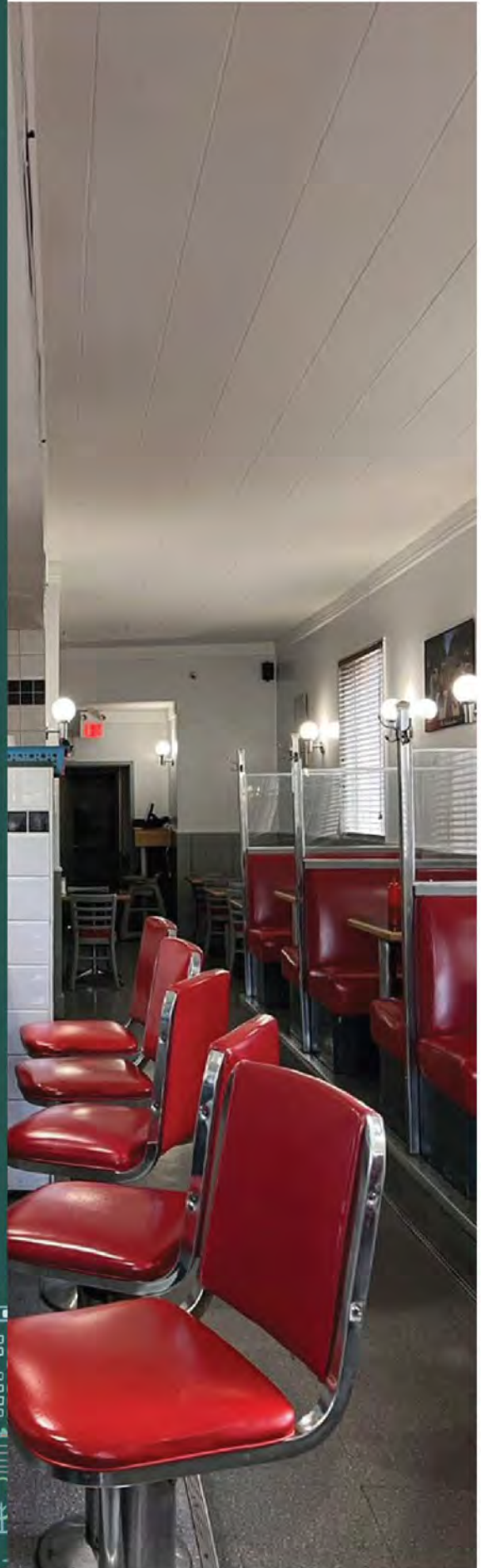


Small Food Enterprise Outreach Project

Feeding City SF3 Lab
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SUMMER 2022

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Executive Summary



Small Food Enterprises (SFEs) have faced enormous challenges, especially in the wake of the Covid-19 pandemic. Small-scale, independent, and family-run restaurants, in particular, continue to endure hardships with the impact of decreased customer purchasing power, and rising prices due to inflation, in addition to structural constraints that affect this sector.

Despite a variety of challenges, those restaurants that have survived the pandemic are to be applauded for their resiliency and adaptability. The vast majority are run by recent immigrants and structurally disadvantaged minorities of colour. While their entrepreneurial spirit has kept many of these businesses afloat, this SFEO report provides first-hand testimonies as to how they have struggled to keep their doors open and how they welcome meaningfully targeted government support for their sector.

Across 2020–2022 the federal and provincial governments, as well as the City of Toronto offered a number of business support programs that targeted restaurants. Media and community feedback indicated that these programs had greater uptake in Toronto's downtown core. These programs seemed to have had the **least impact in Scarborough, and on family-run restaurant SFEs whose ownership and management were in the hands of BIPOC and/or recent immigrant families.** Family-owned restaurant SFEs, in particular, did not benefit from those programs to the extent that their framers had envisaged. However, most of this feedback was anecdotal and piecemeal and the reasons were unclear. There was a real absence of evidence-driven data as to why this was so, especially data that foregrounded BIPOC and neighbourhood restaurant voices.

In response, the Feeding City SF3 lab at the University of Toronto Scarborough generated a novel research approach through 2021-22: a Small Food Enterprise Outreach (SFEO) project. It embarked on a Summer 2022 pilot in collaboration with the City of Toronto's Economic Development and Culture (EDU-C) Division, to undertake a data-driven qualitative study of small family restaurants across Scarborough municipal wards. This pilot would assemble a racially and culturally diverse team of student researchers in order to collect and assess direct testimonies from them to understand the impact of recent government-generated business supports and what policies would be welcomed in the future. This SFEO collaboration placed at its core a recognition that linguistic, cultural, racial, and social diversity was intrinsic to the SFE sector, and to the research team, its outreach strategy, and research methodologies.



Directed by a BIPOC cis-female professor from the University of Toronto Scarborough, the Feeding City SF3 lab recruited two cis-female, multi-lingual student interns (with support from MITACS/BSI and UTEA) to co-lead the project in tandem with Culinaría Research Centre SF3 post-doctoral research associates. Their SFEO outreach team consisted of 12 student researchers (supported by SF3/UTSC research supports) who between them, had skills in Arabic, Bengali, Cantonese, French, Hindi, Punjabi, Tamil, and Urdu. The overall team had cultural links to Afro-America, Bangladesh, the Caribbean, China, Hong Kong, Francophone Africa, India, the Middle East, Pakistan, the Philippines, Sri Lanka, and Latin America. In collaboration with the Feeding City SF3 team, the EDU-C Division prepared a key informational tool for SFEO outreach: brochures that summarized the 2020-22 government small business supports in English, Chinese (traditional & simplified), Tamil, and Arabic. Equipped with these brochures, the SFEO team deployed a mix of ethnocultural matching (based on modified Dinesafe City data) and in-person field outreach with over 160 small restaurants across Scarborough wards, from May to July 2022. That in-person outreach allowed them to set up and conduct 54 in-depth interviews: unique, first-hand testimonies from the restaurant and food business frontlines about their 2020-22 experiences. The major focus of those interviews and the SFEO strategy was to understand the pandemic and post-pandemic challenges for these restaurants and to collect their responses to government small business supports. This report has succeeded in that goal. However, this Summer 2022 collaboration for the Feeding City SF3 lab' with EDU-C has yielded a wider set of findings. The report reveals how this type of cross-sectoral and culturally diverse outreach can be applied to qualitative studies across different sectors. It highlights the key importance of integrating the racial and culturally diverse skillsets and social locations into research methodologies, and how such diversities are still undervalued for public policymaking and policy assessments.

The interviews within this pilot project (conducted in May–July 2022) sought to understand the challenges facing Scarborough SFEs, their interactions with government-generated business supports, as well as their suggestions and requests for support. Derived from the interview testimonies, these bullet points highlight their most significant challenges:

- Scarborough restaurants continue to accrue debt, and experience staffing and restaurant operation changes due to the **Covid-19 pandemic**.
- The increased use of **delivery applications** has left many restaurant owners at the whims of these applications' high commission fees, competition, and lack of contact with their customers. Thus, many restaurants have had to increase their prices, change their menus, and reorganize their operations.
- Restaurants adapted to **decreasing customer demand** by shifting operating hours and downsizing their menus.
- **Increased inflation and subsequent supply chain issues** make it difficult for restaurants to achieve post-pandemic recovery.
- **Increased cost of living** has decreased customer purchasing power, threatening Scarborough SFEs whose revenue depends on their regular customer base and surrounding neighbourhood communities.
- With most family-run restaurants depending on family members for staffing support, and other SFEs struggling to find suitable staff or the funding to accommodate increased salary demands, **staffing concerns** are widespread.

Overwhelmingly, Scarborough's SFEs are not interacting with the City of Toronto's Business Support Programs. While many utilize federal and provincial funding programs that resulted from the pandemic and post-pandemic recovery efforts, City supports were not seen as accessible or visible to small restaurant owners. Some of the access barriers include:

- Business owners' inability to apply or discern their eligibility for a support program due to language limitations.
- Fear of making mistakes and risking legal repercussions was coupled with cultural mistrust of government and an overwhelming sense that government officials were not interested in small businesses.
- The technological knowledge required to navigate support application platforms deterred many from applying for business supports, as well as from seeking opportunities through social media and online news platforms.
- Fewer resources left SFEs with limited time and energy to search and apply for government supports.

To properly address Scarborough SFE's needs, support programs should aim to:

- Provide direct and culturally relevant assistance to navigate government resources through targeted marketing, outreach, and application processes.
- Prioritize financial supports and programming that directly targets a small business's operational costs.
- Provide marketing opportunities that diversify a business's customer base and that connect these to culture or region-specific community groups.
- Include more labour recruitment opportunities to support staffing challenges and increased operational costs.
- Promote greater integration and dialogue in framing and implementing support programs with stakeholders across neighbourhoods, communities, and culinary infrastructural hubs.



Background

Small, independent, and local businesses face unique challenges in Canada. Over the last several decades, Canadian businesses have been infiltrated by large food enterprises, such as restaurant franchises and corporate food conglomerates, which have altered the purchasing patterns of Canadian consumers and transformed Canada's food communities. More recently, small food enterprises (SFEs) have faced unprecedented challenges owing to the fall in consumer demand stemming from COVID-19 and the logistical challenges that follow from both the pandemic and global geopolitics. Having to brace from fluctuating consumer bases, inadequate funding opportunities and supply chain issues, small-scale restaurants endure hardships that make the Canadian economy a precarious home for SFEs.

The Covid-19 pandemic has had devastating effects on restaurants across Canada and the globe. The \$95 billion Canadian restaurant industry that was responsible for employing over 1.2 million people has been impacted by multiple public health restrictions and changing attitudes around spending [i]. According to Restaurants Canada's Q2 2021 Restaurant Outlook Survey, 81% of independent restaurants had accrued new debt due to the pandemic [ii]. This is exacerbated by increasing costs owed to logistical disruptions and consumers' reduced demand for dining-in. Restaurants Canada also shared that six out of 10 table-service restaurants are operating at a loss as of July 2021 [iii].

If restaurants are operating at a loss, then how are they to stay afloat? Some owners of SFEs, which comprise independent, family-run and locally owned restaurants, cite loans from private firms and family members. Many also rely on optimism to break even, which is supported by diminishing operating costs that materialise over time. Within the hospitality industry, SFEs are disproportionately impacted by pandemic disruptions. In a competitive market, restaurants that have been unable to keep up with the demands of changing government restrictions, online delivery applications, losses of revenue, and changing staffing requirements struggled to survive. From these challenges emerge tensions among family members who have invested time and money into new enterprises, and distrust in government to look out for the hardworking underdogs.

If restaurants are operating at a loss, then how are they to stay afloat?

Small, independent restaurants have always shown great entrepreneurial spirit in Toronto [iv]. However, these smaller-scale operations shuttered in the greatest numbers as a result of the Covid-19 pandemic. In their June 2020 report, Statistics Canada cites that “more than half (56%) of food service and drinking place operators reported being closed at some point last April, while 41% reported being closed for the entire month” [v].

More recent data suggests a more optimistic outlook. This is due to the loosened dining restrictions and greater demand for dine-in following COVID-19 vaccination. For instance, new data shows that Canadian restaurant and bar sales have increased by 35% in year-over-year sales, comparing March 2022 to March 2021 [vi]. While promising, and a testament to the resilience of the Canadian food and beverage sector, this increase in sales also coincides with a felt rise in inflation across the country. Statistics Canada reports a 5.4% increase in the cost of food served in restaurants comparing data from March 2022 to March 2021 [vii]. Moreover, inflation and supply chain issues caused by the COVID-19 pandemic, when combined with Russia's invasion of Ukraine, led the price of cooking oil to skyrocket [viii]. Restaurants are therefore experiencing higher operating costs and higher costs of living which is taking a notable toll on their attempts at post-pandemic recovery.

Government-Generated Small Business Supports

The City of Toronto offered a series of support programs and funding opportunities for small businesses and restaurants. For instance, the Cafe TO program, which enabled the installation of 1,000 curb lane cafes and sidewalk cafes, was relaunched at jazz bar The Emmet Ray on May 2, 2022. This initiative offered business operators matching funding of 50 per cent toward the cost of eligible improvements (excluding furnishings) to cafe space on private property or City property with a valid permit [ix]. Additionally, the City offered a program to expand outdoor dining capacity for restaurants. Another important City program was the Commercial Space Rehabilitation Grant Program, which offered to match funding equal to 50 per cent of the cost of interior improvements to vacant commercial properties at street level [x]. Restaurant SFEs were supposed to be eligible for the City of Toronto's Main Street Recovery and Rebuild Initiatives, which offered grants, training, and resources to mitigate Covid-19 impacts. Another relevant program was the creation of the Small Business Tax Class, which is automatically applied to commercial spaces to help these rebuild and recover from the impacts of the pandemic. The City of Toronto's Digital Main Street program offered businesses support in developing digital platforms and finding technological solutions for small businesses and restaurants. These support programs were in addition to the financial support opportunities available from the Government of Ontario and the Government of Canada.



With this wide array of aids available, it is important to consider why SFEs continue to struggle in their post-pandemic recovery. While relevant programs may exist, the intent and interest to support SFEs are not always reflected in the infrastructure to make these opportunities accessible. Even a well-meaning program will not inherently suggest its uptake. Similarly, there is little evidence to suggest that current business support programs apply to all SFEs. Support for patio cafes was key to the pedestrian-friendly areas, of the City but less so for restaurant SFEs in Scarborough due to the nature of their commercial spaces, and the heavy dependence on cars. Restaurant owners who had leased their premises were unable to apply directly for support programs that applied only to landlords. Restaurants based within food courts were excluded from many programs.

Scarborough's Small Restaurant Owners

Scarborough presents a unique context in which to examine SFE's interactions with government-generated business support programs. Originally a suburb, Scarborough was amalgamated into the City of Toronto, making up its eastern corner. The vast majority of Scarborough's population is composed of immigrants and their descendants that have arrived in the past five decades [xi]. Scarborough is composed of 70 per cent visible minorities, which is reflected in diverse restaurant offerings [xii]. Food scholars Begin and Sharma have characterized Scarborough as a global culinary hub, due to its ethnocultural diversity and culinary innovations. However, numerous small restaurants in the area have been recently struggling to stay afloat, particularly as a result of the pandemic's devastating effects. Data from early 2022 shows that 3,344 restaurants have gone out of business in Canada over a 12-month period [xiii]. Of those restaurants, independent operators, often representing small, family-run businesses, many operated by recent immigrants and BIPOC community members, have been hit hardest.

Many restaurants in Scarborough do not have an online presence. Some of the closures have subsequently gone under the radar, and the plights of small business owners in the area can be easily forgotten by the government. A lack of digital marketing infrastructure, however, is not the only limitation that these restaurants face. For many, language barriers, unfamiliarity with Canadian business protocols and financial requirements, and the government's limited communication strategies mean that small restaurant owners are unaware of services, programs, and supports that are available. These run at a disadvantage when compared to established corporations and franchises more familiar with the restaurant industry and the City's business environment.

This became apparent in 2019 when the City of Toronto's Winterlicious program showcased only 2 Scarborough restaurants from its list of 192 restaurants. The Winterlicious program offered customers an opportunity to try prix fixe offerings at selected restaurant locations. 85% of the restaurants participating in Winterlicious were located in the city core [xiv]. Since Scarborough restaurants are typically fast casual or quick service, these were excluded from the program's target participants.

Restaurant owners in very few Scarborough restaurants have participated in the City's popular CafeTO program. The program was aimed at expanding outdoor seating options to provide restaurants with the opportunity to host dine-in customers when capacity and seating requirements were in place at the height of the pandemic. A major reason was that at the onset of the program, permits only included sidewalk and curb lanes, excluding the reality of many Scarborough establishments found in food courts, strip malls, and on the sides of major roads and highways.

Scarborough councillors have acknowledged how the program excluded Scarborough restaurants' realities and called for opportunities to create patios and outdoor spaces on private property [xv]. While this accommodation now caters to Scarborough's context, the differences between Scarborough and the city centre continue to disadvantage local restaurants.

The Small Food Enterprise Outreach Project

The Feeding City SF3 Lab at the University of Toronto Scarborough brings years of experience in analysing and documenting the effects that the Covid-19 pandemic has had on Toronto's food systems. The Lab is particularly interested in examining the economic resilience and urban sustainability of small food enterprises. With its knowledge and connections to BIPOC and ethnocultural food stakeholders across Scarborough, it is well situated to conduct a study on the relationship between government-generated business supports aimed at independent and family-run small food enterprises in the region.

It has thus generated a novel research approach: a Small Food Enterprise Outreach (SFEO) project. The goal for its Summer 2022 pilot, in collaboration with the City of Toronto's Economic Development and Culture (EDU-C) Division, was to undertake a data-driven study of small family restaurants across Scarborough municipal wards that would collect and assess direct testimonies from them in order to understand the impact of recent government-generated business supports and what policies would be welcomed for the future. This SFEO collaboration placed at its core a recognition that linguistic, cultural and social diversity was intrinsic to both the SFE sector and to the research team itself.

Using qualitative research methods, combined with active, culturally informed outreach efforts, this research study promotes economic resilience for the small food enterprises that are the backbone of Scarborough's food economy yet that struggle to stay afloat. In parallel, the project looks to develop a methodology framework that can shape future outreach and research initiatives that may be undertaken at the municipal level.

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Methods

Our Approach

Identifying Small Food Enterprises

This project refers to small-scale, independent, and family-owned restaurants as small food enterprises (SFEs). As discussed above, these businesses are facing severe challenges in maintaining economic resiliency. In November 2021, Feeding City Lab student researchers examined the City of Toronto's 2019 DineSafe open-source data platform results to identify pertinent restaurant SFEs.

They eventually generated an ethnoculturally mapped database of 10-20 extant small family restaurants in each of Scarborough's six wards—Agincourt, Guildwood, Rouge-Park, Scarborough North, Scarborough Centre, and Southwest Scarborough, a total of approximately 160-200 restaurants for a forthcoming pilot with EDU-C.



Subsequently, student researchers ensured that all restaurants identified were still open by identifying their online presence or by in-person visits. Other relevant criteria were geographical dispersion within each ward as well as different restaurant types (i.e., quick-serve, full-serve, etc.). From March to April 2022, student researchers began to format this database with current details about each restaurant, including the SFE's culinary type, street address, hours of operation, location/address, use of delivery applications, and contact information.

SFEO Research Team

The SFEO project team of 2021-22 comprised work-study student researchers, UTEA/MITACS student interns, and an international visiting graduate intern from the University of Toronto Scarborough's Feeding City SF3 lab, directed by a Culinarium Research Centre professor along with post-doctoral research associate co-leads.

The student researchers were recruited based on their experience and capacity to conduct rigorous, qualitative research methods. The hiring process prioritized student researchers with multi-cultural expertise that included proficiency in languages such as Arabic, Bengali, Cantonese, French, Hindi, Mandarin, Punjabi, Tamil, and Urdu which are especially important for the New Canadian immigrant cultures of the GTA. This recruitment strategy consciously ensured that the overall SFEO team had connections to the foodways and cultures of Afro-America, Bangladesh, China, Francophone Africa, India, Latin America, Pakistan, the Philippines, Sri Lanka, the Anglophone and Francophone Caribbeans, and the Middle East. Employing a team whose language capabilities and racial and cultural diversities matched many of Scarborough's restaurateurs enabled the project to implement a strategy of ethnocultural matching between the student researchers and the restaurant SFEOs identified for their outreach.

The training process for each student researcher involved an overview of the study's objective and purpose, acquiring background information on Scarborough, the different municipal wards, and their demographics, and familiarizing themselves with the SFEO restaurant database prepared by the Feeding City lab during Winter 2021-22. Student researchers were also trained in data collection and recording practices, using the project's online data storage platform, to ensure comprehensive and consistent practices, and under University of Toronto research ethics and confidentiality protocols (REB 38578/Sharma).

After the training sessions, email communications and Zoom meetings were the primary modes for the interns to liaise with the student researchers who were dispersed all over the city. A weekly email communication provided important updates such as tips for fieldwork shared by other researchers, and clarification to questions posed by the researchers. Periodic emails were sent to individual student researchers to remind them of tasks such as uploading data or completing polls regarding meeting schedules. The interns also set up two types of Zoom meetings organized to assist the student researchers with fieldwork and data collection.

The first type was 30-minute 1-1 office hour style Zoom meetings between the coordinating interns and individual student researchers. This provided a safe space to discuss any concerns, to bring up questions, and for individualized feedback on their outreach and data management performance. The second type was an hour-long Zoom meeting with the interns and all the student researchers. These meetings were structured so that the first half was for instruction and general guidance (e.g., sharing a screen to show how to properly log data), while the second half was for discussion. Student researchers continually provided suggestions based on their experiences, discussed challenges and successes, and shared how they were feeling. These meetings provided a crucial bonding experience, especially with limited capacity for in-person meetings. The larger goal of these meetings was to keep student researchers accountable and informed, as well as to build a sense of camaraderie and morale. They have proved to be a key part of this SFEO outreach strategy, especially as for such a project to succeed, all team members need to be invested in its aims and objectives.

Outreach and Data Collection

Developing the City of Toronto Business Supports Brochure was a vital component of this study's outreach process. This brochure was designed and adapted in support of the EDU-C (Economic Development and Culture) Division at the City of Toronto. It outlines all available business support programs and opportunities offered at the city level. The brochures included links and resources to receive further information and points of contact for further support. The Feeding City team adapted the brochures into traditional and simplified Chinese, Tamil, and Arabic. Student researchers with relevant linguistic knowledge assisted the EDU-C City team in making sure that the brochures were in keeping with community cultural norms.



The brochures were at the centre of this project's outreach since they served as facilitators for subsequent interviews and aided knowledge dissemination. Student researchers were divided among Scarborough's six wards, where they were assigned different restaurants to visit and/or contact in teams of 2 or 3, based on the SFE database. The outreach phase took place between May and July 2022. The outreach process took different forms based on the restaurant's online presence and how easily they may be contacted beforehand, how busy the restaurant was during a visit, and the business owner's presence and availability.



Student researchers were encouraged to contact restaurants either by phone or through social media (i.e., Instagram or Facebook) to establish a connection and coordinate a time to speak to the business owner. While this method of outreach and pre-arranged visits proved effective for some locations (i.e., interviews with business owners were secured), it was also significantly more difficult to establish connections with restaurants through this medium.

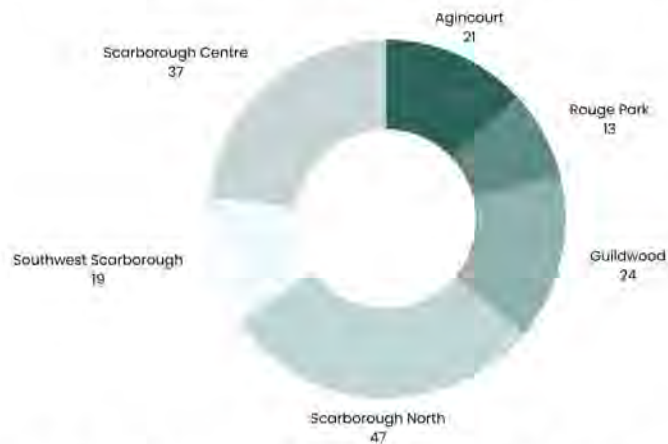
Whether student researchers were able to establish initial contact with a business owner or not, they all made in-person visits to the restaurants in the wards they were assigned. When visiting each restaurant, they took contextual notes of the restaurant's surroundings, clientele, offerings, and other such observations that relate to the businesses' livelihoods and adaptations to Covid-19 and its restrictions. Contextual information provided insight into the environments and situations that may differ from restaurants situated in Toronto's downtown core.

During visits, student researchers would seek out the business owner and offer them a brochure to initiate the conversation about government-generated business supports. Based on these initial interactions, the researchers would request their time to conduct an interview and have a conversation about how their business was affected by the Covid-19 pandemic and the supports and resources they sought and continue to seek.

On many occasions, business owners agreed to briefly converse while completing other tasks within the restaurants or have a conversation with the student researchers more formally, usually over a meal. Based on the interviewee's preference, these conversations were documented with a voice recorder or by note. The EDU-C City staff were able to reimburse the student researchers so that the latter were not out of pocket, since the university contracts allowed them only an hourly wage, with no reimbursements allowed for transit or food expenses. Our team views this as an important point regarding equity especially if future research and outreach collaborations are undertaken.

On some occasions, restaurant owners scheduled interviews and further conversations for a future date, due to their work schedules, or other commitments. There were also instances where business owners were uninterested in being interviewed or having long conversations. However, those restaurants were still provided with City of Toronto Business Support Brochures, in the appropriate language. The team hopes that it might be possible to reach back to those restaurants at a later date.

As of July 2022, student researchers distributed 161 flyers throughout Scarborough’s six wards and conducted 54 interviews. The majority of interviews were conducted in English. Others were conducted in languages such as Cantonese, Mandarin, Tamil, and Urdu. Even when conducted in English, the cultural familiarity of the student researchers with the restaurant proved very important, for example, the ethnocultural matching of a Filipina Canadian researcher with Filipina restaurants, and of a Francophone Black researcher to Black and BIPOC restauranteurs who also had cultural ties to the French empire. Such ethnocultural and linguistic matching was a key element in the Feeding City lab design of this project so as to connect researchers directly to restaurant owners who often experienced language barriers in their public and official interactions. This strategy more than proved its importance in increasing communications and outreach with the targeted SFEs. Our team strongly recommends that the City of Toronto keep this in mind for future outreach initiatives across different sectors.



Number of flyers distributed by student researchers as of July 2022, by Ward.

The student researchers, as part of their outreach training, were provided with a list of questions to guide the in-depth informal interviews they conducted. Their training allowed for some flexibility in how these questions were asked, as well as encouragement to make the questions as culturally appropriate and relevant as possible. For instance, they were encouraged to begin with an icebreaker question that gauged the origins of the business. They were encouraged to frame follow-up questions or to rearrange the order of questions if it seemed necessary to improve the flow of the conversation. Among the first questions, student researchers are instructed to ask about a business’s history with government-support programs and the interviewee’s interest in such initiatives.

The questions engaged with the challenges restaurant owners were facing as a result of the Covid-19 pandemic, as well as new challenges that have emerged in recent months. Business owners were also asked to speak to the government-generated supports that they had or had not accessed, whether these were from municipal, provincial, or federal funding sources. The business owners were prompted to give suggestions on how the City could best support their restaurants and address the challenges they were/are facing. A full list of questions used is located in the Appendix.

When appropriate, student researchers translated their conversations and interviews. Data collected in the field was stored and organized within the project's internal data management system, which is confidential and within research ethics standards. Researchers organized the observations and interviews by Ward and further analysed these through interview coding methods, using NVivo software. The student researchers' observations were similarly coded. These observations will inform future research initiatives involving in-person outreach activities.



Field & Outreach Limitations

The flexibility built into the research methodology was designed to accommodate a range of experiences that student researchers may encounter when conducting fieldwork. Student researchers were trained on multiple possible scenarios that they may be confronted with (i.e., having to interview while the business owner is preparing meals in the kitchen), yet it was impossible to predict all possible interactions.

This methodology, therefore, led to some inconsistencies in the data collected, particularly in the differing lengths of interviews with restaurant owners that were collected and transcribed. This can pose limitations as shorter interviews may not provide sufficient detail about the business support programs, for example. Additionally, some student researchers did not employ recording tools when conducting interviews, which means that summarizing notes and reflective statements were included in the research sample alongside fully recorded conversations. This outcome reflects the complexity of undertaking field research, but particularly the difficulty of aligning multiple researchers' practices across a wide range of unpredictable scenarios.

In addition, direct testimonies from restaurants that proved too busy to talk, despite repeat visits, could not be included.

Findings

The following section captures the project's key findings. It includes a description of the SFEs and restaurant owners reached by our outreach and research strategy, and it outlines the major challenges facing the restaurants interviewed. Our findings also depict the enabling and limiting factors to accessing government-generated business supports, as described by Scarborough SFEs. The final sub-section summarizes the main suggestions that restaurant owners had for the development and modification of future government-generated business support programs.



Restaurants and Restaurant Owners Represented

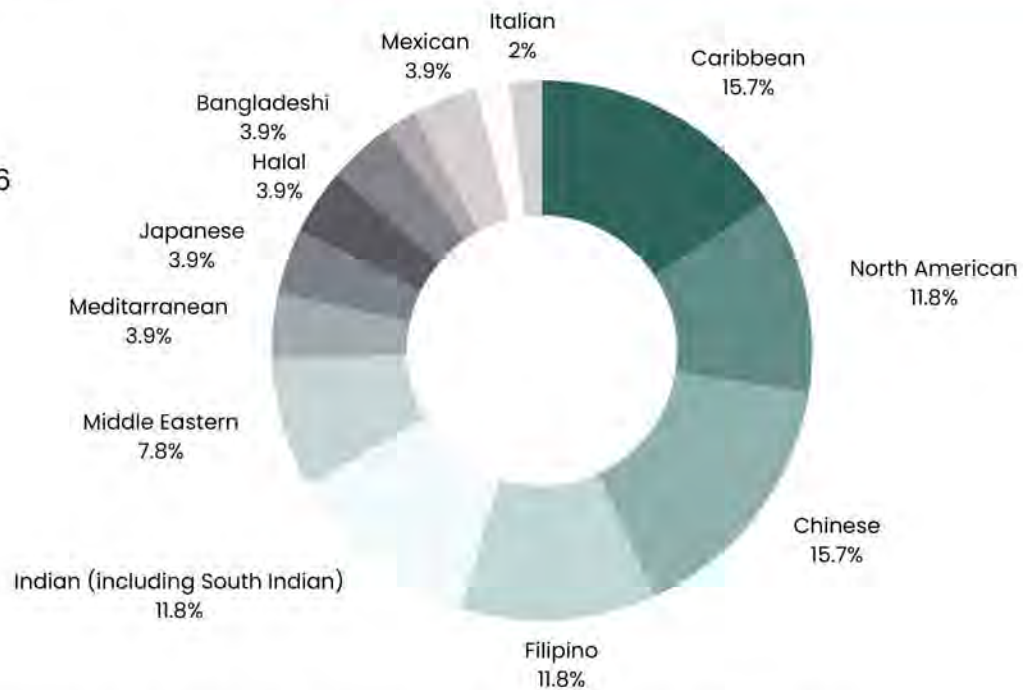
Student researchers directly connected and engaged with 161 restaurants in Scarborough. The Feeding City SF3 lab will continue its outreach activities, especially with regard to further distribution of the City of Toronto Business Supports Brochures.

Student researchers conducted 54 interviews with relevant SFE stakeholders out of the 161 restaurants reached. Stakeholders include business owners, relatives of owners, and managers. When business owners or managers were not available, student researchers only distributed the flyer, and on occasion chatted briefly with the cashier on site. Regardless, only 19% of the interviews informing this report reflects the responses of other SFE stakeholder types, such as servers and cooks. This is a lacuna that we recognize and hope to address in the future, through other types of outreach, given that this pilot aimed to engage specifically with restaurant owners and managers via the EDU-C brochures.

With Scarborough’s vast geography, our outreach efforts ensured an even distribution of student researchers across the six wards. Our researchers secured interviews in the wards as follows:

- Agincourt: 10
- Rouge-Park: 4
- Guildwood: 8
- Southwest Scarborough: 6
- Scarborough North: 11
- Scarborough Center: 15

Demographics of the 54 restaurants interviewed by student researchers.



The student researchers encountered similar responses when attempting to conduct interviews or have conversations with the business owners. However, in most cases, the SFE stakeholders that were unwilling to talk to student researchers indicated a lack of time or availability for an interview. Secondly, some stakeholders dismissed student researchers and were merely uninterested in interviewing. With this in mind, it is relevant to consider that the responses collected reflect the views of restaurant owners or stakeholders that were more available, less distrustful of the government, and facing significant challenges (or indicating some need for support).

The **54 interviews that inform this report** reflect a variety of demographics, particularly reflecting the diverse ethnocultural makeup of Scarborough’s restaurant scene. Caribbean, Chinese, and Filipino restaurants were the most represented in this study. A majority of Caribbean restaurants were interviewed in Agincourt, a majority of Chinese restaurants (including Hakka) were interviewed in Scarborough Center, and a **majority of Filipino restaurants were interviewed in Scarborough North**. There was also a **significant sample of Indian and South Indian, Middle Eastern and Halal, as well as Somali and Pakistani restaurants represented**.

Seven of the 54 interviews conducted were fully translated, given the student researchers' language skills. However, a great majority of interviews that took place in English made use of ethnocultural connections and code-switching to build rapport. The vast majority of interviews that were translated to English were done so from either Cantonese or Mandarin. This represented the demographic in greatest need of language aid. The simplified and traditional Chinese character brochures were the most commonly distributed brochures among the translated versions.

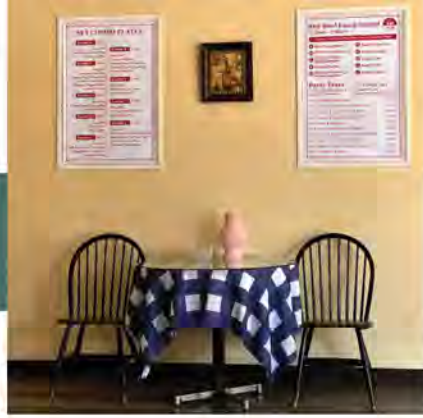
Overwhelmingly, observations and interviews revealed a strong entrepreneurial spirit and passion for food among the business owners interviewed. Some had come from unrelated backgrounds. Others had already developed backgrounds in culinary training before starting their Scarborough-based business. Even among those that had immigrated to Canada, their passion and past experiences helped shape resilient solutions and pivots to circumvent some of the challenges they were facing. Notably, SFEs made use of their community ties to help cater events at places of worship or local events. Bringing people together through food resounded as a shared passion for Scarborough's restaurant owners.

Challenges Threatening SFE Owners in Scarborough

Across the restaurants reached by this study, small business owners emphasised the many struggles that made it challenging to stay in business and survive after the Covid-19 pandemic. Even with various years of experience in the industry, diverse ethnocultural backgrounds, and variation between the types of eating establishments, small restaurants in Scarborough continue to struggle.

Pandemic Hardships

At the onset of the Covid-19 pandemic, small restaurants were faced with changing public health protocols, capacity limits and dining restrictions, and a fearful customer base, on top of the day-to-day difficulties of navigating a competitive industry. For 39 of the restaurant owners interviewed, the pandemic took a toll on their business financials and daily operations, unlike anything they had experienced. One restaurant owner interviewed in Rouge-Park identified a 30-40% decrease in sales at the onset of the pandemic. It is only recently that these losses have gone down to 20%. In Scarborough Centre, one restaurant continues to operate at a 50% loss. The same is true for a Filipino restaurant operating out of Rouge-Park.



For many restaurant owners, a loss of revenue was not only detrimental to their business, but to their family's livelihood. For instance, one owner referenced how starting his restaurant—which entailed taking over the previous Chinese restaurant's lease and spending over 50,000 CAD on renovations—had resulted in numerous loans from family and the taking on of a second mortgage. He repeatedly cited his hope and optimism for profit margins to materialise given how no profit had been turned in previous months. However, with the summer weather, he hopes to see more foot traffic. The optimism, nevertheless, is difficult to communicate with his wife at home, who feels threatened by their debts.

Two restaurants that opened during the pandemic had pre-arranged agreements and leases thus forcing them into difficult positions. These were faced with the same challenges that those with loyal customer bases and long-standing support did, but with much less support. It took strategic planning and comprehensive marketing strategies for these to stay competitive and build up their operations and offerings.

With uncertainty about public health protocols and the future turns that the pandemic would take, small restaurants received many critiques, and in some cases violence, from their customer base. For instance, one BIPOC owner experienced aggression from customers around mask-wearing and other measures, describing how “people lash out and tend to use race to get back at you.” Receiving criticism from their customer base added pressure to business owners' decision-making and left them with doubts about whether the government was “on their side”—public health regulations and mandates only seemed to alienate them further from their customers.

Quick-service restaurants experienced their own set of challenges, even as they were not as directly affected by capacity limits and dine-in restrictions as full-service ventures. An increase in delivery and take-out options from restaurants looking to adapt to the crisis left many quick-service restaurants struggling to compete. One restaurant owner explained that “with [over] 6000 restaurants in Scarborough, not even social media can help.” With more restaurants turning to online delivery platforms, small restaurant owners were increasingly at the whims of high commission rates and the competitive nature of the delivery applications.

Post-Pandemic Challenges

The shift in customer demand throughout the pandemic also resulted in food waste and restaurants taking measures to adapt to the decrease in demand. Once one business owner realized they were losing revenue from the food being prepared at the beginning of the day, they significantly downsized their menu offerings. Others only prepared food in anticipation of a very conservative estimate of how many customers they expected. Other sometimes unwanted, but necessary, changes kept the businesses afloat. For most, this included shortening their opening hours and downsizing their staff.

Creative adaptations have also transitioned into small restaurants' current operations. For example, a Caribbean restaurant used their voicemail to redirect customers to the website they set up for online orders. A Bengali restaurant in Agincourt fully diverted some of its staff towards delivery services operating outside of the mainstream delivery applications. A few restaurants noted a shift towards event catering from their new experiences with preparing orders for delivery and takeout. Setting up outdoor dining spaces also proved to be a useful adaptation for many of the restaurant owners interviewed. However, most restaurants interviewed did not transition to outdoor dining citing infrastructural costs, uncertainties about permits and city guidelines, as well as physical location constraints.

Navigating Delivery Applications

Transitioning operations away from full-service to being exclusively take-out and delivery was one of the many adaptations small restaurant owners employed. Restaurants changed their menus to reflect meals that are easily marketable or packageable. Others remarked how they felt lucky that their food "happened to travel well," as was the case for one Caribbean restaurant specialising in curries. Some had positive sentiments for these apps, depicting them as mediators in connecting them with customers. The cashier of a Black-owned grocery restaurant called the apps UberEats and SkiptheDishes "helpful." The owner of a Scarborough Centre BIPOC restaurant said although DoorDash takes about 20% commission in fees, they do not have their own platforms because that would cost more, and the establishment depends mostly on walk-ins. With only one restaurant interviewed having hired its own delivery drivers, this alternative to using delivery applications was not viable for most SFEs.

Delivery applications' service comes at a steep cost that spans beyond the mandatory fee. The manager of a Middle Eastern restaurant notes "the prices have also gone up for these [delivery services], but it's a necessary evil." This sentiment speaks to the resignation of paying increasing costs for a service that has felt vital to maintaining clients. A cook at a Rouge Park restaurant, speaks to the costs beyond the commission fee. He said that while the restaurant is still On UberEATS and Skip the Dishes, at first it was hard to learn the technology of the apps and was an adjustment as they had to create time limits for cooking customers' dishes. This made for a very tiring experience for the cooks. The owners of breakfast restaurants experienced the very opposite, with dramatic decreases in sales and little delivery revenue. For this type of restaurant, the "dine-in experience" had always brought people in, rather than the food itself.

With the high commission costs charged by delivery applications like UberEats and SkiptheDishes, many restaurant owners had to increase their prices. And these commission costs have increased. Even fast-casual restaurants, that have relied on these applications for years noticed changes. One manager notes "Uber Eats commission percentage has drastically increased over the years, [they] used to take 5-10% of commission on orders, now they take 25-30%."

However, menu price increases posed their own challenges. SFEs must find a precise balance between ensuring they are making revenue despite the commission fees and not deterring customers with their high prices. Two business owners interviewed received confrontation from customers about their increased prices, with threats of eating elsewhere. The desire to retain customers, especially on these competitive platforms, meant that many of the restaurant owners did not raise their prices, even when operating at a loss.

One restaurateur also expressed concern about not having control over the customer service experience. If a customer encountered problems with the delivery person, for example, this would reflect poorly on the restaurant and dissuade the customer from ordering again.

The technological know-how required to operate delivery applications made many SFEs feel unprepared to shift their operations and staff to meet the application demands. "My wife is not comfortable with technology, and we could not hire staff to do so," remarked a restaurant owner when asked about their choice to not use delivery applications altogether. Another restaurant interviewed very rarely uses Uber Eats, given the lack of labour required to service the app. It is a Middle Eastern restaurant operated by former refugees that employs only one staff member. This trend was notably cited among restaurants where English was not the primary language spoken.

“[UberEats’] prices and percentages are high, but we had no choice. It was either this or not making it.”

Overwhelmingly, restaurant owners felt as if conceding to the high prices of the delivery applications was their only option. Some restaurants tried to shift to alternative delivery applications, such as the local, BIPOC-run app PumpkinKart which has its headquarters in Scarborough and showcases Middle Eastern & South Asian small food businesses, or the Fantuan app, which initially showcased East Asian foods, which is now in use among Persian and Caribbean restaurants.

Yet, on the whole, these local apps are believed to have fewer active customers and delivery drivers than the major multi-national ones and therefore could not elicit much additional revenue despite lower commission charges for restaurants. Restaurants also have limited time to engage with app platforms and tend to go with the ones that have the widest reach. Targeted support for lower fees from such local apps that work with restaurants might be a measure for policymakers to consider in terms of urban resiliency.

Inflation and Supply Chain Issues

The restaurants that managed to stay open during the numerous provincial lockdowns held on to the hope that business would eventually “return to normal.” However, as cited previously, there are still restaurants operating at a 50% loss in the summer of 2022.

Of the restaurants interviewed, 18 business owners referenced the effects of inflation and/or supply chain issues. Basic ingredients needed to supply their restaurants have experienced significant price increases. The owner of a specialised take-out food business noted, “All the staples required to make [our] sweets – flour, sugar, milk, and dairy fat are very expensive.” However, the cost is not the only issue. Others have encountered changes in quality and shortages of staple goods. “The biggest challenge is that the supply is not available or has been affecting the product, [there is] no consistency to the taste and [this] has been affecting prices,” notes a restaurant owner in Scarborough Centre.

Much like the need to increase menu prices in response to the high commission fees for delivery applications, restaurants are faced with another challenging operational dilemma. Six business owners interviewed chose not to increase their prices, in hopes of appeasing their customers. In many ways, business owners are trying to adapt to their changing situations. However, it can feel like no change is enough noted one restaurant owner.

Customer Demographic Changing

The effects of the pandemic and the increased cost of living resulting from inflation are felt by the customer base, not just the restaurants themselves. Restaurant owners subsequently note a shift in their customers' attitudes towards spending. "People's purchasing power has been affected so now they spend less on food and drinks since they don't have that kind of money. People have to prioritize spending," said a BIPOC restaurant proprietor from Southwest Scarborough. This is observable in their customers' demographics, as well as in the changing number of regular customers observed by the owners and staff.

Restaurant owners also note that this added pressure and spending prioritization has made their customers more critical of a restaurant's operations, which is only driven further by media narratives around "diverse cuisines." One Black restaurant owner recounts that "people come in and they would listen to see if my accent is Jamaican. Just to know if it's authentic and good cuisine." Increased scrutiny and selectiveness in an already-competitive market pose added pressure for restaurant owners, particularly those with little marketing knowledge or experience with social media.

Applying targeted promotions and discounts proved effective for some businesses trying to attract a student customer base. But promotions aimed at office workers still seem to be ineffective given how many offices have transitioned to remote and hybrid work arrangements. There were a range of experiences and expertise in marketing observed across the small restaurants studied. While many business owners rely on their cultural traditions and cater to different ethnocultural enclaves in Scarborough, it can still be challenging to move marketing beyond what is accomplished at the community level or through word of mouth. The pandemic illustrates the need for more directed marketing strategies such as social media expertise.

Social media has been a boon for many businesses, but it is challenging to get started in growing an audience. This requires time-based commitment for growth in following, a network of food influencers to add brand reputability, and an understanding of digital tools to create compelling content in support of a business. When an innovative Asian Canadian fusion restaurant recently opened in Scarborough this past Spring, they relied on family help with the social media marketing; one of the owners cited her college-aged daughter's assistance in their early weeks. They provided important evidence as to how an active social media presence assisted them to evolve from being a ghost kitchen to taking a restaurant space with a main dine-in area.

Staffing

Small restaurants have overwhelmingly cited staffing issues as posing significant threats to their businesses. For many, relying on family members as staff and fulfilling necessary duties is the only way to stay afloat. The older Chinese Canadian owners of a Hong Kong-style restaurant in a Scarborough food court remarked “[our] daughter has given up her hobbies, graduated, and come in to help the family business after seeing us struggle. It is difficult to work long hours as aged people, but there are no plans for retirement. We must sustain the family business for as long as possible.” Another restaurant in Scarborough North is cutting costs by having family members help with necessary prep work in the morning before they start their regular jobs.

Others were not as lucky to have this support. “I am the one who is cooking, cleaning, cutting veggies and serving. I also do the shopping myself. That’s because I cannot afford anything. I can’t afford another person,” remarked a BIPOC restaurant owner from Southwest Scarborough. Juggling multiple responsibilities beyond the demands of managing a business’s financials, marketing, and operations becomes a taxing burden for many small business owners.

Staffing shortages require many business owners to take on roles they did not foresee or are not prepared for. For example, a Filipina restaurant owner notes that she would prefer to have someone else doing the cooking so that she could focus on the menu and promotions, but she simply cannot afford to hire more staff

While 29 business owners emphasized how their financials constrained their ability to properly staff their restaurants, some note a clear staffing shortage throughout the pandemic. A South Asian restaurant owner reveals that many of his staff quit because they feared their health and safety. This was a highly cited concern for staff during the heights of Ontario’s lockdown. A couple of business owners blamed the Canadian Emergency Response Benefit (CERB) as having caused much of the staffing shortage. They were particularly dissatisfied with how the eligibility for the benefit was decided. However, this was clearly their individual opinion and not reflective of how and why restaurant workers seemed to have voted with their feet, especially after pandemic layoffs.



It is evident that for most of the servers and cooks who continue to work at small restaurants, conditions are even more difficult than in the past. A Middle Eastern restaurant in Agincourt explained that they had to cut their employees' salaries by 50%. However, despite their difficulties, some business owners did their best to retain the few employees they had. From her experience working in restaurants, one owner vowed to take care of her employees with proper breaks and meals throughout the pandemic. She was interested in fostering a sense of community with the customers in her restaurant.

As restrictions loosened over the past year, many restaurant owners have attempted to staff their restaurants in response to increasing demand. However, they noted that they often faced demands for higher wages than they had expected. On other occasions, they were faced with pools of applicants who did not meet the restaurants' requirements (i.e., relevant language skills). Given the varied backgrounds of the restaurants interviewed, many business owners wanted to ensure that their staff were part of their establishment's culture. A Caribbean restaurant owner explains, "it is more difficult to find people who have that cultural background and can cook the food. It's not just a restaurant, you know. It's a culture." These cultural requirements often translate to a smaller hiring pool and present challenges for already-struggling business owners.

Hiring processes can also act as a burden and an added responsibility to business owners. One restaurateur expresses staffing concerns after posting job advertisements in local newspapers and not receiving any applicants. Another restaurant found that the few workers that did apply were often underqualified and had entered the industry as a means of survival. These struggles mean that family members of small business owners often must take on additional responsibilities and juggle multiple demands on their own.

Interactions with Government-Generated Business Supports

In light of the challenges discussed, many small business owners are seeking support from their families, their communities, and the government. However, for some restaurant owners, the latter has proven difficult and oftentimes confusing. Even with financial, operational, and entrepreneurial support programs available from all tiers of government, very few restaurant owners interviewed make use of these supports.

Many business owners cited confusion regarding how each tier of government differs concerning the kinds of supports offered. It can be especially challenging for immigrants to navigate the websites and in-person services (e.g., the City's business improvement office) given their lack of literacy of Canada's tiers of government.

When approached with the City of Toronto Business Supports Brochure, many business owners were surprised to see just how many programs the City of Toronto offers. Oftentimes, SFEs expressed mistrust of the government more broadly, or of City of Toronto officials in particular. One restaurant owner in Rouge-Park notes, "Government only supports big businesses. No trust in the government – only offer dreams and promises." This sentiment rang true among many of the immigrant-run restaurants studied. While not explicitly described, these restaurant owners often alluded to negative experiences with the government in their home countries.

Restaurants that did access the municipal support programs, or other government supports generally express gratitude and a sense of relief. For instance, an owner of a diner in Scarborough North expresses that "the province [and the] city have been very helpful." Others emphasised how these were insufficient and did not get to the root issues of the challenges they were facing. "Support from the government is useful but not enough," said a Filipina restaurant owner. The nuances of these issues are discussed in detail below.

Enabling Factors

Several factors enabled business owners to access these support programs. For example, a handful of business owners who received financial assistance from the government expressed that they applied to support programs through their accountants. Those who lacked English proficiency and legal vocabulary were thus still able to access existing government support programs. City of Toronto messaging also proved to be a useful service. For example, a business owner expresses that he became aware of several major funding opportunities through the City of Toronto websites and social media accounts. This was mostly referenced by younger business owners, particularly those with past entrepreneurial experiences and a familiarity with the food industry. Many SFE owners that accessed City supports also alluded to their networks of business partners or neighbours. For family-run businesses, this was seldom the case.

Technologically savvy SFEs with vast social networks in the industry found government-generated business support opportunities to be more visible and accessible. However, even those that were aware of these supports still noted the time required to search for and apply to different opportunities as being significant. For immigrant restaurant owners, searching for help was often an afterthought.

Barriers to Accessing Support

Regardless of the source of governmental support, small restaurant owners still described multiple barriers to accessing business support programs. Even those who were successful and diligent about researching and applying insisted that the process to do so was far too challenging.

Language:

Language barriers significantly affected small business owners' ability to access support infrastructure. The Chinese restaurants (Mandarin and Cantonese speakers) overwhelmingly expressed the difficulties posed by not speaking English fluently within the urban business space. One restaurant owner believed that they had "not been as successful as possible given [their] limited English skills."

Language barriers are a limiting factor when applying for government-generated support programs, and in discovering these opportunities. When presented with the City of Toronto Business Supports Brochure, all business owners that participated in our interviews in a language other than English had not heard of any of the programs mentioned. This speaks to the need for ethnocultural-specific outreach efforts in communicating the availability of these supports. It is hard for the Cantonese speakers interviewed to know that the government is helping them if the programming is communicated in English.

Those that had some knowledge of the business support programs offered overwhelmingly expressed frustration and dissatisfaction when it came to applying. These were often confronted with business, financial, and legal jargon that they were either unfamiliar with or intimidated by. Restaurant owners that had recently immigrated to Canada were deterred from the potential implications of submitting a "faulty" application based on miscommunication or the wrong translation.

Government Mistrust or Fear

Fear emerged as a common theme among small restaurant owners that were apprehensive about applying to business support programs or even government grants and subsidies. For first-generation immigrants, the unfamiliarity with Canada's business and legal environments acted as a deterrent. Owners were afraid to misstep and threaten their families' livelihoods. "There were too many requirements, and I was afraid of problems with authorities if I did not meet the requirements," expressed a business owner in Southwest Scarborough.

A Scarborough North restaurant owner spoke to this sentiment as well, “I’m scared of the government. Maybe they are going to charge you tax. Tax tax tax tax. It’s hard to trust them.” At the same time, she is optimistic about what they could do in helping keep her business afloat. She adds, “equipment costs would be helpful if the government could offset them, they can hopefully help us with the rent.” Fear of taxes and high-interest rates deterred these restaurateurs from interacting with supports, even if eligible and in need of support.

When discussing financial supports, but also operational supports, restaurant owners often saw the extensive eligibility requirements as a deliberate deterrent designed by the government. “[We] tried applying for other benefit programs but they required far too many documents,” said the owner of a small Chinese restaurant. Throughout the interview, she continued to express “government only supports big businesses.” After seeing that a provincial grant opportunity required documents relating to income tax and payroll, she decided that her own records were not detailed enough and did not apply.

“I didn't qualify for many of the city's programs, they asked too many tedious questions with too many steps to take and required very specific documents which I could not provide.”

Even those that were successful in submitting their applications and receiving subsequent support felt the system was designed to advantage larger businesses with greater infrastructure and fewer time constraints. “I feel [there] was a lot of red tapism in the entire process of applying for funding,” notes a Bengali business owner in Agincourt. Navigating these applications can be taxing for over-committed restaurant owners. “It was tough to navigate the city’s supports alone.” A sentiment that rang true for those running small restaurants.

Online Platforms

Both the visibility of government-generated business supports and the platforms set up to apply to these rely on experience and familiarity with computers and online platforms. A number of restaurants in Scarborough do not have websites, a social media presence, or listings on Google Maps. In some cases, business owners expressed that this was related to their age and inexperience with a business environment that requires these means (i.e., recent immigrants with little need for digital literacy back home).

A BIPOC immigrant restaurant owner in Scarborough North referenced his experience as a small business owner in South Asia, where business support programs were communicated through newspapers and the radio. What he felt was a deliberate effort to promote small business growth in his home country, was not felt in the same way in Toronto. Another BIPOC owner of a Halal restaurant in Southwest Scarborough found the transition to online grant and program applications a difficult adjustment to make. He owned a few restaurants elsewhere in Canada before moving to Toronto and was surprised to see how many business program applications relied on technological literacy.

“I am sure that there are a lot of programs that I am not aware of. Now that could be on my part because I could have looked for, but it can also be the part of the city to make sure that people are informed and can reach out. I feel that the city is not [doing] enough for small businesses to reach out.”

As emphasized by the business owners above, even with the best intentions, support programs are not reaching those that need them the most. Even the Digital Main Street program that could help circumvent some of the challenges of technological illiteracy discussed previously is not widely known or discussed among restaurant owners.

“I hope to have channels of better information around seeking government financial aid.”

A majority of restaurant owners that were surprised to hear about the support programs characterized their lack of visibility as consistent with a lack of investment in small businesses. For example, a Japanese restaurant owner states “the city has not been fair and equal when it gave aid to businesses and that it is not easy because you need a lot of paperwork and if you miss only one document, you cannot proceed.” This sentiment was often strengthened by shared anecdotes of rejection from other small food business owners.

Time Commitment and Rejection

While many restaurant owners were diligent about searching for opportunities for funding and support online during the pandemic, this proved to be time-consuming and difficult to sustain as restaurants were faced with new challenges. Some business owners remained diligent, seeking out opportunities on the news and through online research.

The many responsibilities of family-run restaurants take a toll on their ability to pursue opportunities or put time into activities that they do not deem as immediately necessary or pressing. One business owner notes that navigating the online application platforms and eligibility requirements “seemed impossible.” The co-owner of one family-run takeout spot is an experienced accountant. She worked for a fashion retailer in a city mall and helped navigate their closure after rents proved unaffordable. With her experience, she applied for government aid through the Canada Revenue Agency only to find that her restaurant was not eligible, given as the restaurant had just opened. She felt that newer businesses receive less support and believed she was ineligible for the programs administered by the federal government. Nevertheless, this restaurant owner successfully applied for a grant offered by the Ontario government. The application was submitted online with her proof of business. The process took about three weeks, and the funds were used to help with repairing equipment.

Previous rejection played into this sentiment of discouragement. With confusing eligibility and extensive documentation requirements, many of the restaurant owners recounted experiences of ineligibility and application rejections. Such correspondence did not provide details explaining they were rejected. Restaurateurs also expressed uncertainties about whether they misunderstood the requirements or application instructions.

Four of the business owners interviewed relied on accountants to help determine their eligibility and gather the necessary documents to apply for loans, grants, and incentive programs. These business owners could not find time amidst their own responsibilities to pursue relevant support opportunities. While accounting support proved effective for businesses that had the means, others were left discouraged.

SFEs' Suggestions for the City of Toronto

The business owners reached in this study provide recommendations to guide the development of government-generated SFE supports. Business owners overwhelmingly expressed interest in having government supports that are easily accessible, that ease their financial burdens, and increase business exposure.

Assistance Navigating Government Supports

Business owners from across the City encountered barriers to accessing the City's existing SFE services, programs, and supports. As already discussed, these challenges ranged from language barriers that have made accessing and understanding online application portals incredibly difficult, to a general distrust of government-generated financial supports. Numerous business owners, therefore, request additional assistance in accessing and navigating existing government resources.

Generally, business owners from across the City have envisioned this assistance as direct, on-site support from City officials. In other words, City officials would be able to work one-on-one with business owners to ensure that they truly understand the services that are available to them. However, the business owners included in this study suggested such direct navigation assistance from the City for a multitude of reasons.

One business owner suggested that the City provide additional assistance to businesses for assessing eligibility for financial aid prior to application. Such a strategy would save businesses unnecessary work. Another business owner suggested that the City provide navigation assistance in numerous languages. They specifically requested that a Mandarin and Cantonese-speaking aide visit their business to translate and discuss government programming. Many business owners also cited frustrations that they were unfamiliar with existing financial services and would like the City to establish better channels for providing information to businesses seeking financial aid from the government.

Others suggest that assistance be provided to those who have applied for government-generated financial services but have been rejected. One business owner specifically suggests that the City establish a feedback system for rejected applicants. They express that communication from the City regarding the reasons for rejecting could greatly assist businesses in improving future applications for financial aid. Our team's suggestion would be that City councillors could play a valuable role in providing such grassroots community support to small businesses, especially if they partner with local high schools, colleges, and universities to engage young people in this task via paid internships and summer jobs.

Financial Support

The interviews indicate a significant desire for increased financial support. SFEs note that monetary assistance would help them maintain their profits in light of rising prices.

Several business owners suggested financial support for delivery app commissions, one of whom suggests a cap be placed on delivery service fees. Many also suggest subsidies on raw materials. Many SFEs express difficulties with affording raw materials, from food ingredients to commodities such as containers and packaging. One business owner even indicates that they would rather receive subsidies on the cost of ingredients and other raw materials than any other expense, as raw materials were a greater cost to their SFE than rent or wages. Our team further notes here that the important 'greening' efforts that our planet needs (with measures such as the banning of single-use plastic cutlery) can only be successful if training and support are provided to small businesses to successfully integrate such policies.

Several business owners even suggest financial assistance be provided directly to consumers. As discussed throughout this report, a significant number of Torontonians stopped buying from SFEs during the pandemic, in part because of financial hardship. To incentivize Torontonians to keep visiting their local SFEs, many business owners recommended that the City provide financial assistance to increase the buying power of the people of Toronto.

Labour Recruitment

Recruitment of staff has been a challenge for many of the SFEs. This is due in part to the health concerns of working in cramped and/or crowded kitchen environments, especially when one lives with populations with unique health vulnerabilities.

According to the owner of an Agincourt restaurant, his hesitancy to expand outreach online is attributed to being understaffed. "I don't want people to find us on Instagram and then to show up and wait a long time, because we don't have enough staff to serve everyone," he explained. His business has been in operation for one and a half years and started dine-in after nine months of opening at 25% capacity. He suggests some people don't want to work because they'd get more in CERB than they would be coming into work. This owner is also concerned about people who accept aid and report fraudulent financial histories.

"I don't want people to find us on Instagram and then to show up and wait a long time, because we don't have enough staff to serve everyone."

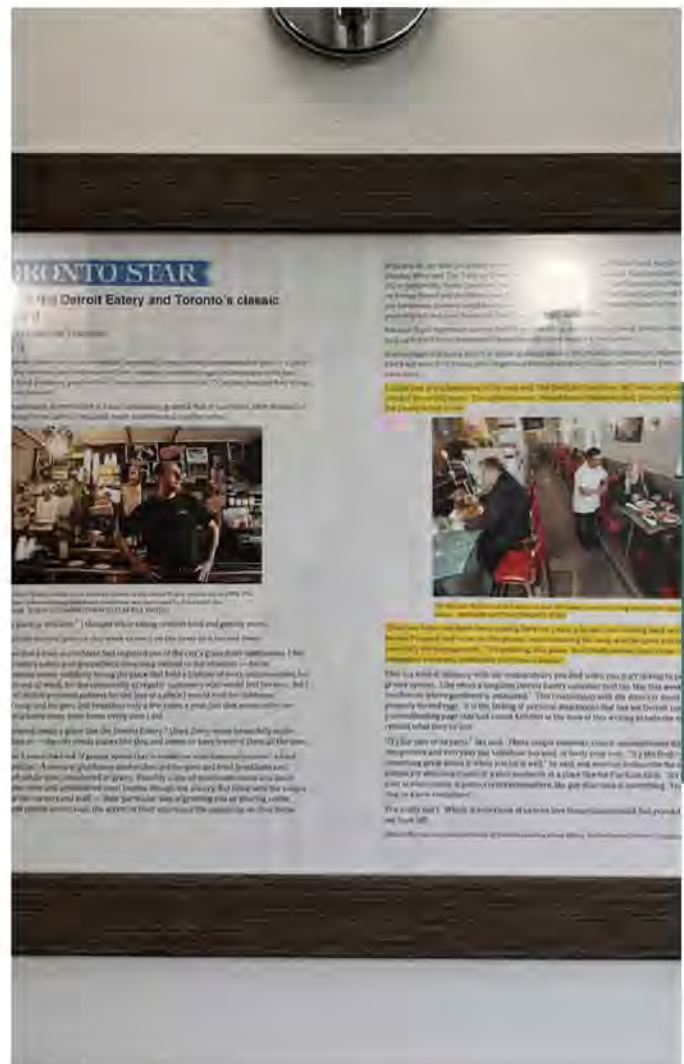
The owner of a Hong Kong-style takeout establishment inside a North Scarborough food court speaks about her strategy for recruitment. When our student researcher went in for an interview, she saw five people working, but the owner says there are usually six to seven people. Some are part-time workers because it is hard to hire full-time staff. The Chinese newspaper listings the owner had been submitting have largely been ineffective. Although sometimes people call in to inquire, the listings have not been successful.

Many businesses may prefer to keep their staff but cannot do so given the financial constraints wrought by the pandemic. The head chef and owner of a Chinese restaurant at Scarborough Centre cites how he was experiencing a 30-40% loss at the beginning of the pandemic. These days, he works alone Monday-Wednesday because there are not enough customers, even though there used to be a team of two to three people. This story speaks to the isolating experience that many business owners are enduring. The inability to retain labour or to create a sense of stability for staff members is discouraging for restaurant owners.

Marketing Opportunities

Many business owners request increased marketing opportunities for their businesses. Unlike larger corporate food enterprises, SFEs have access to a considerably smaller pool of resources to support their business ventures. As such, SFEs are interested in additional marketing opportunities.

For example, one business owner suggests an online citywide SFE marketing platform, where SFEs from the six wards can showcase their products. Another suggests that the City host more food festivals and other food-related events to give exposure to the diverse array of food businesses in Toronto. They also suggest a competition where small businesses in Toronto could submit their ideas to be chosen for nationwide coverage and exposure. Other business owners express similar interest in media coverage for their businesses.



The female owners of a brand-new Asian fusion restaurant that recently evolved out of a pandemic ghost kitchen are proud of the media coverage they have received. At the front of the store are printed news articles and photographs commemorating milestones. She mentions having been featured in BlogTO and local Scarborough news with great enthusiasm. Such restaurant owners felt that perhaps government agencies could do more in the way of recognizing SFE operators in Scarborough by promoting their business and the people behind them. Our team here would highlight the opportunity for government departments that oversee culinary tourism, for instance, to include the small immigrant family restaurants of Scarborough in broader tourism programming. Scarborough is a culturally diverse culinary hub that can attract local diners and tourists alike.





Implications

This study's findings reveal implications that the City of Toronto may use for the revision and development of programming and support. The suggestions below reflect the voiced concerns of small restaurant owners and the findings of this study.

- 1.** Provide direct and culturally relevant assistance to navigate government resources through targeted marketing, outreach, and application processes.

SFEs need support navigating government resources, which can be provided through personalized aid. While it is outside the scope of municipal assistance to reach each individual SFE in Scarborough with language interpreters, for example, contracting external agencies for translation and knowledge dissemination tasks are potential next steps. In-person outreach proved to be necessary for those with little technological knowledge. Even an introduction and walkthrough of government websites improved support programs' visibility and accessibility. Tutorials and walkthroughs of relevant resource channels should be available in different languages and disseminated to small businesses. This could be achieved through targeted in-person workshops within neighbourhoods and community organizations, as well as further brochure dissemination. Communicating through phone, courier and/or email is least effective when conveying important information to SFEs in Scarborough. Improving current online platforms to better reflect eligibility requirements for business support program applications would prove useful in improving uptake. This should be coupled with multilingual helplines and support centres. The online application process would also benefit from feedback channels for those rejected from government supports since these can encourage future applications.

2. Prioritize financial supports and programming that directly targets small businesses' operational costs.

Struggling SFEs are most concerned with their financial constraints and their subsequent effects on daily operations. Applying for support programs that do not show direct financial relief may show weak uptake. Financial supports that include equipment repair or maintenance subsidies, forms of rent relief, and limits to delivery application commission fees were heavily cited as being of interest to SFEs in this study. These supports show real returns on the time spent on applications and assessing eligibility. Likewise, revised financial support application processes should reflect the time constraint that struggling SFEs regularly experience. SFE owners abandon helpful support programs that require extensive documentation when they must juggle multiple responsibilities. Legislation should be advocated to limit delivery application commission fees to alleviate SFEs' financial constraints without the need for application procedures.

3. Provide marketing opportunities to diversify SFE's customer base.

SFEs in Scarborough are eager for opportunities to make use of their entrepreneurial spirit and share their passion for food. As smaller businesses often rely on word-of-mouth for marketing initiatives, these may be limited to neighbourhood regulars. Providing opportunities to expand the customer base outside of delivery applications will diversify Scarborough's SFEs' economic utility. Food festivals and neighbourhood fairs are also avenues for greater exposure and a way for SFEs to connect with customers and make use of Toronto's culinary tourism. However, these tend to be time-consuming and do not generate steady flows of revenue. Incentives to plan and promote such programming at the local level will circumvent some of these challenges and amplify the presence of Scarborough's various cultural community groups. Additionally, government funding for existing marketing activities will strengthen community ties.

4. Include labour recruitment opportunities to support staffing challenges and increasing operational costs.

Staffing issues resounded across the study's interviews calling for labour recruitment programmes, training and certification initiatives, as well as wage subsidies. Supports need to be developed to help SFEs find and retain employees who possess language skills and cultural knowledge. Family-run restaurants, particularly operated by migrants, often rely on kin networks to keep their businesses afloat and fulfil needed tasks. However, this can cause familial strain and is not always sustainable as a model. Alongside recruitment events, SFEs need access to culturally appropriate information on hiring and legal processes to ensure that workers' rights are protected and that business owners understand how to approach staffing without fear or hesitation. Wage subsidies would help offset rising operational costs and relieve some of the financial burden carried by business owners.

5. Greater integration and dialogue in framing and implementing support programs with stakeholders across neighbourhoods, communities, and culinary infrastructural hubs.

SFEs will benefit from horizontal support programs that incorporate existing community initiatives and local organizations. Efforts to increase the visibility of existing and future government-generated support programs should thus involve neighbourhood organizations and infrastructure, including places of worship and cultural centres, where applicable. Making use of existing support networks offers opportunities to provide context-specific aid to the small restaurants that informed this study. It can also help gather further intel into the needs of Scarborough's SFE owners. Supporting local delivery applications that have emerged at the local level, for one, would foster context-specific business support. These avenues for support help break down sentiments of government fear and mistrust presented in the study and help ensure that businesses struggling the most receive corresponding aid.

Appendix

Interview Questions

Introduction

How long have you been in business?

What motivated you to open this restaurant? Did you work in any other restaurants, or food businesses, before opening your own?

Food/Culture

How would you describe the food you serve at your restaurant? Is the food served at your restaurant something you ate growing up?

Where were you born? How does your experience growing up in X influence your restaurant's food and atmosphere?

Customer Base/Community

Who is your primary customer base?

Have you encountered hate or racism directed at your business or its employees?

How, if at all, have your customers supported you during the pandemic?

Have you altered or increased your business' social media presence because of the pandemic?

If yes, who is responsible for running your business's social media?

Is word of mouth the way you traditionally marketed your business?

Delivery

Before the pandemic, how was your business split between dine-in customers, takeout, and catering? How has the pandemic altered this distribution of business?

Does your restaurant use online delivery platforms (i.e., Uber Eats or Skip the Dishes)? Are the fees charged by these apps fair?

Have you increased prices to compensate for delivery fees? Have you looked into alternative delivery options or in-house delivery?

Business Financials

How has the pandemic affected your business' financials? At any point have you felt threatened by the prospect of closure/bankruptcy?

Have you had to lay off (permanently or temporarily) any employees? Were employee hours significantly cut?

How do you keep up and adjust to the changing pandemic regulations?

Has it been confusing?

Governmental Aid

Has your business received any support from the local, provincial, or federal governments? If so, could you name these?

Are you satisfied with how much aid your business received?

Are you aware of support and funding programs run by the City of Toronto?

Have you been able to access these? Why or how?

What kinds of restaurant programs could the City of Toronto run to best address your current needs?

What would you hope to gain from participating in a City of Toronto-run restaurant program?

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Our team is grateful for the research and logistical support from

Office of the Vice-Principal Research & Innovation, University of Toronto Scarborough

Department of Physical & Environmental Sciences, University of Toronto Scarborough

Business Support Development Office, MITACS Canada

Innovations & Partnerships Office, University of Toronto

Trinity College University, University of Toronto

Culinarium Research Centre, University of Toronto

Social Science & Humanities Research Council, Canada

Economic Development & Culture Division, City of Toronto



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