

# CANADIAN GOVERNMENT SUPPORT & OTHER RESOURCES FOR BUSINESSES

Prepared by [Export Help](#) - Updated April 22<sup>nd</sup>, 2020

## ATLANTIC – P.E.I

The Coronavirus (COVID-19) is a rapidly evolving global challenge. In addition to the health risks posed to Canadians by COVID-19, businesses operations and supply chains are particularly vulnerable as the disease spreads across borders. In response to COVID-19, federal, provincial and municipal government departments and agencies have launched a series of funding programs, supports, resources and other announcements meant to assist Canadian businesses and their employees during this difficult time. EDC's Export Help Team has assembled the following care package of information on the many new and revised programs and supports available to Canadian businesses, as well as other critical advisories relating to trade and travel. As circumstances evolve, the Export Help Team will be keeping this Care Package up to date for you and your customers.

## FEDERAL SUPPORT PROGRAMS

[CANADA'S COVID-19'S ECONOMIC RESPONSE PLAN](#) is the Government of Canada's set of immediate, significant and decisive economic measures to help stabilize the economy and provide [support to Canadian workers and businesses](#). Some of the **key measures** include:

### 1. MEASURES TO SUPPORT WORKERS AND HELP AVOID LAYOFFS

MEASURES	DETAILS
TEMPORARY WAGE SUBSIDIES	<p>The <a href="#">Canada Emergency Wage Subsidy (CEWS)</a> would apply at a rate of 75% of the amount of remuneration paid, up to a maximum benefit of \$847 per week, for qualifying businesses, for up to 3 months, retroactive to March 15, 2020. <b>Eligible employers who suffer a drop in gross revenues of at least 15% in March and at least 30% in April and May</b>, when compared to the same month in 2019, would be able to access the subsidy by applying through the Canada Revenue Agency's <i>My Business Account portal</i> as well as a web-based application. More details about the application process will soon be made available on the <a href="#">CRA's website</a>.</p> <p>Those organizations that do not qualify for the <i>Canada Emergency Wage Subsidy</i> may continue to qualify for the previously announced <a href="#">wage subsidy of 10%</a> of remuneration paid from March 18 to before June 20, up to a maximum subsidy of \$1,375 per employee and \$25,000 per employer. Eligible small businesses do not need to apply for this subsidy, however, they will be able to benefit immediately from this support by reducing their remittances of income tax withheld on their employees' remuneration. <b>Businesses also do not need to demonstrate a drop in revenue in order to qualify.</b> See the CRA link above for details on the eligibility criteria for this subsidy, how to calculate and deduct, and other related information.</p>
Employment and Social Development Canada is	<p><a href="#">Canada Emergency Response Benefit (CERB)</a> we will provide a <b>taxable benefit of \$2,000 a month for up to 4 months</b> to qualified workers: people facing unemployment, people who are sick, quarantined, or in directed self-isolation, and people who are unable to work. This new measure</p>

responsible for managing and delivering <a href="#">programs related to employee protection and benefits</a> , as well as <a href="#">workplace safety</a> , that will help minimize the impact of COVID-19 - help employers and employees avoid layoffs and prevent the spread of COVID-19 in the workplace.	has replaced the previously announced <i>Emergency Care Benefit</i> and the <i>Emergency Support Benefit</i> . <b>Only apply for the CERB once, through either a CERB link above or the <a href="#">CRA website</a>.</b>
	<a href="#">The Work-Sharing Program</a> (WSP) helps avoid layoffs when there is a temporary decrease in business activity beyond the control of the employer. <b>The program provides EI benefits to eligible employees who agree to reduce their normal working hours</b> and share the available work while their employer recovers. The WS has been extended from 38 weeks to 76 weeks to help employers who are experiencing a downturn in business due to COVID-19, and their workers.
	For the benefit of your business and workers, you are encouraged to contact <i>Service Canada</i> at <b>1-800-OCanada (1-800-622-6232)</b> for more information on additional government support available to you.

## 2. MORE FLEXIBILITY TO PAY TAXES

DETAILS	
<b>INCOME TAXES</b>	Deferral of income tax payments for businesses owing on or after March 18 until August 31, 2020, and some other relief in tax obligations. Please refer to the CRA's page to find out more about <a href="#">Fiscal Measures taken by the Agency</a> to help Canadians manage their tax and benefit affairs as COVID-19 situation evolves.
<b>SALES TAX AND CUSTOMS DUTIES</b>	<a href="#">Deferral of GST/HST Remittance and Customs Duty Payments</a> until end of June 30, 2020. Please refer to the CRA's <a href="#">FAQs for deferral of GST/HST Tax Remittances (COVID-19 measures)</a> for more details.

## 3. EXTENDED ACCESS TO CREDIT FOR BUSINESSES

MEASURES	DETAILS
<a href="#">Business Credit Availability Program (BCAP)</a> , where financial institutions, in cooperation with <a href="#">Export Development Canada (EDC)</a> and <a href="#">Business Development Bank of Canada (BDC)</a> , will provide additional financial support to help Canadian companies facing challenges as a result of the COVID-19 crisis.  BCAP includes the following <b>three programs</b> :	<a href="#">Canada Emergency Business Account</a> - a new loan program offered by financial institutions that will provide <b>interest-free loans of up to \$40,000 to eligible small businesses</b> , to help cover their operating costs during a period where their revenues have been temporarily reduced.
	<a href="#">A New Loan Guarantee for SMEs</a> – in cooperation with EDC, financial institutions will issue new <b>operating credit and cash flow term loans of up to \$6.25 million to eligible SMEs</b> in export sector and domestic operations.
	<a href="#">A New Co-Lending Program for SMEs</a> – in cooperation with BDC, financial institutions will co-lend <b>term loans to eligible SMEs for their operational cash flow requirements</b> .
<b>Canada Emergency Commercial Rent Assistance (CECRA)</b>	<a href="#">Canada Emergency Commercial Rent Assistance (CECRA)</a> program for small businesses that, will seek to provide loans and/or forgivable loans to commercial property owners who in turn will lower or forgo the rent of small businesses <b>for the months of April (retroactive), May, and June</b> .

More details will be available soon.

## REGIONAL SUPPORT PROGRAMS

PROGRAMS	DETAILS
<p>The <a href="#">Atlantic Canada Opportunities Agency</a> (ACOA) is a regional economic development agency (RDA) monitoring the COVID-19 global challenge and the potential impact it could have on business and workers, as well as the broader economy.</p>	<p>The RDAs can assist SMEs or organizations affected by the impact of COVID-19 with <b>access to federal funding to help you stay in business, advice and pathfinding service to other federal programs and support</b>. Please refer to this <a href="#">Info Sheet</a> for more information.</p> <p>For assistance, please contact <a href="#">ACOA officers</a> by selecting the nearest location to your business or organization.</p>
<p>The <b>Government of Prince Edward Island</b> will provide immediate funding and supportive measures to support local businesses. Visit their dedicated page for <a href="#">Coronavirus (COVID-19) to learn more</a>.</p> <p>For PEI business with questions about COVID-19, visit <a href="#">COVID-19 Facts for Employers</a> or contact the help line by phone at <b>1-866-222-1751</b> or by e-mail at <a href="mailto:peibusinesshelpline@gov.pe.ca">peibusinesshelpline@gov.pe.ca</a>.</p>	<p><a href="#">The Emergency Working Capital Financing</a> : Qualifying Small Businesses can apply to receive a working capital loan of up to \$100,000 with a fixed interest rate of 4% per annum to be used to assist with fixed operating costs (including payroll, rent, utilities etc) with principal &amp; interest payments deferred for a minimum of 12 months.</p> <p>You can apply by submitting the <a href="#">application form</a> and supporting documentation to <b>Finance PEI</b> at <a href="mailto:financepei@gov.pe.ca">financepei@gov.pe.ca</a>.</p> <p><a href="#">Employee Gift Card Program</a> : A temporary program put in place to offer a \$100 Sobeys gift value to any employee, living and working on Prince Edward Island, who has received an ROE as lay-off notice between the dates of March 13<sup>th</sup>April 15<sup>th</sup>, 2020.</p> <p><a href="#">Applications</a> are to be submitted online by the employer, on behalf of employees.</p> <p><a href="#">The Emergency Income Relief for the Self-Employed</a> : A temporary program put in place to support the self-employed who have been significantly affected by COVID-19 by providing A maximum of \$500 per week for the period of March 16 to March 29, 2020.</p> <p><a href="#">Applications</a> can be submitted until April 30, 2020.</p> <p><a href="#">Income Support Fund</a> : A one-time lump sum payment of \$750 effective March 13, 2020 – April 30, 2020 (Taxable Income) from the Government of Prince Edward Island for self-employed individuals who have not already access to the Emergency Income Relief for Self-Employed bellow.</p> <p><a href="#">Applications</a> can be submitted until April 30, 2020.</p> <p><a href="#">The Emergency Relief - Worker Assistance Program</a> : A temporary program to provide financial support a maximum of \$250, to employers, per week for each employed worker who have been impacted by a reduction of at least 8 hours per week during the four-week period March 16, 2020-April 11, 2020.</p>

	Employers must complete and submit <a href="#">the application online</a> on behalf of the employees until April 30, 2020.
	<a href="#">Business Adaptation Advice Program</a> provides a non-repayable contribution to Prince Edward Island businesses, entrepreneurs, not-for-profits, and non-governmental organizations to access professional advice and support to adapt or recover from the impacts of COVID-19.
	<a href="#">Online applications</a> must be submitted until July 31, 2020 before any financial or legal commitment is made on the project.
	<a href="#">Broadband Fund for Businesses</a> : The Prince Edward Island Broadband Fund provides financial assistance to local Prince Edward Island internet service providers (ISPs), communities and businesses for the installation of infrastructure for enhanced broadband services through a contribution of up to 50% of the eligible costs for a project approved for funding.  A hard copy and an email with <a href="#">Application form</a> and supporting documents must be submitted prior to the start of a project to <b>Innovation PEI</b> .

## BUSINESS PREPAREDNESS

The following guides will help your business prepare for and manage through a potential COVID-19 escalation in Canada:

NEEDS	GUIDES
<b>BUSINESS TRAVEL AND MOVEMENT OF GOODS</b>	Please refer to the Government of Canada’s <a href="#">Coronavirus Disease (COVID-19): Travel Advice</a> , which lists an official global travel advisory in effect: <b>Avoid non-essential travel outside Canada</b> until further notice.
	However, there are <a href="#">exemptions</a> for workers who are essential to the movement of goods, people and providing critical services (e.g. healthy workers in the trade and transportation sector, healthy people who have to cross the border to go to work, etc.).
	<p><b>U.S. Travel:</b></p> <ul style="list-style-type: none"> <li>On March 18, 2020 Canada and the United States agreed <a href="#">to temporarily restrict non-essential travel across the Canada-U.S. border</a>. These restrictions however will not affect trade, or workers involved in essential work, since preserving supply chains is critical for both countries.</li> <li>The <i>U.S. Department of Homeland Security</i> also publishes information on <a href="#">COVID-19 travel restrictions</a> which includes details on the US-Canada restrictions for non-essential travel.</li> </ul>
<b>BUSINESS CONTINUITY PLANNING</b>	<a href="#">A guide to Business Continuity Planning</a> by <i>Canadian Centre for Occupational Health and Safety (CCOHS)</i> describes how an organization will continue to function during or after some kind of emergency, disaster or event. It involves planning how your key services or products can be continued, and the recovery of key business and systems.
	The Canadian Chamber of Commerce has a guide on <a href="#">Pandemic Preparedness for Business</a> , which is compiled based on best practice documents and designed to assist business planning and continuity efforts.

	BDC has a guide for <a href="#">Business continuity plan and templates for entrepreneurs</a> . See also their guide on <a href="#">8 steps for planning your emergency and disaster plan</a> .
<b>SUPPLY CHAIN MANAGEMENT</b>	You can also find useful guides on supply chain management in these difficult times arising from COVID-19 in the guides published by Deloitte on <a href="#">Managing Supply Chain Risk and Disruption</a> and by PWC on <a href="#">COVID-19: Operations and supply chain disruption</a> .

## SUPPORT FOR EXPORTERS

*The resources below will help explain how Canadian exporters can be prepared to take on the risk of doing business in rapidly changing international markets due to COVID-19:*

SOURCES	DETAILS
<b>TRADE COMMISSIONER SERVICE</b>	The Trade Commissioner Service is committed to supporting Canadian exporters and the free flow of goods and services across our international borders and has dedicated a page to <a href="#">COVID-19 and Canada's international trade</a> that combines resources to help exporters navigate through these challenges.
<b>EXPORT DEVELOPMENT CANADA</b>	EDC has released a number of <a href="#">trade highlights, articles and webinars</a> to help exporters navigate business risks and impacts of COVID-19 when doing business internationally.  See for instance our recent webinar on <a href="#">Coronavirus (COVID-19): Managing the impact on global supply chains</a> , which, together with the article <a href="#">How to manage business risk during the COVID-19 crisis</a> , provides information on how the coronavirus is affecting global trade and how your company can be protected.

**If you have any questions we are here to help! You can connect with us through the [Export Help Team](#) page on EDC.ca.**