

Update on Economic Measures Announced by the Governments of Québec and Canada – COVID-19

This document contains updates as of April 16, 2020 on certain measures announced by the Government of Canada:

- 1) CANADA EMERGENCY BUSINESS ACCOUNT
- 2) CANADA EMERGENCY COMMERCIAL RENT ASSISTANCE
- 3) CANADA EMERGENCY RESPONSE BENEFIT

CANADA EMERGENCY BUSINESS ACCOUNT

The eligibility criteria for obtaining a \$40,000 loan through the Canada Emergency Business Account have been relaxed. Businesses previously needed to have had a payroll of between \$50,000 and \$1 million in 2019 in order to qualify.

We are pleased to inform you that as of now, businesses must have had a payroll of between \$20,000 and \$1.5 million to be eligible.

Reminder of program details

These loans implemented by eligible financial institutions in collaboration with Export Development Canada (EDC) feature the following:

- a) Possibility to obtain a loan of \$40,000 with no interest or principal repayments until December 31, 2022
- b) Repaying \$30,000 by December 31, 2022 will result in automatic loan forgiveness of \$10,000 (25% of the loan), without further conditions
- c) You have the option to repay the full principal up until December 31, 2025 rather than taking advantage of the forgiveness feature; a fixed interest rate of 5% will be applied starting January 1, 2023

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H2Y 1M6
t. 514 360-2467

Boucherville
1190, Place Nobel
Bureau 100
Boucherville J4B 5L2
t. 450 449-3930

Trois-Rivières
3450, boul. Gene-H.-Kruger
Bureau 230
Trois-Rivières G9A 4M3
t. 819 378-4656

Laval
2745, rue Michelin
Laval
H7L 5X6
t. 450 688-2211

To be eligible for this loan, you must

- a) be a Canadian business in operation as of March 1, 2020;
- b) have a federal tax registration;
- c) have had a payroll of between \$20,000 and \$1.5 million during the 2019 calendar year;
- d) not have taken out this loan previously at any other financial institution (the loan must be requested through your primary financial institution);
- e) not have had payments overdue by 90 days or more with your financial institution as of March 1, 2020;
- f) agree to participate in post-funding surveys conducted by the Government of Canada or any of its agents.

The borrower **must not**

- a) be a government organization or an entity owned by a government organization;
- b) be a union, religious, charitable or fraternal organization or an entity owned by such an organization unless it is a registered T2 or T3010 corporation that generates a portion of its revenue from the sales of goods or services;
- c) be structured as a **holding company**;
- d) be an entity owned by individual(s) holding political office;
- e) promote violence, incite hatred or discriminate on the basis of sex, gender, sexual orientation, ethnicity, religion, culture, region, education, age or mental or physical disability.

Documents required for applying online

- 1) Your business's T4 Summary for 2019
- 2) Your business's current account number

Warning: This loan must be used to pay operating costs that cannot be deferred, such as rent or wages. In other words, you cannot pay a dividend out of the borrowed funds or place the money in investments.

CANADA EMERGENCY COMMERCIAL RENT ASSISTANCE

We wish to inform you of a new program that is soon to be implemented by the Government of Canada. This program will take the form of emergency assistance to help businesses pay their rent for April, May and June 2020.

This program has not yet been put in place and we have no additional information. Rest assured, however, that we will make every effort to keep you up to date on the additional assistance programs announced today.

CANADA EMERGENCY RESPONSE BENEFIT

Income

The eligibility criteria for the Canada Emergency Response Benefit have been relaxed, allowing more Canadians to benefit from this program.

Prior to this news, workers receiving any kind of employment or self-employment income—however insignificant it may have been—were automatically disqualified. This led to ridiculous situations where contract labourers receiving \$50 per week in self-employment income did not have the right to receive the \$2,000 assistance per month.

As of today, and retroactive to March 15, 2020, rather than having received no employment or self-employment income for 14 consecutive days per qualifying period, you must have received \$1,000 or less in pre-tax employment or self-employment income per qualifying period. In practical terms, this measure will allow employees and self-employed individuals with reduced work hours to earn up to \$250 per week, without compromising their eligibility for the Canada Emergency Response Benefit.

If you have not already done so, you can register today to receive the benefit for periods 1 and 2.

Note that the government has not been clear about part-time workers who have not seen a reduction in their work hours and who make less than \$250 per week. However, given that you need to have stopped working in order to qualify for the Canada Emergency Response Benefit, our standpoint is that you must have seen a reduction in your normal work hours to be eligible. [Further details will follow.](#)

Seasonal workers and Employment Insurance claimants

The government has extended the program to seasonal workers and EI claimants. Unemployed seasonal workers were previously unable to claim the Canada Emergency Response Benefit as they had not stopped working because of COVID-19. Similarly, workers on EI who had exhausted their benefits were not eligible as they had not stopped working because of COVID-19 either.

You may now apply for the benefit if you are unable to find a job because of COVID-19 and you have received EI regular benefits for at least one week since December 29, 2019 and these have been exhausted.