

# NEW MEASURES TO SUPPORT SMALL BUSINESSES



## BUSINESS LOANS

**We're giving small businesses loans of up to \$40,000 interest-free for one year**



## WAGE SUBSIDY

**We're providing a wage subsidy of up to 75% to make sure employers can keep employees on the payroll**



## SUPPORT FOR BUSINESSES

**We're making \$40 billion available to support businesses with operational cash flow gaps**



## DEFERRING TAXES

**We're deferring GST and HST payments, duties, and taxes owed on imports until June**

### UPDATE FROM JUDY- March 30 2020

Friends,

I am reaching out to you to provide you with information that is invaluable as you and your business navigate through these unprecedented times.

You can find live updates and information about Canada's response to COVID-19 here:

[www.canada.ca/coronavirus](http://www.canada.ca/coronavirus)

More information about our supports for small businesses are available here:

[www.canada.ca/covid-19-business](http://www.canada.ca/covid-19-business).

If you are a Canadian manufacturer or business that can assist Canada in meeting the need for medical supplies, please visit

<https://www.canada.ca/en/services/business/maintaingrowimprovebusiness/manufacturers->

[needed.html](#) to learn more and submit a proposal.

The Canada Border Service Agency (CBSA) Border Information Service (BIS) is now accessible via a 24/7 hotline. Please call 1-800-461-9999 for the most up-to-date information related to cross border travel and business.

Whether you are self-employed, an entrepreneur, or a small business owner, we understand you should not have to worry about losing your business at this time. To get the help you need, visit our [website for businesses](#) for information about supporting your employees and your business. It is constantly updated as the COVID-19 crisis evolves.

## **LATEST NEWS**

### **Support for Businesses**

On March 27, the Prime Minister and the Minister of Finance announced new measures to support businesses and not-for-profit organisations in this difficult time. These new measures will be available shortly and more information on how to access them will be coming in the following days.

### **WAGE SUBSIDY**

- To help employers weather COVID-19, and to keep their employees our Government is taking significant action by subsidizing wages.
- We are expanding on the previously announced wage subsidy, our Government will provide an up to **75% wage subsidy for qualifying employers, for up to 3 months.**
- If your business' revenues have decreased by at least 30 percent because of COVID-19, you are eligible for this subsidy. The number of employees you have will not determine whether you get the support you need.
- It will also apply to charities and non-profit organizations.

### **CANADA EMERGENCY BUSINESS ACCOUNT**

- The new Canada Emergency Business Account will provide up to **\$25 billion to eligible financial institutions so they can provide interest-free loans** to small businesses and not-for-profits.

- Valued at a maximum of \$40,000 to qualifying businesses, the program will support Canadian employers – including not-for-profits – with \$50,000 to \$1 million in total payroll in 2019.
- Loans may be repaid over 2 years with no interest with an option for option for another three years with interest.
- Repaying the balance of the loan on or before December 31, 2022 will result in loan forgiveness of 25 percent (up to \$10,000).

## **GST/HST & DUTY DEFERRAL**

- That's why we are providing immediate assistance to businesses by **deferring any payments on GST/HST and customs duties** over the next three months.
- For over 3.2 million businesses and self-employed Canadians, this measure will help provide them with the cash to continue operating.
- The deferral of these payments will provide up to of \$30 billion in interest-free loans as we deal with this unprecedented challenge.

## **LOAN GUARANTEE AND CO-LENDING PROGRAM**

- To support the operations of SMEs, we are launching two new programs which will help provide cash flow during this challenging time.
  - EDC will guarantee new operating and cash flow term loans that financial institutions extend to SMEs, providing up to \$6.25 million.
  - BDC, together with financial institutions, will provide additional liquidity to businesses through a new Co-Lending Program providing up to \$6.25 million.

Additionally, we encourage you to take the following steps to ensure you can access as much support as possible:

1. **Contact your local financial institution.** Since we know most small businesses have a relationship with their local financial institution already, we've worked with the financial sector to increase their lending capability to support you in in this challenging time. They are a good first place to start for help.

2. Download the [Canada Business App](#) to find tailored supports to address your needs in the face of COVID-19.
3. Consult the Canadian Chamber of Commerce's [pandemic preparedness guide](#) to help prepare your business in the days and weeks to come.

At the bottom of this message, there is a helpful flowchart with all of the aforementioned links.

## **TIPS ON STAYING SAFE AND HEALTHY**

### **Social distancing**

Together, we can slow the spread of COVID-19 by making a conscious effort to keep a physical distance between each other.

This includes:

- avoiding non-essential gatherings
- avoiding common greetings, such as handshakes
- avoiding crowded places such as concerts, arenas, conferences and festivals
- limiting contact with people at higher risk like older adults and those in poor health
- keeping a distance of at least 2 arms-length (approximately 2 metres) from others

## REDUCE THE SPREAD OF COVID-19. WASH YOUR HANDS.



1-833-784-4397

canada.ca/coronavirus



Public Health  
Agence de la Santé

Agence de la Santé  
publique du Canada

Canada

This has been an extremely difficult time for all Canadians, especially small business owners. We are doing everything we can to support you and your families, and are prepared to take further action if the situation demands it. We will get through this together, and when we do I am confident our economy will roar again like never before.

Please do not hesitate to reach out to my office if I can be of further assistance. We can be contacted by email at [judy.sgro@parl.gc.ca](mailto:judy.sgro@parl.gc.ca) or by telephone at 416-744-1882.

Sincerely,

Judy