

## APPENDIX 1:

### COVID-19 Federal and Provincial Support Programs for Businesses and Organizations

#### [1] Introduction

This document provides a brief overview of the primary federal and provincial COVID-19 programs available to business and other eligible organizations.<sup>1</sup> Public sector organizations, including wholly owned corporations, are ineligible for the support programs.

The majority of the programs are managed by various departments within the Government of Canada and they are addressed in section 2. The Government of Saskatchewan has a couple of programs and they are addressed in section 3. In each section, a program name is listed, followed by a short description and subsequently, their eligibility rules where applicable. Links to the programs are also provided. Finally, the document provides no analysis of the programs or comments on their suitability or sufficiency to eligible organizations.

#### [2] Government of Canada Subsidies, Deferrals, and Loans Applicable to For-Profit and Not-for-Profit Organizations

##### [2.1] Wage Subsidies

###### **Program Name: Canadian Emergency Wage Subsidy (CEWS)**

<https://www.canada.ca/en/revenue-agency/services/subsidy/emergency-wage-subsidy/cews-apply-guide.html>

###### **Program Description**

The Canada Emergency Wage Subsidy (CEWS) is a wage subsidy program, available for a period of twelve weeks from March 15, 2020, to June 6, 2020 (on May 15, 2020, it was proposed that the CEWS be extended for an additional 12 weeks, until August 29, 2020), that will generally provide a subsidy of 75% of the eligible remuneration paid by an eligible entity (eligible employer) to each employee – to a maximum of \$847 per week.

###### **Eligibility**

Eligibility requirements are posted here: <https://www.canada.ca/en/revenue-agency/services/subsidy/emergency-wage-subsidy/cews-who-eligible-employer.html>.

Applies to all organizations except for public institutions or any corporation owned by them. This means public institutions are not eligible for the subsidy. This includes municipalities and local governments, crown corporations, public universities, colleges and schools, and hospitals.

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<sup>1</sup> For a full suite of COVID-19 supports please consult <https://www.canada.ca/en/department-finance/economic-response-plan.html#businesses> or <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>

## **Program Name: Temporary Wage Subsidy**

<https://www.canada.ca/en/revenue-agency/services/subsidy/emergency-wage-subsidy/cews-apply-guide.html>

### **Program Description**

The Temporary 10% Wage Subsidy is a three-month measure that allows eligible employers to reduce the amount of payroll deductions required to be remitted to the Canada Revenue Agency.

### **Eligibility**

Eligibility requirements are posted here: <https://www.canada.ca/en/revenue-agency/campaigns/covid-19-update/frequently-asked-questions-wage-subsidy-small-businesses.html#toc0>

The program does not apply to all organizations except for public institutions or any corporation owned by them. This means public institutions are not eligible for the subsidy. This includes municipalities and local governments, crown corporations, public universities, colleges and schools, and hospitals.

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## **[2.2] Financial Support, Loans, and Credit**

### **Program Name: Canada Emergency Commercial Rent Assistance (CECRA)**

#### **Program Description**

Provides relief for small businesses experiencing financial hardship due to COVID-19. Over the course of the program, property owners will reduce rent by at least 75% for the months of April and May (retroactive), and June, for their small business tenants. CECRA will cover 50% of the rent, with the tenant paying up to 25%, and the property owner forgiving at least 25%. The program is managed by the Canada Mortgage and Housing Corporation (CMHC).

#### **Eligibility**

Eligibility requirements are posted here: <https://www.cmhc-schl.gc.ca/en/finance-and-investing/covid19-cecra-small-business>. CECRA will not apply to any federal-, provincial-, or municipal-owned properties, where the government is the landlord of the small business tenant. However, there are exceptions such as:

- Where there is a long-term lease to a First Nation, or Indigenous organization or government, the First Nation or Indigenous organization or government is eligible for CECRA for small businesses as a property owner.
- Where there are long-term commercial leases with third parties to operate the property (for example, airports), the third party is eligible as the property owner.

## **Program Name: Canada Emergency Business Account (CEBA)**

### **Program Description**

Provides interest-free loans of up to \$40,000 to small businesses and not-for-profits, to help cover their operating costs during a period where their revenues have been temporarily reduced. This program has been implemented by banks and credit unions in collaboration with Export Development Canada.

### **Eligibility**

Eligibility requirements are posted here: <https://ceba-cuec.ca/>. The program does not apply to any government organization or any entity owned by a government organization.

## **Program Name: Business Credit Availability Program – Loan Guarantee and Co-Lending Programs for Small and Medium Sized Enterprises**

### **Program Description**

Through the Business Credit Availability Program, Export Development Canada (EDC) is working with financial institutions to guarantee 80% of new operating credit and cash flow term loans of up to \$6.25 million to small and medium-sized enterprises (SMEs). This financing support is to be used for operational expenses and is available to both exporting and non-exporting companies.

Through the Business Credit Availability Program, Business Development Canada (BDC) is working with financial institutions to co-lend term loans of up to \$6.25 million to SMEs for their operational cash flow requirements. The program offers differing maximum finance amounts based on business revenues.

### **Eligibility**

Requirements for the loan guarantee are <https://www.edc.ca/en/solutions/working-capital/bcap-guarantee.html> and for the co-lending program here: <https://www.bdc.ca/en/pages/co-lending-program.aspx>

## **Program Name: Regional Relief and Recovery Fund (RRRF)**

### **Program Description**

Provides nearly \$962 million to help more businesses and organizations in sectors such as manufacturing, technology, tourism, and others that are key to the regions and to local economies. The fund is specifically targeted to those that may require additional help to recover from the COVID-19 pandemic, but have been unable to access other support measures. The program is delivered by the regional economic development agencies, such as Western Economic Diversification (WD).

## Eligibility

Eligibility requirements are posted here: <https://www.wd-deo.gc.ca/eng/20059.asp>. It does not apply to any government organization or any entity owned by a government organization. It also does not apply to sole proprietorships and not-for-profits.

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### [2.3] Tax and Tariff Deferrals

#### **Program Name: Corporate Income Tax Deferral**

##### **Program Description**

The Government of Canada is allowing all businesses to defer, until after August 31, 2020, the payment of any income tax amounts that become owing on or after March 18 and before September 2020. This relief would apply to tax balances due, as well as instalments, under Part I of the *Income Tax Act*. No interest or penalties will accumulate on these amounts during this period.

#### **Program Name: Sales Tax and Customs Duty Payment Deferrals**

##### **Program Description**

The Government of Canada is allowing businesses, including self-employed individuals, to defer until June 30, 2020, payments of the GST/HST, as well as customs duty owing on their imports.

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### [2.4] Targeted Supports to Industries

In addition to the support programs chronicled in subsections 2.1 and 2.2, the Government of Canada has also offered supports that are specific to various sectors or industries.<sup>2</sup> For example, the government provided support to the air transportation by waiving ground lease rents that it collects from 21 airport authorities.<sup>3</sup>

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<sup>2</sup> For specific sector supports please consult, <https://www.canada.ca/en/department-finance/economic-response-plan.html#industry>.

<sup>3</sup> <https://www.canada.ca/en/department-finance/news/2020/03/government-announces-support-for-air-transportation-sector-during-covid-19-pandemic.html>

### [3] Government of Saskatchewan Programs<sup>4</sup>

#### **Program Name: Saskatchewan Small Business Emergency Payment (SSBEP)**

##### **Program Description**

The SSBEP provides a payment to small and medium-sized enterprises directly affected by government public health orders related to COVID-19. Payments are paid based on 15% of a business's monthly sales revenue, to a maximum of \$5,000. The program expired at the end of May.

##### **Eligibility**

Eligibility rules are listed here: <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/saskatchewan-small-business-emergency-payment-program#eligibility>.

Like the federal programs, this does not apply to public sector organizations.

#### **Program Name: Provincial Sales Tax Penalty and Interest Relief**

##### **Program Description**

Saskatchewan businesses which are unable to remit their PST due to cash flow concerns will have three-month relief from penalty and interest charges.

##### **Eligibility**

Eligibility and program requirements are listed here: [www.sets.saskatchewan.ca/taxinfo](http://www.sets.saskatchewan.ca/taxinfo), under notice in 2020-03.

#### **Program Name: Crown Utility Deferrals**

##### **Program Description**

All crown utilities will implement bill-deferral programs allowing a zero-interest bill deferral for up to six months for Saskatchewan customers whose ability to make bill payments may be impacted by the COVID-19 restrictions.

#### **Program Name: Workers' Compensation Board Premium Penalties**

##### **Program Description**

Saskatchewan Workers Compensation Board (WCB) is waiving premium penalties for employers effective April 1 until June 30, 2020.<sup>5</sup>

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<sup>4</sup> For a full suite of Saskatchewan programs, please consult: <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>

<sup>5</sup> <http://www.wcbsask.com/employers/wcbs-employer-relief-measures/>