



**Neighbourhood
Pharmacy**
Association of Canada

Association canadienne
des pharmacies
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Canada Emergency Wage Subsidy Consultation Submission

Neighbourhood Pharmacy Association of Canada

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Introduction

The Neighbourhood Pharmacy Association of Canada (Neighbourhood Pharmacies) is pleased to provide its input to the Government of Canada as it contemplates changes to the Canada Emergency Wage Subsidy (CEWS) to both maximize employment while meeting the needs of businesses and workers.

Neighbourhood Pharmacies represents the full range of pharmacies including chain, banner, long-term care, and specialty pharmacies, as well as grocery chains and mass merchandisers with pharmacies. Our focus is on improving the delivery of care. We also advocate for pharmacies' role in caring for Canadians, behind and in front of the counter. We aim to advance healthcare for Canadians by leveraging close to 11,000 pharmacies conveniently located in communities throughout the country as integral points of patient care.

We are proud of the tireless work of our members who are stepping up in critical ways to help fight the coronavirus pandemic and ensure that patients have access to the products and services they need without interruption. Our members have remained open to continue to care for patients, while being at high risk of infection like other frontline healthcare providers.

Are there specific challenges associated with the CEWS program?

The initial focus of the CEWS program was appropriately focused on enabling affected employers to re-hire workers and preventing job losses. While pharmacies are recognized for providing essential services throughout COVID-19, they are not immune from the pandemic's economic impact.

The revenue threshold for CEWS eligibility does not take into account the increased costs borne by pharmacies to remain open and to minimize risk for staff and the public. To remain open, pharmacies have adopted numerous measures to minimize risk for staff and the public. Collectively, pharmacies in Canada have spent more than \$740 million over the first 10-week period from March 16 to May 17, to adapt their locations and operations to remain open to safely and effectively serve the public during this pandemic.

Further, without any clear indication of when the pandemic will cease, these costs will extend well into the future. Pharmacies are spending an additional \$71.5 million per week:

- \$11.4 million to institute "hero pay" policies to retain and support frontline staff;
- \$3.1 million for staff training; and
- \$23.3 million in relief labour costs, which includes the hiring of additional staff when employees become ill or have to self-isolate.

A summary of the changes and costs undertaken by pharmacies in response to COVID-19 in Canada is attached. This summary is informed by detailed research and analysis, and has been validated by contributions from our members, representing about 70% of pharmacies across the country.

What adjustments to the CEWS would you propose to provide the right level of support to those most affected by the pandemic while supporting the economic recovery?

Like other healthcare providers, pharmacies need to be supported as we work toward the same goals: serving patients, protecting the pharmaceutical supply chain to ensure all Canadians have access to the medicines they need, and creating capacity in health systems across the country throughout this crisis.

As we move towards recovery, we recommend that the CEWS program be revised to not only ensure that Canadians remain employed, but to also help businesses like pharmacies better position themselves to resume normal operations, and continue to further support the health system by providing accessible frontline care as our response to the crisis evolves.

We believe there is an opportunity for government policy – and the CEWS in particular – to contemplate renewed ways to support employers who are making significant additional investments to remain open safely and to support those faced with increased labour costs or staff recruitment challenges.

We also encourage the federal government to consider the unintended impact the Canada Emergency Response Benefit (CERB) may be having on pharmacy and other employers' ability to recruit and retain workers in essential front store staff, cashier and other positions.

As we navigate the steady stream of challenges posed by this pandemic, we are proud of our members. They have risen to meet the challenges and have stepped up as an integral level of support and frontline care in communities throughout Canada.

Please reach out to Sandra Hanna, Chief Executive Officer, at shanna@neighbourhoodpharmacies.ca, should you require further information about the impact of the pandemic on our members, their businesses and their employees.