

# Economic and Social Reports, July 2021

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The July 2021 issue of [Economic and Social Reports](#) contains four articles.

## The experiences of businesses created during COVID-19

Despite the economic impacts of the COVID-19 pandemic, there were 112,764 new businesses (entrants) created in 2020. However, this was 5.4% fewer entrants than in 2019. The study "**Starting a business in a pandemic: The experiences of businesses created during COVID-19**" also shows that the bulk of business creation in 2020 was concentrated in the latter half of the year.

From June to December 2020, there were 2.8% more entrants than over the same period in 2019. The increase in entrants ranged from 0.7% in Alberta to 7.1% in British Columbia. In contrast, the number of entrants decreased by 10.7% in Saskatchewan, 3.1% in the territories and 0.2% in New Brunswick.

The employment associated with entrants in 2020 was 20.7% lower than in 2019, and this finding of lower employment is present across industries as well as provinces and territories. This provides evidence that the businesses created in 2020 were smaller on average than businesses created prior to 2020.

## The oil and gas sector has almost fully recovered

The oil and gas sector in Canada was hit hard in 2020: first by the oil price crisis in March and April, and then by a sharp decline in demand caused by pandemic travel restrictions. However, by April 2021, it had almost fully recovered, with the sector's gross domestic product, employment and exports reaching 95.4%, 95.7% and 102.5% of their corresponding levels from January 2020, respectively.

The article "The oil and gas sector in Canada: A year after the start of the pandemic" provides an update on the performance of Canada's oil and gas extraction industry. Despite the recent recovery, capital expenditures in the industry have been declining since 2014, and this deteriorating investment situation worsened in 2020, dropping by 36% compared to 9% in industries overall.

In addition to the declining capital investment, the sector had faced many headwinds that impeded its expansion and development, such as the cancellation of Keystone XL, carbon pricing, and regulations designed to accelerate the transition to green energy. However, the recent surge in the price of oil may attract more investment into the sector, and capital spending in supporting activities for mining and oil and gas extraction is expected to grow by more than 33% in 2021 after a 20% decline in 2020—a good barometer for future investment in oil sands extraction.

The [Canadian Centre for Energy Information](#) website has more information on energy in Canada, including production, consumption and international trade.

## Immigrants report more loneliness than the Canadian-born population

Many newcomers to Canada experience disruption to their social networks during migration and encounter barriers in establishing new relationships and connections. This leaves them vulnerable to loneliness, which is associated with both mental health consequences such as anxiety and depression, and physical health consequences such as cardiovascular disease and increased mortality. The article "**Self-reported loneliness among recent immigrants, long-term immigrants, and Canadian-born individuals**" uses the 2018 General Social Survey to compare self-reported loneliness between immigrants and the Canadian-born population. The results show that both recent and long-term immigrants reported higher levels of loneliness than the Canadian-born population. Moreover, loneliness did not appear to be alleviated by the length of stay in Canada.



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## The changing sociodemographic characteristics of international students

Details from a new study "**International students as a source of labour supply: The growing number of international students and their changing sociodemographic characteristics**" that is part of a series of articles on international students as a source of labour supply is also available. It examines how the sociodemographic characteristics of international students are changing. See *The Daily*, "[Study: The changing sociodemographic characteristics of international students](#)".

The July 2021 issue of *Economic and Social Reports*, Vol. 1, no. 7 (**36280001**), is now available. This issue contains the articles "[Starting a business in a pandemic: The experiences of businesses created during COVID-19](#)," "[The oil and gas sector in Canada: A year after the start of the pandemic](#)," "[Self-reported loneliness among recent immigrants, long-term immigrants, and Canadian-born individuals](#)," and "[International students as a source of labour supply: The growing number of international students and their changing sociodemographic characteristics](#)."

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