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COVID 19 Canadian Economic Stimulus & Business Supports

ENTERTAINMENT
SOFTWARE
ASSOCIATION OF CANADA



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Overview

In response to the COVID19 pandemic the Government of Canada has acted to provide fiscal measures to support businesses, households and individuals. These measures have been introduced by Minister of Finance Bill Morneau, the Bank of Canada, and the Office of the Superintendent of Financial Institutions (OSFI). With the addition of wage subsidies and additional business support, the cost of Canada's overall aid package is now estimated to total over **\$250 billion**.

In addition to these measures, provinces and territories have announced specific economic measures aimed at supporting key sectors, as well as protecting individuals from economic hardship.

Federal Government

Type of support	Description	Who is eligible
Business Support	<p>Wage Subsidy (10%) A business wage subsidy equal to 10% of remuneration paid during a 3-month period, up to a maximum subsidy of \$1,375 per employee and \$25,000 per employer.</p> <p>Canada Emergency Wage Subsidy CEWS (75%) Wage subsidy amount for a given employee on eligible remuneration paid for the period between March 15 and June 6, 2020</p> <ul style="list-style-type: none"> - Up to a maximum benefit of \$847 per week or 75% of the employee's pre-crisis weekly remuneration, whichever is less. - 100 % refund for certain employer-paid contributions to Employment Insurance, the Canada Pension Plan, the Quebec Pension Plan, and the Quebec Parental Insurance Plan. - Online portal for the CEWS expected to be available April 27th. <p>Employers who do not qualify for CEWS may still qualify for the 10% subsidy.</p>	<p>Eligible employers are individuals, non-profit organizations, registered charities, Canadian-controlled private corporations.</p> <p>Eligible employers include individuals, taxable corporations, partnerships whose partners are eligible employers, non-profit organizations, and registered charities. This subsidy would be available to eligible employers that see a drop of at least 15 % of their revenue in March 2020 and 30 % for the following months.</p>

Federal Government

Type of support	Description	Who is eligible
Business support	<p>Deferred income tax The Canada Revenue Agency will allow businesses to defer, until after August 31, 2020, the payment of any income tax amounts that become owing on or after March 18, 2020 and before September 2020.</p> <p>Canadian Emergency Business Account (CEBA) CEBA provides eligible businesses \$40,000 at 0% interest until December 31, 2022. The remaining balance is then converted to a 3-year term loan at an interest rate of 5% per annum. If the loan is paid by Dec 31, 2022. 25% of the loan (up to \$10 000, will be forgiven.</p> <p>Canada Emergency Commercial Rent Assistance (CECRA) for small businesses. The program will seek to provide loans, including forgivable loans, to commercial property owners who in turn will lower or forgo the rent of small businesses for the months of April (retroactive), May, and June.</p>	<p>This extended tax payment deadline is intended for corporations. Updates and additional details on tax deadlines for corporations and individuals, charities, trusts, self employed can be found here</p> <p>Businesses and non-profits with total payroll between \$20,000 and \$1.5 million in 2019 will now qualify for loans under the Canada Emergency Business Account (CEBA).</p> <p>The details of this program are TBD and expected to be administered at the provincial level.</p>

Federal Government

Type of support	Description	Who is eligible
Business Support (sector specific)	<p>SME's \$962 million to regional economic agencies and community futures network to provide help to small business who don't qualify for CEWS or CEBA. \$270 million to Futurpreneur and IRAP to support innovators who don't qualify for wage subsidy.</p> <p>Arts, Culture and Sport \$500 million to Heritage Canada to support artists, creators and rising stars in sports. Can use for wage support and provide access to funding.</p> <p>Oil and Gas \$1.7B in cleaning up wells in AB, BC, and Sask. \$750m emission reduction fund with focus on methane – including \$75m to cut reductions in offshore in Newfoundland and Labrador. Will maintain 10,000 jobs across the country. Additional Credit support for small energy companies coming.</p>	Further details on eligibility, program structure, disbursement of funds etc TBD for all of these initiatives which were announced by Prime Minister Trudeau on April 17th.

Federal Government

Type of support	Description	Who is eligible
Employment Insurance	<p>The Canada Emergency Response Benefit (CERB)</p> <p>Up to \$2,000 a month for the next four months to any worker not getting a paycheck due to Covid19.</p> <p>The online CRA portal is now available. The federal government has begun accepting applications.</p> <p>The CERB was recently updated to include seasonal workers and part time employees.</p> <p>Must have earned \$5000 in the last year.</p> <p>* 10.15 million applications processed as of April 29.</p>	<p>Workers, including the self-employed, who are quarantined or sick with COVID-19 but do not qualify for EI sickness benefits.</p> <p>Workers, including the self-employed, who are taking care of a family member who is sick with COVID-19, such as an elderly parent, but do not qualify for EI sickness benefits.</p> <p>Parents with children who require care or supervision due to school or daycare closures, and are unable to earn employment income, irrespective of whether they qualify for EI or not.</p>

Federal Government

Type of support	Description	Who is eligible
Employment Insurance	<p>Extending Work-Sharing program The Government of Canada is Implementing the EI Work Sharing Program, which provides EI benefits to workers who agree to reduce their normal working hour as a result of developments beyond the control of their employers, by extending the eligibility of such agreements to 76 weeks, easing eligibility requirements, and streamlining the application process.</p> <p>* The Government is also waiving the requirement to provide a medical certificate to access EI sickness benefits.</p>	<p>Employers and employees must agree to participate in Work-Sharing and apply together.</p> <p>Employers To be eligible for a WS agreement, your business must: -be a year-round business in Canada in operation for at least 1 year - be a private business or a publicly held company, and have at least 2 employees in the WS unit</p> <p>Employees To be eligible for WS, your employees must: be year-round, permanent, full-time or part-time employees needed to carry out the day-to-day functions of the business (your "core staff")</p>

Federal Government

Type of support	Description	Who is eligible
General Support for Individuals	<p>Increasing the Canada Child Benefit this year For over 3.5 million families with children, who may also require additional support, the Government is proposing to increase the maximum annual Canada Child Benefit (CCB) payment amounts, only for the 2019-20 benefit year, by \$300 per child. The overall increase for families receiving CCB will be approximately \$550 on average; these families will receive an extra \$300 per child as part of their May payment. In total, this measure will deliver almost \$2 billion in extra support.</p>	Families with children.
	<p>Extra time to file income taxes In order to provide greater flexibility to Canadians who may be experiencing hardships during the COVID-19 outbreak, the Canada Revenue Agency will defer the filing due date for the 2019 tax returns of individuals, including certain trusts.</p>	For individuals (other than trusts),
	<p>For individuals (other than trusts), the return filing due date will be deferred until June 1, 2020. However, the Agency encourages individuals who expect to receive benefits under the GSTC or the Canada Child Benefit not to delay the filing of their return to ensure their entitlements for the 2020-21 benefit year are properly determined.</p>	

Federal Government

Type of support	Description	Who is eligible
Freezes / Student support	<p>Interest free 6-month moratorium on Canada Student Loans.</p> <p>The government will invest \$9 billion in total for Canadian Emergency Student Benefits (CESB). Once the bill is passed, post-secondary students can apply for a \$1250 wage subsidy from May – August. Students must attest that they are seeking work. \$2000 / month for students with children and disabilities.</p>	<p>Students and graduates with unpaid student loans.</p> <p>Students who are enrolled in a post-secondary education program leading to a degree, diploma, or certificate, as well as for students who graduated no earlier than December 2019. Details here.</p>
Mortgage Relief	<p>CMHC, is providing increased flexibility for homeowners facing financial difficulties to defer mortgage payments on homeowner CMHC-insured mortgage loans. CMHC will permit lenders to allow payment deferral beginning immediately. The big 6 banks will allow mortgage deferral payments for up to 6 months.</p>	<p>Homeowners facing financial difficulties.</p>

Federal Government

Type of support	Description	Who is eligible
Low to Modest Income Support	<p>Increased goods and services tax credit : double the GSTC for eligible recipients.</p> <p>Enhancing reaching home initiative to address homelessness: \$157.5 million</p> <p>Support for women's shelters: \$50 million</p> <p>Indigenous community support fund: \$305 million</p> <p>Eased rules for registered retirement income funds for seniors : Increase withdrawals from RRIF's by 25% for 2020</p>	<p>Eligible recipients GSTC amounts based on previous year claim.</p>

Federal Government

Type of support	Description	Who is eligible
Liquidity increase	<p>An Insured Mortgage Purchase Program (IMPP) the government will purchase up to \$50 billion of insured mortgage pools through the Canada Mortgage and Housing Corporation (CMHC). This action is intended to provide long-term stable funding to banks and mortgage lenders, help facilitate continued lending to Canadian consumers and businesses, and add liquidity to Canada's mortgage market.</p> <p>The Bank of Canada has cut its target for the overnight rate by 50 basis points to $\frac{3}{4}$ of a percent. The BoC has also broadened the scope of the Government of Canada's bond buyback program, added new term repo operations, and introduced a new Bankers' Acceptance Purchase Facility that starts March 23, 2020.</p> <p>The BoC will launch its new Standing Term Liquidity Facility. This new funding mechanism is focused on individual financial institutions rather than the market as a whole. It is intended to give an eligible institution that is viable, but facing a sudden stress to its liquidity, access to central bank liquidity on terms that are known in advance.</p> <p>Business Credit Availability Program (BCAP) will allow the Business Development Bank of Canada (BDC) and Export Development Canada (EDC) to provide more than \$10 billion of additional support, largely targeted to small and medium-sized businesses.</p> <p>Augment credit available to farmers and the agri-food sector through Farm Credit Canada.</p>	<p>These measures will allow financial institutions to increase lending capacity to provide further support to businesses and households.</p>

Quebec

\$2.5+ billion package to support businesses in QC struggling with liquidity, and individuals.

Type of support	Description	Who is eligible
Business Support	<p>The government will offer companies a minimum of \$50,000 each, in loans and loan guarantees, under advantageous terms.</p> <p>Focus on helping industries it considers strategically important to the Quebec economy, such as aerospace, artificial intelligence and life sciences.</p> <p>Harmonizing same tax measures with those of the federal government (extended deadlines, Aug 31 for businesses).</p> <p>\$150 million to support small businesses, these funds will be distributed and administered by region and are aimed for business who require access to less than \$50 000.</p> <p>Quebec also announced an extension of its Local Investment Funds (FLI) for two years, until December 31, 2022</p> <p>PACME Up to \$100,000 in subsidies for online training expenses, and 50% of expense between \$100 000 and \$500 000 the goal of retaining employees and improving their skills and abilities.</p> <p>Panier Bleu platform to promote local provincial business.</p>	<p>Businesses that are able to prove this loan will assist them in generating a profit after the pandemic subsidies.</p> <p>Businesses in all industries, including co-operatives, non-profit organizations and social economy businesses engaged in commercial activities are eligible.</p> <p>Independent businesses of all sizes, co-ops, professional associations, NGO's, self employed.</p>

Quebec (cont'd)

Type of support	Description	Who is eligible
Support for individuals	<p>Funding through new program called PAT (program d'aide temporaire): 573\$ / week, non-taxable (majority of people will be 2 weeks, up to 1 month if possible). For people who don't qualify for federal programing and are experiencing a temporary loss of wages due to the pandemic.</p> <p>Moratorium on provincial student loans.</p> <p>Wage top up for essential service employees earning less than 2k / month.</p> <p>Wage top up for health care workers and long term care staff.</p>	<p>Individuals who may not qualify for federal EI.</p> <p>Quebecers with outstanding provincial student loans.</p>

Ontario

\$17-billion to protect businesses, households and public services

Type of support	Description	Who is eligible
Business Support	<p>Employer Health Tax exemption is increased from \$490,000 to \$1 million for 2020.</p> <p>A Regional Opportunities Investment Tax Credit will be given to Canadian-controlled private corporations that construct, renovate, or acquire eligible commercial and industrial buildings and other assets in specified regions of Ontario after March 25, 2020. The tax credit will apply to expenditures of between \$50,000 and \$500,000, at a rate of 10% of eligible expenses.</p> <p>Tax filing deadlines for select Provincial taxes, including the Employer Health Tax, Tobacco Tax, Fuel Tax, Gas Tax, Wine and Spirits Taxes, Mining Tax, Insurance Premium Tax, International Fuel Tax Agreement, and Retail Sales Tax on Insurance Contracts and Benefit Plans, are extended until August 31. The government is also postponing the planned property tax reassessment for 2021.</p> <p>Workplace Safety and Insurance Board payments can be deferred for up to six months.</p> <p>Electricity prices for time-of-use customers (including small businesses) will be set at the lowest rate, known as the off-peak price, for 24 hours a day for 45 days.</p>	<p>A list of the specified regions and specifics on eligibility can be found here.</p>

Ontario

(Cont'd)

Type of support	Description	Who is eligible
Individual & Household Support	<p>For parents of children 12 and under, a \$336-million program was announced that will see a one-time payment of \$200 per child and \$250 for a child with special needs as schools across the province remain shutdown. This applies to students in public and private schools. The portal for parents to apply is currently active.</p> <p>Low-income seniors who receive Guaranteed Annual Income System payments will see their benefits double (maximum of \$332 a month and up from \$166).</p> <p>Moratorium on student loans.</p> <p>Electricity prices set at lowest off peak rate for 45 days.</p> <p>Deferring required property tax payments municipalities make to school boards for three months.</p> <p>All hearings related to eviction applications are suspended and no new eviction notices will be issued until further notice, except for urgent disputes such as those involving illegal acts or serious safety concerns. Landlords are encouraged to agree on suitable arrangements, such as payment deferrals, where required.</p>	<p>Parents with children.</p> <p>Automatic eligibility for low income seniors.</p> <p>Ontarians with student loans.</p> <p>Households / individuals.</p>

British Columbia

\$5 billion back into the provincial economy. This is split into three phases: **\$2.8 billion for people and services**, and **\$2.2 billion for critical services like health care and housing** as well as for the province's eventual economic recovery.

Type of support	Description	Who is eligible
Business Support	<p>Organizations with a payroll over \$500,000 per year can defer employer health tax payments until September 30, 2020.</p> <p>Tax filing and payment deadlines for the PST, municipal and regional district tax on short-term accommodation, tobacco tax, motor fuel tax, and carbon tax are extended until Sept 30, 2020.</p> <p>The increase to the provincial carbon tax and the new PST registration requirements on e-commerce are delayed to Sept 30, 2020.</p> <p>Non-profit organizations and charities will continue to receive Provincial funding, even if they are closed or their regular operations have been disrupted.</p> <p>The Action Plan also allocates \$1.5 billion for longer-term economic recovery and will be partnering with industry to develop the plan.</p>	For businesses, non-profit organizations, and charities,

British Columbia

Type of support	Description	Who is eligible
Individual & Household Support	<p>One time tax free \$1,000 cash payment, called the Emergency Benefit for Workers Program, updated (as of May 2) details for application available here.</p> <p>Increasing the B.C. Climate Action Tax Credit in July 2020. Eligible families of four will receive up to \$564 and eligible individuals will receive up to \$218 in an enhanced payment. This boosts the regular Climate Action Tax Credit payment of up to \$112.50 per family of four and up to \$43.50 per adult.</p> <p>BC Hydro customers have the option to defer bill payments or arrange for flexible payment plans with no penalty. 600\$ grant program available.</p> <p>500\$ monthly rent rebate, moratorium on evictions until end of emergency state.</p> <p>6 month moratorium on student loans.</p>	<p>BC residents who are already eligible for the federal emergency care benefit, lost wages due to pandemic.</p> <p>Based on previous year.</p> <p>Individuals</p> <p>Tenants who lose their jobs or income can apply for the rebate, which will be paid directly to landlords.</p> <p>British Columbians with outstanding provincial student loans.</p>

Alberta

\$50 million in direct financial assistance for individuals. **\$1.5 billion** for businesses.

Type of support	Description	Who is eligible
Business Support	<p>Delaying corporate income tax until August, which will give businesses access to about \$1.5 billion in funds to help them cope with the COVID-19 crisis.</p> <p>WCB premium relief for business.</p> <p>Residential, farm, and small commercial customers can defer utility payments for up to 90 days, including natural gas and electricity regardless of provider.</p> <p>Tourism levy delayed until August 31.</p> <p>Federal financial assistance to support the oil and gas sector. Premier Kenney has also announced Alberta's Site Rehabilitation Plan aimed at the oil and gas sector grants.</p>	<p>Small and medium business, non-profits.</p> <p>Small medium and large corporations can benefit from the WCB relief.</p> <p>Hotels and lodging businesses.</p> <p>Energy sector employers.</p>
Individual Support	<p>The government will provide \$573 per week for a total of \$1,146 per individual – if wages lost due to self isolation</p>	<p>Anyone who has lost their job or has had their wages or hours reduced due to Covid19.</p>

Saskatchewan

Type of support	Description	Who is eligible
Business Support	Saskatchewan Small Business Emergency Payment (SSBEP) One-time grant for small and medium-sized enterprises directly affected by government public health orders related to COVID-19. Grants will be paid based on 15 per cent of a business's monthly sales revenue, to a maximum of \$5,000.	SME's.
	PST deferral Saskatchewan businesses which are unable to remit their PST due to cashflow concerns will have three-month relief from penalty and interest charges.	Businesses of all sizes.
	Utilities Bill deferral programs to be implemented allowing a zero interest bill deferral up to 6 months.	Businesses of all sizes.
	WCB Premiums waived from April 1, 2020 – June 30, 2020.	Businesses of all sizes.

Manitoba

\$100 million towards Covid-19 relief

Type of support	Description	Who is eligible
Business support	<p>Manitoba Protection Plan</p> <ul style="list-style-type: none">- Launching a new call centre to help businesses, non-profits and charities to connect with support programs;- Extending the April and May tax filing deadlines for Retail Sales Tax until June 22, 2020 for small and medium businesses with monthly RST remittances of no more than \$10,000 (see this bulletin for full details);- Not charging interest or penalties for Manitoba Hydro, Centra Gas, Workers Compensation Board and Manitoba Public Insurance (MPI);- Not disconnecting customers of Manitoba Hydro and Centra Gas;- Relax ordinary practices on policy renewals and collections at MPI;- Not charge interest on Manitoba Liquor and Lotteries receivables from restaurants, bars and specialty wine stores; and- Not charging interest on education property taxes.	Businesses, non-profits, charities can benefit from the Manitoba Protection Plan.

Nova Scotia

\$161 million to address cash flow and access to credit for **small and medium-sized businesses** in Nova Scotia.

Type of support	Description	Who is eligible
Business Support	<p>Defer payments until June 30 on all government loans, including those under the Farm Loan Board, Fisheries and Aquaculture Loan Board, Jobs Fund, Nova Scotia Business Fund, Municipal Finance Corp. and Housing Nova Scotia.</p> <ul style="list-style-type: none">• small business fees, including business renewal fees and workers compensation premiums (a list of fees will be posted online early next week) <p>Changes to the Small Business Loan Guarantee Program, administered through credit unions, include: deferring principal and interest payments until June 30 enhancing the program to make it easier for businesses to access credit up to \$500,000. Those who might not qualify for a loan, government will guarantee the first \$100,000 Further measures include:</p> <ul style="list-style-type: none">• small businesses which do business with the government will be paid within five days instead of the standard 30 days• suspending payments on Nova Scotia student loans for six months, from March 30 to Sept. 30 and students do not have to apply	<p>Small and medium sized businesses.</p> <p>Small businesses.</p>

New Brunswick

Type of support	Description	Who is eligible
Business Support	<p>Waiving late penalties on property taxes: Though business property taxes must be paid by May 31, late penalties will be reviewed on a case-by-case basis to see if the penalty can be waived</p> <p>Deferring interest and principal payments on existing loans: defer loan and interest repayments for up to six months on existing provincial loans. This assistance is available, on a case-by-case basis, to any business that has a loan with an existing Government of New Brunswick department. The deferral can be requested by contacting the department that issued the loan.</p>	<p>Case by case review.</p> <p>Any size business.</p>

New Brunswick (cont'd)

Type of support	Description	Who is eligible
Business Support	<p>New operating loans for small business Provide operating loans to support small businesses. Loans will help companies respond to challenges Loans will be up to \$100,000. Payments of interest and principal will not be required during the first 12 months. More details will be available on application process in the coming days.</p>	Small business.
	<p>Injecting needed working capital for mid-to-large employers: Opportunities New Brunswick will make available support mid-to-large sized employers. ONB will also provide – upon request – working capital in excess of \$200,000 to help large employers manage the impacts of COVID-19 on their operations. Large employers will be able to apply for this assistance directly from Opportunities New Brunswick.</p>	Mid- large business.
	<p>Moratorium on evictions for non payment of commercial rent until May 31.</p> <p>Self employed relief. A one time payment of 900\$ from the province is available.</p>	Self employed.

PEI

\$25 million for the Covid -19 relief

Type of support	Description	Who is eligible
Business Support	<p>Support for small businesses and employees</p> <p>The scheduled loan payments are deferred for the next 3 months for clients of Finance PEI, Island Investment Development Inc., and the PEI Century Fund;</p> <p>\$4.5 million will be provided to Community Business Development Corporations across the province to deliver financing to small business and entrepreneurs; and</p> <p>a temporary allowance of \$200 per week for employees that have a significant drop in their working hours.</p> <p>Emergency Income Relief for the Self-Employed \$500 per week for the period of March 16 to March 29, 2020. To be eligible to the program, the individuals must have declared business income on their most recent tax return, business income must be their primary source of income, must be able to demonstrate direct financial losses related to COVID-19 isolation measures and don't receive any other income support.</p> <p>The Worker Assistance Program is a temporary program aimed at providing financial support to employers to assist their employed workers. The employers eligible will receive a maximum of \$250 per week for each employed worker that experienced a reduction of at least 8 hours per week during the two week period March 16-29, 2020..</p>	<p>Small businesses.</p> <p>Self employed</p> <p>Registered private sector business</p>

Newfoundland

Type of support	Description	Who is eligible
Business Support	<p>City of St. John's, Tax Relief:</p> <p>No interest on residential and commercial property taxes and water tax (Up to and including August 31, 2020). Commercial property vacancy allowance claim has been extended. Claims for the first quarter, typically due on April 30th are not due until May 31, 2020.</p> <p>The City will continue to issue tax bills, however there will be no interest charges on late payments. Property owners that have their tax and mortgage payments combined must Commercial tax bills for the second quarter normally sent in May, will now be sent in June. contact their banking institutions to discuss options regarding tax relief and or mortgage deferrals.</p> <p>WorkplaceNL :deferring the collection of assessment payments</p> <p>From employers until June 30, 2020, and waiving interest charges or penalties.</p>	Commercial and residential property owners.

Continually updated resources (Federal and Provincial)

Canada Economic Response plan – Covid19

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

Alberta support for employers and employees <https://www.alberta.ca/covid-19-support-for-employers.aspx>

BC Provincial Support Measures

<https://www2.gov.bc.ca/gov/content/safety/emergency-preparedness-response-recovery/covid-19-provincial-support>

Manitoba : Covid information for Manitobans

<https://www.gov.mb.ca/covid19/infomanitobans/index.html>

Saskatchewan: Information for business and workers

[https://www.saskatchewan.ca/~link.aspx?_id=380105922B1249708F22D35E974FE476&_z=z](https://www.saskatchewan.ca/~/link.aspx?_id=380105922B1249708F22D35E974FE476&_z=z)

Ontario: Information on Ontario Economic Action Plan

<https://budget.ontario.ca/2020/marchupdate/action-plan.html>

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Quebec: Support for workers

<https://www.quebec.ca/en/family-and-support-for-individuals/financial-assistance/temporary-aid-for-workers-program/>

Business support from investissement QC : <https://www.investquebec.com/quebec/fr/salle-de-presse/nouvelle/programme-daction-concertee-temporaire-pour-les-entreprises-pacte.html>

QC resource hub: www.Quebec.ca/coronavirus

Nova Scotia : Support for businesses, families and individuals

<https://novascotia.ca/coronavirus/#support>

New Brunswick: Covid19 resources

https://www2.gnb.ca/content/gnb/en/departments/ocmoh/cdc/content/respiratory_diseases/coronavirus.html

PEI: Resources for Business - Covid19

<https://www.princeedwardisland.ca/en/topic/for-business>

Newfoundland: Resources for people and businesses

<https://www.gov.nl.ca/covid-19/resources-2/>