

APPENDIX A

To: The Honourable Minister of Municipal Affairs, Government of Alberta

From: Serina Parsons, Executive Director, Bonnyville and District Chamber of Commerce

Date: December 5, 2023

Subject: Proposal for an Emergency Grant to Aid Small Businesses in Rural Alberta Affected by the Crime Epidemic

Introduction and Background

Dear Minister McIver,

We would like to formally propose the establishment of an emergency grant to provide crucial assistance to small businesses in rural Alberta that are grappling with the devastating impact of a recent surge in criminal activities. The proposed emergency grant would be a pilot project that will specifically assist communities and municipalities that are ranked within the top 10 positions in the non-violent crime rankings in the 2022 Crime Severity Index (CSI) for Alberta.

Rising Tide of Non-Violent Crime Threatens Alberta's Rural Economies: The rural economy of Alberta has seen a significant increase in non-violent crime, primarily theft. The 2022 Crime Severity Index (CSI)¹ for Alberta places Bonnyville at the top for non-violent crimes, followed by St. Paul, High Level, Wetaskiwin, Elk Point, High Prairie, and Cold Lake which is ranked seventh. Completing the top ten are Lac La Biche and Peace River. On a national level, St. Paul and Bonnyville are ranked ninth and eleventh in Canada, far surpassing cities like Winnipeg and Vancouver.

PROVINCE/TERRITORY: MIN POPULATION: No min 5K 10K 25K 100K

← Worse Natl. avg. Better →

CITY / TOWN	POP.	Overall			Violent crime			Non-violent crime			
		CSI	% CHNG Ⓢ		CSI	% CHNG Ⓢ		CSI	% CHNG Ⓢ		
Bonnyville	AB	6,359	421.2	↑	+29.8%	264.1	↓	-11.0%	487.5	↑	+44.0%
St. Paul	AB	5,685	440.0	↑	+8.4%	377.8	↓	-11.6%	468.5	↑	+16.9%
Wetaskiwin	AB	12,438	367.2	↑	+19.2%	450.4	↑	+41.1%	337.0	↑	+10.0%
High Level	AB	3,461	388.1	↑	+18.4%	558.1	↑	+12.8%	323.4	↑	+22.5%
Elk Point	AB	1,394	355.1	↓	-32.1%	563.9	↓	-40.4%	274.6	↓	-23.3%
High Prairie	AB	2,065	312.4	↑	+1.3%	455.3	↓	-11.9%	258.0	↑	+13.3%
Peace River	AB	4,264	240.5	↑	+25.4%	213.8	↑	+0.7%	253.1	↑	+36.8%
Cold Lake	AB	16,201	288.2	↓	-7.4%	404.3	↑	+33.0%	244.2	↓	-22.9%
Lac La Biche	AB	2,138	240.5	↓	-20.8%	292.2	↓	-36.2%	221.8	↓	-9.3%
Westlock	AB	4,820	196.7	↑	+24.1%	161.8	↑	+0.2%	212.3	↑	+33.9%

¹ University of Waterloo, 2022 - Canadian Crime Severity Index; <https://canadacrimeindex.com/crime-severity-index>

The surge in crime has deeply affected communities that were recently considered high-trust societies, known for their safety. This shift has had a significant impact on both residents and businesses. These communities have not been able to evolve rapidly enough to adapt to this new paradigm.

Factors such as addiction and gang activities are contributing to this rural crime crisis, with thefts from businesses becoming rampant. Thieves are blatantly ignoring existing security measures and intimidating staff. Many businesses have stopped reporting thefts to the RCMP, feeling that their concerns are not effectively addressed.

Consequently, small businesses in these areas are under immense pressure. They are increasingly unable to report thefts or afford insurance premiums and deductibles. The financial burden of the crime wave is making it difficult for them to maintain basic anti-theft measures and insurance coverage. Without prompt action, the survival of these businesses is at risk, which could have severe repercussions for the local economies.

An emergency grant would provide essential financial support to alleviate these challenges.

Importance of Emergency Assistance: Small businesses in areas with high crime rates face a tough decision: pay steep insurance premiums and deductibles or risk operating without insurance. Both options are financially challenging for small businesses with limited resources and narrow profit margins. This predicament could lead to widespread bankruptcies and potentially cripple rural economies.

An emergency grant program would provide crucial short-term support to businesses affected by the crime surge, easing their immediate financial burdens. Although it doesn't tackle the deeper issues behind the crime wave, which primarily fall under federal jurisdiction, this aid is essential for sustaining rural businesses in these challenging times. The emergency grant would be a temporary remedy, a metaphorical Tylenol, offering much-needed relief while more lasting and comprehensive solutions to the underlying problems are developed.

Disparity in Provincial Assistance: It's crucial to note that while urban centers in Alberta benefit from existing provincial assistance programs to combat crime and its economic repercussions, such rural communities lack similar support. This disparity has exacerbated the challenges faced by small businesses in rural areas, leaving them more vulnerable to the surge in non-violent crimes. Urban areas, with more resources and established support mechanisms, have been better equipped to handle these challenges. In contrast, rural communities, now facing an unprecedented crime wave, are in dire need of targeted assistance to bridge this gap. The proposed emergency grant aims to address this imbalance by providing the much-needed support specifically tailored to the unique circumstances of rural Alberta's small businesses.

Community Support for Emergency Assistance: A recent survey conducted in Bonnyville, which ranks at the top of Alberta's CSI for non-violent crime, was initiated at the request of the MLA's office and executed by the local chamber of commerce. Bonnyville has a population very near the median of the affected communities, offering a representative view of the broader situation. The survey, encompassing responses from nearly 50 business owners, unveiled significant insights into their apprehensions regarding crime and security.

An overwhelming 82.93% reported their businesses being impacted by increased crime. Regarding the potential use of a subsidized service for additional security patrols, 51.24% showed willingness to utilize such a service. Additionally, 85.37% expressed interest in accessing subsidies for a security system if available.

These figures highlight the prevalent concern among business owners about crime and their readiness to adopt enhanced security measures, reflecting a sentiment likely shared by other communities in the rankings.

Objectives of the Emergency Grant

The grant would aim to provide:

- **Security Enhancement Measures:** Substantial support for hiring security patrols and acquiring advanced security technologies.
- **Insurance Cost Relief:** Financial assistance to mitigate the impact of high insurance costs on business sustainability.
- **Community-Centric Crime Prevention:** Initiatives promoting collaborative crime prevention strategies involving businesses, law enforcement, and community members.

An emergency grant would address the following critical areas of concern:

- **Assistance for Hiring Security Patrols:** Small businesses in high-crime areas would have the opportunity to use grant funds to hire security patrols. Security patrols have proven to be an effective strategy for crime prevention. These security patrols would play a crucial role in deterring criminal activities and ensuring the safety of both businesses and the local community. Security patrols complement other proactive measures such as physical barriers and surveillance technology to form a comprehensive approach to reducing criminal activity.
- **Assistance for Security Equipment:** To enhance security measures, businesses could use grant funds to invest in additional security equipment, such as alarms, barriers and security cameras. These measures would act as a deterrent to criminals and help protect businesses from theft-related losses.
- **Relief for Unaffordable Insurance Premiums:** Businesses in affected communities are currently burdened by prohibitively high insurance premiums. The grant would provide financial relief to help businesses cover these costs, allowing them to maintain essential insurance coverage.
- **Relief for High Insurance Deductibles:** Grant funds would also be allocated to assist businesses in covering their high insurance deductibles. Many rural businesses are unable to afford these deductibles, which hinders their ability to claim losses caused by theft or other criminal activities.

Breakdown of Grant Utilization

Extra Security Patrols: We will allocate funds for additional security patrols to ensure round-the-clock surveillance and response capabilities. The grant will cover an annual expenditure of up to \$8,500 per business, amounting to a total of \$3,400,000 for up to 400 businesses.

Insurance Premiums: Recognizing the financial strain on the hardest-hit businesses, we propose covering insurance premiums for up to 10 businesses per community. At \$5,000 per business, this component totals \$500,000.

Security and Camera Systems: To enhance on-premise security, a grant would assist in the installation, upgrading and maintenance of security cameras and systems. This accounts for a maximum of \$3,540 per business, culminating in a total of \$1,416,000 for up to 400 businesses. It's important to note that some businesses already possess such systems and cameras, requiring only aid for upgrades and maintenance.

Total Grant Size: Combining these elements, the total grant size to the “top ten” communities amounts to \$5,316,000. This funding will play a pivotal role in safeguarding our communities' economic backbone – the local businesses.

Justification and Wide-Ranging Benefits

- **Effective Crime Deterrence:** Enhanced security measures are essential in deterring criminal activities, providing a safer business environment.
- **Sustaining Economic Health:** The grant will play a critical role in preserving the economic vitality of rural businesses and, by extension, their communities.
- **Reinforcing Social Cohesion:** Strengthening the business sector contributes significantly to the overall stability and unity of rural areas.

Implementation and Local Oversight

Implementation will be entrusted to local Chambers of Commerce, leveraging their intimate understanding of the regional business landscape and specific needs. These organizations will oversee the grant dispersal and management, ensuring an effective, localized, and accountable deployment of resources.

Request for Meeting with Key Stakeholders

To further discuss the intricacies and the urgent necessity of this emergency grant, we respectfully request a meeting with you, Minister McIver. This meeting would also include myself, Serina Parsons, as the Executive Director of the Bonnyville and District Chamber of Commerce, key members of our Chamber's board, and our local Member of the Legislative Assembly, Scott Cyr. Such a meeting would provide a valuable opportunity for direct dialogue, allowing us to comprehensively address any concerns or questions you may have regarding the proposal. Moreover, it would enable us to collaboratively explore the most effective strategies for implementing the grant and ensuring its maximal impact on the rural communities and businesses most affected by the rising tide of crime.

Summary

In conclusion, an emergency grant for small businesses in rural Alberta is an urgent and necessary response to the escalating crime epidemic that threatens the stability of local economies. The high rankings of Alberta communities on the national CSI for non-violent crimes underscore the severity of the situation. Without immediate intervention, small businesses in these communities may face insurmountable financial burdens, which could lead to their closure and the collapse of rural economies.

The government of Alberta has a responsibility to support local businesses, which are vital drivers of our economy and community well-being. While we acknowledge the need for broader efforts to address the

root causes of crime, the proposed grant represents a temporary, but essential, triage solution, akin to a medical "Band-Aid." It will help alleviate the immediate pain and suffering experienced by rural businesses as we continue to work towards more comprehensive solutions.

We propose that the implementation of this grant be entrusted to the local Chambers of Commerce, which are well-equipped to oversee the grant's disbursement on behalf of the Alberta Government. This approach ensures efficient and effective distribution of funds to businesses in need.

In closing, we urge the Government of Alberta to take swift action in establishing this emergency grant, recognizing the urgent need to support rural businesses and communities in their time of crisis. Failure to do so may result in irreparable damage to these local economies, with long-lasting consequences.

Thank you for your consideration of this critical proposal. We are eager to collaborate with your office to bring relief to the affected communities and businesses in rural Alberta.

Sincerely,

Serina Parsons, Executive Director
Bonnyville and District Chamber of Commerce

[Your Contact Information]