

July 20, 2020

The Rt. Hon. Justin Trudeau
Prime Minister of Canada

Hon. Scott Moe
Chair, Council of the Federation

Bill Karsten
President, Federation of Canadian Municipalities

RE: The ongoing recovery of our restaurants and food service industry across Canada

Dear First Ministers and Municipal Leaders:

Our restaurants are cornerstones of communities of all sizes across Canada. They're meeting places for business and pleasure; they're where we celebrate; they're where we gather to mourn a loss. The local restaurant is where many of us worked our first part-time gig, or went on a first date, or stopped by when we needed to see a friend. Canadians are connected deeply to "their" local pub, or "their" late-night takeout spot.

Pre-COVID, the economic impact of our restaurants on Canadians was deeply felt. The industry directly created one out of every 15 jobs (1.2 million Canadians), served 22 million meals per day to Canadians, operated close to 100,000 establishments, paid Canadians \$30 billion of wages and benefits, and contributed \$31 billion annually to Canada's GDP.

When the pandemic hit, our restaurants were among the first and the hardest hit. Notwithstanding their own losses, which includes 800,000 jobs lost, the food services industry stepped up to serve their communities, their customers, and continued to bring Canadians together – just in new and innovative ways. But despite their best intentions and best efforts, the food services industry will be among the last to resume normal operations, on a timescale stretching at least into the next 12-18 months.

As our country went into the necessary lockdown, governments of all sizes and types worked together to get Canadians through the crisis. Many businesses are now working to reopen and recover. However for the food service industry, the picture is different.

Food service locations already operate on thin margins when tables are full, given high fixed costs, a seasonal nature, being highly liquid, and working with a perishable inventory. The reality now with COVID-19 in our midst for the foreseeable future is that the necessary safety requirements both limit revenue and further increase costs. Continued operation for the majority of our restaurants is, at best, uncertain. Government programs as they are presently designed are not equipped for the timescale of this ongoing reality for this industry.

Across our country, at all levels of government, urgent action needs to be undertaken to ensure our restaurants can continue to be there for us. Some of those items include:

Federal

Implement the proposed Canada Emergency Wage Subsidy (CEWS) improvements and continue to create incentives for Canadians to return to work.

Eliminate the automatic annual federal excise tax increase on beer, wine, and spirits.

Start to encourage Canadians to return to pre-COVID activities while observing safety measures, such as masks.

Joint Federal-Provincial/Territorial

Extend the CECRA program, remove parent company revenue eligibility cap (removing the cap would prevent franchisees from falling through the cracks), and explore a means to substantially increase program subscription.

Provincial/Territorial

Implement and monitor a commercial eviction moratorium.

Expand liquor licencing, or make permanent COVID-related licencing changes, to allow more restaurants to offer alcohol sales (including for take-out).

Municipal

Reduction or deferral of property taxes, patio fees, utility fees, and other fees as relevant.

Ease regulatory burdens, which assist the industry without impacting government budgets.

The urgency of action cannot be overstated. Indeed, if action is not taken now, businesses will close and communities will be among the hardest hit since a loss of business means loss of jobs throughout the entire foodservices supply chain. Delays will risk the situation rapidly becoming permanently untenable.

These actions, when taken together, would make a win-win by creating the conditions for more Canadians to get back to work and prevent the failure of a key industry in the coming year.

Just as our restaurants have always been there for Canadians for important moments in our lives, now we need to be here for them.

Sincerely,

Hon. Perrin Beatty, P.C., O.C.

President & CEO

Canadian Chamber of Commerce

Luke Harford

Head of Government Affairs, Canada
Molson Coors

David B. Lefebvre

Vice President, Federal & Quebec
Restaurants Canada

Ken Kobly

President & CEO
Alberta Chambers of Commerce

Sheri Somerville

Chief Executive Officer
Atlantic Chamber of Commerce

Val Litwin

President & CEO
BC Chamber of Commerce

Renée Comeau

Executive Director
NWT Chamber of Commerce

Rocco Rossi

President & CEO
Ontario Chamber of Commerce

Steve McLellan

Chief Executive Officer
Saskatchewan Chamber of Commerce

Todd Letts

Chief Executive Officer
Brampton Board of Trade

Dr. Sandip Lalli

President & CEO
Calgary Chamber of Commerce

Gerard Adams

Interim Chief Executive Officer
Greater Charlottetown Area Chamber of Commerce

Janet M. Riopel

President & CEO

Edmonton Chamber of Commerce

Krista Ross

Chief Executive Officer

Fredericton Chamber of Commerce

Patrick Sullivan

President & CEO

Halifax Chamber of Commerce

Michel Leblanc

President & CEO

Chamber of Commerce of Metropolitan Montreal

Sueling Ching

President & CEO

Ottawa Board of Trade

AnnMarie Boudreau

Chief Executive Officer

St. John's Board of Trade

Jan De Silva

President & CEO

Toronto Region Board of Trade

Loren Remillard

President & CEO

The Winnipeg Chamber of Commerce

Bridgitte Anderson

President & CEO

Greater Vancouver Board of Trade