



Restaurants
Canada

The voice of foodservice | La voix des services alimentaires

Alberta's Foodservice Industry COVID-19 Update

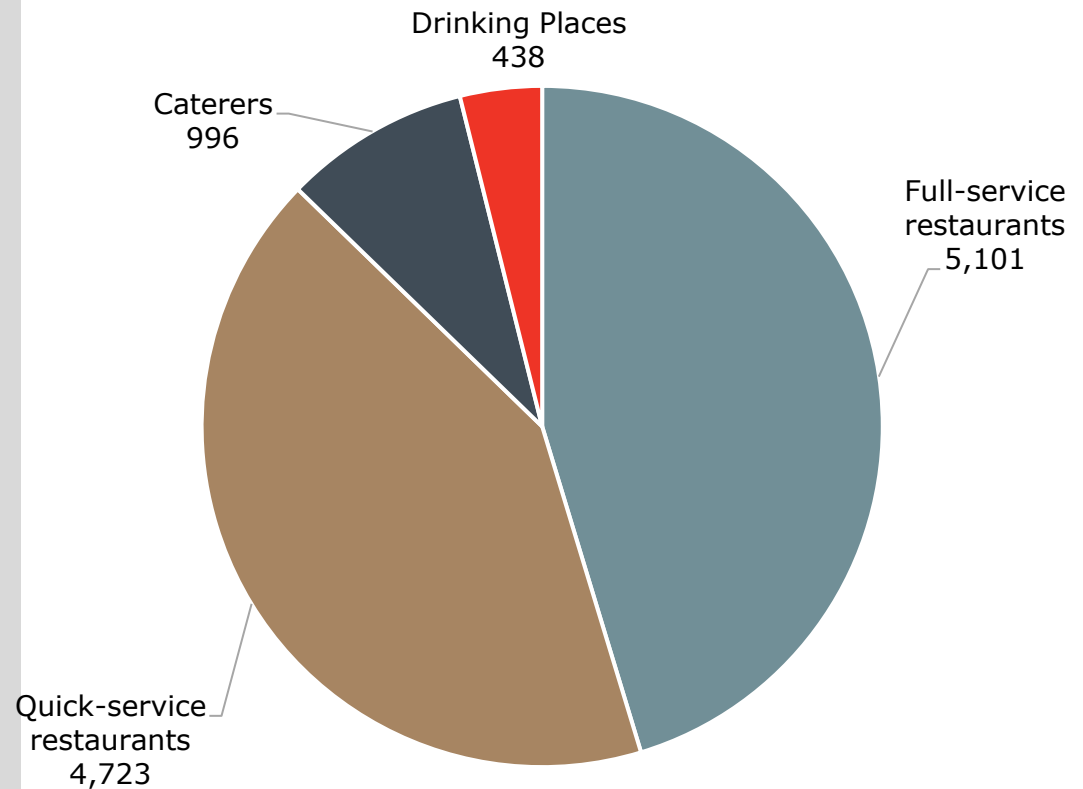
Creating Jobs and Economic Growth Throughout
the Province

Mark von Schellwitz
Vice-President, Western
Canada
February 2021

Alberta's Restaurant Industry (Pre-COVID)

- \$12 billion in sales
(Commercial + non-commercial)
- Every dollar spent
at a restaurant
generates an
additional \$1.85 of
spending in the rest
of the economy
- 11,257
establishments

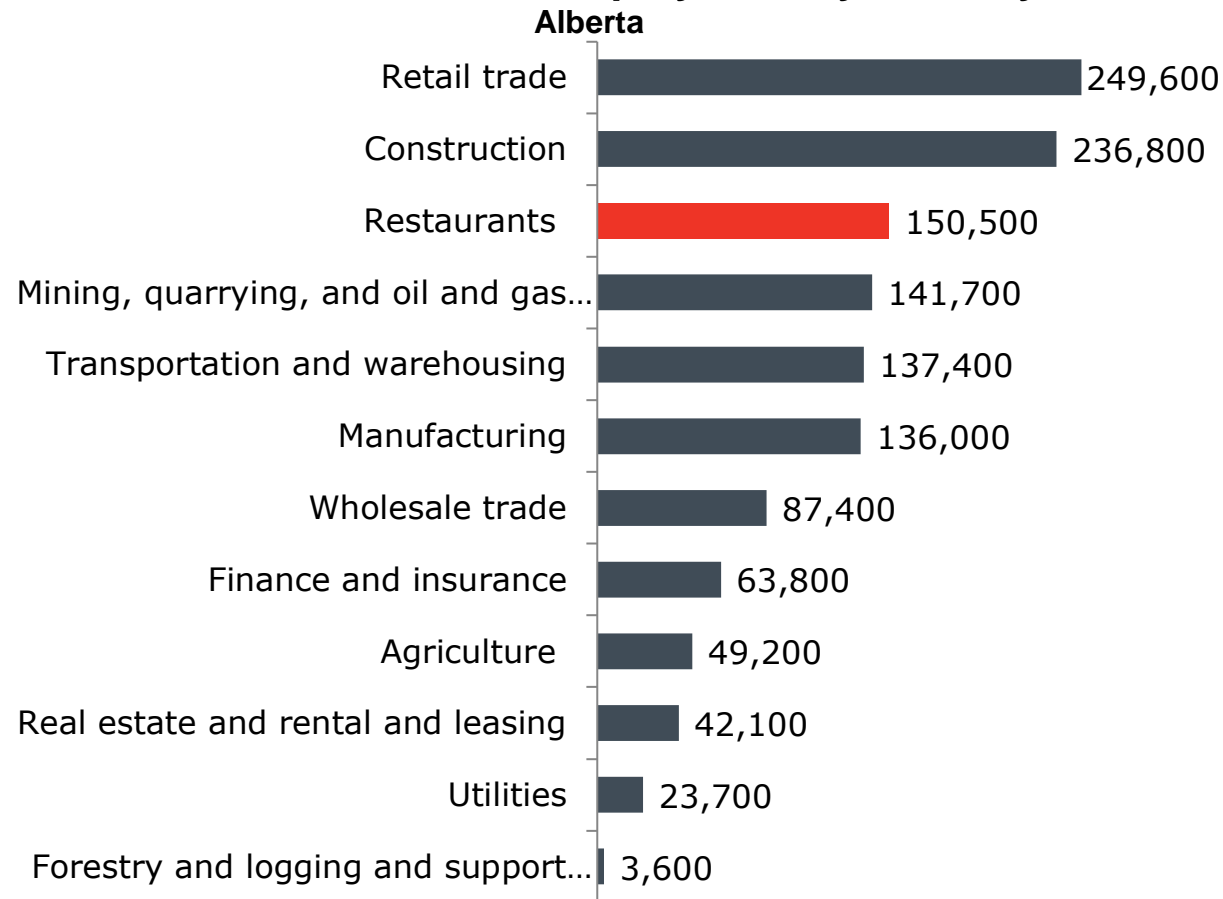
Number of Commercial Foodservice Establishments



One of Alberta's Largest Employers

- 150,500 direct jobs
- 6.4% of the province's workforce
- 56,900 youth jobs

2019 Private Sector Employment by Industry



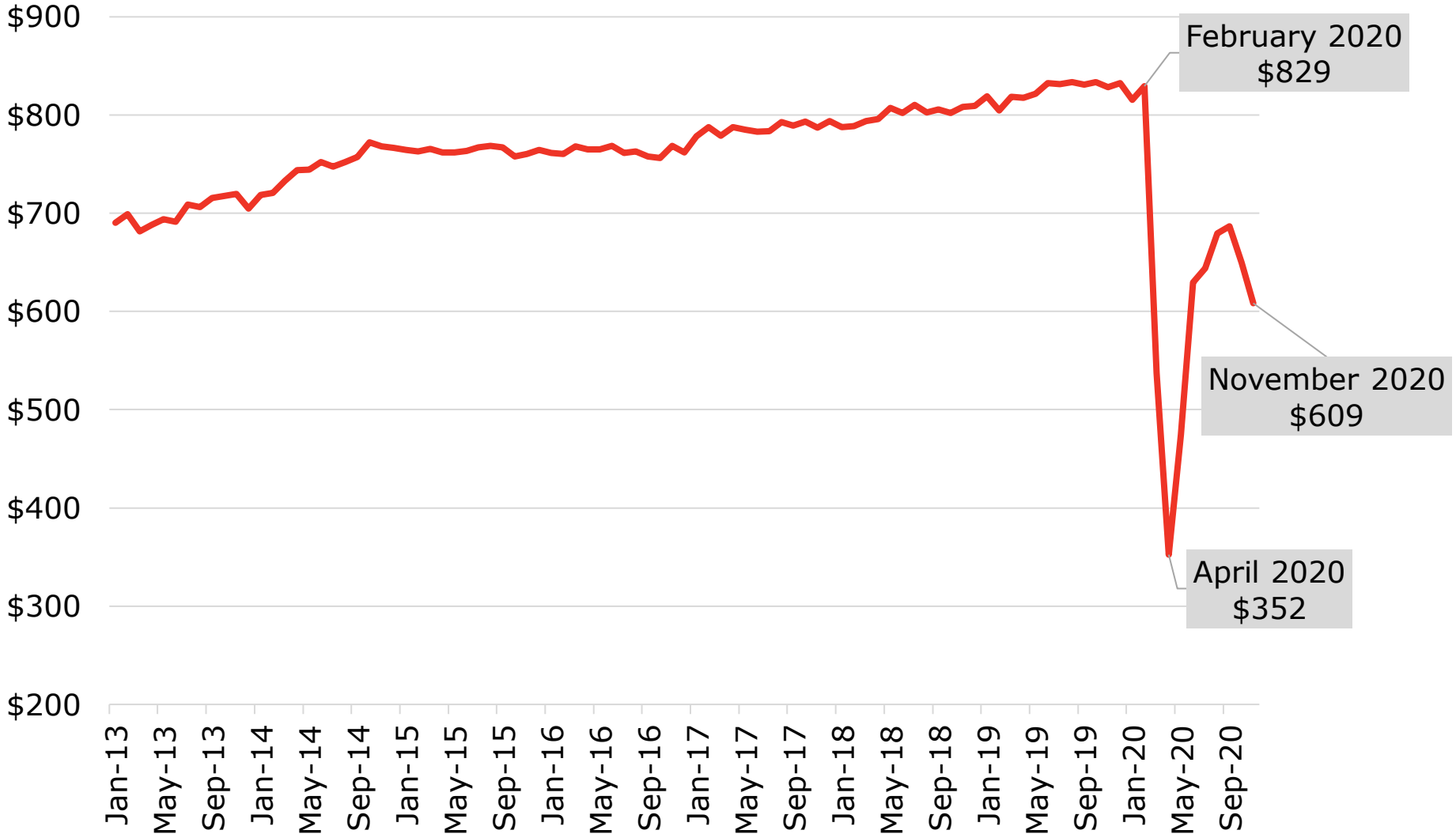
Profit Margins (Pre-COVID)



The average Alberta restaurant has a pretax profit of just \$37,835

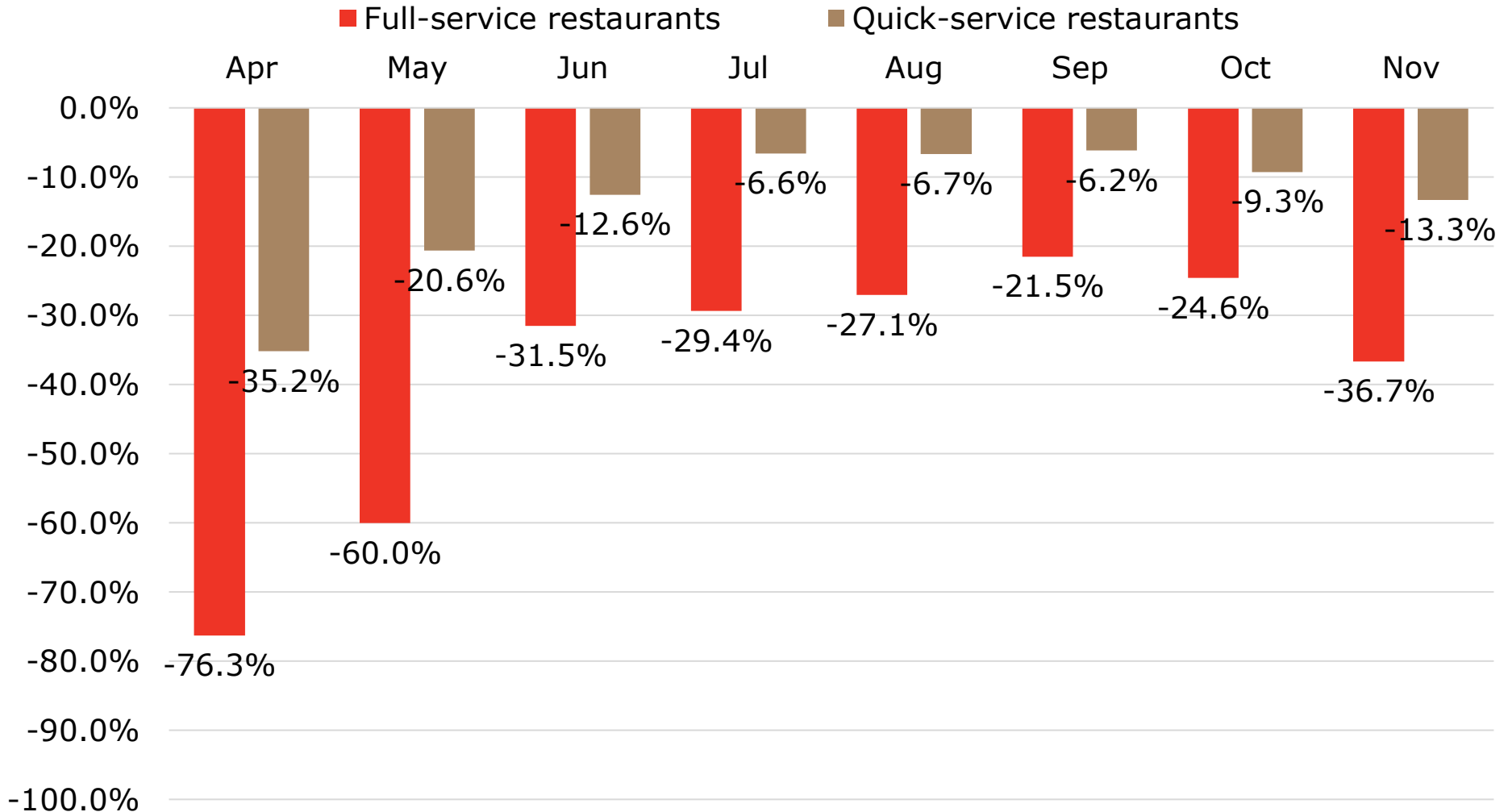
Monthly Commercial Foodservice Sales - Alberta

(seasonally adjusted, in millions of \$)



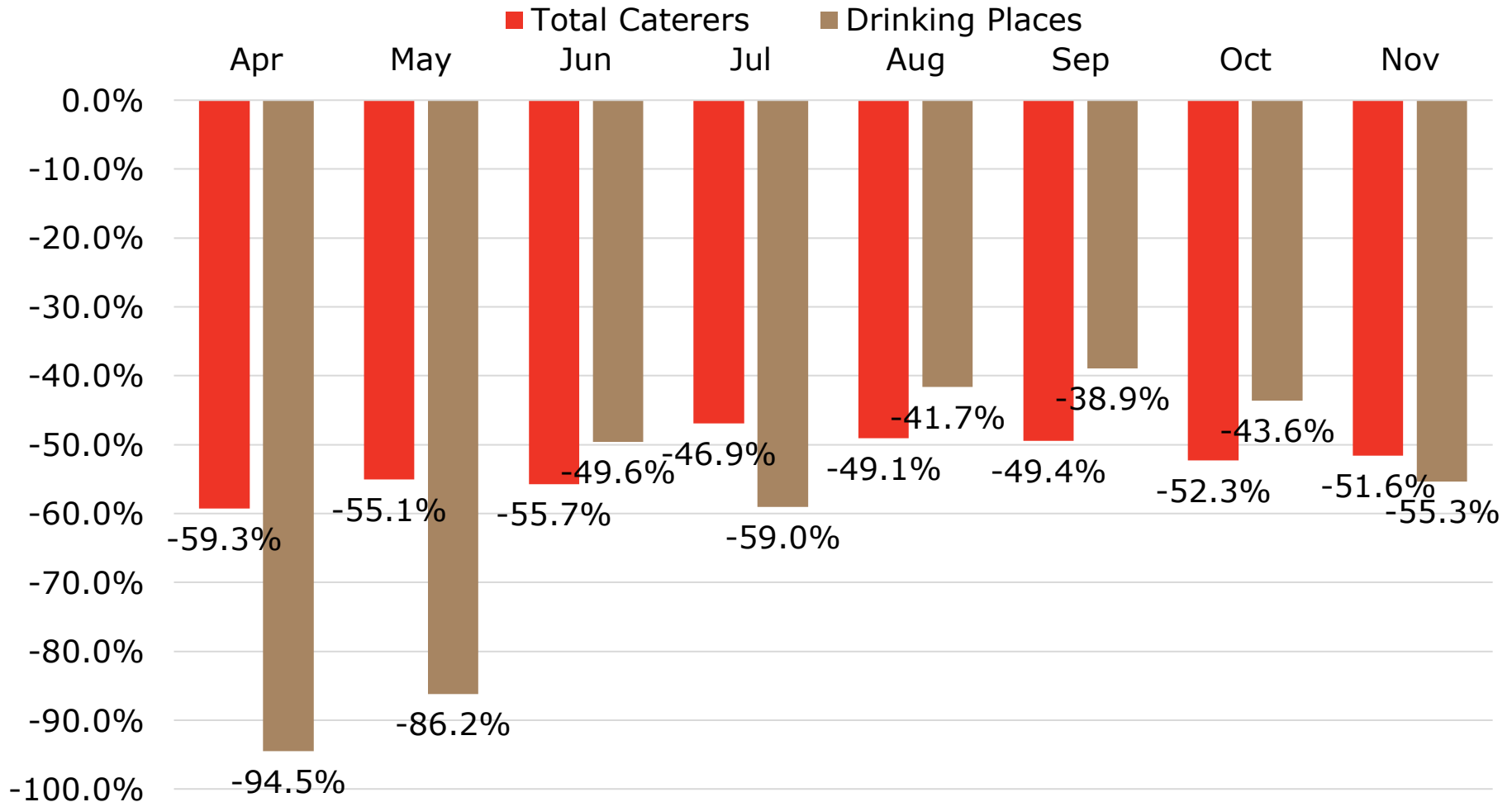
2020 Commercial Foodservice Sales Alberta

(year-over-year change)



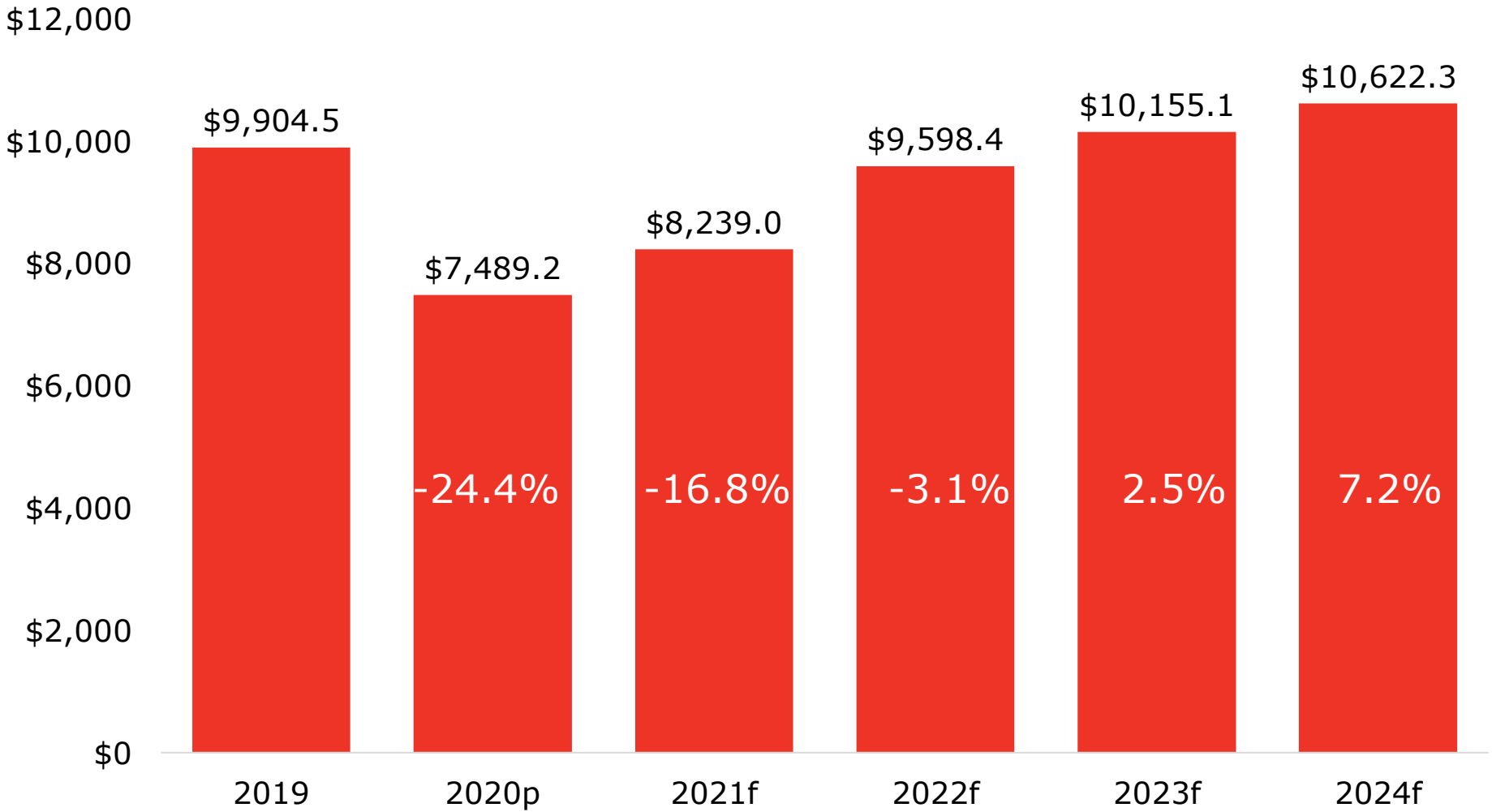
Commercial Foodservice Sales Alberta

(year-over-year change)

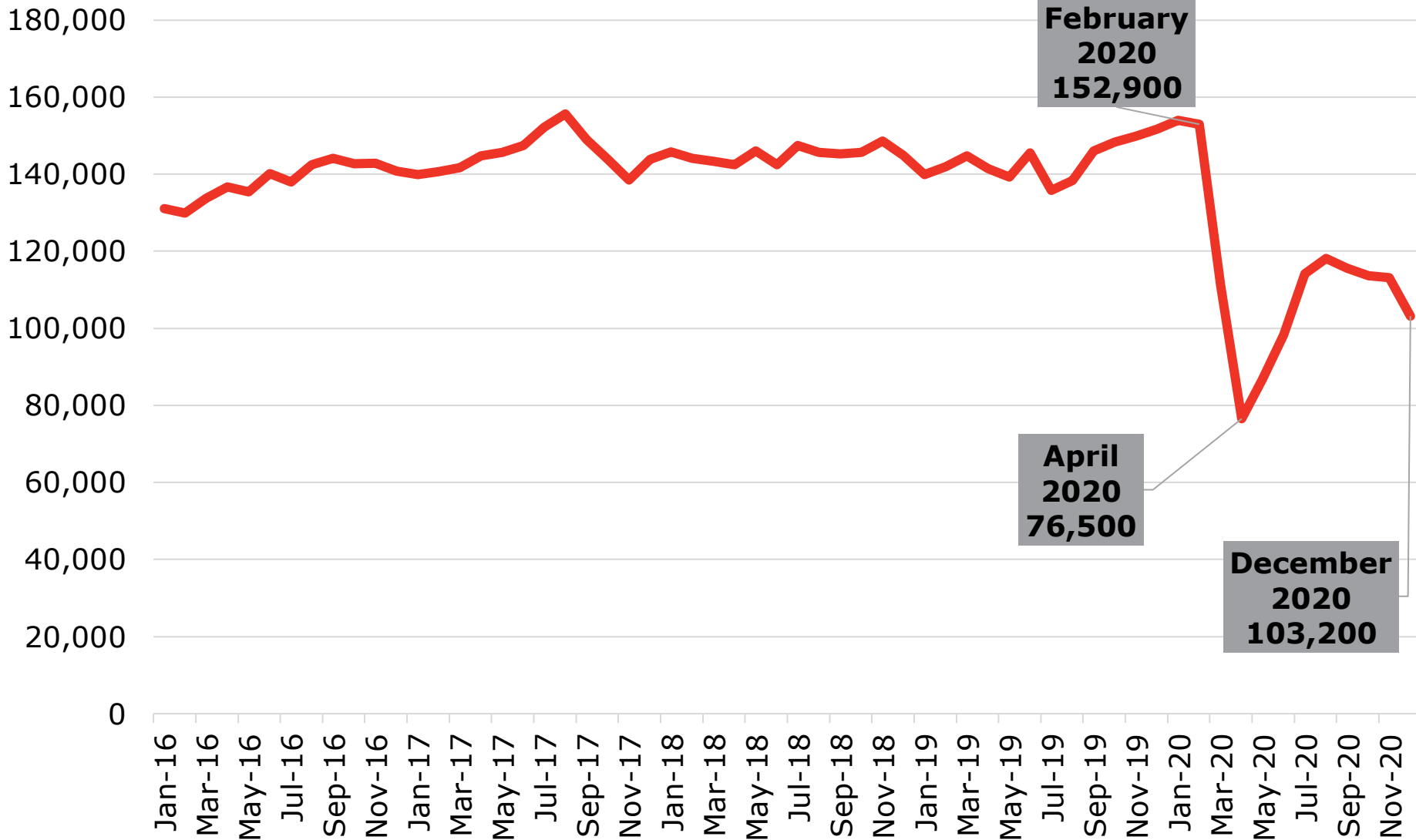


Commercial Foodservice Sales Forecast Alberta (in millions)

(growth rate compared to 2019)

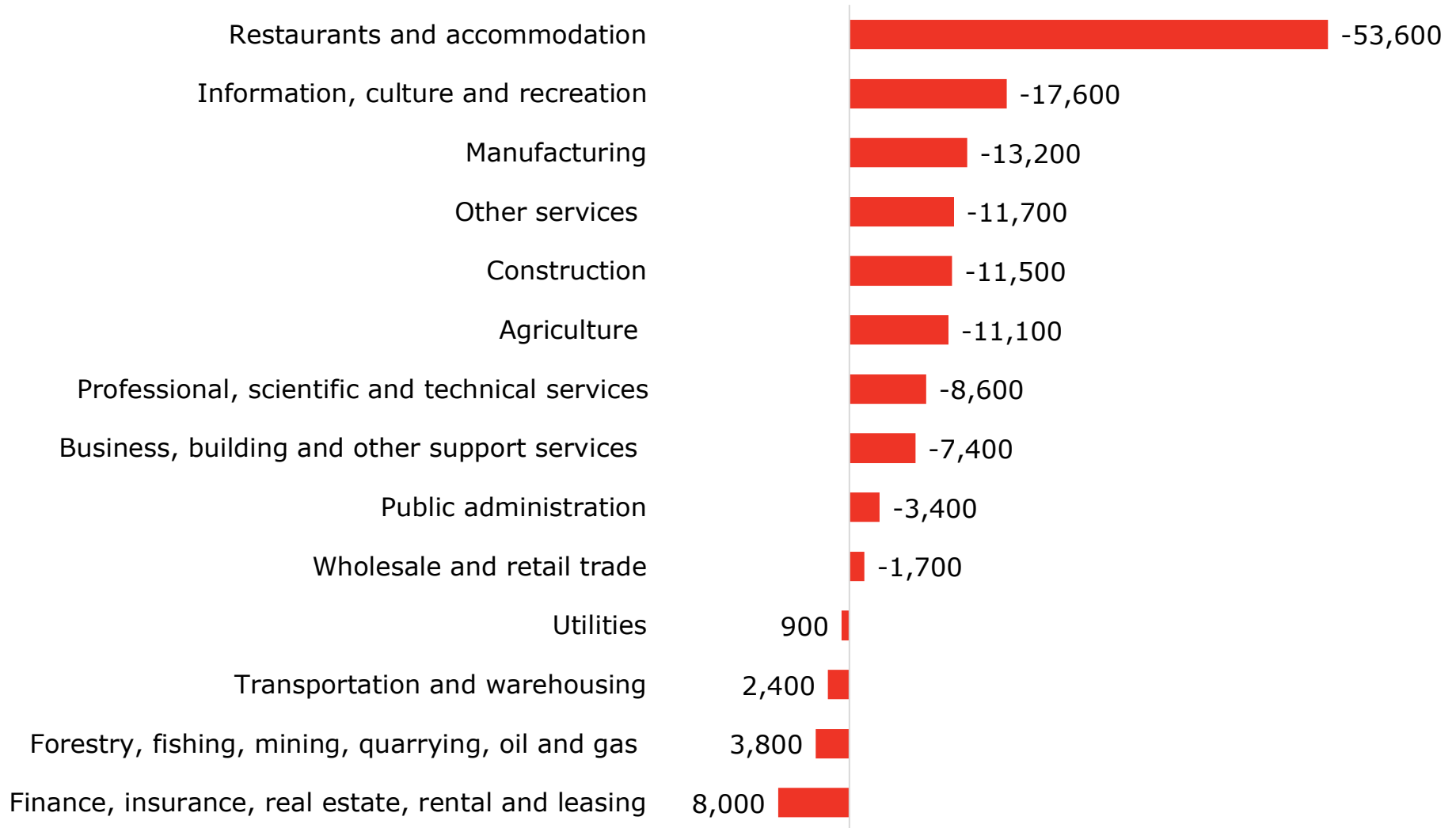


Foodservice & Accommodation Employment Alberta



Job Loss Gap in Alberta

December 2020 employment compared to February 2020



COVID-19 Changes Industry Sales Mix

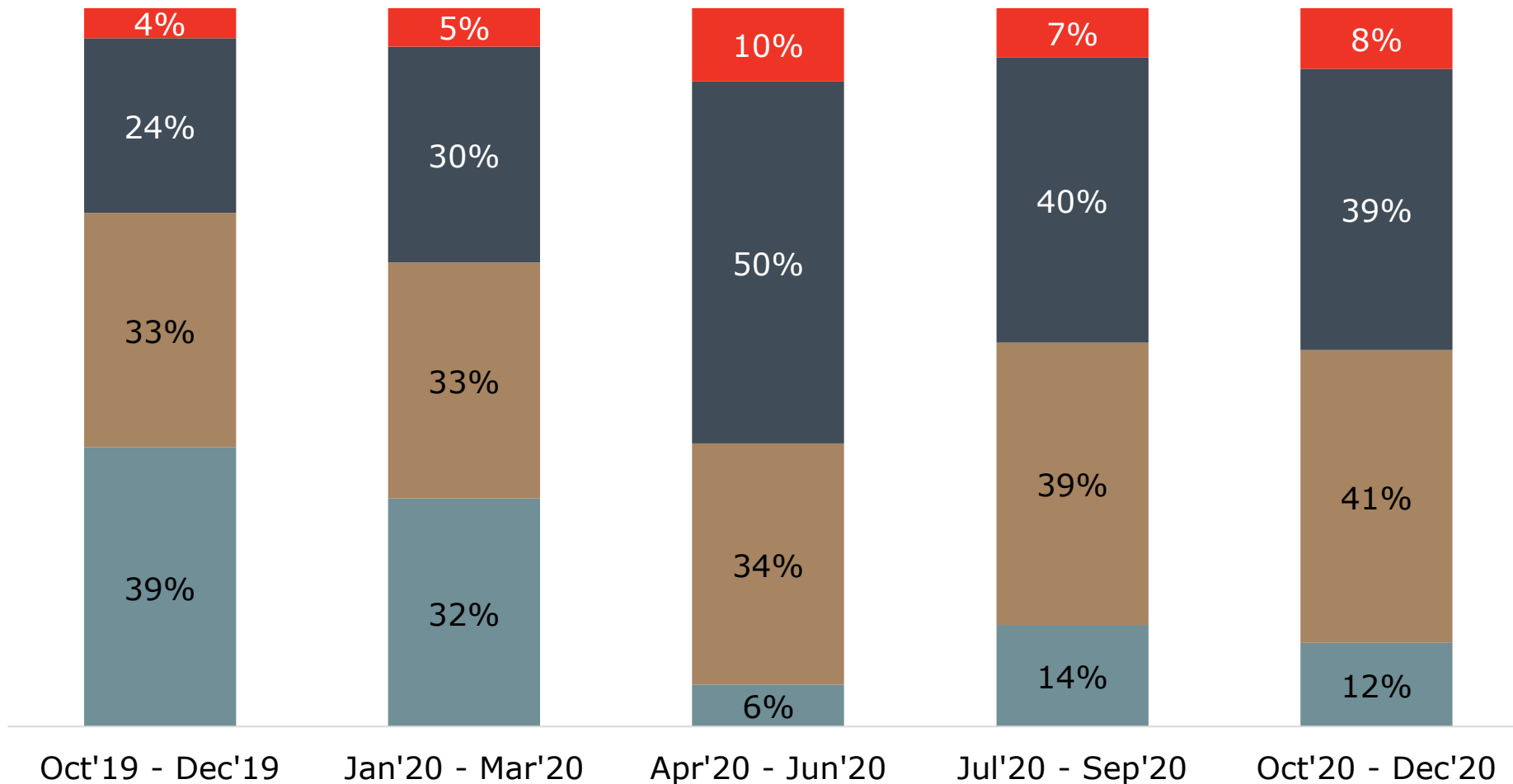
While trend towards more takeout & delivery sales began pre-COVID-19

Post Covid-19 lockdowns and restrictions lead to takeout & delivery becoming an even more important component of restaurant sales mix

Foodservice Traffic by On/Off Premise

Quick-service restaurants

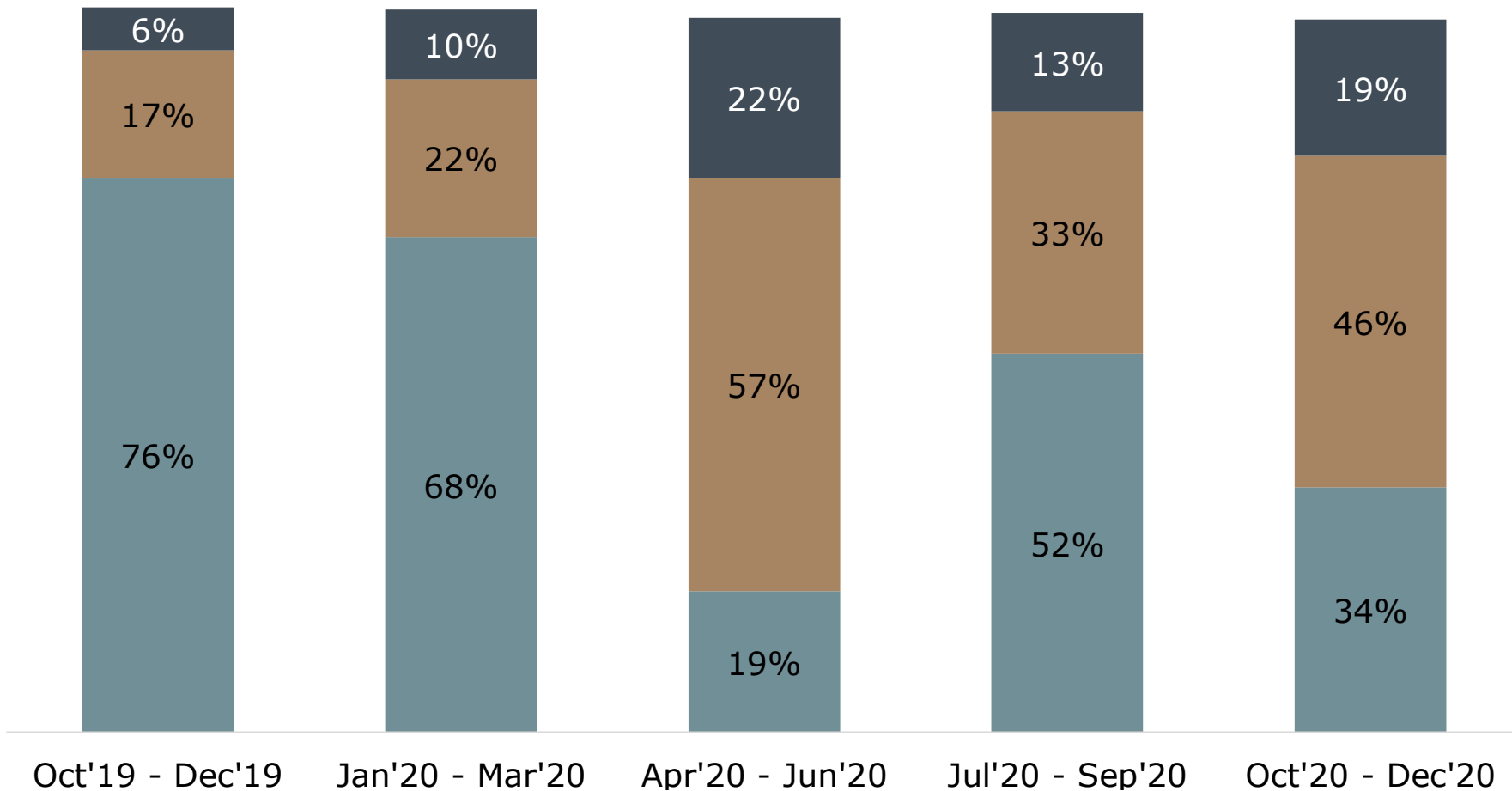
■ On Premises ■ Carry Out ■ Drive Thru ■ Delivery



Foodservice Traffic by On/Off Premise

Full-service restaurants

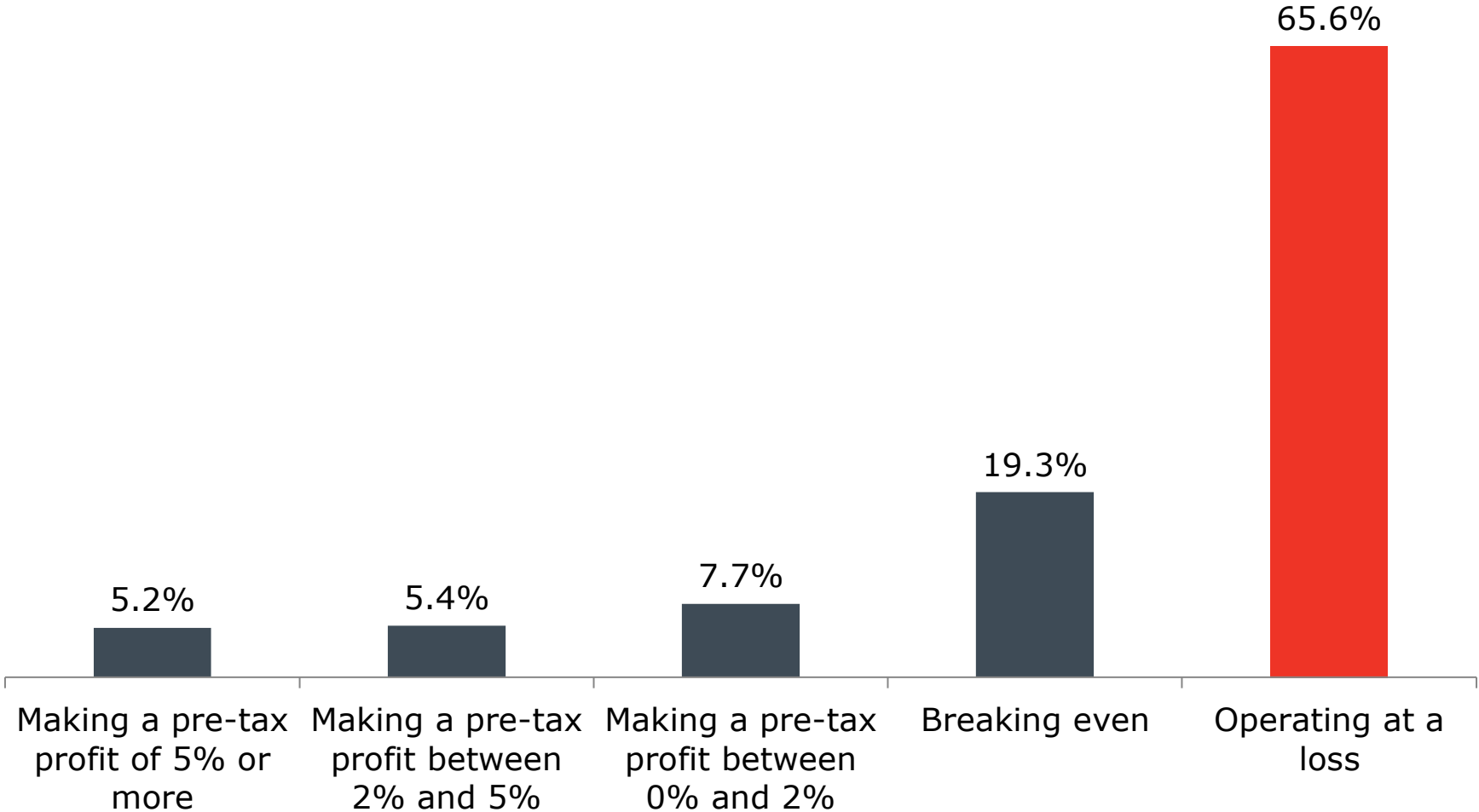
■ On Premises ■ Carry Out ■ Delivery



Ongoing Restaurants Canada member surveys of thousands of members nation wide reflect COVID impact and identify government support priorities

Which best describes the current profitability of your overall operations?

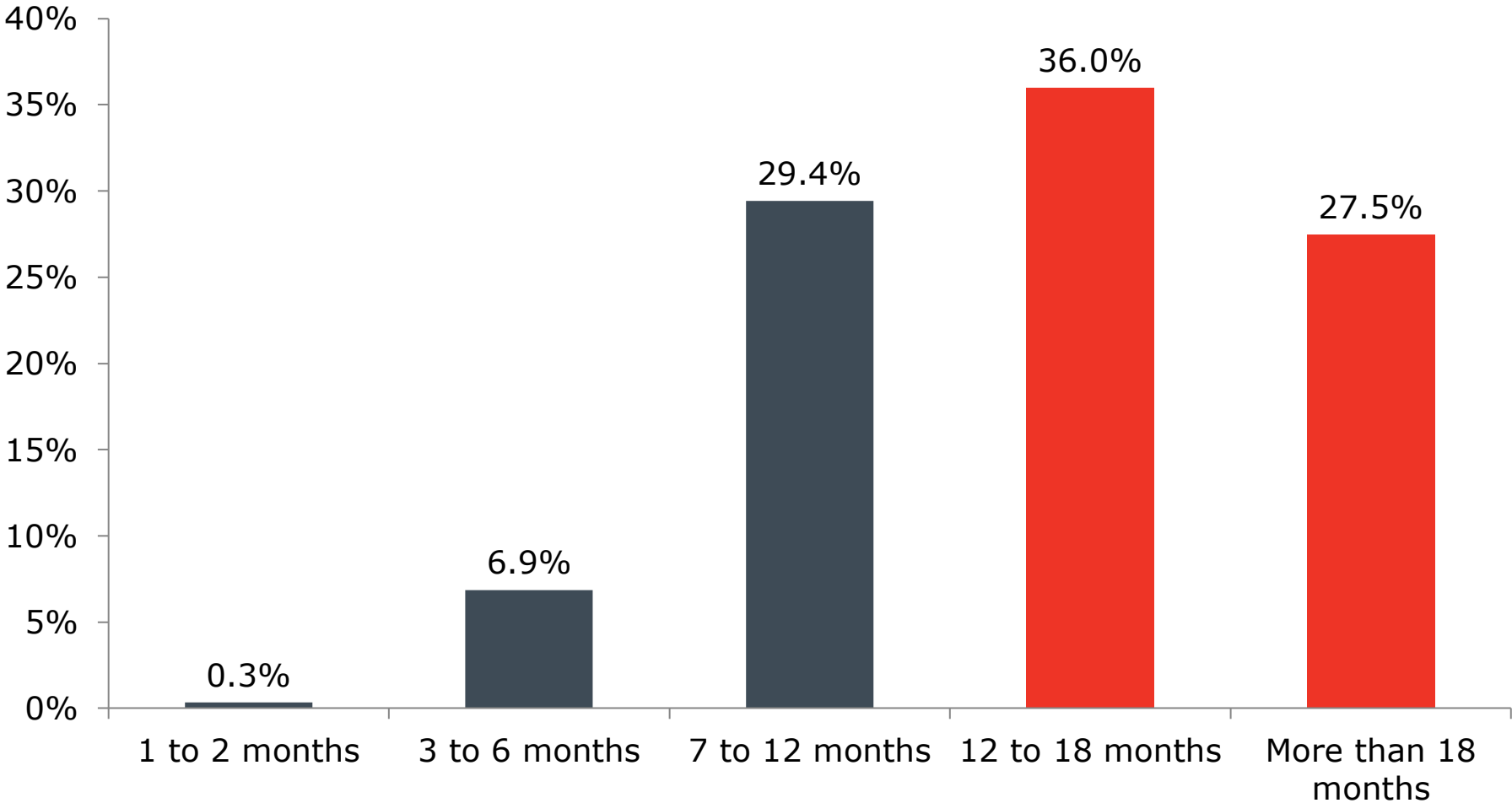
(Canada)



How many months do you expect it will take for your business to return to profitability?

(for those operating at a loss)

(Canada)



Member surveys also identify government support priorities

- Surveys consistently identify need for:
 - ✓ Assistance with labour costs - (ie. CEWS)
 - ✓ Assistance with commercial rent - (ie. CERS)
 - ✓ Help lowering operating costs - (ie WCB premium relief)
 - ✓ Help with cash flow & rising debt levels through working capital grants - (ie. Alberta Relaunch Grant)
 - ✓ Assistance with transition to takeout & delivery sales as it becomes a more important component of sales mix - (ie. liquor delivery with meals and need for a cap on 3rd party delivery fees)

Other member concerns identified

- Need to reopen with as few restrictions as possible (ie. eliminate household bubble & 10pm liquor cut off restrictions)
- Consistent Public Health messaging & predictability
- Access to and affordability of insurance
- Increasing labour costs
- Need for continuing to lower taxes & fees including breaks on property tax and utilities – More loans will not help
- Environmental regulations and bylaws impacting cost and availability of single use packaging for takeout
- Changes to current TFW/PNP policy needed as not allowing rural and resort operators to adequately staff where due to demographics they do not enough appropriate staff
- Consumer confidence – messaging and incentives to promote safety of eating out augmenting Restaurants Canada consumer campaign efforts

“Picture life without restaurants” Campaign

We're turning to the public, the communities that local restaurants depend on, to step up and support. The public must understand that without their support, restaurants will continue to close.

We're asking consumers to Take Action:

1. Dine-in (where applicable)
2. Takeout/delivery
3. Purchase gift cards

Campaign Execution

- Digital ads – Social media and Google Search
- Newspaper – national and local
- Television public service announcement
- Radio public service announcement
- Consumers – sharing the pledge
- Operators – download the Toolkit and sharing on their own networks





Spread the word:

- Consumers can pledge their support for their local restaurant
- View the public service announcement
- Restaurants can download the Toolkit which include ads/copy to use on their own social networks.

Together, we can keep restaurants in the picture. #RestaurantsAreFamily



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A top-down view of three hands holding coffee cups in a toast. The top hand holds a white cup with a latte and a heart-shaped latte art. The bottom-left hand holds a dark cup with an iced coffee and chocolate shavings. The bottom-right hand holds a white cup with a latte and a leaf-shaped latte art. The background is a blurred coffee shop setting.

Thank You