



2021

COVID-19

ECONOMIC RESPONSE

Government Business Funding Support

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The information included in this guide is accurate as of the date of publication. There may be other incentives available that are not listed here. The Algoma Workforce Investment Corporation (AWIC) has gathered information from a variety of government and agency sources including websites and current publications

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ABOUT AWIC

The Algoma Workforce Investment Corporation (AWIC) is Algoma's Workforce Planning Board. AWIC's goal is to provide access to easy-to-understand, quality assured Labour Market Information (LMI) for the Algoma region that allows individuals to make decisions about future careers, employers to plan and find talent, and community stakeholders to inform policy and support local workforces.

Operating as part of the Local Boards Network of Ontario, AWIC is one of 26 Workforce Planning Boards that are funded by the Ministry of Labour, Training and Skills Development (MLTSD). We thank our sponsor for their support in publishing this report and our community partners for their generous participation in the research.

INTRODUCTION

The Government of Canada is taking immediate, significant, and decisive action to support Canadians and businesses facing hardship as a result of the COVID-19 outbreak.

As well, there are provincially funded programs in Ontario to help businesses recover costs for personal protective equipment and providing extra support for businesses required to close or significantly restrict services as a result of provincial public health measures.

Note that businesses owned by the federal, provincial, or municipal government, or by a person holding federal or provincial office, are not eligible for the Property Tax Rebate and Energy Cost Rebate Grants.

PROVINCIAL (ONTARIO) PROGRAMS

Find out if your business is eligible for grants to help with the cost of property taxes, energy bills and extra support if you have to close or significantly restrict services because of provincial public health measures.

Ontario Tourism and Hospitality Small Business Support Grant

The government is introducing the new Ontario Tourism and Hospitality Small Business Support Grant, which will provide an estimated \$100 million in one-time payments of \$10,000 to \$20,000 to eligible small businesses in the tourism and hospitality sector.

We will accept applications until June 25, 2021 at 11:59 p.m.

What You'll Get

- The Ontario Tourism and Travel Small Business Support Grant provides one-time payments of \$10,000 to \$20,000 to eligible small businesses in the tourism and travel sector.

Eligibility

The business is not eligible for the grant if it or any of its affiliated businesses received the Ontario Small Business Support Grant.

Examples of eligible businesses include:

- Hotels
- Motels
- Travel agencies
- Amusement and water parks
- Hunting and fishing camps
- Recreational and vacation camps (for example, children's overnight summer camps)

What You'll Need to Apply

- Legal business name
- Operating business name (trade name)
- Canada Revenue Agency (CRA) business number
- Business type/activity (for example, hotel)

It will take about 15 business days for us to get back to you regarding your application.

TourismSmallBusinessGrant@ontario.ca

More Information

<https://www.app.grants.gov.on.ca/otsb/#/>

Property Tax and Energy Cost Rebates

Businesses that are, or were, required to shut down or significantly restrict services due to provincial public health measures can apply for rebates, provided in the form of grants, to help with their fixed costs.

What You'll Get

Eligible businesses could get rebates for:

- Municipal and education property taxes
- Energy costs, including electricity and natural gas (or where natural gas is not available, propane and heating oil)
- Funding will cover the entire length of time that regionally targeted public health restrictions are in place.

Eligibility

All small businesses that are eligible for the Ontario Small Business Support Grant are also eligible for these property tax and energy bill rebates.

In addition, businesses are eligible if they:

- Are, or were, required to close or significantly restrict services as a result of being under Control, Lockdown or Provincewide Shutdown in the COVID-19 response framework: keeping Ontario safe and open
- Were required to close or significantly restrict services as a result of being under “modified Stage 2” restrictions in the previous framework

Businesses will not be eligible if they are:

- Within the areas subject to public health restrictions, but were not required to close or significantly restrict services
- Owned by the federal, provincial, or a municipal government, or by a person holding federal or provincial office

What You'll Need to Apply

- General business information (for example, CRA business number)
- Banking information (for example, banking institution, account number, branch code)
- You will need to submit receipts or proof of costs for PPE purchased since March 17, 2020.

To apply, you will have to submit proof of costs.

More Information

<https://www.ontario.ca/page/businesses-get-help-covid-19-costs#section-3>

FEDERAL PROGRAMS



Financial Support, Loans, and Access to Credit

To see people through this crisis, the government has introduced a broad set of federal government measures for businesses of all sizes across all sectors.

Support for Businesses

<https://www.canada.ca/en/services/business/maintaining-your-business.html>

Canada Emergency Business Account (CEBA)

The Canada Emergency Business Account (CEBA) provides interest-free, partially forgivable, loans of up to \$60,000, to small businesses and not-for-profits, that have experienced diminished revenues due to COVID-19 but face ongoing non-deferrable costs, such as rent, utilities, insurance, taxes and wages.

CEBA is available from more than 220 financial institutions across the country.

What You'll Get

To be eligible for a \$60,000 CEBA loan or \$20,000 CEBA expansion loan, an applicant must be:

- An active operating business that is a sole proprietorship, partnership, or a Canadian-controlled private corporation (“CCPC”) that was in operation in Canada on March 1, 2020.

Eligibility

- Has an active CRA Business Number (BN) with an effective date of registration on or before March 1, 2020.
- Has an active business chequing/operating account with the Lender at the time of applying for CEBA.
Note: If Borrower currently does not have a business chequing/operating account the Borrower must create one at their primary financial institution before applying for CEBA.
- Has not previously used the Canada Emergency Business Account Program (the “Program”) and will not apply for support under the Program at any other financial institution.
- Intends to continue to operate its business or to resume operations.

The CEBA application process follows one of two streams:

- (i) the Payroll Stream (Applicants with employment income paid in the 2019 calendar year between Cdn.\$20,000 and Cdn.\$1,500,000) or
- (ii) the Non-Deferrable Expense Stream (Applicants with Cdn.\$20,000 or less in total employment income paid in the 2019 calendar year).

If you fall into the Non-Deferrable Expenses Stream you must also meet the following criteria:

- Have eligible non-deferrable expenses between Cdn. \$40,000 and Cdn. \$1,500,000. Eligible non-deferrable expenses could include costs such as rent, property taxes, utilities, and insurance. Expenses will be subject to verification and audit by the Government of Canada.
- Filed an income tax return with the CRA with a tax year ending in 2019 or, if its tax return for 2019 has not yet been submitted, 2018.

What You'll Need to Apply

- Businesses should contact their financial institution to apply for a CEBA loan.
- Financial institutions highlighted in bold text are currently accepting applications from eligible businesses for the \$60,000 loan and \$20,000 expansion.

More Information

<https://ceba-cuec.ca/>

Business owners can apply for support until June 30, 2021 through their banks and credit unions.

Highly Affected Sectors Credit Availability Program (HASCAP) Guarantee

These loans are for small and medium-sized businesses that have seen their revenues decrease by 50% or more as a result of COVID-19.

Businesses heavily impacted by COVID-19 can access guaranteed, low-interest loans of \$25,000 to \$1 million to cover operational cash flow needs.

HASCAP is available to businesses that operate in sectors such as tourism and hospitality, restaurants and those that primarily rely on in-person services.

What You'll Get

Businesses heavily impacted by COVID-19 can access guaranteed, low-interest loans of \$25,000 to \$1 million to cover operational cash flow needs.

- Benefit from a 4% interest rate and a repayment term of up to 10 years.
- Up to a 12-month postponement of principal payments at the start of the loan.

Eligibility

Our primary financial institution will determine whether you qualify for this program, based on the eligibility criteria established by the Government of Canada.

- Your business is Canadian based.
- Your business must have been financially stable and viable prior to the current economic situation.
- You must have received payments either from the Canada Emergency Subsidy (CEWS) or the Canada Emergency Rent Subsidy (CERS) by having demonstrated a minimum 50% revenue decline for at least three months (not necessarily consecutive) within the eight-month period prior to the date of the HASCAP Guarantee application.
- The loan will be used to continue or resume operations.
- The loan cannot be used to pay or refinance existing debts.
- Minimum risk ratings will apply, varying by size of new loan.

More Information

<https://www.bdc.ca/en/special-support/hascap?ref=shorturl-hascap>

The HASCAP Guarantee is available until December 31, 2021 (extended).

Canada Emergency Rent Subsidy (CERS)

Canadian businesses, non-profit organizations, or charities who have seen a drop in revenue during the COVID-19 pandemic may be eligible for a subsidy to cover part of their commercial rent or property expenses, starting on September 27, 2020, until June 2021.

This subsidy will provide payments directly to qualifying renters and property owners, without requiring the participation of landlords.

What You'll Get

Each location can receive up to \$75,000 in subsidies with a maximum of \$300,000 in total for all locations, for each CERS payment period.

Eligibility

You can apply for CERS if your business meets ALL four of the following eligibility criteria:

1. Are an eligible Canadian business, non-profit, or charity
2. Meet at least one of the following requirements:
 - a. Had a CRA business number on or before September 27, 2020;
 - b. Had a payroll account on March 15, 2020, or another person or partnership made payroll remittances on your behalf; or
 - c. You purchased the business assets of another person or partnership who meets condition (b) above, and have made an election under the special asset acquisition rules.
3. Experienced a drop in revenue
4. Have eligible expenses

What You'll Need to Apply

Your Canadian business or organization can apply for the wage subsidy online through [Canada.ca](https://www.canada.ca) and request funding between the available payment periods.

More Information

<https://www.canada.ca/en/revenue-agency/services/subsidy/emergency-rent-subsidy.html>

The government has announced a proposed extension of the current CERS and Lockdown Support rate until June 5, 2021.

Canada Emergency Wage Subsidy (CEWS)

As a Canadian employer who has seen a drop in revenue during the COVID-19 pandemic, you may be eligible for a subsidy to cover part of your employee wages, retroactive to March 15, 2020. This subsidy will enable you to re-hire workers, help prevent further job losses, and ease your business back into normal operations.

What You'll Get

- The maximum wage subsidy rate for active employees would remain at 75 per cent;
- The maximum rent subsidy rate would remain at 65 per cent; and
- Lockdown Support would remain at 25 per cent and continue to be provided in addition to the rent subsidy, providing eligible hard hit businesses with rent support of up to 90 per cent.

Eligibility

To be eligible to receive the wage subsidy, you must meet all three of the following criteria:

1. Have had a CRA payroll account on March 15, 2020
2. Be one of the following types of employers(see more information for employer list)
3. Have experienced a drop in revenue

What You'll Need to Apply

Answer these questions to ensure your application will be quick and easy:

1. Confirm that the claim period you are applying for is open
2. Confirm you have completed the calculations
3. Set up direct deposit

More Information

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

The government has announced a proposed extension of the current CEWS rates until June 5, 2021.

BCAP (Business Credit Availability Program)

Up to \$6.25 million to help cover operating costs during a period where revenues have been temporarily reduced due to the COVID-19 pandemic.

What You'll Get

Guaranteed Loans:

- EDC will guarantee 80% of your new operating line of credit or new term loan.

Flexible terms:

- Repay over 5 years and benefit from 6 months principal payment postponement.

Eligibility

- For Canadian small and medium-sized businesses
- Your business is Canadian-based and in operation as of March 1, 2020
- Your business was directly or indirectly impacted by COVID-19
- Your business must have been financially stable and viable before the current economic turmoil
- Subject to each financial institution's underwriting criteria

What You'll Need to Apply

Contact your primary financial institution to apply.

More Information

<https://www.bdc.ca/en/special-support/special-support-edc-business-credit-availability-program-bcap-guarantee>

This support is available until June 2021.

RRRF (Regional Relief and Recovery Funds)

Additional program enhancements in March 2021 will extend the RRRF application date to June 30th, 2021. Interested companies are encouraged to contact their local FedNor Officer as soon as possible to discuss program eligibility.

The Regional Relief and Recovery Fund (RRRF) is a special relief fund established by the Government of Canada to support businesses and organizations economically impacted by the COVID-19 pandemic.

It will help to address gaps left by other measures as part of Canada's COVID-19 Economic Response Plan, and complement those already provided by other levels of government, as well as consider regional needs and realities.

RRRF investments are being allocated through different streams:

1. Regional Economic Growth through Innovation (REGI)

FedNor is offering financial assistance to help various not-for-profit entities and eligible businesses, such as incorporated companies, corporations, or co-operatives, or Indigenous organizations such as Indigenous/First Nation/Métis Settlement-owned businesses, stay solvent over a period of up to 12 months.

RDAs across Canada deliver two common streams of programming to help entrepreneurs start and grow businesses and create the conditions for the development of strong, dynamic, and inclusive regional innovation ecosystems across the country.

a. Business scale-up and productivity — for ambitious companies in need of growth funding

Funding offered under this program stream helps businesses at various stages of development, including high-growth firms, to accelerate growth and adopt innovative technologies that support scale-up, commercialization, productivity, and market expansion to become more competitive globally.

[Find out how to apply.](#)

b. Regional innovation ecosystems — for not-for-profit organizations looking to grow the region's innovation capacity

Funding under this program stream helps create, grow and develop strong and inclusive regional networks that support business growth and innovation. This will foster the entrepreneurial environment necessary for more innovative regional economies and increase the competitiveness of small and medium-sized enterprises (SME). In part, this stream will seek to further enhance business support networks for under-represented groups—including women, Indigenous peoples, and young entrepreneurs—promoting their entrepreneurial talent.

[Find out how to apply.](#)

c. Targeted Manufacturing Initiative for Northern Ontario

Northern Ontario manufacturers looking to boost their productivity, increase sales and exports and create jobs can find the support they need through FedNor's Targeted Manufacturing Initiative for Northern Ontario (TMINO).

Find out how companies can access financing for productivity improvements, including equipment upgrades.

Applicants can apply directly to FedNor for funding to support operational assessments. For more information, call 1-877-333-6673 or contact a [FedNor Officer](#).

2. Community Futures Stream in Northern Ontario

Through its Community Futures Program (CFP), FedNor supports 24 Community Futures Development Corporations (CFDCs) located throughout Northern Ontario. These community-based, not-for-profit organizations are staffed by professionals and are each governed by local volunteer board of directors familiar with their communities' needs, concerns and future development priorities. CFDCs offer a wide variety of programs and services supporting community economic development and small business growth.

To find your local CFDC or for more information on the services it offers, visit the [Community Futures Development Corporations in Ontario](#) website.

3. Economic Development Initiative (EDI)

FedNor recognizes that Francophone communities are important for the overall and economic well-being of Northern Ontario.

FedNor supports these vibrant communities through its regular programs and through the Government of Canada's Economic Development Initiative (EDI) for Official Language Minority Communities in Northern Ontario. Through this initiative, funding is available for activities related to business and economic development that encourage growth in Northern Ontario's Francophone communities.

[Find out how to apply.](#)

What You'll Get

The fund will help to:

- Mitigate the financial pressure experienced by businesses and organizations to allow them to continue their operations, including paying their employees; and
- Support projects by businesses, organizations and communities to prepare now for a successful recovery.

More Information

https://www.ic.gc.ca/eic/site/icgc.nsf/eng/h_07682.html

Black Entrepreneurship Program

The Black Entrepreneurship Program is an investment of up to nearly \$350.8 million—in partnership with Black-led business organizations and Canadian financial institutions—to support thousands of Black business owners and entrepreneurs across the country. The program is an important step forward in building the foundation for long-term, lasting change and making a real difference in the lives of Black entrepreneurs across the country for years to come.

What You'll Get

Offering loans ranging from \$10,000 to \$25,000 to help Black entrepreneurs with their small lending needs, this program will address a need expressed by the community. Based on insights gained from the pilot and the onboarding of additional financial institutions to the loan fund, microloans could be expanded across Canada over time.

Eligibility

- Businesses eligible for loans must be majority owned (greater than 51%) by a Black Canadian.
- The applicant must self-identify as Black, be a legal resident of Canada (Canadian citizen or permanent resident) and be 18 years of age or older.

What You'll Need to Apply

The FACE loan portal, accessible at www.facecoalition.com, is the initial entry point for all Black-owned enterprises interested in applying for a loan, with the initial in-take process done electronically. Loan applicants will be able to submit documentation and communicate with a FACE client relationship manager on the progress of their loan request.

More Information

https://www.ic.gc.ca/eic/site/150.nsf/eng/h_00000.html

Indigenous Businesses Initiative

The Government of Canada is providing up to \$306.8 million in interest-free loans and non-repayable contributions for First Nations, Inuit and Métis businesses.

What You'll Get

Financial support is provided through Aboriginal Financial Institutions and administered by the National Aboriginal Capital Corporations Association, as well as the Métis capital corporations in partnership with Indigenous Services Canada.

Short-term, interest-free loans and non-repayable contributions

Who This Supports

Small and medium-sized Indigenous businesses in need, including current or former clients of:

- an Aboriginal Financial Institution
- a Métis capital corporation

How it Works

As of December 4, 2020, up to \$60,000 is available to small and medium-sized Indigenous businesses:

- an interest-free loan up to \$40,000
- a non-repayable contribution up to \$20,000

What You'll Need to Apply

To apply for the expanded support, contact your Aboriginal Financial Institution or Métis capital corporation.

More Information

<https://www.sac-isc.gc.ca/eng/1588079295625/1588079326171>

Regional Air Transportation Initiative

The Regional Air Transportation Initiative (RATI) aims to help regional air transportation ecosystems affected by the economic impacts of COVID-19. This support will enable the ecosystems to remain operational through these difficult times and continue to support the economic growth of our regions.

What You'll Get

This national initiative has a total budget of \$206 million over two years. It is being delivered by Canada's six regional development agencies (RDAs). The RATI is in addition to the measures in Canada's COVID-19 Economic Response Plan and complements measures implemented by Transport Canada to support the air transportation sector.

Eligibility

- Regional and local air carriers
- Regional and local airports
- Businesses, cooperatives, business groups, not-for-profit organizations (NPOs) and public institutions that are part of the regional air transportation ecosystem

More Information

To know if this type of project is a priority in your region, or for any other question on this initiative, contact us at 1-877-333-6673 (TTY for hearing-impaired: 1-866-694-8389). We will be able to give you information and advice and accompany you in implementing your project while taking into consideration priorities for action in your region and the availability of funds.

http://fednor.gc.ca/eic/site/fednor-fednor.nsf/eng/h_fn04602.html

Large Employer Emergency Financing Facility (LEEFF)

This program will provide emergency funding support for large Canadian enterprises facing financial challenges in light of the economic impact of the global COVID-19 pandemic. CEEFC has been formed to administer this mandate.

What You'll Get

LEEFF will be open to large Canadian employers who (a) have a significant impact on Canada's economy, as demonstrated by (i) having significant operations in Canada or (ii) supporting a significant workforce in Canada; (b) can generally demonstrate approximately \$300 million or more in annual revenues, and (c) require a minimum loan size of about \$60 million.

Eligibility

Large enterprises that meet the qualifying criteria for LEEFF may begin an application by completing the online inquiry form [here](#) and sending it to applications@ceefc-cfuec.ca.

What You'll Need to Apply

Alternately, interested applicants may send an email to applications@ceefc-cfuec.ca with the following information:

- Name of business
- Headquarters address
- Description of business
- Business annual revenues (FY2019 results)
- Number of employees
- Stock exchange symbol (if publicly listed)
- Name of contact
- Title of contact
- Email address of contact (must be from the enterprise's corporate domain)
- Phone number of contact

Only email addresses from the enterprise's corporate domain will be accepted.

More Information

<https://www.cdev.gc.ca/home-ceefc/>