



April 14, 2020

Rt. Hon. Justin Trudeau  
Prime Minister of Canada  
Office of the Prime Minister  
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Ottawa, ON K1A 0A2

Hon. Doug Ford  
Premier of Ontario  
Correspondence Services Unit,  
Whitney Block, Room 4620, 99 Wellesley St. W.  
Toronto, Ontario M7A 1A1

## **RE: Recommendations on Support for the Business Community During the COVID-19 Crisis**

Prime Minister Trudeau and Premier Ford,

As economic development leaders in Canada's Capital, we are pleased to write to you on behalf of Ottawa's business community. Collaborating closely with Mayor Jim Watson and the City, Invest Ottawa, the Ottawa Board of Trade, the Ottawa Coalition of Business Improvement Areas (OCOBIA), the Ottawa Festival Network, Ottawa Tourism, and Le Regroupement des gens d'affaires de la capitale nationale (RGA) collectively represent more than 28,000 entrepreneurs, business owners and companies. This includes:

- More than 1,750 technology and knowledge-based industries that employ more than 68,000 skilled people in sectors including life sciences; software; digital media; communications technology; cleantech; and aerospace, defence and security. Moreover, Ottawa:
  - Has the second-highest concentration of tech talent in North America with 9.9% of its workforce employed in this sector, just behind San Francisco at 10%
  - Is globally differentiated by decades of disruptive technology expertise, infrastructure and world-leading companies in telecommunications, cybersecurity, Connected and Autonomous Vehicles (CAV), AI and machine learning
  - Is also home to Kanata North Tech Park, the largest of its kind in Canada, which generated \$13 billion to GDP in 2018
- 6,200 small businesses and property owners that generate \$250 million property tax revenue
- More than 43,000 people in tourism and related sectors, earning \$1 billion in direct wages
  - The visitor economy contributes over \$3 billion to Ottawa's GDP, with tourism-related sectors and festivals generating \$755 million in taxes each year paid to all three levels of government

We thank you for your swift action to date to slow the spread of COVID-19, protect the health of our communities, and support citizens through this unprecedented period. We applaud your leadership and collaboration – it serves as an example for the world. We join you in this effort.

With increased and targeted business support from your governments, we can help companies to survive this crisis and drive economic growth and job creation during recovery. By addressing needs and gaps in critical sectors, we can preserve jobs, top talent, supply chains, high-growth companies and future global market opportunity. In 2019 alone, Ottawa-Gatineau contributed more than \$80 billion to Canada's GDP. Together, we can ensure that Ottawa continues to fuel the economic growth of our province and nation.

In support of these goals, we respectfully recommend the following actions to preserve more critical jobs and businesses, and further reinforce the resilience of our economy:

1. **Eliminate the revenue criteria for the 75% wage subsidy established by the Government of Canada** enabling any high-growth domestic tech company, small-to-medium-sized business and not-for-profit organization that filed taxes in 2019 to apply for this benefit. This includes pre-revenue companies with employees that have seen access to angel and seed capital disappear and can not afford to take on increased debt. Rapid deployment and approval of this subsidy through established vehicles is critical to help firms to stretch their cash and survive this crisis.
2. **Expand existing NRC-IRAP (Industrial Research Assistance Program) funding pools and BDC loans to pre-revenue companies backed by angel or Venture Capital investment** to help Canada retain the pipeline of innovation-based firms in early validation and revenue stages.
3. **Accelerate the evaluation of funding applications currently in progress to increase cash flow for companies and support net new industry-led projects** through established funding agencies and programs including FedDev Ontario, SR&ED and IRAP.
4. **Provide rent support programs with flexible terms and conditions that offer equivalent and mutually beneficial support for both property owners and tenants** that help to preserve the long-term economic stability and viability of both parties during the crisis and recovery.
5. **Increase provincial coordination and collaboration on fundamental policies, health measures and socio-economic actions during the COVID-19 crisis and recovery to preserve and further strengthen the critical business partnership between Ottawa and Gatineau.** Many firms rely on cross 'provincial' border markets, supply chains, and opportunities.
6. **Bolster support for the City of Ottawa and fellow municipalities providing vast economic support to companies and communities,** while grappling with an unprecedented loss of tax revenue, jobs, and revenue-generating programs and services. This includes continued investment for strategic infrastructure projects including LRT Stage 2 and 3.
7. **Provide targeted support to marginalized entrepreneurs and business owners at significant risk across key equity seeking groups identified by the Government of Canada to propel critical progress and economic growth:** Women; Francophone entrepreneurs; 2SLGBTQ+ community; Indigenous communities; persons with disabilities; and racialized people.
8. **Establish emergency support and aid packages for tourism and related industries** with strong, sustained investment in tourism marketing; support for conventions, festivals, sports and cultural events; and incentives for Canadians to travel domestically. This is critical to maximize the performance, competitiveness and economic impact of these sectors post COVID-19.
9. **Continue to evolve and implement 'Buy Local' and 'Buy Canadian' procurement policies across the economy,** helping to maximize cash flow, supply chains and sustainability for Canadian firms. This includes the expansion of ISED's Innovative Solutions Canada (ISC) program and DND's Innovation for Defence Excellence and Security (IDEaS) programs.

10. **Implement long-term support for the retention of top business, tech and executive talent across high-performance sectors of our economy.** Today, Ottawa boasts the most educated workforce in Canada with 61% of our labour force holding a post-secondary degree. The loss of top talent will create a significant challenge for companies when they begin to ramp back-up, and for our knowledge-based economy more broadly. We must retain this top talent in Canada to drive economic growth and compete globally during recovery.

Thank you for considering our recommendations. We are fully committed to support all proposed actions, and those implemented to date. We sincerely appreciate your unwavering collaboration and commitment to our region. Please do not hesitate to contact us if we can be of any assistance in the days ahead.

Sincerely,

SIGNATURE:



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TITLE: President & CEO

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PRINTED NAME: Carole Anne Piccinin

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