

July 22nd, 2020

The Honourable Bill Morneau
Minister of Finance Canada
90 Elgin Street
Ottawa, ON
K1A 0G5

Via Email: bill.morneau@canada.ca

Dear Minister,

Re: Expanded CEWS Program

The Ontario Federation of Agriculture (OFA) is Canada's largest voluntary general farm organization, representing more than 38,000 farm family businesses across Ontario. These farm businesses form the backbone of a robust food system and rural communities with the potential to drive the Ontario economy forward.

OFA would like to thank you for the decisive actions taken by the federal government to provide financial relief to millions of Canadian families and businesses in response to the COVID-19 crisis.

One of the central emergency programs introduced in response to this crisis is the Canada Emergency Wage Subsidy (CEWS). OFA appreciates the proposed changes to the CEWS program to allow greater flexibility to employers who have not seen a drop in revenue of 30% or more. This is a positive change that will allow more farmers to access the program moving forward.

However, much like the Canadian Emergency Business Account (CEBA) program, the eligibility requirements under the CEWS program continue to present obstacles that prevent many family farms from participating.

First, the complexity of the CEWS program presents a significant barrier. Many farm business owners have reported they are struggling with the application process. This means that there are farm businesses that would meet the eligibility requirements but are not enrolled in the program. We ask that as the proposed changes are implemented, your government make it a top priority to simplify the program guidelines and application process so that farmers and small business owners who can't afford to pay an advisor to apply on their behalf can access the program.

Second, most farms in Canada are small to medium sized family businesses. Often a farm business may employ little or no non-family labour. Small farms are particularly reliant on family labour to run the business. Instead of paying wages, family labour often receives financial

compensation using the profits of the business. Since the sharing of profits is not considered a payroll expense or classified as wages, many family-run farm businesses are ineligible for the CEWS. We ask that your government develop program guidelines which would allow family farms and small businesses that rely on family labour to participate in the CEWS program.

OFA and all our farm family businesses appreciate the support of the federal government during this difficult time. We expect these recommendations will be given the considerations they deserve, and we look forward to working with you to ensure a speedy economic recovery in Canada.

Sincerely,



Keith Currie
President

cc: Justin Trudeau, Prime Minister of Canada
Chrystia Freeland, Deputy Prime Minister
Honourable Marie-Claude Bibeau, Minister of Agriculture and Agri-Food Canada
Honourable Ernie Hardeman, Ontario Minister of Agriculture, Food and Rural Affairs
Mary Robinson, President, Canadian Federation of Agriculture
OFA Board of Directors