

Summary of Employer Support Programs – COVID-19 – Federal Government

The federal government has announced a number of measures to support Canadians businesses.

1. Canada Emergency Wage Subsidy (CEWS)

- Administered by the Canada Revenue Agency (CRA).
- Available to employers that have suffered a drop in gross revenues of at least 15% in March, and 30% in April to August, when compared to the revenue earned in the corresponding month in 2019, or the average of the revenue earned in January and February 2020.
- Applied at a rate of 75% of the first \$58,700 earned by employees.
- The subsidy is available for up to 24 weeks, retroactive from March 15, 2020, to August 29, 2020.

2. 10% Temporary Wage Subsidy for Employers

- Administered by the Canada Revenue Agency (CRA).
- It is a three-month measure that will allow eligible employers to reduce the amount of payroll deductions required to be remitted to the CRA.
- The subsidy is equal to 10% of the remuneration paid from March 18, 2020 to June 19, 2020, up to \$1,375 for each eligible employee to a maximum of \$25,000 total per employer.

3. Work-Sharing program for employees

- Administered by Employment and Social Development Canada (ESDC).
- Work-Sharing is an Employment Insurance (EI) program that helps employers and employees avoid layoffs.
- Extension of the maximum possible duration of an agreement from 38 week to 76 weeks.
- Employers and employees must agree to participate in Work-Sharing and apply together.

4. Business Credit Availability Program (BCAP)

- Administered by Export Development Canada (EDC) and the Business Development Bank of Canada (BDC).
- Businesses seeking support through BCAP should contact the financial institutions with whom they have a pre-existing relationship, so that the financial institutions may assess the client's financial request.
- BDC has announced a Mid-Market Financing Program which will provide commercial loans ranging between \$12.5 million and \$60 million to medium-sized businesses whose credit needs exceed what is already available through the Business Credit Availability Program and other measures. More details are expected soon.
- EDC has announced a Mid-Market Guarantee and Financing Program will bring liquidity to companies who tend to have revenues of between \$50 million to \$300 million, to sustain operations during this uncertain period. More details will be made available soon.

5. Increased Farm Credit Canada (FCC) lending capacity

- FCC has received an enhancement to its capital base that will allow for an additional \$5 billion in lending capacity.
- FCC is asking existing customers who have cash flow or other financial concerns to contact them to discuss alternatives, such as [loan payment deferrals and products available to assist with cash flow needs](#).

6. Large Employer Emergency Financing Facility (LEEFF)

- Delivered by the Canada Development Investment Corporation (CDEV), in cooperation with Innovation, Science and Economic Development Canada and the Department of Finance.
- The LEEFF program is open to large for-profit businesses – with the exception of those in the financial sector – as well as certain not-for-profit businesses, such as airports, with annual revenues generally in the order of \$300 million or higher.
- To qualify, eligible businesses must be seeking financing of about \$60 million or more, have significant operations or workforce in Canada, and not be involved in active insolvency proceedings.

7. Regional Relief and Recovery Fund (RRRF)

- Delivered through the Regional Development Agencies (RDAs).
- The program commits nearly \$962 million to help businesses and organizations in sectors such as manufacturing, technology, tourism and others that are key to the regions and to local economies.
- This fund is specifically targeted to those that may require additional help to recover from the COVID-19 pandemic, but have been unable to access existing support measures.

8. Canada Summer Jobs Program

- The program is administered through Employment and Social Development Canada (ESDC).
- The government has announced a number of temporary changes to the program in response to the COVID-19 situation. These include:
 - All funded employers will be eligible to receive a wage subsidy reimbursement of up to 100% of the provincial or territorial minimum hourly wage.
 - All funded employers may offer part-time placements (for example, fewer than 30 hours per week).
 - All funded employers may offer job placements between May 11, 2020 and February 28, 2021.

9. Deferral of Taxes and GST/HST Remittances

- Administered through the Canada Revenue Agency (CRA).
- The CRA will allow all businesses to defer, until the end of June 2020, any GST/HST payments or remittances that become owing on or after March 27, 2020, and before June 2020.
- The CRA will allow all businesses to defer, until August 31, 2020, the payment of any income tax amounts that become owing on or after today and before September 2020.

10. Deferral of Customs Duty and Sales Tax for Importers

- Administered by the Canada Border Services Agency (CBSA).
- Payment deadlines for statements of accounts for March, April, and May are being deferred to June 30, 2020.
- Businesses in need of information about their particular accounting and payment obligations on imported goods may contact the Canada Border Services Agency for more details.