

**FOR IMMEDIATE RELEASE**

## **60% OF CANADA'S HARDEST HIT BUSINESSES WILL NOT SURVIVE TO THE END OF THE YEAR**

### **COALITION OF HARDEST HIT BUSINESSES CALLS FOR SUPPORT UNTIL END OF 2021 IN FEDERAL BUDGET**

**March 24th, 2021 (OTTAWA)** – A March 2021 survey released today on Parliament Hill reveals that 60% of Canada's hardest hit businesses will not survive if the Canada Emergency Wage Subsidy (CEWS) as well as the Canada Emergency Rent Subsidy (CERS) are not extended beyond the June 5<sup>th</sup> deadline to the end of the year. The survey with over 1,700 respondents from across Canada was conducted by the Coalition of Hardest Hit Businesses.

Based on the survey results, the Coalition is formally appealing to the Federal Government to provide certainty and announce an extension of the CEWS and CERS supports to the end of the year for the hardest hit sectors in the April budget.

"Our businesses were the first hit by the pandemic, the hardest hit by closures, and will be the last to recover. With extended support, we can thrive and survive. Without it, Canada's tourism, culture and hospitality industries will be devastated for a generation," announced Beth Potter, President and CEO of the Tourism Industry Association of Canada.

Before the COVID-19 pandemic, hard hit businesses that make up the coalition employed more than 2 million Canadians - about 1 in every 10 jobs. The membership is primarily Canadian-owned small or medium-sized businesses providing significant employment while living in the local community. Our employees are predominantly women, young people, Indigenous and new Canadians - populations whose employment has been particularly impacted by the pandemic.

"For businesses that find their recovery impaired by the lingering effects of mass gathering bans and other public health policies, the CEWS and CERS programs will be a lifeline. Their continuation would make the difference between a vibrant tourism and cultural industry in Canada, and a breakdown of the critical infrastructure that supports the travel and tourism sector," said Susie Grynol, President and CEO of the Hotel Association of Canada.

"In the absence of any certainty, many festival and event organizers are nearing the point where they must decide whether to cancel their planned activities for this year or to go ahead with a smaller scale edition. Chances are, they are going to once again miss out on

the opportunity to generate their revenues for the year. Other sectors of the economy may begin to recover as restrictions ease, but the events sector will not be in a position to do so and will require continued government support until a return to normal occurs,” added Martin Roy, Executive Director of Festivals and Major Events.

“We hope that by the summer we will continue to see an easing of restrictions and a modest return of leisure travel. However, the decisions to cancel conventions for this fall have already been made and business travel will not recover in the short term. Where the recovery is quick these businesses will not qualify for government support. But if there are protracted restrictions from COVID, we will need to know this support is there,” concluded Potter.

The Coalition also stressed that efforts to safely stimulate domestic tourism, lower interprovincial travel barriers and reopen international borders are critically important. But such measures must be accompanied by critical support programs to ensure that highly affected sectors can bridge to the other side.

The Coalition of Hardest Hit Businesses is an industry-driven group of over 100 stakeholders representing a variety of sectors including tourism, travel, arts and culture, events and festivals, accommodation and hospitality.

To learn more about the Coalition of Hardest Hit Businesses, visit [www.HardestHit.ca](http://www.HardestHit.ca).

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