

SAVE MAIN STREET

A Plan for Jobs and Financial Security
for Working People



INTRODUCTION

Good jobs and financial security for working families — that's what will help people weather the COVID-19 storm, and it's what will drive the recovery.

The COVID-19 pandemic revealed how many workers are just a paycheck or so away from being unable to make ends meet.

The risk of our pantries going bare, our rent or mortgage going unpaid, or having to crack open our retirement savings just to get by became a reality for many in 2020.

Ninety-seven per cent of all COVID-19 spending in Ontario came from the federal government. Ford promised to kick in, but instead he's just sitting on \$6.7 billion — most of which is federal money transferred to the province to help with the pandemic.

We think this money is better spent helping people than it is helping Ford's bottom line.

In April, Andrea Horwath and the Ontario NDP released Save Main Street. It was a plan to save jobs and keep small and medium-sized businesses afloat during the pandemic.

Now, with Ontario entering a second wave, we've updated that plan. It's one part of the comprehensive second-wave plan Ontario desperately needs.

We believe that only by investing in working folks will we come out of this pandemic healthier and more prosperous.

KEEP WORKERS ON THE PAYROLL

For small businesses, non-profits and charities struggling with rent payments, Andrea Horwath and the NDP are calling for a number of changes.

Immediately order a ban on all evictions, lockouts or eviction threats by commercial landlords – and keep it in place until the pandemic ends.

The existing program is full of gaps. Only businesses who qualify for the much-criticized federal commercial rent relief program can qualify for this protection.

Institute a utility payment freeze for small and medium-sized businesses.

If we let employers keep more money in their pockets, they can keep more employees on the payroll.

Offer a stand-alone emergency 75 per cent commercial rent subsidy.

The province should offer a monthly subsidy of up to \$10,000 until the pandemic ends to ensure that small- and medium-sized enterprises can continue to pay their staff. Offering subsidies means landlords and property management companies can continue to pay their staff, too. The federal program for rent support – which is about to expire — has been a major disappointment. Less than a third of the total available funds for the program have been spent. It's also completely up to landlords to decide to apply, and they elect to lose 25 per cent of their income when they apply. Yet Ontario businesses make up the majority of all recipients, receiving \$497 million out of a total of \$983 million that has flowed out of the program, showing how hard jobs and the economy have been hit in Ontario. The Government of Ontario

should ensure all unused funds from the federal program are transferred to the province, beefed up with provincial money, and spent on this 75 per cent commercial subsidy, which goes directly to small- and medium-sized businesses.

Create a fund for businesses that face historic barriers.

Create designated emergency funds for small businesses and entrepreneurs who have faced historic barriers to accessing traditional capital sources to provide grants and low interest loans through associations, as proposed by the Canadian Black Chamber of Commerce.

KEEP WORKERS SAFE

Working folks need to know they're being protected from COVID-19 – and that their financial well-being is protected, no matter what.

Create a safe re-opening and remote-work set up fund for small-businesses.

The fund should be available to all small- and medium-sized enterprises to help them with things like setting up an online retail operation, or buying laptops and software for their workforce so workers can safely do their jobs at home. The fund should also cover expenses like plexiglass barriers, personal protective equipment (PPE) or workspace configuration changes to help staff and any clients they serve stay safe.

Bring in Made In Ontario paid sick days for all.

An outbreak of COVID-19 could devastate people's health and their lives, and shut down the business they work in. All working Ontarians, including those in low-wage and precarious jobs, need guaranteed paid sick days so they can stay home when they're ill or when they believe they've been exposed to COVID-19. Despite funding from the federal government to do this, the Ford government has not. Ontario needs a permanent, provincial plan to provide paid sick days to all workers.

BUILD THE SHE-COVERY

The pandemic has disproportionately impacted women – both when it comes to health, and personal finances, leading experts to dub the recession a she-cession. Women initially experienced more job losses than men, and jobs have been slower to return for women. Women have shouldered more unpaid care-giving responsibilities with children out of school and child care, and elderly parents needing more support. Meanwhile, women, especially women of colour, are more likely to be in jobs that put them at risk of COVID-19, from low-wage jobs in grocery stores and pharmacies to personal support worker jobs in hospitals, long-term care homes and home care agencies. There will be no recovery without a she-covery and women — especially women of colour — need policies programs and supports that work for them.

Keep kids safe so parents can keep working.

If parents – especially women – have to stay home with sick or quarantining children again and again, their income is at risk. A class-size cap of 15, and a school bus cap of 50 per cent of the bus' capacity, will keep kids safer, so their parents can keep working.

Create more, safer child care spaces.

If parents – especially women – can't find safe, affordable child care, they can't go back to work. Affordable, accessible child care is a critical step in financial stability for women and families. Following

some deep cuts to child care before the pandemic, and a lack of funding to keep non-profit and community-based child care centres afloat, spaces are harder than ever to find now. There are as many as 30 children allowed in one room. The government should invest immediately in more spaces in more public and non-profit child care centres, helping kids physically distance.

Create a dedicated re-training fund.

Target support for those who were hurt worse by this crisis – including women and racialized Ontarians – with dedicated re-training funds and an Office to Advance Women Apprenticeship as recommended by the Ontario Chamber of Commerce.

STOP INSURANCE GOUGING

Institute an auto-insurance grace period.

Work with the insurance industry and the Financial Services Regulatory Authority to institute an auto-insurance grace period for taxis and car-sharing drivers.

Stop insurance gouging, and stop insurance corporations from denying coverage based on COVID-19.

Doug Ford has failed to take action to ensure insurance companies and other essential service providers are not gouging small businesses desperate to stay on their feet. From small businesses to the film and video industry, community centres, and children's sports leagues trying to safely resume physically-distanced operations, insuring or renewing their insurance is leading to concerns about insurance companies gouging and even denying insurance policies. The government should stop insurance gouging through tougher regulations, including the regulation of COVID-19-related insurance policies, barring companies from using COVID-19 as an excuse to jack-up rates or deny coverage. That's got to include ensuring that insurance companies properly pay out business interruption claims.

Mandate commercial vehicle insurance rebates.

There have been fewer vehicles on the road, and fewer accidents, so insurance companies are rolling in a windfall of cash. From restaurant delivery services to taxis and trucking companies, mandating commercial vehicle insurance rebates will keep people who drive for a living behind the wheel.

KEEP RESTAURANT JOBS AFLOAT

Limit food delivery fees.

Many bars and restaurants are struggling with delivery fees charged by third-party delivery operations. Predatory fees that can be as high as 30 per cent are making restaurateurs' margins razor-thin. The government should limit food delivery fees and charges from third-party delivery services. In combination with mandating commercial vehicle insurance rebates, a strong food-delivery business can help restaurants keep their kitchen open and their staff on the payroll.

ADDITIONAL BACKGROUND

Save Main Street

The NDP's first Save Main Street plan was released in early April. It is based on the best advice of businesses and chambers of commerce, unions and labour organizations and community leaders. None of its recommendations have been implemented by the Ford government, to date. It included:

- A 75 per cent commercial rent subsidy up to \$10,000 a month for three months
- A utility payment freeze

- A remote-work set up fund, which could help them with things like setting up an online retail operation, or buying laptops and software for staff
- An auto insurance grace period for taxis and car-sharing drivers, established in partnership with the insurance industry and the Financial Services Regulatory Authority
- A designated emergency fund for small businesses and entrepreneurs who have faced historic barriers to accessing traditional capital, as proposed by the Canadian Black Chamber of Commerce.

Canadian Manufacturers and Exporters (CME)

MPP Catherine Fife (Waterloo) wrote a letter to the Ford government calling for provincial support for parts of the CME recovery plan including:

- Ensuring that the rent relief program delivers support directly to businesses
- Creating a home renovation tax credit
- Committing to source PPE and other protective equipment that's made in Ontario

Ontario Chamber of Commerce

The Ontario Chamber has also suggested that the provincial/federal rent relief program has been an absolute failure and has been a supporter of the NDP's Save Main Street Plan. They've also called for a ban on commercial evictions and a reduction of electricity costs – policies that the NDP has supported as well. In June the National Chamber Organization released their Roadmap to Recovery document that contained a series of policy recommendations for the federal government.

CFIB

The most recent CFIB member survey, released Aug. 5, showed that Ontario business owners continued to be concerned about making ends meet during the recovery period.

- 48 per cent of owners are worried about the physical toll this crisis will have on their long-term health
- Only 58 per cent of businesses have fully reopened – the lowest percentage in Canada
- Only 23 per cent are making their usual revenue for this time of year
- Only 21 per cent said the rent relief program was helpful to them