



GOVERNMENT COVID-19 RESPONSE

Here is a summary of initiatives announced since mid-March, 2020, dealing with the COVID-19 crisis.

BRM

- Advanced Payment Program (APP)
 - "Stay of Default" for any APP loan due on or before April 30 extending repayment period an additional six months.
 - Farmers with outstanding 2019-2020 APP loan will still be allowed to receive 2020-2021 \$100K interest-free portion of APP as long as they are still below \$1 million cap
- Farm Credit Canada (FCC)
 - Government provided additional \$5 billion in lending capacity to producers, agribusinesses, and food processors.

EMPLOYER SUPPORT

- [Extended Work-sharing program](#)
 - Work-Sharing is an adjustment program designed to help employers and employees avoid layoffs
 - Provides income support to employees eligible for Employment Insurance benefits who work a temporarily reduced work week while their employer recovers
 - Three-party agreement involving employers, employees and Service Canada
- [Wage Subsidies](#)
 - Three-month measure that will allow eligible employers to reduce the amount of payroll deductions required to be remitted to the Canada Revenue Agency (CRA)
 - The subsidy is equal to 10% of the remuneration you pay between March 18, 2020, and June 20, 2020, up to \$1,375 per employee and to a maximum of \$25,000 total per employer.
 - For example, if you have 5 employees, the maximum subsidy you can receive is \$6,875 (\$1,375 x 5 employees), even though the per employer maximum is \$25,000.
 - You **cannot** reduce your remittance of Canada Pension Plan contributions or Employment Insurance premiums
- [Business Credit Availability Program](#)
 - \$10 billion in direct lending and additional financial support
 - Offered through Export Development Canada (EDC) and the Business Development Bank of Canada (BDC)
 - Offered through financial institutions with whom a business has an pre-existing relationship



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- If needs exceed financial institution's ability to lend, BDC/EDC will work with them to fill in gaps
- Income Tax Deadline Extension
 - All businesses may defer income tax payments until August 31, 2020
 - For payment deadlines between March 18th and September 1st
 - No interest or penalties will accrue
 - Applies to tax balances as well as installments
- Reduced Electrical Rates for Farms, Small Businesses, and Individuals
 - \$1.5 billion increase in electricity cost relief programs for 2020-2021
 - Set 24 hour/day electricity prices for time-of-use customers at the lowest off-peak price for 45 days
- Employer Health Tax (EHT) exemption
 - Cutting taxes by \$355 million for about 57,000 employers through a proposed temporary increase to the exemption
- Other Provincial tax/fee deferrals
 - five months of interest and penalty relief for businesses to file and make payments for the majority of provincially administered taxes
 - deferring the upcoming June 30 quarterly municipal remittance of education property tax to school boards by 90 days
 - \$1.9 billion to the Workplace Safety and Insurance Board (WSIB), allowing employers to defer payments for up to six months
- Amending regulation allowing delivery trucks to operate during off-peak hours

EMPLOYEE SUPPORT

- Increasing the Canada Child Benefit additional \$300 per child
- Special Goods and Services Tax credit payment
 - One-time special payment by early May through the Goods and Services Tax credit for low- and modest-income families.
 - The average additional benefit will be close to \$400 for single individuals and close to \$600 for couples.
- Extra time to file income tax returns
 - Return filing due date will be deferred until June 1, 2020
 - Any new income tax balances due, or installments, deferred until after August 31, 2020 without incurring interest or penalties.



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- [Mortgage support](#)
 - COVID-related mortgage deferral is available for an indefinite period and customers do not face a deadline for having to seek relief. They can approach their bank as the need arises.
- Canada Emergency Response Benefit
 - Taxable benefit of \$2,000 a month for up to 4 months
 - Eligible recipients include:
 - workers who must stop working due to COVID19 and do not have access to paid leave or other income support.
 - workers who are sick, quarantined, or taking care of someone who is sick with COVID-19.
 - working parents who must stay home without pay to care for children that are sick or need additional care because of school and daycare closures.
 - workers who still have their employment but are not being paid because there is currently not sufficient work and their employer has asked them not to come to work.
 - wage earners and self-employed individuals, including contract workers, who would not otherwise be eligible for Employment Insurance.
- Moratorium on Canada Student Loan repayments
 - Also, six months of Ontario Student Assistance Program (OSAP) loan and interest accrual relief for students
- Low-income Energy Assistance Program (LEAP)
 - \$9 million in direct support to families for their energy bills by expanding eligibility and ensuring that their electricity and natural gas services are not disconnected for nonpayment