

Open letter to Premier Moe from the Saskatchewan Chamber of Commerce, Saskatchewan Hotel & Hospitality Association, Canadian Federation of Independent Business, Restaurants Canada, and Retail Council of Canada

May 27, 2020

Hon. Scott Moe Premier of Saskatchewan Room 226, Legislative Building 2405 Legislative Drive Regina, Saskatchewan S4S 0B3

Urgent: Moratorium on commercial tenant evictions

Dear Premier Moe:

With June 1st only days away, pressure is once again mounting for our small-and medium-sized business members to make their rent payments. Business owners have been telling us they are stressed about being evicted and urgently need government assistance.

We appreciate that your government is facing many unexpected challenges during this health and economic crisis of unprecedented proportions. Statistics Canada's April 2020 jobs report alone shows the extent of COVID-19's economic destruction in Saskatchewan to date on sectors such as accommodation, food services, wholesale and/or retail trade.

Businesses across the province were heartened by the announcement of a federal-provincial program to provide much-needed rent relief. However, since the Canada Emergency Commercial Rent Assistance (CECRA) program was announced, we have been hearing from numerous smalland medium-sized businesses that many improvements are desperately needed to make it work.

Even though the program just officially started yesterday in Saskatchewan, we already know from our members that many landlords will not apply, meaning that their tenants will not be able to access the program and the commercial tenant eviction protection it includes. In fact, according to CFIB's *Your Business and COVID-19 Survey Number Ten*, conducted between May 15 and May 21, only 11 per cent of Saskatchewan commercial landlords surveyed answered definitively that they would be participating in the CECRA program with their tenants. In an RCC member survey 48 per cent of RCC members indicated they have not been able to pay their rent at all while 34 per cent

indicated that landlords had threatened to either change their locks or evict them as a tenant. Also a Restaurants Canada survey indicates that 70% of respondents are either very or extremely worried that their business won't have enough liquidity to pay vendors, rent and other expenses over the next three months and 20% of members are dealing with a landlord who is not willing to provide rent relief, either through the CECRA program or some other arrangement.

Businesses that were forced to close entirely by government order to help stop the spread of COVID-19 have been generating zero revenues. Businesses like restaurants or retailers in malls that were forced to restrict their operations by government order have seen unsustainable revenue declines. The businesses who have managed to survive and are allowed to fully open will take time to get to the new normal, regardless of Saskatchewan's reopening timelines for Phase three and beyond. In the meantime, bills like rent payments continue to pile up, and evictions will become the norm.

Minister Harpauer recently stated that *"unfortunately, our government has no regulatory mechanism to ban commercial evictions,"* in the letter response to the CFIB dated May 25, 2020. That's why we are urging your government to take the following legislative action to protect smalland medium-sized businesses from evictions:

 Implement temporary commercial eviction protection for tenants who were in good standing with their landlords prior to the COVID-19 pandemic which can be completed through a temporary legislative change until August 31, 2020, to match the end of the Canada Emergency Commercial Rent Assistance (CECRA) program.

Please help our business members make it to the other side of COVID-19. Without your immediate assistance, more businesses will be forced to close permanently. In the absence of sufficient support, a large portion of the economy and the jobs created by our hard-working members will disappear forever.

Thank you for your attention to this important matter. We appreciate your continued collaboration with Saskatchewan's business community, and your leadership and efforts to fight COVID-19. We look forward to your timely response and remain ready to work with you and your government to ensure Saskatchewan's small-and medium-sized businesses survive the prolonged health and economic impacts of COVID-19.

Sincerely,

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cc: Hon. Donna Harpauer, Minister of Finance
Hon. Jeremy Harrison, Minister of Trade and Export Development
Hon. Don Morgan, Q.C., Minister of Justice and Attorney General
J. Glen Gardner Q.C., Deputy Minister, Deputy Minister of Justice and Deputy Attorney
General
Rupen Pandya, Deputy Minister, Finance
Kent Campbell, Deputy Minister, Trade and Export Development