

June 11, 2020

The Honourable Larry Bagnell  
Member of Parliament for the Yukon  
204 Black Street  
Suite 204  
Whitehorse YT Y1A 2M9

Dear Mr. Bagnell (Larry),

**Re: Yukon Chamber of Commerce recommendations for CEWS revisions for the North**

Having listened to the Yukon business community, and conferred with our sister organizations in the other territories, we are writing to you with recommendations for modifications to the Canada Emergency Wage Subsidy (CEWS) program to better reflect the realities of seasonal and sector challenges of Northern businesses.

We recognize the significant efforts of the government and the civil service to address the needs of Canadians across the country in the face of the COVID-19 pandemic. While these measures have been an important start, they do not fully address the needs of Northerners.

The Yukon business community has conveyed to us that the current fixed threshold for eligibility to the CEWS program of a 30% loss in revenue has the unintended effect of forcing employers to make an “all or nothing” decision related to retaining staff. In the view of the business community and Yukon Chamber of Commerce, implementing a sliding scale approach (as outlined in the proposed schedule below) would have the benefit of allowing a business to make a gradually progressive return to full operation, effectively acting as a dimmer switch allowing businesses to gradually return to full brightness, rather than offering them only the modes of fully on or fully off.

Accordingly, in light of the impacts to businesses in the North, the Yukon Chamber of Commerce recommends that revisions to the CEWS program for the North include:

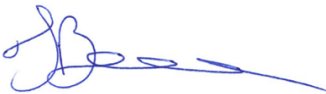
- Modifications to the wages subsidy structure for the North creating a sliding scale:
  - 30%+ loss in revenue: 75% wage subsidy (current)
  - 20% to 30% loss in revenue: 60% wage subsidy
  - 10% to 20% loss in revenue: 40% wage subsidy
  - 5% to 10% loss in revenue: 15% wage subsidy;
- Extending the CEWS Wage Subsidy beyond August 29, as the winter will bring a further slow down to the already-decimated tourism sector, as well as the mining and construction sectors. These effects will in turn trickle down to the rest of the Yukon private sector.

Businesses operating in the Yukon (and, indeed the Northwest Territories and Nunavut) already faced a unique set of challenges pre-pandemic, including the outsized GDP contribution and largely seasonal nature of our mining, tourism and construction sectors, in addition to distance and weather-dependent limitations, lengthy supply lines, and the limited availability of local, skilled workers. All of these are reflected in higher costs of operation. These issues have been further heightened by the pandemic. A number of Yukon businesses such as mineral-exploration companies, junior mining companies,

construction companies, companies in the seasonal hospitality industry, and Indigenous businesses are not currently generating revenue. Having shared with us their inability to demonstrate a loss in revenues of 15% in March, or 30% in April or May of this year, we ask that you consider the proposed approach (above) of a sliding scale.

We appreciate your attention to the unique needs of Northern businesses, and ask you to advocate for these elements.

Most sincerely,



Tammy Beese  
Chair,  
Yukon Chamber of Commerce



Peter Turner  
President,  
Yukon Chamber of Commerce

cc. Rich Thompson, Chair, Yukon Business Advisory Council  
Ranj Pillai, Minister, Economic Development, Yukon Government  
Deneen Everett, Executive Director, Yellowknife Chamber of Commerce