



Black Business and Professional Association

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Black Business and Professional Association Survey Reveals Marked Disparities Between COVID-19 Effects on Black Businesses and Other Businesses in Canada

TORONTO, ON (May 8, 2020) – A recent survey by the Black Business and Professional Association (BBPA) revealed stark disparities between the financial sustainability of Black and other Canadian businesses, when compared with a similar survey of all enterprises in the country. BBPA’s survey revealed that Black businesses experience a higher risk of insolvency during the COVID-19 crisis, but also believe they are less likely to receive and benefit from government stimulus programs related to the ongoing pandemic.

The survey’s striking disparities demonstrate that 80% of Black businesses don’t believe the Canada Emergency Wage Subsidy will be enough to help them survive (compared to 37% of all businesses in the country). An estimated 80% of Black businesses don’t think they will qualify for a Canada Emergency Business Account loan, as compared to only 20% of Canadian businesses overall who fear they won’t qualify.

The government stimulus campaign’s perceived shortcomings are increasingly concerning when taken in the context of the current differences in financial risk for Black businesses versus Canadian businesses as a whole. during this difficult time. According to the BBPA survey, 80% of Black businesses lacked cash reserves necessary in April to meet financial obligations, and 85% are worried about being forced to close permanently, whereas only 30% and 39% of Canadian businesses as a whole provided the same responses, respectively. Similarly, 98% of Black businesses state they cannot take on any more debt, compared with only 56% of Canadian businesses as a whole.

Based on these and other statistics the survey revealed, Black businesses clearly now face an elevated risk of insolvency and failure and will likely need additional support to remain sustainable in the long run. According to Nadine Spencer, BBPA president, “The sustainability of Black businesses in Canada is not only essential for the good of the

country's economy, but also for the ongoing health of Black -- and Canadian -- culture as a whole. We must work together to find solutions enabling Black businesses to weather this storm and thrive into the future."

The full results of the BBPA survey can be seen at bbpa.org/surveycovid

About the Black Business and Professional Association (BBPA):

Founded in 1983, the BBPA is a charitable organization whose mission is to advance Canada's Black community by facilitating the delivery of programs that support business and professional excellence, higher education, and economic development. Along with workshops and programs at the BBPA Centre of Excellence, the BBPA presents the Annual Harry Jerome Awards, the BBPA National Scholarships, and the National Black Business Convention (NBBPC).

For more information, please visit the BBPA online at www.bbpa.org, call 416-504-4097, or email communications@bbpa.org