

FEDERAL COVID-19 SUPPORTS FOR BUSINESSES

CANADA EMERGENCY WAGE SUBSIDY (CEWS)

Eligibility:

As a Canadian employer who has seen a drop in revenue during the COVID-19 pandemic, you may be eligible for a subsidy to cover part of your employee wages, retroactive to March 15, 2020. This subsidy will enable you to re-hire workers, help prevent further job losses, and ease your business back into normal operations.

Details:

Will cover up to 75% of an employee's wage for businesses that have seen a drop in eligible revenue

Both the employer and employee benefit from being able to keep staff on the payroll

Subsidy rate is in effect until March 13, 2021 and applications are available until June 2021

Link: <https://www.canada.ca/en/revenue-agency/services/subsidy/emergency-wage-subsidy.html>

CANADA EMERGENCY BUSINESS ACCOUNT (CEBA)

Eligibility (You must meet all criteria)

Has an active CRA Business Number (BN)

Has an active business chequing/operating account with the Lender at the time of applying for CEBA. Note: If Borrower currently does not have a business chequing/operating account the Borrower must create one at their primary financial institution before applying for CEBA.

Has not previously used the Canada Emergency Business Account Program (the "Program") and will not apply for support under the Program at any other financial institution.

Intends to continue to operate its business or to resume operations.

Details:

- Provides interest-free, partially forgivable, loans of up to \$60,000, to small businesses and not-for-profits, that have experienced diminished revenues due to COVID-19 but face ongoing non-deferrable costs, such as rent, utilities, insurance, taxes and wages.
- Business owners can apply for support until March 31, 2021 through their banks and credit unions

Link: <https://ceba-cuec.ca/>

CANADA EMERGENCY RENT SUBSIDY (CERS)

Eligibility: You must have:

- Have had a CRA business number on September 27, 2020
- Or
- Have had a payroll account on March 15, 2020
- Or
- Purchased business assets of another person or partnership who meet the above conditions.

Details:

- Provides a direct and easy-to-access rent and mortgage subsidy directly to tenants of up to 65% of eligible expenses to qualifying businesses, charities and non-profits
- Qualifying organizations that have been significantly restricted by a mandatory public health order issued by a qualifying public health authority can receive an additional 25% of rent support through the Lockdown Support
- Can receive rent support up to 90% when subject to a lockdown
- The rent subsidy and the Lockdown Support are available until June 2021

Link: <https://www.canada.ca/en/revenue-agency/services/subsidy/emergency-rent-subsidy.html>

HIGHLY AFFECTED SECTORS CREDIT AVAILABILITY PROGRAM

Eligibility:

- These loans are for small and medium-sized businesses that have seen their revenues decrease by 50% or more as a result of COVID-19.

Details:

- Provides businesses heavily impacted by COVID-19, access guaranteed, low-interest loans of \$25,000 to \$1 million to cover operational cash flow needs.
- Available to businesses that operate in sectors such as tourism and hospitality, restaurants and those that primarily rely on in-person services
- The HASCAP Guarantee is available until June 30, 2021

Link: <https://www.bdc.ca/en/special-support/hascap?ref=shorturl-hascap>

EDC BUSINESS CREDIT AVAILABILITY PROGRAM (BCAP) LOAN GUARANTEE

Eligibility:

- If your business needs access to working capital to cover operational costs as a result of the COVID-19 pandemic, you may be eligible for the EDC BCAP Guarantee. This guarantee is for new operating lines of credit or new term loans to support your cash flow needs.

Details:

- Qualified applicants can quickly improve their cash flow through their bank or credit union to help manage day-to-day expenses like buying inventory and paying your suppliers, or for new costs your business bears due to COVID-19
- Guarantees 80% of new operating credit and cash flow term loans of up to \$6.25 million to small and medium-sized enterprises
- This support is available at various banks and credit unions until June 2021

Link: <https://www.edc.ca/en/solutions/working-capital/bcap-guarantee.html>

BDC BUSINESS CREDIT AVAILABILITY PROGRAM (BCAP) CO-LENDING PROGRAM

Eligibility: You may be eligible if:

- Your business was directly or indirectly impacted by COVID-19
- Your business was financially stable and viable prior to the current economic situation
- The financing will be used solely to support operational cashflow requirements
- All of this is subject to your primary financial institution's credit criteria

Details:

- Up to \$12.5 million for your operational cash flow requirements, co-financed by BDC and your primary financial institution
- Postpone principal payments for up to 12 months if you need additional breathing room
- This support is available at various banks and credit unions until June 2021

Link:<https://www.bdc.ca/en/special-support/special-support-co-lending-program>

REGIONAL RELIEF AND RECOVERY FUND (RRRF)

Targeted to those that may require additional help to recover from the COVID-19 pandemic, but have been unable to access other support measures

Two funding streams

- Regional economy stream through FedNor
 - Provide unconditionally repayable and conditionally repayable contributions to eligible small and medium-sized enterprises, of normally up to a maximum of \$500,000 for a period of up to twelve months
- Community Futures stream through your local CFDC
 - Assists SMEs, including “main street” businesses, such as retail shops, restaurants and corner stores, and businesses of strategic importance to the community with loans normally up to \$60,000

Applications will be reviewed as they are received until the Fund is fully committed.

As this program is run through Fednor the funds are allocated entirely to assisting businesses in Northern Ontario

Link: http://fednor.gc.ca/eic/site/fednor-fednor.nsf/eng/h_fn04591.html

WORK-SHARING PROGRAM

Note: Ends March
14th, 2021

Eligible employers:

- To be eligible for a WS agreement, your business must:
- be a year-round business in Canada for at least 1 year
- be a private business or a publicly held company, or
- have at least 2 employees in the WS unit

Details:

- Helps employers and employees avoid layoffs when there is a temporary decrease in business activity beyond the control of the employer
- Designed for a group of employees with similar job duties who agree to reduce their hours of work over a specific period of time (up to 76 weeks)
- The program provides Employment Insurance (EI) benefits to eligible employees who agree to reduce their normal working hours

Link: <https://www.canada.ca/en/employment-social-development/services/work-sharing/notice-covid-19.html#h2.03>

SUPPORTS FOR SELF-EMPLOYED INDIVIDUALS

Those who are self-employed can access different COVID-19 supports for individuals:

- Canada Recovery Benefit (CRB)
- Canada Recovery Sickness Benefit (CRSB)
- Canada Recovery Caregiving Benefit (CRCB)

INDIGENOUS BUSINESS INITIATIVE

As of December 4, 2020, up to \$60,000 is available to small and medium-sized Indigenous businesses:

- an interest-free loan up to \$40,000
- a non-repayable contribution up to \$20,000

Contact your Aboriginal Financial Institution or Métis capital corporation to apply for support

Link: <https://www.sac-isc.gc.ca/eng/1588079295625/1588079326171>

INDIGENOUS COMMUNITY BUSINESS FUND

Non-repayable financial contributions to help support First Nations, Inuit and Métis community-or collectively-owned businesses and microbusinesses whose revenues have been affected by the COVID-19 pandemic

Two streams

- Funding will be transferred directly to communities and collectives to immediately support their COVID-19 economic priorities
 - No applications are required for stream 1 funding
- Funding will be proposal-based. Applications must be submitted by the community or collectives on behalf of the business.
 - For First Nations and Inuit community-owned businesses, applications are administered by Indigenous Services Canada regional offices
 - For Métis collectively-owned businesses, funding will be administered by Métis organizations

<https://www.sac-isc.gc.ca/eng/1596809415775/1596809469296>

BLACK ENTREPRENEURSHIP LOAN

Provides loans of between \$25,000 and \$250,000

Managed by the Federation of African-Canadian Economics (F.A.C.E.)

Applications open in May 2021

No further information is available yet.

MANDATORY ISOLATION SUPPORT FOR TEMPORARY FOREIGN WORKERS PROGRAM

Assists Canadian employers with some of the incremental costs associated with the mandatory 14-day isolation period imposed under the *Quarantine Act* on temporary foreign workers upon entering Canada

\$1,500 for each temporary foreign worker, to employers or those working with them to ensure requirements are fully met.

The funding is conditional on employers not being found in violation of the mandatory isolation.

<https://www.agr.gc.ca/eng/agricultural-programs-and-services/mandatory-isolation-support-for-temporary-foreign-workers-program/?id=1588186409721>

PAYMENT DEFERRALS AND CREDIT LINE PROGRAM

Offers increased flexibility to farmers who face cashflow issues and to processors who are impacted by lost sales, helping them remain financially sound

Term loans up to \$2.5M, with no fees and an 18-month interest-only option available over a 10-year amortization

These funds can be used for working capital and to modify production due to the impacts of COVID-19

<https://www.fcc-fac.ca/en/covid-19/program-details.html>

BUSINESS BENEFIT FINDER

This allows you to find the right government programs and services (not just COVID-19 specific).

Whether you're a start-up or looking to scale up. Answer a few questions to receive a list of programs and services tailored to your business and your goals.

Link: https://innovation.ised-isde.canada.ca/s/?language=en_CA

COMPLETE LIST OF PROGRAMS

For a complete list of COVID-19 Federal programs please go to the link below:

- <https://www.canada.ca/en/departement-finance/economic-response-plan.html>

QUESTIONS:

If you have any questions regarding programs, please don't hesitate to reach out to my office.

Email: Eric.Melillo@parl.gc.ca

Kenora Office:
308 Second Street South
Unit 19
Kenora ON P9N 1T9
Phone: 1 807 468-2170

Dryden Office:
116 Queen Street
Dryden ON P8N 1A7
Phone: 1 807 223-2182