



Tom McGee
President & CEO

March 18, 2020

The Right Honourable Justin Trudeau
Prime Minister
80 Wellington Street
Ottawa, Ontario K1A 0A2

The Honorable Navdeep Bains
Innovation, Science & Industry
235 Queen Street
Ottawa, Ontario K1A 0H5

The Honourable William Morneau
Department of Finance
90 Elgin Street
Ottawa, Ontario K1A 0G5

Dear Prime Minister and Ministers:

The majority of the estimated \$737 billion of consumer activity generated by the retail, food-and-beverage, entertainment and consumer service industries occurs within Canada's shopping centres, with nearly 1 out of 7 Canadian jobs retail related. The long-term strength of the shopping centre industry is critical to the economic, civic and social viability of communities across the country.

Representing a global member network of nearly 70,000, with 5,000 in Canada, the International Council of Shopping Centers (ICSC) is proud to serve as the shopping centre industry's trade association. Our members include owners, developers, financial institutions, professional service providers and importantly shopping centre tenants such as retailers, restaurants, gyms, health centres and service providers. Nearly 70% of shopping centre tenants are small businesses that employ less than 10 people.

Federal, provincial and local government and health officials are implementing unprecedented steps to limit the risk of COVID-19 community spread. Canada's shopping centre owners, developers and tenants applaud the efforts that are taking place and stand ready to support the nation as we confront this public health crisis. Many of our member companies have already begun supporting local and national efforts with many more ready to assist immediately.

The necessary public health and safety actions being taken have required retailers, restaurants, gyms and other service providers to close. These closures are placing an insurmountable strain on our members, and we believe federal government action is urgently needed. In the most immediate term, we believe the federal government should guarantee or directly pay for business interruption coverage for retailers, restaurants and other tenants as well as landlords. This will allow these businesses to continue to pay their employees and suppliers. Most importantly, the nearly \$25.5 billion of sales taxes the shopping centre industry generates.

Without ensuring the stability of our tenant base, the repayment of secured and unsecured debt underlying the shopping centre industry will be at risk. This will jeopardize the entire industry and cause long-term damage to financial markets, rampant unemployment and irreparable harm to communities across our country. As the ramifications of the crisis become clearer in the near term, the industry will require further federal support associated with outstanding debt obligations as well as tax and regulatory relief.

We understand your Cabinet and other leaders are currently discussing assistance for small businesses and relief to Canadian workers and we are supportive of these efforts. ICSC respectfully requests the opportunity to urgently discuss our proposals with you at this critical period in the history of the nation and the shopping centre industry.

Sincerely,

Tom McGee
ICSC President & CEO

John Morrison
ICSC Vice Chairman
Mississauga, Ontario