

Navigating the pandemic # SmallBusinessEveryDay

Extend and fix Ontario's grant programs to help save small businesses



-Opinion -By Julie Kwiecinski, CFIB's Director of Provincial Affairs, Ontario

As the pandemic drags on, more small businesses have shuttered their doors forever. After months without in-store sales and now a third province-wide lockdown,

our main streets are looking more like the sets of old westerns rather than the vibrant communities we knew them to be.

How can Ontario's small businesses be expected to survive, when some have been closed by government order for more than 80 per cent of the pandemic and were just shut down again by government? How do they survive when their average COVID-19 debt is about \$208,000 and when only 27 per cent are at their usual revenues for this time of year?

Just being allowed to stay open or to reopen after the latest lockdown won't make up for lost sales, especially as people are encouraged to stay home. Add in low consumer confidence and changed shopping habits after people have been buying everything for months inperson at Costco and Walmart, and online at Amazon – and what you get is the recipe for a lengthy and drawn-out recovery.

Small businesses need the government that closed them to help them navigate the long road to the other side of COVID-19. The Ontario government must financially support small businesses. In a recent CFIB survey, 75 per cent of small business owners said that government programs are crucial to their survival in 2021.

We appreciate the provincial government's budget move to automatically double funding to small businesses that have already received the Ontario Small Business Support Grant. For example, if you were approved for \$20,000 in the first round of funding, you will receive another \$20,000 without having to reapply.

While this grant program is providing muchneeded support to many businesses, it ended on April 7 without helping the thousands of hard-hit small businesses that were excluded, such as construction businesses, dry cleaners, caterers, restaurant supply chain, breweries, health professionals, print shops, and some multiple businesses with the same owner, just to name a few.

On top of a continued provincial grant that is more widely accessible, it makes sense to have more personal protective equipment (PPE) funding as businesses prepare to reopen to in-store customers after the third lockdown. Ontario's one-time PPE grant of only \$1,000 wasn't nearly enough. When open, some gyms spend \$2,000 a month alone on PPE.

Sadly, the budget offers no new money for the PPE grant, which ended on March 31. Instead of closing this grant when PPE is needed most, the government should expand eligibility and increase the amount available.

Telling business owners they can use the Small Business Support Grant to pay for anything they choose – including PPE – is not an acceptable reason for shutting down the PPE grant, when all of those dollars have already been allocated to mounting debt and other COVID-related financial challenges.

The Ontario government committed to doing whatever it takes to help small businesses weather the economic effects of lockdowns. Now that the provincial government has chosen to lock down small businesses for a third time, they must turn these words into further actions by extending and improving the Small Business Support Grant and PPE grant.

The government had other options, like widespread rapid testing, renewed contact tracing, and improved and expedited vaccine rollouts. They chose instead to repeat a failed policy, expecting a different outcome.

Thirty per cent of Ontario's small business owners are worried about closing for good. No one wants to see our main streets turn into old western ghost towns.

- Article provided by CFIB (cfib-fcei.ca)



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