

# Canadian Government Relief Programs for Businesses

CMC is closely monitoring the COVID-19 outbreak issue and has reported on a number of economic supports in Canada available to help businesses and individuals manage the COVID-19 crisis. You will find information about these programs in this document.

## Business Supports

A number of programs have been announced to support businesses. Below is a summary of the programs and details, as well as further directions on how to apply for these supports. Most of these supports will be accessed through your business' CRA *MyBusinessAccount* online portal.

### [Canada Emergency Wage Subsidy](#)

The Canada Emergency Wage Subsidy (CEWS) supports employers by covering 75% of an employee's wages – up to \$847 per week - for employers of all sizes and across all sectors who have suffered a drop in gross revenues of at least 15% in March, and 30% in April and May.

The program will be in place for a 12-week period, from March 15 to June 6, 2020.

Employers eligible for the CEWS are entitled to receive a 100% refund for certain employer contributions to Employment Insurance, the Canada Pension Plan, the Quebec Pension Plan, and the Quebec Parental Insurance Plan paid in respect of employees who are on leave with pay. For employers that are eligible for both the CEWS and the 10% Temporary Wage Subsidy for a period, any benefit from the [Temporary 10% Wage Subsidy](#) for remuneration paid in a specific period will generally reduce the amount available to be claimed under the CEWS in that same period.

Further information on application to the CEWS can be found [here](#).

### [Temporary 10% Wage Subsidy](#)

The Temporary 10% Wage Subsidy is a three-month measure that will allow eligible employers to reduce the amount of payroll deduction required to be remitted to the Canada Revenue Agency (CRA).

Eligible employers include:

- individuals (excluding trusts)
- partnerships
- non-profit organizations,
- registered charities, or
- Canadian-controlled private corporations (including a cooperative corporations) eligible for the small business deduction;

As well as: having an existing business number and payroll program account with the CRA on March 18, 2020; and pay salary, wages, bonuses, or other remuneration to an eligible employee.

Note: Partnerships are only eligible for the subsidy if their members consist exclusively of individuals (excluding trusts), registered charities, or Canadian-controlled private corporations eligible for the small business deduction.

Further information on application to the Temporary 10% Wage Subsidy can be found [here](#).

### [Extended Work Sharing Program](#)

The maximum duration of the Work-Sharing program has been extended from 38 weeks to 76 weeks for employers affected by COVID-19. This measure will provide income support to employees eligible for Employment Insurance who agree to reduce their normal working hours because of developments beyond the control of their employers.

Further information on how to access the Work Sharing Program can be found [here](#).

### [Income Tax Deferrals](#)

All businesses can defer, 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.

Further information on tax deferral deadlines can be found [here](#).

### [Sales Tax Remittance and Customs Duty Payments Deferrals](#)

Businesses, including self-employed individuals, can defer until June 30, 2020 payments of the GST/HST, as well as customs duty owing on their imports.

Any GST/HST payment that becomes owing from March 27 until the end of May can be deferred until the end of June. For GST and customs duty payments for imported goods, deferral will include amounts owing for March, April and May.

These amounts were normally due to be submitted to the Canada Revenue Agency and the Canada Border Services Agency as early as the end of March 2020.

Further information on sales tax and customs duty payment deferrals can be found [here](#).

### [Business Credit Availability Program](#)

A Business Credit Availability Program (BCAP) was established to provide \$40 billion of additional support through the Business Development Bank of Canada (BDC) and Export Development Canada (EDC).

BDC and EDC are working with private sector lenders to coordinate on credit solutions for individual businesses. This program includes:

- Loan Guarantee for Small and Medium-Sized Enterprises: EDC is working with financial institutions to issue new operating credit and cash flow term loans of up to \$6.25 million to SMEs.
- Co-Lending Program for Small and Medium-Sized Enterprises: BDC is working with financial institutions to co-lend term loans to SMEs for their operational cash flow requirements. Eligible businesses may obtain incremental credit amounts of up to \$6.25 million through the program.

Interested businesses should reach out to their financial institutions to participate in any of these programs.

### [Canada Emergency Business Account](#)

The new Canada Emergency Business Account will provide interest-free loans of up to \$40,000 to small businesses and not-for-profits, to help cover their operating costs during a period where their revenues have been temporarily reduced.

Organizations will need to demonstrate they paid between \$20,000 to \$1.5 million in total payroll in 2019.

Business owners should apply for support from the Canada Emergency Business Account through their financial institution.

### [Credit Availabilities for Agriculture, Fisheries and Aquaculture](#)

Farm Credit Canada has made available an additional \$5 billion in lending 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 sound during this difficult time.

Further information on these credit availabilities can be found [here](#).

## Questions?

Please contact CMC's Senior Director of Government and Stakeholder Relations, [Sarah Douglas](#), at 613-899-6417 or [sdouglas@cmc-ccm.com](mailto:sdouglas@cmc-ccm.com).