

# COVID-19 Impacts to Small Businesses in the Mining and Oil & Gas Sectors

To capture COVID-19 impacts to small businesses, the U.S. Census Bureau deployed the weekly Small Business Pulse Survey (SBPS) from April 26, 2020 to June 27, 2020. The survey specifically targeted non-farm, single location businesses with receipts greater than or equal to \$1,000 and with less than 500 employees. The survey provides industry sector data about business operations, revenue, financial assistance, supply chain disruptions, and employee staffing.

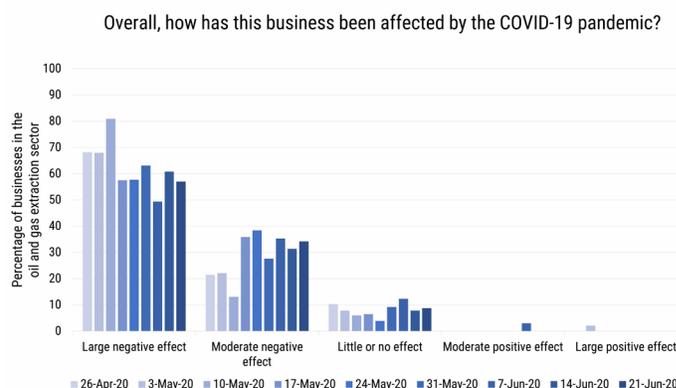
Although the data is aggregated at broad industry sector and sub-sector levels, it can be used to examine trends in COVID-19 impacts to small businesses within the *mining and oil and gas* industries, specifically *oil and gas extraction, mining, and support activities for mining and oil and gas*. The survey's data provides a backdrop against which to compare the finer-resolution data from the AGI Geoscience COVID-19 study.

## Small businesses within the oil and gas extraction sector

Responses from small businesses in the *oil and gas extraction* sector were highly variable, with moderate to large standard errors suggesting a small population sample and/or perhaps different cohorts of businesses participating intermittently during the survey period.

### Overall impacts

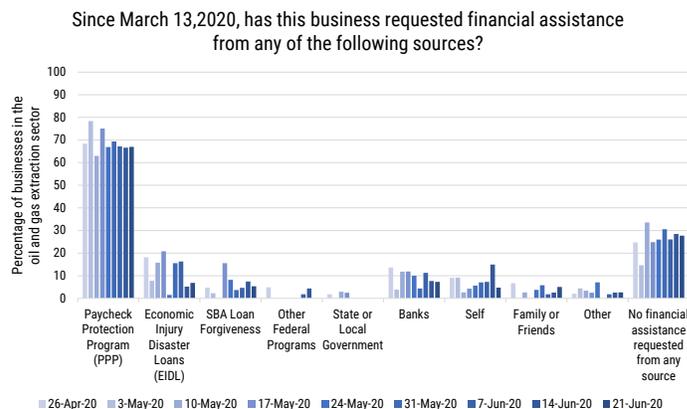
Over half of small businesses in this sector reported large negative effects from the COVID-19 pandemic, with the percentage decreasing from 68% at the end April to 57% by the end of June. Over the same period, the percentage of businesses reporting moderate negative effects increased from 22% to 34%, suggesting a lessening of the magnitude of impacts from COVID-19. The percentage of small businesses in this sector reporting little or no effect from COVID-19 varied between 4% and 12% through the survey period.



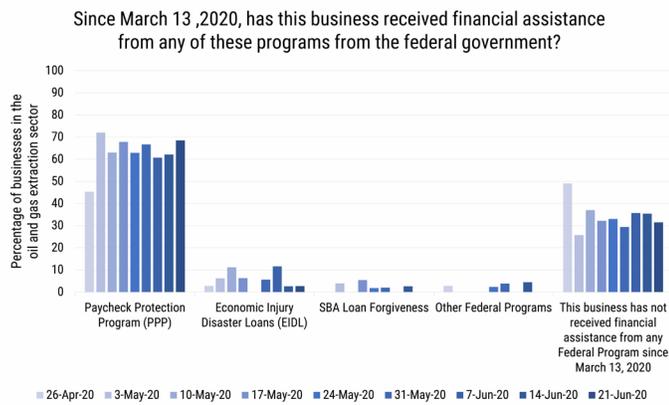
Credit: AGI, data derived from the U.S. Census Bureau, Small Business Pulse Survey

### Financial assistance

The Paycheck Protection Program, Economic Injury Disaster Loans and banks were the most common sources from which businesses requested financial assistance in this sector. Between 20% and 30% businesses did not request financial assistance from any sources since March 13th, and by the end of June nearly 30% of businesses had not received any financial assistance from federal programs.



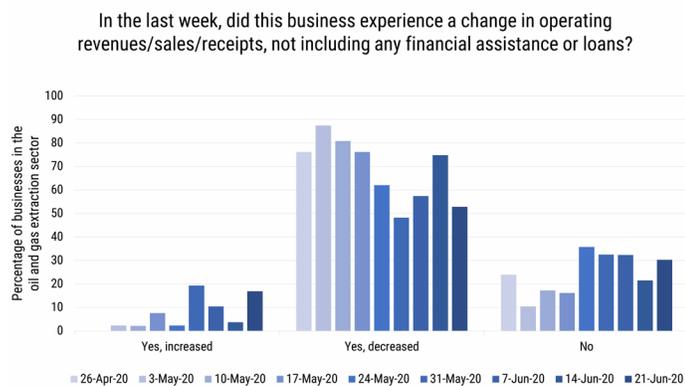
Credit: AGI, data derived from the U.S. Census Bureau, Small Business Pulse Survey



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## Financial health

The percentage of small businesses reporting declines in operating revenues fluctuated between 48% and 87% throughout the survey period, peaking in early May and mid-June. Low operating revenues and cash on hand also fluctuated over this period showing similar trends. The percentage of businesses reporting total operating revenues less than \$50,000 fluctuated between 70% and 45% between late April and late June, with peaks occurring in late April and mid-June. The percentage of businesses reporting one month or less in cash on hand fluctuated between 10% and 30%, with peaks in mid and late May. Furthermore, over 90% of businesses reported that they did not miss any loan payments and over 84% reported not missing any other scheduled payments over this period.



Credit: AGI, data derived from the U.S. Census Bureau, Small Business Pulse Survey

## Business operations

Interruptions to business operations was minimal across small businesses in this industry. Less than one-third of

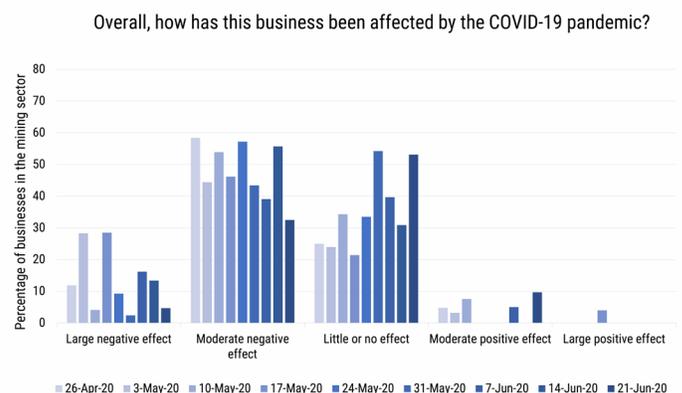
businesses reported temporarily closing locations for at least one day per week, and staffing remained robust with nearly 90% or more of businesses reporting no reduction in the number of employees. Additionally, businesses did not report a substantial impact in the total number of hours worked by paid employees. At the end of April, 32% of small businesses in this sector reported a decrease in the total hours worked by employees and at the end of June, this percentage declined to 15%. In addition, the percentage of businesses reporting supply chain disruptions over this period fluctuated between 20% and 30%.

## Small businesses within the mining sector

Similar to the *oil and gas extraction* sector, responses in the *mining* sector were also highly variable, with moderate to large standard errors suggesting a small population sample and/or perhaps different cohorts of businesses participating intermittently during the survey period.

## Overall impacts

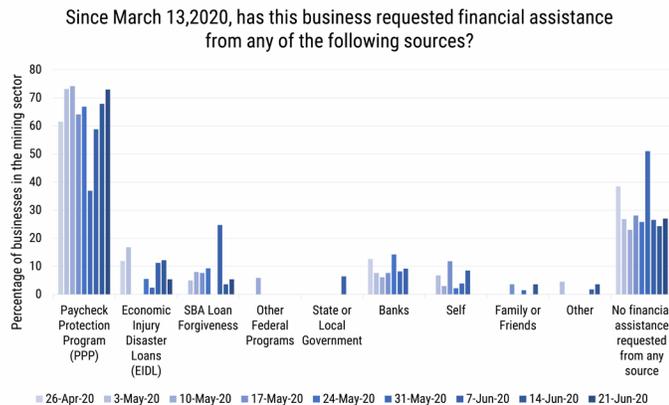
Between 40% and 60% of small businesses in the *mining* sector reported moderate negative effects from the COVID-19 pandemic between late April and early June 2020 with a general decline in those reporting moderate effects since mid-May. Concurrently, the percentage of businesses reporting little or no effects from COVID-19 increased from 25% in late April to 40% by early June 2020.



Credit: AGI, data derived from the U.S. Census Bureau, Small Business Pulse Survey

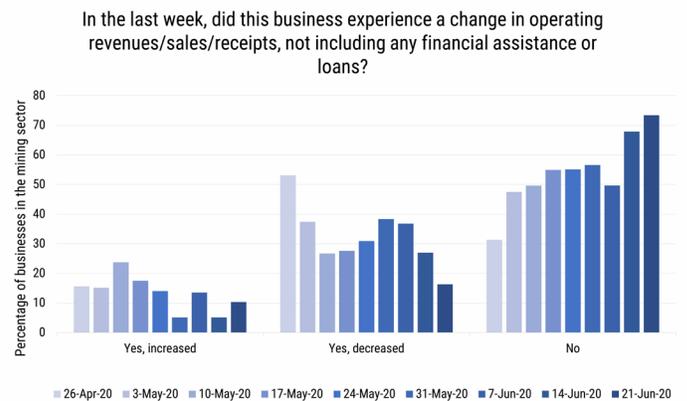
## Financial assistance

The Paycheck Protection Program was the most common source of financial assistance for small businesses in this sector. For the majority of the survey period, between 20% to 30% of small businesses in this sector reported that they had not requested financial assistance from any source since March 13th.

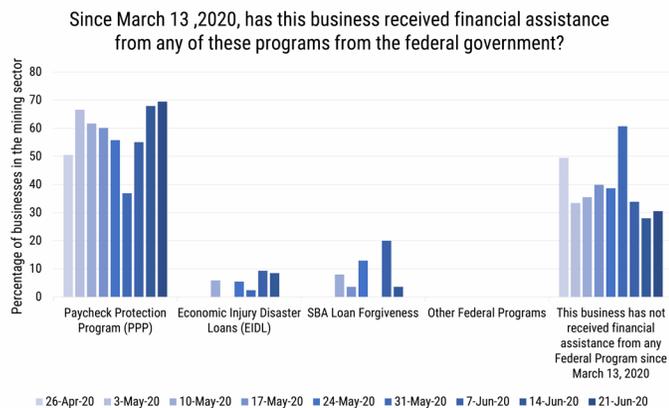


Credit: AGI, data derived from the U.S. Census Bureau, Small Business Pulse Survey

over \$50,000 in total operating revenue increased from 37% at the end of April to 64% by the end of June. In addition, at the end of April, one third of businesses reported cash on hand in excess of one month, and this percentage increased to 41% by the end of June, with higher percentages (52% to 55%) occurring in mid-May through early June. Furthermore, over 87% of businesses reported that they did not miss any loan payments and over 84% reported not missing any other scheduled payments over this period.



Credit: AGI, data derived from the U.S. Census Bureau, Small Business Pulse Survey



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## Financial health

Small businesses in the *mining* sector indicated a lessening of impacts to operating revenues from late April through late June. Whereas just over half of businesses reported declines in operating revenue at the end of April and by the end of June, only 16% of businesses reported the same. Concurrently, the percentage of businesses reporting no change in operating revenues increased from 31% to 73% over the same period. The percentage of businesses with

## Business operations

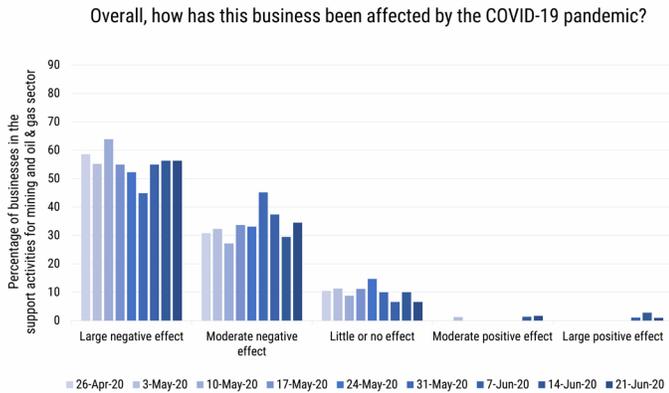
Small businesses in the *mining* sector reported minimal interruptions to business operations during this time. For the majority of the study period, over 80% of businesses reported no temporary closing of locations for at least one day per week, with the exception of mid-May when 72% of businesses reported the same. Impacts to staffing were minimal with approximately three-quarters or more of businesses reporting no declines in staffing or in the number of hours for employees. In addition, over 70% of businesses reported no supply chain disruptions from the end of April through the end of June.

## Small businesses within the support activities for mining and oil and gas sectors

### Overall impacts

For most of late April through late June, over half of small businesses in the *support activities for mining and oil and*

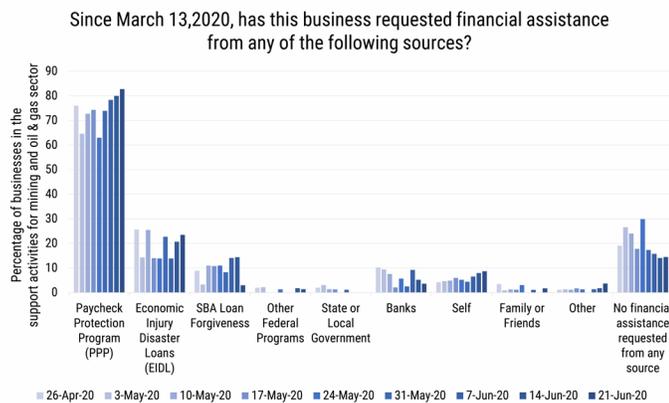
gas sector reported large negative effects from COVID-19, and between 27% and 45% reported moderate negative effects. Between 7% and 15% of businesses reported little or no effect during this period.



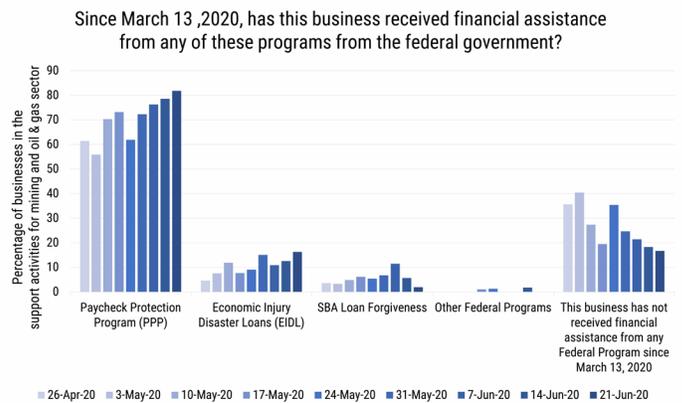
Credit: AGI, data derived from the U.S. Census Bureau, Small Business Pulse Survey

## Financial assistance

The Paycheck Protection Program and Economic Injury Disaster Loans were the most common sources from which financial assistance was requested by businesses in this sector. The percentage of businesses not requesting financial assistance since March 13th peaked at 30% in late May and declined to 15% by the end of June. In addition, the percentage of businesses not receiving assistance from federal programs declined from 36% at the end of April to 17% by the end of June.



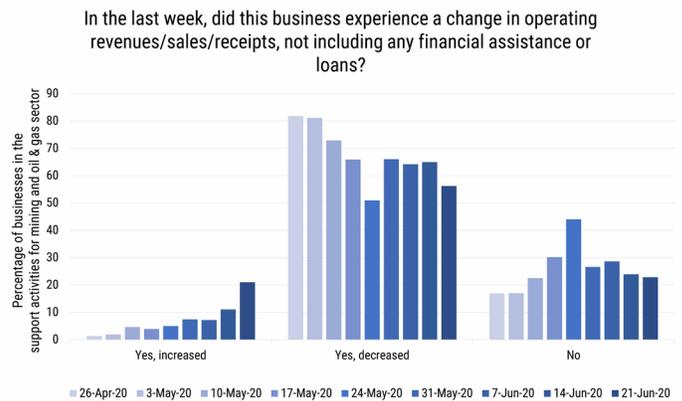
Credit: AGI, data derived from the U.S. Census Bureau, Small Business Pulse Survey



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## Financial health

Declines in operating revenues were reported by 82% of businesses in this sector at the end of April 2020 and by 56% of businesses at the end of June. The percentage of businesses reporting \$50,000 or less in monthly operating revenues decreased from 57% in mid-May to 47% by the end of June. Furthermore, the percentage of businesses reporting one month or less in available cash on hand for business operations declined from 41% at the end of April to 29% at the end of June. Over 80% of businesses reported that they did not miss any loan or other scheduled payments during this period.



Credit: AGI, data derived from the U.S. Census Bureau, Small Business Pulse Survey

## Business operations

Interruptions to business operations were minimal in this sector, with the exception of reduced hours for employees. The percentage of businesses temporarily closing locations for at least one day per week declined from 24% at the end of April to 17% at the end of June. Staffing remained

relatively consistent over this period with over three-quarters of businesses reporting no declines in staffing. However, the percentage of businesses reporting reductions in the number of hours worked by employees was 65% at the end of April and 42% by the end of June. In addition, over 72% of businesses reported no supply chain disruptions from late April through the end of June.

We will continue to provide current snapshots on the impacts of COVID-19 on the geoscience enterprise throughout the year. For more information, and to participate in the study, please visit: [www.americangeosciences.org/workforce/covid19](http://www.americangeosciences.org/workforce/covid19)

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