

COALITION OF NEW BRUNSWICK EMPLOYERS

COALITION DES EMPLOYEURS DU NOUVEAU-BRUNSWICK

December 14, 2021

Hon. Arlene Dunn
Minister Responsible, Opportunities NB
Minister Responsible, Economic Development and Small Business
Departmental Building, West Block
PO Box 6000
Fredericton, NB E3B 5H1

Via email: arlene.dunn@gnb.ca

Dear Minister Dunn:

Re: Support for Businesses Affected by New Brunswick's Winter Plan Level 2 or 3

We are writing today seeking financial support for small businesses that will be affected by the Province's decision to add additional restrictions beyond Level 1 of the COVID-19 Winter Plan, effective 11:59 pm, 17 December 2021.

As you are aware, the past two years have been extremely challenging for small businesses in the province and the rise of the Omicron Variant and the associated measures which will impact the operational capacity of many businesses could not come at a worse time. For many in the food/accommodation, retail, entertainment sectors, and others, the days leading up to and after the holidays are typically very successful and are needed to get through lean months at the beginning of the year.

Given the strain that the most recent wave has put on the province's small businesses, it is imperative that your government provide financial relief to those impacted by the move to Level 2 measures, even if the full impact of Level 2 isn't included in this week's restrictions. We propose that the government provide the following relief to any business that is required to operate with enhanced restrictions (beyond Level 1):

- In alignment with a recent submission by Restaurants Canada, we propose that this new program should be tiered and based on a business's labour costs.
- We recommend a monthly grant for businesses: \$5,000 for those with less than \$150,000 of labour costs; \$10,000 for those with labour costs between \$150,000-\$300,000; and \$15,000 for businesses with over \$300,000 of labour costs - for any month in which they are operating under restrictions beyond Level 1.

In order to ensure that relief is provided to businesses in a timely matter, we also propose that the provincial government address the deficiencies of the previous \$5,000 *New Brunswick Small Business Recovery Grant* program regarding complexity and processing times:

- Simplify eligibility criteria – any business that is affected by enforced distancing rule qualifies
- Simplify application process – move to an attestation-based application process (such as used by the federal government) and ensure accountability through random audits.
- Approval of application should be no longer than seven days
- Payments should be processed and received by businesses no longer than 30 days after submission

Employees will also be affected by limiting capacity through distancing and with federal relief programs wound down, the Province may be considering financial relief to individuals as well. We suggest that to mitigate the already growing workforce development issue in the province that employee-focused financial relief should flow through the employer in order to aid retention and avoid exacerbating an issue that is being felt in all parts of New Brunswick.

We also propose that businesses still impacted by COVID -19 restrictions should not pay fees for licenses and permits such as liquor license fees, food safety permits or immigration fees, etc. for a period of at least 3 years.

We appreciate that the government is moving the province to many of the Level 2 measures due to safety concerns as you have throughout the pandemic. Likewise, time and again, the business community has stepped up to do their part, but as the pandemic becomes increasingly drawn out, the resiliency of small businesses is beginning to fray. While New Brunswick's GDP and other economic indicators may be positive relative to the rest of the country, these broad metrics do not tell the full story. The reality for small businesses is that each is a unique part of their community, and they need the province to step up and make sure they are here on the other side.

We remain available to discuss this policy at your convenience.

Sincerely,

A handwritten signature in blue ink that reads "Ron Marcolin". The signature is written in a cursive style with a horizontal line underneath the name.

Ron Marcolin
Chair,
Coalition of New Brunswick Employers