

Tuesday April 15, 2020



## President's Message

A couple of weeks back we wrote pleading with all levels of government to implement an Emergency Standstill Agreement to protect and preserve businesses impacted by COVID-19 and mandatory business closures. Since then, the federal government has taken extraordinary steps to protect laid off workers (CERB) and to allow those businesses who can continue to operate at some level to keep employees on the payroll (CEWS).

What has not been addressed though is the economic survival of the many businesses who have payrolls of less than \$50,000.00 or more than \$1,000,000.00 who don't qualify for emergency business loans and who are required to continue to pay rent on commercial space that they are unable to use as result of the mandatory closure of all "non-essential" services. This includes many retail outlets like the barber who can't open to cut hair, the trainer who can't train clients at the gym that is closed and all of the bars and restaurants who are trying to survive on takeout and delivery.

The knock-on effect of these businesses failing or being unable to pay their rent is that commercial landlords, many of whom are also small businesses or investors themselves, won't be able to pay their mortgages or their property taxes. This conjures up images of abandoned restaurants, strip plazas and commercial buildings lying derelict with long term unemployment for those workers formerly employed at these sites.

Perhaps it is time for the federal government to create a third stream of subsidy, the Canada Emergency Commercial Rent Subsidy (CECRS). Another alternative at the provincial level might be a mandated pause on rent for shuttered non-essential commercial businesses with a corresponding pause on mortgage payments and property taxes for their landlords. Without such support from one or the other levels of government we are going to lose many small independent businesses in our community due to COVID-19 and the dire picture painted above may well play out in our cities and towns.

Let's continue to stand together and get through this together!

Angelo Santorelli