

Financial Support for Businesses Impacted by COVID-19.

The ongoing WHO declared COVID-19 pandemic has in the past several months increasingly impacted the global economy through both demand and supply side shocks and disruptions as a result of shutdowns, supply chain disruptions, and isolated workforces. Compounding the economic impact of COVID-19 is an ongoing OPEC-Russia price war that has cratered global oil prices and is broadly impacting the Canadian energy sector. The result of these events is likely to be a recession of a thus far indeterminate length that will cause undue financial stress to the local economy in Perth. In order to help businesses navigate these challenging times and ensure that the Perth economy can recover as swiftly and efficiently as possible, the following document has been assembled that contains useful information on programs that can help businesses and their employees navigate the coming weeks and months.

Government of Canada Support for Businesses

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The federal government has begun taking swift and decisive action to mitigate the economic impacts on both individual and businesses within Canada. Below is information and links to programs that businesses in Perth can potentially take advantage of to mitigate the impacts of COVID-19 on their business.

As the pandemic situation continues to evolve, more support programs and other opportunities may become available. This list will continue to be updated as that information is released

General information that may be of use at the time can be found on the Trade Commissioner's website: <https://www.tradecommissioner.gc.ca/campaign-campagne/ressources-entreprisesCOVID-19-business-resources.aspx?lang=eng>

Program	Value	Details
COVID 19 Research and Medical Countermeasures	\$275 million	Funding to advance programs already underway at institutions developing potential vaccines. Nearly \$200 million in this program will be allocated to major companies to help them develop COVID 19 countermeasures.
Lending for agribusinesses, producers, and food processors	\$5 billion	Farm Credit Canada will receive support from the federal government. Increased flexibility to farmers and processors who face cashflow issues and are impacted by lost sales.

COVID 19 Economic Aid Package	\$82 billion	<p>\$27 billion in direct support to workers and businesses.</p> <p>\$55 billion to meet liquidity needs of Canadian businesses (the following programs relate to this)</p>
Deferral of Income Tax	NA	<p>Allows businesses to defer until after August 31st, 2020 the payment of any income tax amounts that become owing after March 18th and before September 2020.</p> <p>Individual Tax Returns filing date has been extended to June 1st, 2020.No interest or penalties will accumulate for this income.</p>
NEW Small businesses 75% wage subsidy	NA	<p>A subsidy equal to 75% of remuneration paid back dated to March 15th 2020. Applies to sole proprietors, partnerships, registered charities, non-profits, and certain Canadian Controlled private corporations.</p> <p>Businesses will be able to benefit immediately from this support by reducing their remittances of income tax withheld on their employees' remuneration.</p>
Business Credit Availability Program (BCAP)	\$10 billion	<p>The government will establish a credit facility to lend money to businesses under stress as a result of the spreading COVID-19 pandemic.</p> <p>The program will support financing through the Business Development Bank of Canada (BDC) and Export Development Canada (EDC).</p> <p>BDC link: https://www.bdc.ca/en/pages/special-support.aspx?specialinitiative=covid19 EDC link: https://www.edc.ca/en/campaign/coronavirus-covid-19.html</p>
Changes to the Employment Insurance sickness benefits	NA	<p>Employment Insurance (EI) sickness benefits provide up to 15 weeks of income replacement and is available to eligible claimants who are unable to work because of illness, injury or quarantine, to allow them time to restore their health and return to work.</p>
Canada Emergency Response Benefit	NA	<p>To support workers and help businesses keep their employees, the government has proposed legislation to establish the Canada Emergency Response Benefit (CERB). This taxable benefit would provide \$2,000 a month for up to four months for workers who lose their income as a result of the COVID-19 pandemic. The CERB would be a simpler and more accessible combination of the previously announced Emergency Care Benefit and Emergency Support Benefit.</p>

Canada Account Limit	NA	<p>The government is changing the Canada Account so that the Minister of Finance would now be able to determine the limit of the Canada Account in order to deal with exceptional circumstances.</p> <p>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.</p>
Insured Mortgage Purchase Program	Up to \$50 billion	<p>Launch of an Insured Mortgage Purchase Program to purchase up to \$50 billion of insured mortgage pools through the Canada Mortgage and Housing Corporation (CMHC).</p> <p>This will provide stable funding to banks and mortgage lenders and support continued lending to Canadian businesses and consumers.</p>
COVID-19 Supplier Purchasing Program	NA	<p>In support of the Governments whole-of-government response to Coronavirus disease (COVID-19), the Government is seeking to procure additional goods from suppliers</p> <p>If you are a supplier which can provide items from the list, or other items not listed, please complete the submission form for Coronavirus disease (COVID-19) products and services.</p>
National Research Council of Canada (NRC) - COVID-19 Challenge Program	NA	<p>The COVID-19 Challenge Program is composed of teams of government, academic, and private sector partners, seeking to address a range of medium-term needs of the Public Health Agency of Canada and Health Canada.</p> <p>These medium-term needs include personal protective equipment, sanitization products, diagnostic and testing products, therapeutics, and disease tracking technology.</p> <p>The most promising solutions will be selected for procurement, working with Innovative Solutions Canada.</p>

Additional Support for Businesses	Up to \$800 billion	<p>The Office of the Superintendent of Financial Institutions (OSFI) announced it is lowering the Domestic Stability Buffer by 1.25% of risk-weighted assets, effective immediately. This action will allow Canada’s large banks to inject \$300 billion of additional lending into the economy.</p> <p>Credit and liquidity support through financial Crown corporations, Bank of Canada, OSFI, CMHC and commercial lenders (e.g., Domestic Stability Buffer, Insured Mortgage Purchase Program, Banker’s Acceptance Purchase Facility) in the range of \$500 Billion</p>
NEW Canada Emergency Business Account	N/A	Loans of up to \$40,000 to small and medium-sized businesses that will be interest-free for one year. \$10,000 of that loan will be forgivable.

Additional Information on some Government of Canada support programs for both individuals and businesses can be found here.

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

This list will continue to be updated in the coming days as more details on above announced programs become available and additional programs are revealed. Many of the above programs are anticipated to be in full operation by April.

Questions or Requests for Additional information can be sent to:

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