



**Restaurants
Canada**

The voice of foodservice | La voix des services alimentaires

NEWS RELEASE

COVID-19 has cost the B.C. foodservice sector 121,500 jobs since March 1

A Restaurants Canada survey has revealed that many jobs lost due to COVID-19 might not return, as nearly one in 10 restaurants have already closed permanently and many more might close within a month.

FOR IMMEDIATE RELEASE

VANCOUVER, April 2, 2020 — Restaurants Canada estimates that 800,000 foodservice jobs have already been lost nationwide due to COVID-19 — about 121,500 just in British Columbia alone — and they might not return if current conditions continue.

With restaurants now struggling to pay rent and other bills due in April, the national association has conducted a survey to shed light on the state of the industry. Responses from foodservice operators across the country have revealed:

- Four out of five restaurants have laid off employees since March 1.
- Seven out of 10 foodservice operators will further cut back on staff hours or lay off more employees if conditions do not improve.
- Nearly one out of 10 restaurants have already closed permanently and another 18 per cent will permanently close within a month if current conditions continue.

“Not only was our industry among the first to feel the impacts of COVID-19, we’ve been one of the hardest hit so far, with nearly two thirds of our workforce now lost,” said Shanna Munro, Restaurants Canada President and CEO. “In our 75 years of existence as Canada’s national foodservice association, these are by far the worst numbers we have ever seen.”

British Columbia's \$15 billion foodservice industry represents 5 per cent of the province's GDP and is the province's third-largest private sector employer. If conditions

do not improve, Restaurants Canada estimates that B.C. foodservice sales for the second quarter of 2020 will be down more than \$3 billion.

The voice of foodservice is being heard

Restaurants Canada has been working closely with government and industry stakeholders since the start of the COVID-19 crisis, contributing to efforts to safeguard public health and assure business continuity as much as possible.

"While our members appreciate the government relief measures announced so far, the reality is a growing portion of B.C. restaurateurs are considering permanent closure as they cannot pay their operating costs with no income," said Mark von Schellwitz, Restaurants Canada Vice President, Western Canada. "Urgent additional relief is required to help these businesses survive or there will be fewer jobs for the thousands of temporarily laid off restaurant employees to return to once social distancing measures are lifted."

Working toward a swift and strong recovery

Restaurants Canada continues to be at the table, working with all levels of government to strengthen actions already taken in the following areas to provide foodservice businesses with more immediate protection and relief, as well as help to reopen and rehire:

- **Rent relief:** Flexible arrangements are needed from landlords to allow for payment-free periods. Foodservice operators are looking for a coordinated effort led by government, coupled with no-eviction orders to relieve pressure. An injunction on evictions would allow time for governments to bring stakeholders to the table to develop immediate and long-term solutions that will work for all parties involved.
- **Access to working capital:** With little-to-no sales revenue coming in for most foodservice businesses, many have already depleted their reserve funds, or soon will. Existing measures may need to be expanded and new solutions continue to be welcomed to ensure restaurants will have enough working capital to reopen their doors once physical distancing rules are lifted.
- **Labour:** An expansion of the qualifying conditions and time period for accessing the 75 per cent wage subsidy would help restaurants not only keep workers on payroll but allow those already laid off to be rehired.

About the Restaurants Canada survey

Conclusions cited above are based on responses to a Restaurants Canada survey conducted between March 25 and March 29, 2020. Restaurants Canada received a total of 655 completed surveys from foodservice operators across Canada, representing 13,300 locations (as many respondents belong to multi-unit businesses). Canada's commercial foodservice industry is made up of 97,500 establishments, including full-service restaurants, quick-service restaurants, caterers and drinking places.

About Restaurants Canada

Restaurants Canada is a national, not-for-profit association advancing the potential of Canada's diverse and dynamic foodservice industry through member programs, research, advocacy, resources and events. British Columbia's foodservice sector is a \$15 billion industry that directly employs nearly 193,000 workers, is the province's number one source of first jobs and serves 3.4 million customers every day.

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