



## Hon. Mélanie Joly

Députée fédérale / Member of Parliament  
Ahuntsic-Cartierville



March 30, 2020

Dear partners,

The purpose of this letter is to inform you of the latest economic updates announced by the Government of Canada in order to respond to the COVID-19 pandemic.

The next pages explain the measures aimed to support the Canadian economy:

### **Support for Business and non-profit organizations:**

Our government is taking immediate and decisive action to help Canadians and businesses through this challenging time. **As a next step in our COVID-19 Economic Response Plan**, our Government will support employers by:

- 1) Providing an up to 75% wage subsidy for qualifying employers for up to 3 months;
- 2) Allowing businesses to defer GST/HST payments, and customs duties until the end of June;
- 3) Launching the new Canada Emergency Business Account to help provide interest-free loans to small businesses and not-for-profits.
- 4) And providing SMEs with guaranteed loans to help cover operational costs.

Businesses and non-profit organizations seeing a drop of at least 30 per cent in revenue due to COVID-19 will qualify for the 75% wage subsidy program. The number of employees will not determine the eligibility of any business. This grant will also apply to non-profit organizations as well as charities.

These new measures will provide immediate help to Canadian businesses so that they can weather the impacts of COVID-19. Together, they represent an additional \$65 billion in direct support, and \$30 billion in additional tax deferrals. This builds on our work so far to expand work sharing, launch the Business Credit Availability Program, and stabilize our financial markets.

**GST/HST & Duty Deferral:**

We are providing immediate assistance by deferring any payments on GST/HST and customs duties over the next three months.

The deferral of these payments will provide for up to of \$30 billion in interest-free loans as we deal with this unprecedented challenge.

**Wage Subsidy:**

To help employers weather COVID-19 and keep their employees, our Government is taking significant action by subsidizing wages. Our Government will provide an up to 75% wage subsidy for qualifying employers, for up to 3 months. This will help businesses to keep and return workers to the payroll.

More details on eligibility criteria will be shared soon.

**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.

These loans – guaranteed and funded by the Government of Canada – will ensure that small businesses have access to the capital they need, so they can pay for rent and other important costs over the next couple of months.

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 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).

## Loan Guarantee and Co-Lending Program:

Our Government recognizes that small and medium-sized businesses are particularly vulnerable to the impacts of COVID-19. To support their operations, we are launching two new programs which will help provide cash flow during this challenging time.

Export Development Canada will guarantee new operating and cash flow term loans that financial institutions extend to SMEs, providing up to \$6.25 million. Business Development Canada, together with financial institutions, will provide additional liquidity to businesses through a new Co-Lending Program providing up to \$6.25 million.

These new programs are part of our ongoing work to help businesses keep their employees, pay the bills, and weather the COVID-19 pandemic.

Should you have any questions please contact the Constituency Office by phone at (514) 383-3709 or by email at [melanie.joly@parl.gc.ca](mailto:melanie.joly@parl.gc.ca). My team will be happy to assist you.

Best regards,



Mélanie Joly  
Member of Parliament for Ahuntsic-Cartierville

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