



#### Step 1:

Clean your hands with soap and water or hand sanitizer before touching your mask.



#### Step 2:

Use both hands to put on your mask.



#### Step 3:

Mold or pinch the stiff edge to the shape of your nose.

### Removing your mask



#### Step 1:

Clean your hands with soap and water or hand sanitizer before touching your mask.



#### Step 2:

If you haven't worn your mask for long, place it in a plastic bag for storage.



#### Step 3:

Dispose of your mask when it looks soiled or wet.

(20-101.4 07/20/2020)

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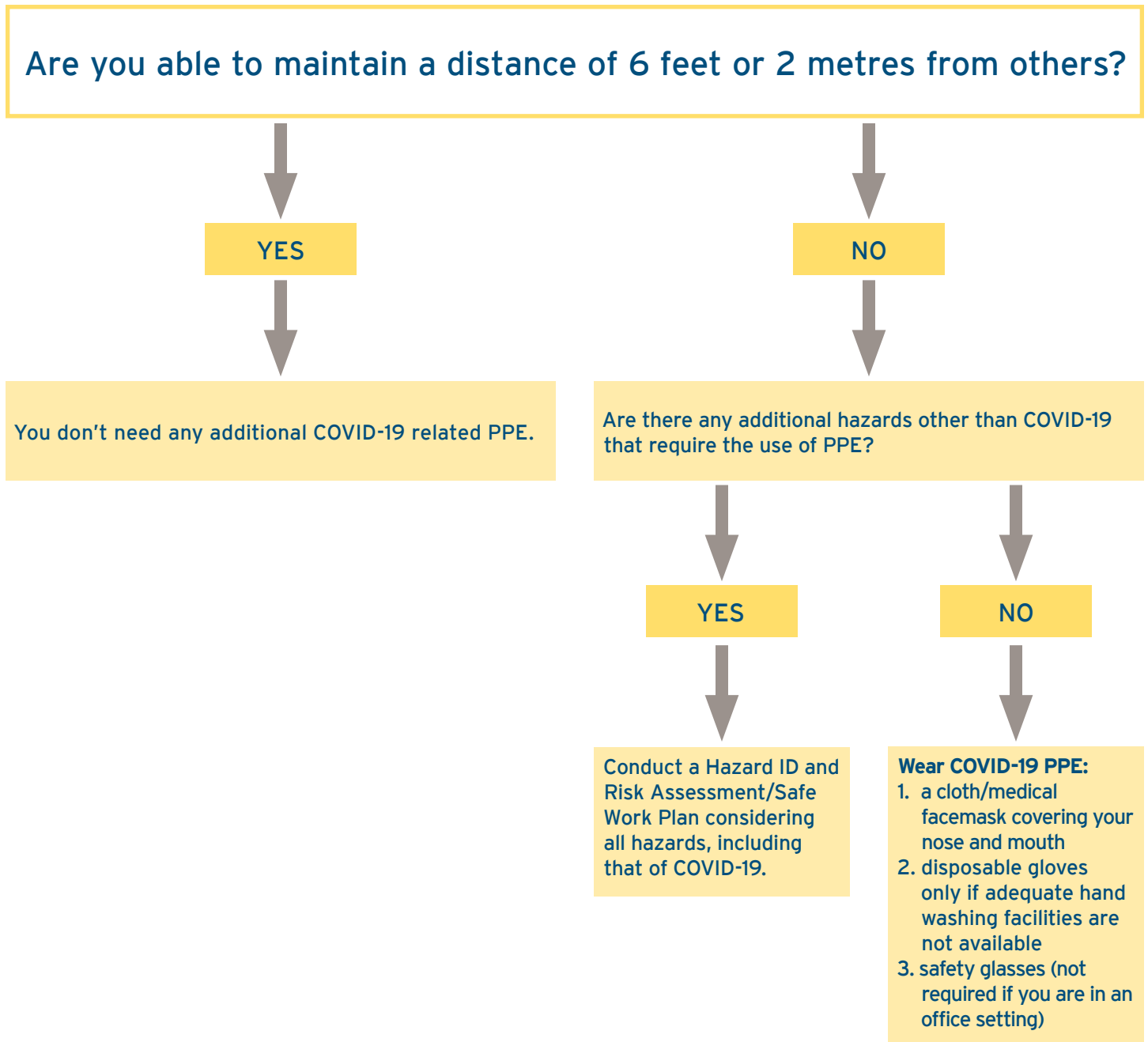
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## PPE DECISION TREE

# Choosing the appropriate PPE for the job

As we respond to the COVID-19 pandemic together, we are committed to keeping you safe at work. This guideline will help you decide the appropriate Personal Protective Equipment (PPE) you need for performing your tasks safely.

**Note: This guideline should be used in all circumstances, except when entering a customer's building.**



**Remember:** If you begin to feel any COVID-like symptoms or, if you come in close contact with someone who is experiencing any symptoms, you must inform your manager or HR Business Partner immediately.

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## **RETURN TO THE OFFICE GUIDE**



# Welcome back!

## A guide for returning to the office or facility



We are in phase 2 of our plan to return to normal business operations. Here's what you need to know if you are an employee returning to one of our offices or facilities.

### We're not out of the woods yet!

Make sure to do your part to keep yourself and others around you safe. Don't forget to:

- Maintain a two metre/six foot physical distance from others.
- Stay home if you feel unwell.
- Practice good respiratory etiquette (e.g. sneeze or cough into your elbow or a tissue; dispose of used tissues immediately).
- Clean and disinfect your workspace regularly (cleaning supplies will be available at workstation pods. Please do not bring your own supplies).
- Wash your hands for at least 20 seconds with water and soap or use hand sanitizer often.



### As always, we are committed to keeping you safe

We are happy to see you back and have made a number of changes to continue keeping you and your peers safe. The office or facility will look and feel different from before. Here are the key changes:

#### Building access

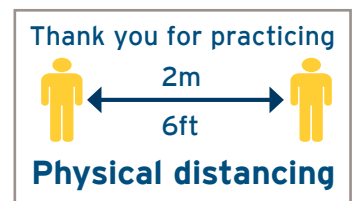
- All employees, contractors, and visitors to the office or facility must review and sign the site safe work plan before entering the building. Our site safe work plan will evolve as we move through each phase of our plan. Be sure to review it often.
- Entry to the building is only at specific doors.
- Reception desks, where available, have been fitted with a Plexiglas barrier for added protection of staff and visitors.

#### Building signage

- Signage on designated waiting areas, traffic flow, and physical distancing has been posted on the floors throughout the building.

#### Cleaning and disinfection

- Our janitorial staff are cleaning high traffic areas and high touch surfaces more frequently.
- Cleaning and disinfecting supplies are available at workstation pods and in copy rooms and kitchenettes.
- Additional hand sanitizers are available throughout the building.



### Traffic flow

- One-way traffic flow is in effect and is indicated by floor signage.
- Staircases have been designated as up only or down only.



### Workstations

- Some workstations have low panels or a shared area that does not allow for physical distancing. Your department leader has received a review of the workstations in their area and has considered workstation configuration when developing their re-integration plan.

### Meeting rooms

- Meeting rooms are available for use with restrictions on room capacity posted on the door. When possible, leave the door open to help with air circulation.
- The Global Address List has been updated with new capacity numbers for ease when booking meeting rooms.
- Enclaves are available for use but have been reconfigured to allow for physical distancing.



### Copy rooms and kitchenettes

- Copy rooms and kitchenettes are available for use.
- Employees must observe physical distancing and wipe down high touch surfaces after use with available cleaning supplies.
- If occupied, consider returning later or line up while maintaining physical distancing.

### Washrooms

- Hand dryers have been taken out of service and replaced with paper towels.
- Maximum occupancy has been updated to allow for physical distancing and is posted on the door.
- If occupied, consider returning later or line up while maintaining physical distancing.

### Elevators (where available)

- Only two people allowed in the elevator at a time.
- Employees waiting for the elevator must wait in the designated area as indicated by floor signage.



### Fitness centre and cafeteria

- All fitness centres, gyms, and cafeteria are closed until further notice.

### Personal Protective Equipment (PPE)

- PPE requirements are outlined in the site safe work plan of each office or facility.
- In general, employees are not required to wear additional COVID-19 PPE, **EXCEPT** when a two metre/six foot physical distance cannot be maintained. In these cases, FortisBC supplied safety glasses and a cloth/medical facemask are required. Cloth masks are also available for employees to wear should they choose to do so.
- Your department leader will supply you with the required PPE.

## We're here to help

Not all offices or facilities are the same and there may be some local differences depending on your specific site. If you have questions about site safety or safety protocols, please contact your [Occupational Health and Safety Business Partner](#).

If you have any questions or concerns about your return to the office or facility, please speak to your leader.