



**Restaurants
Canada**

The voice of foodservice | La voix des services alimentaires

British Columbia's restaurants need a sector-specific survival package to bring back 45,300 jobs

Foodservice businesses need an exemption from the scheduled scale-back of the wage and rent subsidies to bring back nearly half a million jobs still missing from the Canadian economy.

FOR IMMEDIATE RELEASE

VANCOUVER, May 13, 2021 — Restaurants Canada is calling for a sector-specific support package to recover more than 400,000 foodservice jobs — including 45,300 jobs still missing from British Columbia's restaurant sector.

"Restaurants are key to feeding British Columbia's recovery and bringing back jobs, but first they need to survive," said Mark von Schellwitz, Restaurants Canada Vice President, Western Canada. "If subsidies are scaled back too soon, they won't have the working capital they need to transition from survival to revival."

Restaurants account for most of Canada's pandemic employment gap

According to the [April Labour Force Survey](#) from Statistics Canada, more than two thirds (70.9%) of the 503,000 jobs still missing from the Canadian economy in the wake of COVID-19 are from the foodservice sector.

Factoring in the 80,700 employees who didn't work any hours last month, there are still 437,500 fewer people working in Canada's foodservice sector than there were in February 2020. This includes 45,300 restaurant jobs still not recovered in British Columbia — nearly a quarter of the province's foodservice workforce.

With a number of provinces prolonging or increasing dining restrictions as they continue to contend with the third wave of the pandemic, further foodservice job losses will likely be reported in May.

Half of restaurants face risk of closure if subsidies are scaled back too soon

"The vast majority of foodservice businesses have been operating at a loss or barely breaking even throughout the entire pandemic, with nearly half consistently

losing money for more than a year,” said von Schellwitz. “They have been counting on the rent and wage subsidies to be the bridge they need to stay alive until dining restrictions are lifted and they can truly start to recover without the help of emergency support.”

According to the latest survey data from Restaurants Canada:

- 8 out of 10 foodservice businesses have been operating at a loss or barely scraping by throughout the entire pandemic, with 45% consistently losing money for more than a year.
- 7 out of 10 restaurant operators continuing to lose money expect they’ll need at least a year to return to profitability.

“If restaurants are forced to contend with less and less from the critical wage and rent subsidies before they’re able to operate without them, many will have to give up and close their businesses down for good,” said von Schellwitz.

Restaurants Canada is calling on the federal government to immediately introduce a sector-specific **Restaurant Survival Support Package** containing the following measures:

- An exemption from the scheduled scale-back of the rent and wage subsidies for the highly affected foodservice sector, and an extension of these vital programs for restaurants until at least April 2022.
- The option for any restaurants eligible for the wage subsidy to also apply for added funding through the Canada Recovery Hiring Program.
- Partial forgiveness for all government-backed loans and an extension of application deadlines for existing programs.
- Tax credits to defray costs of COVID-19 health and safety expenditures.

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. Before the start of the COVID-19 pandemic, British Columbia’s \$16 billion restaurant industry was the province’s third-largest source of private sector jobs, typically employing 201,000 people.

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