

## Connecting the dots: General support programs provided by the governments

APRIL 22, 2020

Please refer to our related *Connecting the Dots* document for detailed information on the **Canada Emergency Relief Benefit (CERB)** and the **Canada Emergency Wage Subsidy (CEWS)**.

The national response to the COVID-19 crisis has seen many aspects of Canadian society pull together. Many businesses are struggling right now to make decisions on the future and to plan for their employees. In responding to the needs of organizations and businesses, the federal and provincial governments are responding with varying degrees of coordination.

The Government of Canada and the provincial governments are making daily announcements with new details on what they are doing to help and how businesses and organizations should be handling the crisis. The information is intended to help you navigate through this crisis and we're here to help you make sense of all the changes. We will also provide regular updates as more information becomes available.

Our team is available to supplement this listing with the necessary contacts in all jurisdictions to get you effective answers. If you have any questions, please don't hesitate to reach out to our team at [contactus@earnsccliffe.ca](mailto:contactus@earnsccliffe.ca).

It is also worth noting that, with access to more than \$300 billion of additional lending capacity, banks and financial institutions are an important part of Canada's efforts. We advise you to contact your banks, in addition to an outreach you are making to governments. [Credit and liquidity support through financial Crown corporations, Bank of Canada, OSFI, CMHC and commercial lenders.](#)

### Where to start for information

Government of Canada  
Business portals:

- **Website for businesses** - provides information about supporting your employees and your business. It will be constantly updated as the COVID-19 crisis evolve.
- **The Canada Business App** to find tailored supports to address your specific needs and questions about COVID-19.

## Financial supports for business - Federal

### Temporary Wage Subsidy

A separate wage subsidy of 10% is still available for small businesses and organizations in Canada. Previously announced, this program will provide a subsidy of equal to 10% of remuneration paid over a three-month period to a maximum subsidy of \$1,375 per employee and \$25,000 per employer. To qualify you must be an individual, partnership, non-profit, charity or Canadian controlled private corporation that is eligible for the small business deduction. There is no required drop in revenues needed to qualify for this subsidy.

More information - [LINK](#)

### Work-Sharing Program Extended

The federal government has eased rules to provide benefits to workers who agree to reduce their hours as a result of developments beyond the control of their employer (in this case, COVID-19). This means that businesses will not be required to submit economic data to support the use of the program. The service standard has moved to 7-10 days. The agreement length has been extended to 76 weeks and the cooling off period between agreements is temporarily eliminated. While this program is available, businesses that qualify for the wage subsidy of 75% are in most cases better off to access that program until the end of May.

More information - [LINK](#)

### Tax Deferral

The CRA is allowing businesses to defer their tax payments until after August 31, 2020, the payment of any income tax amounts that become owing on or after March 18 and before September 2020. This relief would apply to tax balances due, as well as instalments, under Part I of the Income Tax Act. No interest or penalties will accumulate on these amounts during this period. Please contact your CRA liaison officer to better understand your obligations.

The government further announced it will defer GST/HST remittances and customs duty payments until

June 30, 2020, the equivalent of \$30 billion in loans to business.

More information - [LINK](#)

### Business Credit Availability Program

The **Business Credit Availability Program (BCAP)** will allow the Business Development Bank of Canada (BDC) and Export Development Canada (EDC) to provide more than \$65 billion of additional support, largely targeted to small and medium-sized businesses. This program includes:

- The **Canada Emergency Business Account** provides loans up to \$40,000 to businesses and non-profits interest-free for the first year and guaranteed by the federal government. Under certain circumstances, the first \$10,000 will be forgivable. To qualify, organizations need to demonstrate they paid between \$20,000 to \$1.5 million in total payroll in 2019. The payroll definition is currently limited to T4 payroll, which may present a barrier to small business owners who pay themselves through dividends (T5). The banks will need to be confident that the loan will be able to be paid back by the business.
- The **Loan Guarantee for Small and Medium-Sized Enterprises** program through EDC, which is working with financial institutions to issue new operating credit and cash flow term loans of up to \$6.25 million to SMEs.
- The **Co-Lending Program for Small and Medium-Sized Enterprises** program through BDC, which is working with financial institutions to co-lend term loans to SMEs for their operational cash flow requirements.

The government of Canada is also increasing the amount available to the Canada Account. The Canada Account is administered by Export Development Canada (EDC) and is used by the government to support exporters when deemed to be in the national interest. This will allow the government to provide additional support to Canadian companies through loans, guarantees or insurance policies during these challenging times.

More information - [LINK](#)

More information - [LINK](#)

## Mortgage Deferral

Canada's banks have made a commitment to support businesses and individuals through these difficult times in a responsible, fair, and compassionate way. To help provide some stability for businesses through this time of uncertainty, [the Office of the Superintendent of Financial Institutions](#) (OSFI) is lowering the Domestic Stability Buffer requirement, releasing more than \$300 billion of additional lending capacity for Canadian financial institutions.

## Canada Emergency Commercial Rent Assistance (CECRA)

The federal government has announced plans to establish the Canada Emergency Commercial Rent Assistance (CECRA) program for small businesses. This program would provide loans (potentially forgivable in some form) to commercial property owners to assist with the payment of rent for the months of April, May, and June.

Details of this shared cost program have not yet been released as implementation will require coordination with provincial and territorial governments, who maintain jurisdiction over property owner-tenant relationships.

More Information – [LINK](#)

## Canada Summer Jobs Program

Temporary changes to the Canada Summer Jobs program have been announced which will see the federal government offer an 100% wage subsidy to those employers hiring under the program, an extension to the end date for employment to February 28, 2021 and allow employers to hire staff on a part-time basis. Though the Canada Summer Jobs call for applications for the 2020 season closed on February 28, 2020, the federal government will be working with MPs to identify organizations that provide essential services and could provide youth jobs, but missed the deadline for application.

More information - [LINK](#)

## Canada Emergency Student Benefit

To address the ineligibility of many Canadian students for the CERB, the federal government has unveiled plans to introduce a separate benefit: the Canada Emergency Student Benefit. The CESB would provide

\$1250 per month to students over May, June, July and August 2020. Current post-secondary students, those beginning post-secondary in September and those who graduated after December 2019 will be eligible. The benefit would also assist students earning up to \$1,000 a month in income. Students who care for someone else or who have a disability will be eligible for a larger payment of \$1750 per month. Legislation will need to be passed before this benefit can be delivered.

The Prime Minister also announced that the federal government would provide funding to create new student jobs and double student grants for the 2020-2021 school year, including creating a Canada Student Service Grant of up to \$5000 dollars for those doing volunteer work to assist in the fight against COVID-19.

## Federal sector specific funding

### Agri-food

The federal government has announced \$5 Billion in support through Farm Credit Canada that will allow for an additional lending capacity to producers, agribusinesses, and food processors. This will offer increased flexibility to farmers who face cashflow issues and to processors who are impacted by lost sales, helping them remain financially strong during this difficult time.

More information - [LINK](#)

The federal government has also announced an additional \$50 million to help farmers, fish harvesters, and all food production and processing employers, to implement health and safety measures for temporary foreign workers (TFW). The federal government will provide \$1,500 for each TFW to employers to ensure requirements are fully met, once workers arriving from abroad have completed their mandatory period of self-isolation.

More Information – [LINK](#)

### Agrifood, Post-Secondary and Domestic

Ottawa has announced it will allow the travel exemptions for [temporary foreign workers coming to Canada](#) to work or study.

## Air transportation sector

The federal government has announced it is waiving ground lease rents for the 21 airport authorities that pay rent to the federal government through to December 2020.

More information - [LINK](#)

## Broadcasting

Broadcasters will not be required to pay Canadian Radio-television and Telecommunications Commission (CRTC) licencing fees for the 2020–21 fiscal year. The Government of Canada will provide the CRTC with an amount equivalent to the waived fees. This is estimated to amount to \$30 million, usually paid by the industry to support CRTC operations.

## Cultural, heritage, tourism and sports sectors

To assist cultural, heritage and sport organizations, the government has announced a \$500 million COVID-19 Emergency Support Fund to help support artists and athletes.

The federal government has also indicated that it will defer payments on commercial leases and licences of occupation, without interest, for tourism operators in national parks, historic sites, and marine conservation until September 1, 2020.

More Information – [LINK](#)

## Charitable and Non-profit Sector

To support organizations in the charitable and not-for-profit sector, the federal government is launching the Emergency Community Support Fund. This \$350-million fund is to assist organizations to adapt to new challenges created by this pandemic. A portion of the funding will be allocated directly to small organizations, while the rest will be distributed through larger organizations including the United Way, the Red Cross, and the Community Foundations of Canada.

More Information – [LINK](#)

## Energy Sector

The federal government has unveiled new measures to assist Canada's energy sector, including \$1.7 billion to clean up orphan and inactive wells in western Canada. In response to industry calls to delay new methane emission regulations, the federal government is instead setting up a \$750 million emissions reduction fund, which will provide repayable loans to companies seeking to fix methane leaks or buy technology to reduce carbon output. The fund also includes \$75 million to help the offshore industry cut emissions in Newfoundland and Labrador. The government also announced that the \$65 billion in expanded funding for the BCAP which was previously announced will be available to medium-sized businesses with larger financing needs, beginning with companies in Canada's energy sector.

More Information – [LINK](#)

## Other Targeted Business Support

Other targeted support to help businesses:

- \$675 million to give financing support to small and medium-sized businesses that are unable to access other COVID-19 business supports, through Canada's Regional Development Agencies.
- \$306.8 million in funding to help small and medium-sized Indigenous businesses, and to support Aboriginal Financial Institutions that offer financing to these businesses.
- \$287 million through the Community Futures Network to support rural businesses and communities;
- \$250 million for innovative, early-stage companies through the Industrial Research Assistance Program (IRAP);
- \$20.1 million for Futurpreneur Canada to support young entrepreneurs;
- \$15 million in non-repayable support for businesses in the territories

More Information – [LINK](#)

More Information – [LINK](#)

## Provincial essential services designations

The federal government has released a guidance document on essential services and functions in Canada during the COVID-19 crisis. This document is meant to help inform municipal, provincial, territorial or Indigenous jurisdictions, who ultimately have the legislative authority to implement and execute response actions within their jurisdictions. It is also intended to help private sector businesses and organizations to self-identify as essential. The federal guidance document is considered to be advisory in nature and should not be considered to be a federal directive or standard.

**LINK:** [Guidance on Essential Services and Functions in Canada During the COVID-19 Pandemic](#)

### Provincial Lists of Essential Services

Provinces and territories across Canada are releasing updated essential services lists in keeping with the authorities granted to them to enact closures.

[Alberta](#)

[British Columbia](#)

[Manitoba](#)

[New Brunswick](#)

[Newfoundland and Labrador](#)

[Nova Scotia](#)

[Ontario](#)

[Prince Edward Island](#)

[Quebec](#)

[Saskatchewan](#)

## Financial Supports for Business – Provincial

### Alberta

The Government of Alberta has released measures to protect employers and employees from the economic disruption of COVID-19 and to position Alberta for recovery. This includes income tax deferrals, WCB premium payment deferrals, utility payment deferrals for businesses, information about job protected leave as well as access to a one-time emergency isolation support payment.

### British Columbia

The BC provincial government has outlined measures to support businesses and services through the coronavirus pandemic. This includes a \$1000 BC Emergency Benefit for Workers whose work has been affected, a slew of provincial tax deferrals, delays or reductions, guidance for dealing with employee absences or disruptions due to the COVID-19 crisis, as well as economic resources.

### Manitoba

In Manitoba, the government has extended tax payment filing deadlines for business and provided hydro payment assistance. The provincial government has also put out a call to Manitoban manufacturers or businesses who could rapidly scale up production or re-tool manufacturing lines to develop products to help in the fight against COVID-19. The submission form can be found [here](#).

### New Brunswick

New Brunswick has posted a COVID-19 Guide for Businesses to assist in navigating the declaration of a state of emergency. The provincial government has also announced it is waiving late penalties on property taxes, deferring interest and principal payments on existing loans, and working to provide working capital to both small and mid-to-large businesses through Opportunities New Brunswick.

### Newfoundland and Labrador

The Government of Newfoundland and Labrador Loan has announced that payments on business loans administered by the Innovation and Business Investment Corporation are deferred by three months. In addition, workers safety training certificates have been extended.

### Nova Scotia

The Government of Nova Scotia has announced several measures to help businesses including deferred payments on government loans and small business renewal fees, changes to the Small Business Loan Guarantee program as well as a commitment that the government will pay small businesses who do business with the Nova Scotia government more quickly.

## Ontario

The Ontario Government has focused most of its attention to date on tax and payment deferrals to help people get through the crisis. Targeted funding has also been released to support social services, seniors, and parents. Modifications to time of use power pricing have come forward as well to ease the acute cash flow burden people and businesses are facing. The call to action Ontario launched to help the province procure supplies to help during the crisis continues to be active with lots of attention being paid to securing permanent domestic supply chains for essential items. Ideas need to be submitted on the portal and should be followed up with personally. We can assist if required.

Evidence was released earlier this week suggesting the crisis may have peaked in Ontario and the focus is now turning to a medically sound methodology for opening up the economy. We expect the Premier to make an announcement on expanding the list of businesses allowed to operate later this week. Ontario has also formed an economic recovery committee made up from the economically engaged ministries of government. Finance Minister The Hon. Rod Phillips is in charge of the economic recovery plan and Economic Development Minister The Hon. Vic Fedeli is leading the domestic supply chain and acute supply need task for Premier Ford.

[New Ontario COVID-19 site](#)

[Earnscliffe Bulletin: Release of “Ontario Together” Ontario Government’s Call to Action](#)

## Prince Edward Island

The PEI government has announced the Emergency Working Capital Financing to help small businesses, under which each qualified company is eligible to receive up to \$100,000 and is deferring all scheduled loan payments for clients of Finance PEI, Island Investment Development Inc., and the PEI Century Fund for the next 3 months. In addition, the province has announced the Worker Assistance Program to provide funding to employers with employees working a reduced number of hours. The provinces will also be providing \$4.5 million to Community Business Development Corporations across the province to deliver financing to small business and entrepreneurs. Small and medium-sized businesses will also have access to broadband funding and a deferral program for commercial leases.

## Quebec

Quebec has announced a temporary action program for businesses whose liquidity is affected by the COVID-19 crisis. This new emergency funding measure provides ad hoc and exceptional support for affected businesses affected by COVID-19. The province also announced flexible measures on loans granted through Investissement Québec or through the other local investment funds.

## Saskatchewan

The Saskatchewan government has announced tax deferrals, utility bill deferral programs, the waiving of WCB premium penalties as well as access to a self-isolation support program to support workers who are forced to self-isolate. The government has also announced a Business Response Team to deal with the economic challenges resulting from COVID-19. There is also a call out to anyone with a service or product that can help fight COVID-19 through SaskBuilds Single Procurement Service (send an email to [procurement@gov.sk.ca](mailto:procurement@gov.sk.ca)). As the province continues to flatten the curve, Premier Moe is getting ready to address the people of Saskatchewan on Wednesday, April 22, prior to announcing the Re-Open Saskatchewan plan on Thursday, April 23.

## Yukon, Northwest Territories and Nunavut

New federal measures were announced April 14 to address immediate health, economic, and transportation needs in the North, including:

- Transfer \$72.6 million to the governments of Yukon, Northwest Territories, and Nunavut to support health and social services preparations and response
- Provide up to \$17.3 million to the governments of Yukon, Northwest Territories, and Nunavut to support northern air carriers for continued supply of food, medical supplies, and other essential goods and services to remote and fly-in communities.
- \$15 million in non-repayable support for businesses in the territories.
- Provide an additional \$25 million to Nutrition North Canada