

COVID-19: Supports for Canadian Businesses

As the COVID-19 outbreak unfolds, we know these are challenging times for you and your business. BDC stands ready to support entrepreneurs like you through to a more stable period.

This compilation of federal and provincial government support measures for business focusses on:

- ① Access to capital and other liquidity support measures
- ② Measures to avoid or minimize the impact from layoffs
- ③ Provincial / Territorial Measures
- ④ Resources and Additional Information

This information is up to date as of April 8, 2020. The programs and services described in this document may change at any time and without notice. For the most up to date information on these support measures, please regularly consult the referenced links as well as the additional web resources at the end of this document.

1 Access to Capital and Other Liquidity Supports

| Program | Description | Target Companies | Where to Apply / Get Up to Date Information |
|---|---|--|---|
| Canada Emergency Business Account | Provides up to \$25B to eligible financial institutions so they can provide interest-free loans to small businesses of up to \$40,000. These loans—guaranteed and funded by the Government of Canada—will ensure that small businesses have access to the capital they need to cover their operating costs, at a 0% interest rate. If the loan is completely paid off by Dec. 31, 2022, a quarter of the loan will be forgiven. | Small businesses and not-for profits with a 2019 payroll of between \$50,000 to \$1 million. Further eligibility details are expected to be announced shortly. | https://www.canada.ca/en/department-finance/news/2020/03/additional-support-for-canadian-businesses-from-the-economic-impact-of-covid-19.html#_New_Loan_Programs |
| BDC Co-Lending Program | BDC partners with financial institutions to co-lend term loans to businesses for their operational cash flow requirements. Eligible businesses may obtain incremental credit amounts up to \$6.25M, 80% of which would be provided by BDC, with the remaining 20% by the financial institution. | All legal small and medium-sized enterprises | https://www.bdc.ca/en/pages/special-support.aspx |
| EDC Guarantee Program | EDC guarantees a new one-year term loan or operating line of credit for 80% of its value, up to \$6.25M, allowing businesses to deal with payroll and operating cost issues and enabling their financial institution to take on less risk. Available for all Canadian companies, including non-exporting businesses that sell domestically. | All legal small and medium-sized enterprises | https://www.edc.ca/en/campaign/bcap-guarantee.html |
| BDC Working Capital Loan | Working capital loans of up to \$2M with flexible repayment terms such as principal postponements for qualifying businesses and reduced rates on new eligible loans. | Varying sizes | https://www.bdc.ca/en/financing/business-loans/working-capital-financing/pages/working-capital-loan.aspx |
| Farm Credit Canada Increased Credit Available for Agriculture, Fisheries and Aquaculture | Additional \$5B in lending capacity, offering increased flexibility to farmers and food producers who face cash flow issues and to processors who are impacted by lost sales. Farm Credit Canada has also put in place a deferral of principal and interest payments up to 6 months for existing loans or a deferral of principal payments up to 12 months. | Food producers, agribusinesses, and food processors | https://www.fcc-fac.ca/en/covid-19/program-details.html |
| Income Tax Deferrals | The Canada Revenue Agency has deferred all payment of any income tax amounts owing on or after Mar. 18 and before Sept. 2020 until after Aug. 31, 2020. No interest or penalties will accumulate on these amounts during this period. The filing date for the 2019 tax year has also been extended until June 1, 2020. | All businesses | https://www.canada.ca/en/revenue-agency/campaigns/covid-19-update/covid-19-filing-payment-dates.html |
| HST/GST Remittances and Customs Duty Deferrals | The Canada Revenue Agency and Canada Border Services Agency are permitting businesses to defer all HST/GST remittances as well as customs duty owing on their imports until June 30, 2020. | All businesses | https://www.canada.ca/en/revenue-agency/campaigns/covid-19-update/covid-19-filing-payment-dates.html |

② Avoiding or Minimizing the Impact from Layoffs

| Program | Description | Target Companies | Where to Apply / Get Up to Date Information |
|--------------------------------------|--|---|--|
| Canada Emergency Wage Subsidy | <p>Qualifying businesses can receive up to 75% in a wage subsidy, for up to three months, retroactive to March 15, 2020. As well, employers eligible for the CEWS will be entitled to receive a 100-per-cent refund for certain employer-paid contributions to Employment Insurance, the Canada Pension Plan, the Quebec Pension Plan, and the Quebec Parental Insurance Plan for remuneration paid to furloughed employees in a period where the employer is eligible for the CEWS.</p> | <p>Businesses that have experienced a reduction in revenue of 15% in the month of March and 30% in the months of April and May as the result of the COVID-19 pandemic</p> | <p>https://www.canada.ca/en/department-finance/economic-response-plan/wage-subsidy.html</p> |
| 10% Temporary Wage Subsidy | <p>Small businesses that do not qualify for the Canada Emergency Wage Subsidy may be eligible for the 10% Temporary Wage Subsidy, which subsidizes employee wages up to a maximum of \$1,375 per employee and up to \$25,000 per employer.</p> | <p>All legal small and medium-sized enterprises</p> | <p>https://www.canada.ca/en/revenue-agency/campaigns/covid-19-update/frequently-asked-questions-wage-subsidy-small-businesses.html</p> |
| Work-Sharing Program | <p>The program provides Employment Insurance (EI) benefits to top off the wages (based on an EI formula) to eligible employees who agree to reduce their normal working hours and share the available work while their employer recovers. As part of the Government of Canada's COVID-19 response, the maximum length of a work-sharing agreement has been doubled from 38 to 76 weeks and processing time has been reduced from 30 days to 10 days.</p> | <p>Businesses that have reduced operations but not closed entirely.</p> | <p>https://www.canada.ca/en/employment-social-development/services/work-sharing.html</p> |

3 Provincial / Territorial Measures

| Province | Program | Description | Target Companies | Where to Apply / Get Up to Date Information |
|-----------------------|---|---|-----------------------------|---|
| Alberta | Deferrals: Tax and Other Payments | Corporate income tax balances and instalment payments coming due between March 18, 2020 and Aug. 31, 2020 are deferred until Aug. 31, 2020. Additionally, Workers Compensation Board premiums have been deferred until early 2021, education property taxes have been deferred by 6 months, and small businesses can defer their electricity and natural gas payments by 90 days. | All businesses | https://www.alberta.ca/corporate-income-tax.aspx |
| British Columbia | Deferrals: Tax | Extending the filing and payment deadlines for the Employer Health Tax, sales taxes, municipal and regional district tax, motor fuel tax and carbon tax until Sep. 30, 2020. Additionally, the school tax has been cut in half and the provincial Carbon Tax and sweetened carbonated drinks tax will remain at current levels until further notice. | All businesses | https://www2.gov.bc.ca/assets/gov/taxes/sales-taxes/publications/notice-2020-002-covid-19-sales-tax-changes.pdf |
| Manitoba | Deferrals: Tax | Extending the April and May tax filing deadlines until June 22, 2020 for small and medium businesses with monthly RST remittances of no more than \$10,000. | Small and medium businesses | https://www.gov.mb.ca/finance/taxation/pubs/bulletins/noticerst2003.pdf |
| New Brunswick | Access to Capital: Working Capital Loans | Opportunities New Brunswick will provide working capital loans of up to \$100,000 to small businesses. Larger loans will be available upon request. | Small businesses | https://www2.gnb.ca/content/gnb/en/gateways/for_business/covid19.html |
| | Deferrals: Tax and Loan Payment | While the deadline for paying business property taxes remains May 31, late penalties will be reviewed and potentially waived on a case by case basis. Principle and interest payments on loans from the Government of New Brunswick may also be deferred on a case-by-case basis. | All businesses | https://www2.gnb.ca/content/gnb/en/gateways/for_business/covid19.html |
| Northwest Territories | Access to capital: NWT Business Development Investment Corporation (BDIC) COVID-19 Economic Relief | Loans of up to \$25,000 (or more if the need is clearly addressed) are being made available to qualified NWT-owned businesses at a rate of 1.75%. Loans will be amortized for up to five years with options for payment deferral for 3 months upon request. Principal postponement on existing loans for up to three months. | All businesses | https://www.bdic.ca/ |

3 Provincial / Territorial Measures (cont.)

| Province | Program | Description | Target Companies | Where to Apply / Get Up to Date Information |
|-----------------------|---|--|--|--|
| Northwest Territories | Deferrals: Tax | The government of the Northwest Territories is waiving interest charges on all late tax returns between March 15 and June 30, 2020. | All businesses | https://www.gov.nt.ca/sites/flagship/files/documents/backgrounder.pdf |
| Nova Scotia | Relief: Small Business Impact Grant | Eligible small businesses will receive a grant of 15% of their revenue from sales, either from April 2019 or February 2020, up to a maximum of \$5,000. | Small Businesses | https://novascotia.ca/coronavirus/#support |
| | Access to Capital: Small Business Loan Guarantee Program | Enhancing the Small Business Loan Guarantee Program, delivered through Nova Scotia Credit Unions, to make it easier for businesses to access credit up to \$500,000 and for those who do not qualify for a loan, the government will guarantee the first \$100,000. Principle and interest payments under the Small Business Loan Guarantee Program will also be deferred until June 30. | Small Businesses | https://novascotia.ca/coronavirus/#support |
| Nunavut | Relief: Small Business Support Program | Small businesses can apply for up to \$5,000 in the form of a non-repayable contribution. | All self-employed Nunavut residents and businesses majority-owned by Nunavut residents | https://gov.nu.ca/economic-development-and-transportation/news/covid-19-department-economic-development-and |
| Ontario | Relief: Electricity and Employer Health Tax Exemption | Ontario is setting the electricity prices for residential, farm and small business time-of-use customers at the lowest rate, 24 hours a day for 45 days. The province is also providing a temporary increase to the Employer Health Tax (EHT) exemption from \$490,000 to \$1M for 2020. With this plan, more than 90% of private-sector employers would not pay EHT in 2020. | All businesses | https://news.ontario.ca/opo/en/2020/03/ontario-providing-electricity-relief-to-families-small-businesses-and-farms-during-covid-19.html https://budget.ontario.ca/2020/marchupdate/action-plan.html#section-3 |
| | Deferrals: Tax and Premiums | From April 1 to Aug. 31, the Province will not apply any penalty or interest on any late-filed returns or incomplete or late tax payments under select provincially administered taxes. Additionally, all employers covered by the Workplace Safety and Insurance Board will be able to defer premium payments for six months. | All businesses | https://budget.ontario.ca/2020/marchupdate/relief-measures.html https://news.ontario.ca/mol/en/2020/03/ontario-enabling-financial-relief-for-businesses-1.html |
| Prince Edward Island | Access to Capital: Emergency Working Capital Financing | Small business loan of up to \$100,000 at a fixed interest rate of 4%, with a 12-month deferral of principal and interest payments. | All businesses, except start-ups | https://www.princeedwardisland.ca/en/service/emergency-working-capital-financing |

3 Provincial / Territorial Measures (cont.)

| Province | Program | Description | Target Companies | Where to Apply / Get Up to Date Information |
|--------------|---|--|--|---|
| Quebec | Relief: Incentive Program to Retain Essential Workers | Essential workers making gross wages of \$550 or less per week can apply to receive a taxable benefit of \$400 per month to make up the difference between the Canada Emergency Response Benefit and their wages. | Essential workers | https://www.revenuquebec.ca/en/press-room/news/details/167331/2020-04-03/ |
| | Access to Capital: Aide d'urgence aux petites et moyennes entreprises (COVID-19) | Provides loans or guarantees of up to \$50,000, administered through Regional County Municipalities or Local Investment Funds | All businesses that can demonstrate the impact of COVID-19 on their operations | https://www.quebec.ca/entreprises-et-travailleurs-autonomes/aide-urgence-pme-covid-19/ |
| | Access to Capital: Investissement Québec Concerted temporary action program for businesses | Loan guarantees or working capital loans of at least \$50,000 | All businesses, with some exclusions | https://www.investquebec.com/quebec/en/financial-products/all-our-solutions/Concerted-temporary-action-program-for-businesses.html |
| | Deferrals: Tax | Businesses can defer payment on any tax balance owing to Revenu Quebec until September 1. | All businesses | https://www.revenuquebec.ca/en/coronavirus-disease-covid-19/relief-measures-for-individuals-and-businesses/ |
| Saskatchewan | Deferrals: Tax | Saskatchewan businesses which are unable to remit their PST due to cashflow concerns will have three-month relief from penalty and interest charges. | All businesses | https://www.saskatchewan.ca/government/health-care-administration-and-provider-resources/treatment-procedures-and-guidelines/emerging-public-health-issues/2019-novel-coronavirus/covid-19-information-for-businesses-and-workers/support-for-businesses |
| Yukon | Deferrals: Fees and Premiums | The Government of Yukon will waive, reimburse or delay government fee collection, such as airport landing fees. Additionally, Workers' Compensation Health and Safety premium payments will be deferred, and penalties and interest will be waived. Any payments made up front will be reimbursed. | All businesses | https://yukon.ca/en/news/premier-silver-announces-stimulus-package-support-businesses-and-workers |

Resources and Additional Information

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|----------------------------|---|---|
| National | Government of Canada COVID-19 Portal | https://www.canada.ca/en/public-health/services/diseases/2019-novel-coronavirus-infection.html?topic=tilelink |
| | Government of Canada Economic Response Plan | https://www.canada.ca/en/department-finance/economic-response-plan.html |
| | Canadian Chamber of Commerce – Canada Business Resiliency Network | https://www.canadianbusinessresiliencenetwork.ca/ |
| Provincial/ Territorial | Alberta | https://www.alberta.ca/covid-19-support-for-employers.aspx |
| | British Columbia | https://www2.gov.bc.ca/gov/content/safety/emergency-preparedness-response-recovery/covid-19-provincial-support |
| | Manitoba | https://manitoba.ca/covid19/infomanitobans/workplaces.html |
| | New Brunswick | https://www2.gnb.ca/content/gnb/en/gateways/for_business/covid19.html |
| | Newfoundland and Labrador | https://www.gov.nl.ca/covid-19/resources-2/ |
| | Northwest Territories | https://www.itn.gov.nt.ca/en/covid-19-information-businesses-tourists-and-program-applicants |
| | Nova Scotia | https://novascotia.ca/coronavirus/#support |
| | Nunavut | https://gov.nu.ca/health/information/covid-19-novel-coronavirus |
| | Ontario | https://covid-19.ontario.ca/index.html |
| | Prince Edward Island | https://www.princeedwardisland.ca/en/topic/for-business |
| | Quebec | https://www.quebec.ca/en/health/health-issues/a-z/2019-coronavirus/ |
| | Saskatchewan | https://www.saskatchewan.ca/government/health-care-administration-and-provider-resources/treatment-procedures-and-guidelines/emerging-public-health-issues/2019-novel-coronavirus/covid-19-information-for-businesses-and-workers/support-for-businesses |
| Yukon | https://yukon.ca/en/your-government/find-out-what-government-doing/support-yukon-businesses | |