



April 3, 2020

To Whom It May Concern;

From: Canadian Security Association and its 1000+ member companies across Canada

We are writing to express our concerns regarding the impact of the COVID-19 pandemic on the entire Security Industry in Canada (a designated Essential Service) and to request your assistance through the modification of qualification requirements for the Canada Emergency Wage Subsidy (CEWS).

The current CEWS criteria requires that a business must demonstrate that they have suffered a 30% loss in revenue in order to qualify.

While many companies within the Canadian Security Industry have already suffered revenue losses in excess of the 30% threshold (equipment manufacturers, distributors, installing dealers, etc.) and will qualify for the subsidy, there are significant sectors within the industry that will not currently qualify. These sectors include Emergency Response Centers that operate across Canada and companies that provide on-going service and maintenance for Life Safety and Property Protection systems.

Emergency Response Centers are the backbone of the entire Electronic Security Industry in Canada and their viability is essential to public safety. Companies that provide on-going service to customers are critical service providers that help ensure Life Safety, Medical and Property Protection systems continue to function.

Due to the nature of services provided within the current “subscription based” business model, many of the companies currently operating within the industry will not immediately experience the impact of revenue losses but will inevitably face those losses in the coming weeks and months.

Social distancing, mandatory business closures and surging unemployment will have a serious impact on our industry’s revenue over the coming months. The challenge to our Industry is that we will not see this impact until Canadian homeowners, businesses and institutions are unable to pay their invoices for the essential services that our Industry provides. It is our civic duty to continue to monitor and service these systems to ensure all Canadians are as safe as possible during this worldwide crisis. Due to the essential nature of these services, our customers will not be cancelled immediately for non-payment and our industry will face mounting revenue declines.

Business owners within our Industry must make the difficult and immediate decision to keep employees working and continue to provide our essential services or cut their workforce *now* to address the inevitable loss of future revenue and avoid potential bankruptcy.

Many companies within our Industry are in a precarious position and need urgent financial support from the Government of Canada.

As an essential service, our industry has invested millions of dollars over the past few weeks to provide additional infrastructure and ensure our services to Canadians can be maintained. We have made these investments with the knowledge that the longer this pandemic continues, the more financial impact we will suffer and that some companies within our Industry will not survive without financial assistance.

Our industry has no way to insulate itself from these impacts. We will continue to invest in the required infrastructure and employ tens of thousands of Canadians in providing these services at the same level as we did prior to the pandemic. We have no ability to downscale or downsize our workforces during this time when Canadians need us the most.

The financial burden on our industry is amplified by the fixed costs that must be paid in advance to continue to provide our essential services. The Electronic Security Industry relies on the major telecommunications companies (Bell, Telus and Rogers) for signal transmission services. These costs are incurred and must be paid on an on-going basis regardless of the ability of the end user to pay for their services, without which we would be unable to continue to protect our fellow Canadians who rely on us to keep their homes, families, businesses and employees safe.

By the time the situation evolves to the point where the end user is out of business or is unable to pay, the security industry has already paid the telecommunication companies for their service. This alone will result in millions of dollars being lost by the security industry due to inability of the end user to pay for services that have already been provided.

In closing, we are asking the Government of Canada to provide economic relief through modification to the requirements for the CEWS (Canadian Emergency Wage Subsidy) for essential industries and services such as the Canadian Security Industry.

One possible modification would be to allow companies within the Canadian Security Industry to “Estimate” revenue declines for the coming 12 months, utilize the CEWS and then complete a final accounting 12 months after the current crisis has passed and business can return to normal.

### **Who is the Canadian Security Industry?**

The Security Industry in Canada protects homes, business, healthcare, critical infrastructure and most importantly, the lives of Canadians.

We help protect:

**Canada's Food Supply:**

- Food production plants.
- Temperature monitoring of Meat counters and freezers in grocery stores.
- Temperature monitoring of Restaurant freezers and coolers.

**Canada's Blood Supply:**

- Temperature monitoring of the Canadian blood supply, vaccines and other drugs in manufacturing plants and local pharmacies.

**Critical Industrial and Municipal Infrastructure:**

- Canada's supply of drinking water in treatment plants, reservoirs and pumping stations.
- Wastewater treatment plants and sewage systems.
- Industrial plant safety systems and chemical storage systems.

**Life Safety Systems:**

- Service, installation and monitoring of Fire Alarm, Flood and Carbon Monoxide in homes, businesses, hotels, Canadian hospitals and long-term care facilities.
- Service, installation and monitoring of PERS (Personal Emergency Response Systems) and Lone Worker systems in homes, businesses, Canadian hospitals and long-term care facilities.
- Service, installation and monitoring of Security Systems, Surveillance and Access Control systems, for millions of homes and businesses, many of which are closed due to work at home orders in every province and territory.

Thank you for your time and consideration. If you have any questions or would like to discuss please contact Patrick Straw, Executive Director of the Canadian Security Association directly at 416-909-3955 or [pstraw@canasa.org](mailto:pstraw@canasa.org)

Yours truly,



Patrick Straw, Executive Director  
On behalf of the Canadian Security Association's 1000+ members.