

MERCHANT ASSIST

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Business and Employee Support Available to Canadian Businesses

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Business Support

1. Canada Emergency Wage Subsidy

The federal government will cover up to 75% of an employee's salary on the first \$58,700 earned which means up to \$847 a week. Funds will be backdated to March 15. The Prime Minister encouraged businesses that have the means to pay the remaining 25% of salaries. The program would be in place for a 12-week period, from March 15 to June 6, 2020. [Learn more.](#)

Eligible employers would be able to access this subsidy by applying through a Canada Revenue Agency online portal. More details regarding how to apply for the program will follow.

Eligibility:

- Any company can qualify no matter what size, with the exception of public sector entities.
- Businesses must demonstrate a 15 per cent decline in revenue for the month of March, as the impacts of COVID-19 weren't felt until halfway through the month.
- Businesses can now compare their revenue of March, April and May 2020 to that of the same month of 2019, or to an average of their revenue earned in January and February 2020. Companies are still required to demonstrate a 30 per cent decrease in revenue for April and May to be eligible for the subsidy.
- In addition, non-profits and charities are now being allowed to exclude government funding in their calculations when applying.
- An eligible employer's entitlement to this wage subsidy will be based entirely on the salary or wages actually paid to employees.

Important Note: Those organizations that do not qualify for the Canada Emergency Wage Subsidy may continue to qualify for the previously announced wage subsidy of 10% paid from March 18 to before June 20, up to a maximum subsidy of \$1,375 per employee and \$25,000 per employer. [Learn more.](#)

2. Canada Emergency Commercial Rent Assistance Program (CECRA)

On April 16, 2020, Prime Minister Trudeau announced a new rent assistance program aimed at those with commercial properties:

- It will be a combination of loans and forgivable loans.
- The loans will be offered to property owners on the condition they dramatically reduce the rent of their commercial tenants.
- The federal government will work with their provincial and territorial counterparts to encourage them to also contribute to financing but will carry the cost on their own if necessary.
- The provinces/territories will be required to enforce the rent reductions, as the federal government does not have jurisdiction to do so.

The program will provide forgivable loans to qualifying commercial property owners to cover 50 per cent of three-monthly rent payments that are payable by eligible small business tenants who are experiencing financial hardship during April, May, and June.

The loans will be forgiven if the mortgaged property owner agrees to reduce the eligible small business tenants' rent by at least 75 per cent for the three corresponding months under a rent forgiveness agreement, which will include a term not to evict the tenant while the agreement is in place. The small business tenant would cover the remainder, up to 25 per cent of the rent.

Impacted small business tenants are businesses paying less than \$50,000 per month in rent and who have temporarily ceased operations or have experienced at least a 70 per cent drop in pre-COVID-19 revenues. This support will also be available to non-profit and charitable organizations.

Support for Cultural, Heritage and Sport Organizations

The COVID-19 Emergency Support Fund for Cultural, Heritage and Sport Organizations will provide \$500 million to help address the financial needs of affected organizations within these sectors. The fund will be administered by Canadian Heritage via contribution agreements. [Learn more](#).

3. Tax Filing

Deadline extensions:

- Individuals have until June 1, 2020, to submit their income tax return.
- For trusts (having a taxation year ending on December 31, 2019), tax filing is deferred until May 1, 2020.

Tax Payment Deferrals

Federal taxes: Individuals and businesses will be able to defer their income tax payments (for taxes owed between March 18, 2020 and September 2020) until August 31, 2020. Businesses can defer GST and HST remittances until June 30. Importers can defer customs duty and sales tax payments until June 30.

Provincial and municipal taxes: Ontario is deferring provincially administered taxes from April 1 to August 31. Ontario is also deferring education property taxes for 90 days and working with municipal partners to provide municipal property tax relief to businesses and residents.

- There are several business tax relief measures in place at the municipal level (e.g. the City of Toronto has an extended grace period for tax and other payments for businesses). Please check your local municipality's website for more details.

Employer Health Tax: Ontario is retroactively reducing the Employer Health Tax (EHT) and temporarily increasing the exemption from \$490,000 to \$1 million for 2020.

4. Government Financing

A new Business Credit Availability Program has been announced to make more than *\$10 billion available* to Canadian businesses in financing and credit insurance solutions through Export Development Canada (EDC) and the Business Development Bank of Canada (BDC).

Credit support targeted towards small- and medium-sized enterprises (SMEs) includes:

- Interest-free loans of up to \$40,000 through a new Canada Emergency Business Account (CEBA).
- A loan guarantee for loans of up to \$6.25 million.
- A co-lending program between financial institutions and BDC.
- Additional capital for businesses with larger financing needs, beginning with companies in Canada's energy sector, to help them maintain operations and keep their employees on the job.

Businesses seeking support through these programs should contact the financial institutions with whom they have a pre-existing relationship. [Learn more](#).

5. Additional Financing

Farmers and the agri-food sector will receive additional credit through Farm Credit Canada. [Learn more](#).

Organizations in the cultural, heritage, and sport sectors can access additional funding through the COVID-19 Emergency Support Fund being administered by Canadian Heritage. [Learn more](#).

Additionally, Ontario is introducing a Regional Opportunities Investment Tax Credit to support regions lagging in employment growth. The corporate tax credit will be available to eligible Ontario businesses that construct, renovate, or acquire qualifying commercial and industrial buildings in designated regions.

Finally, if your business can manufacture technology, equipment, and medical products to aid in the fight against COVID-19, you may be eligible for funding from the government of Ontario. The Ontario Together Fund will help companies retool, build capacity or adopt the technological changes needed to produce supplies and equipment for hospitals, long-term care homes and other critical public services. [Learn more](#).

6. Other Business Supports

Ontario is deferring Workplace Safety and Insurance Board (WSIB) premiums and expenses for employers for 6 months.

Ontario is temporarily [reducing electricity rates](#) for small businesses, farms, and residential customers that pay time-of-use (TOU) rates. TOU rates will be suspended until at least May 8, holding electricity prices to the off-peak rate of 10.1 cents-per-kilowatt-hour.

7. Banks

Banks have made a commitment to work with personal and small business banking customers on a case-by-case basis. They would provide:

- Up to a 6-month payment deferral for mortgages
- Opportunity for relief on other credit products
- Increased credit available to farmers and the agri-food sector through [Farm Credit Canada](#).

For all the details, read the Government of Canada's [full program](#).

8. Payment Processing Savings

Credit and debit card processing fees are a significant cost to your business. As transactions increase, hidden costs and incorrectly allocated fees inflate your processing costs. An audit by **MerchantAssist** will identify and secure savings for your business without you having to change your payment processing relationship, accounting system or POS.

The Audit process is simple, it starts with a **FREE** review of your last processing statement. We typically identify savings of 25% from an initial analysis. You pay us only when we secure savings for you – NO upfront costs and NO hidden commissions or fees. Let's [get started](#)

Employee Support

9. Legislation Protecting Employees

The *Employment Standards Amendment Act (Infectious Disease Emergencies)*, 2020 provides job-protected leave for employees who are in isolation or quarantine due to COVID-19, or those who need to be away from work to care for children because of school or day care closures or to care for other relatives. These measures are retroactive to January 25, 2020, the date the first presumptive COVID-19 case was confirmed in Ontario. The legislation will also make it clear employees cannot be required to show sick notes. [Learn more.](#)

10. Job Protected Leave

The *Employment Standards Amendment Act (Infectious Disease Emergencies)*, 2020 provides job protection for employees unable to work for the following reasons:

- The employee is under medical investigation, supervision or treatment for COVID-19.
- The employee is acting in accordance with an order under the *Health Protection and Promotion Act*.
- The employee is in isolation or quarantine in accordance with public health information or direction.
- The employer directs the employee not to work due to a concern that COVID-19 could be spread in the workplace.
- The employee needs to provide care to a person for a reason related to COVID-19 such as a school or day-care closure.
- The employee is prevented from returning to Ontario because of travel restrictions.

[See the government backgrounder here for more information.](#)

11. Canada Emergency Response Benefit

The federal government has announced the Canada Emergency Response Benefit (CERB) for workers who lose income as a result of the COVID-19 pandemic. Applications for the [Canada Emergency Response Benefit](#) are now open at Canada.ca/coronavirus or by phone 1-833-966-2099.

Eligibility

The benefit will be available to workers:

- Residing in Canada, who are at least 15 years old;
- Who have stopped working because of COVID-19 **and have not voluntarily quit their job;**
- Who had income of at least \$5,000 in 2019 or in the 12 months prior to the date of their application; and
- Who are or expect to be without employment or self-employment income for at least 14 consecutive days in the initial four-week period. For subsequent benefit periods, they expect to have no employment income.

To help more Canadians benefit from the CERB, the government is announcing changes to the eligibility rules to:

- Allow people to earn up to \$1,000 per month while collecting the CERB.
- Extend the CERB to seasonal workers who have exhausted their EI regular benefits and are unable to undertake their regular seasonal work as a result of the COVID-19 outbreak.
- Extend the CERB to workers who have recently exhausted their EI regular benefits and are unable to find a job or return to work because of COVID-19.

These changes will be retroactive to March 15, 2020. All details available on the [Canada Emergency Response Benefit portal](#).

12. Canada Summer Jobs Program

Temporary changes to the [Canada Summer Jobs Program](#) for this year include:

- Increasing the wage subsidy from 50% to 100% of the provincial or territorial minimum hourly wage for each employee.
- Extending the end date for employment to February 28, 2021.
- Allowing employers to adapt their projects and job activities to support essential services.
- Allowing employers to hire staff on a part-time basis.
- Organizations providing essential services and that could provide youth jobs but did not apply for the program this year could be able to participate (details to come).

13. Work Sharing Program

Work-Sharing (WS) is an adjustment program designed to help employers and employees avoid layoffs when there is a temporary reduction in the normal level of business activity that is beyond the control of the employer. The measure provides income support to employees eligible for Employment Insurance benefits who work a temporarily reduced work week while their employer recovers.

Work-Sharing is a three-party agreement involving employers, employees and Service Canada. Employees on a Work-Sharing agreement must agree to a reduced schedule of work and to share the available work over a specified period of time.

The Government of Canada introduced [temporary special measures](#) that extend the maximum duration of Work-Sharing agreements from 38 weeks to 76 weeks across Canada for those businesses affected by the downturn in business due to COVID-19. [Learn more.](#)

Please Note: Only those who have used work-sharing program in the past will have the 30 day wait period waived.

About MerchantAssist

We are Canadian Retail & Financial Services experts with over 70 years of B2B and B2C experience. MerchantAssist helps merchants identify and secure savings on credit & debit card processing fees. Our team is focused on helping our merchant partners reduce costs without making any changes to their existing business relationships.

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