

## **SERVICES FOR NWT BUSINESSES**

### **Federal Programs**

#### **Northern Business Relief Fund**

The Northern Business Relief Fund (NBRF) provides short term support, in the form of a non-repayable grant, for ongoing operational costs to small- and medium-sized territorial businesses impacted by economic disruptions due to COVID-19.

The NBRF complements the suite of relief measures implemented by the Government of Canada to address the impacts of the COVID-19 pandemic on the Canadian economy.

The Fund will provide eligible territorial SMEs with short-term relief for operational costs in the form of a non-repayable grant ranging from \$2,500 to a maximum of \$100,000. The funding will cover a maximum period of 4 months, retroactive to April 1, 2020

To apply and for more info go here: <https://www.cannor.gc.ca/eng/1587153226618/1587153246025>

#### **Canada Emergency Business Account**

This program will provide interest-free loans of up to \$40,000 to small businesses and not-for-profits to help cover their operating costs during a period where their revenues have been temporarily reduced, due to the economic impacts of the COVID-19 virus.

Repaying the balance of the loan on or before December 31, 2022 will result in loan forgiveness of 25% (up to \$10,000).

To qualify, organizations will need to demonstrate that they paid between \$50,000 and \$1 million in total payroll in 2019. Applications will be made directly to the business' Financial Institution that holds their main operating account. Applications began being accepted on April 9, 2020 and are still available.

#### **Business Credit Availability Program**

Through this program, Export Development Canada (EDC) and the Business Development Bank of Canada (BDC) will provide more than \$10 billion in direct lending and other types of financial support at market rates to businesses with viable business models whose access to financing would otherwise be restricted.

Businesses interested in seeking support through this program should contact their financial institution.

For more information on this program, please click : <https://www.canada.ca/en/department-finance/programs/financial-sector-policy/business-credit-availability-program.html>

#### **Tax Deferrals:**

The deadline for businesses to pay any income tax amounts that become owing or due after March 18th, 2020 and before September 1, 2020 has been extended to September 1, 2020.

This means that you will not be assessed any penalties or interest in your balance due is paid by September 1, 2020.

April 21, 2020

For more information on this program, please click here. <https://www.canada.ca/en/revenue-agency/campaigns/covid-19-update.html>

### **Wage Subsidy:**

The Government of Canada is proposing to introduce a wage subsidy of 75% for qualifying businesses, for up to 3 months, retroactive to March 15, 2020. The details of the program include:

- 75% of the first \$58,700 normally earned by employees - representing a benefit of \$847/week.
- The program would be in place for a 12-week period, from March 15 to June 6, 2020.
- Eligible employers must have a 30% reduction in gross revenues in March, April or May when compared to the same month in 2019.
- For non-profits and charities, the government is continuing to determine if the definition of revenue is appropriate for their circumstances. More information will be announced shortly.

For more information on this program, please click here: [https://www.canada.ca/en/department-finance/economic-response-plan/covid19-businesses.html#wage\\_subsidies](https://www.canada.ca/en/department-finance/economic-response-plan/covid19-businesses.html#wage_subsidies)

If a business is not eligible for the 75% wage subsidy, they may still be eligible for the previously announced 10% wage subsidy. The details of this program include:

- 10% of the remuneration paid from March 18, 2020 to June 19, 2020, up to \$1375 for each eligible employee and to a maximum of \$25,000 total per employer.
- It is not necessary to pay for the subsidy. Once an employer has calculated the subsidy, the business can reduce the current payroll remittance of federal, provincial or territorial income tax that they send to the CRA by the amount of the subsidy.
- The remittance of CPP or EI contributions cannot be reduced.

### **Canada Emergency Response Benefit:**

Provides \$500/week for up to 16 weeks for workers, small business owners and entrepreneurs who are not receiving a paycheque as a result of COVID-19.

To be eligible:

- Individuals must have earned at least \$5,000 of total income from employment, self-employment and/or certain benefits in 2019.
- Individuals have ceased working for at least 14 days within the four week period you are applying for.
- During the period that individuals ceased working, they must not have received any employment income, self-employment income, and/or certain benefits.
- Individuals are not eligible if you quit your job voluntarily.
- Individuals are not eligible if you are receiving EI benefits.

There are two ways to apply:

- Online with CRA My Account

- Over the phone with an automated phone service

Applications will be accepted starting April 6, 2020 based on the month you were born. There is no waiting period and direct deposit payments will be delivered into accounts within 3 business days of applicants being eligible to receive it, and cheques within 10 days.

For more information on this program, please click here:

<https://www.canada.ca/en/department-finance/news/2020/03/introduces-canada-emergency-response-benefit-to-help-workers-and-businesses.html>

**Most up-to-date on the Federal Programs here:** <https://www.canada.ca/en/department-finance/economic-response-plan.html>

### **Other GNWT Assistance**

#### **Fee Reduction:**

Provide relief to northern supply chain businesses through a removal of fees until the end of June for: Deh Cho Bridge tolls, Truck permits, Airport landing fees.

#### **Establish Economic Relief and Growth Advisory Group:**

Begin work to establish an Advisory Council to help identify the economic impacts of the pandemic; represent the business community; and ensure that the items most critical to local economies and jobs are targeted for medium and long term government support.

#### **Advance Portion of Net Fiscal Benefit Transfer to Indigenous Governments:**

Provide advance payments for the 2020 GNWT net fiscal benefit from resource revenues to Indigenous Governments that are signatories to the Devolution Agreement.

#### **Contribution Carryovers:**

Allow non-government organizations, Indigenous Governments, and Community Governments with unused contribution amounts in 2019-20 to use these funds in 2020-21.

#### **Payment Terms for Vendors:**

Allow small businesses and individuals to access cash flow more quickly by shortening the payment terms on GNWT invoices so that they are paid out as soon as possible.

#### **WSCC employer fees:**

Extension of the due date for Employer Assessment Payments from April 1 to May 1, 2020.

#### **GNWT Collections Policy:**

Provide small businesses and individuals with access to greater cash flow during this crisis, by pausing most collections efforts, including:

- Outside collection agency activity
- GNWT set-offs on GNWT payments
- GNWT set-offs on Canada Revenue Agency tax refunds

April 21, 2020

**Income Assistance:**

Increase funding available for the Income Assistance program.

**Student Financial Assistance:**

Defer the payment of student loans to September 30, 2020, including not charging interest for this period.

**NTPC Load Limiters/Collections Policy:**

Support NWT residents by removing load limiters, ceasing disconnections, and pausing collection efforts.

**Other Federal Assistance that awaits further detail****Aboriginal Financial Institutions (AFIs) Funding**

\$306.8 million to the National Aboriginal Capital Corporations Association for interest-free loans and non-repayable contributions. Some funding will go towards AFIs operating expenses and NACCA's operational capacity.

**Community Futures Network Access to Capital**

\$287 million to support rural businesses and communities, including by providing them with much-needed access to capital through the Community Futures Network.

**Canada Emergency Commercial Rent Assistance (CECRA)**

The program will provide loans, including forgivable loans, to commercial property owners who in turn will lower or forgo the rent of small businesses for the months of April, May and June (retroactive for April). Details of this program will be released soon.

The program will require a partnership between the federal and territorial government (who is responsible for property owner-tenant relationships).

**Support to Northern Air Carriers**

\$17.3 million to the governments of Yukon, NWT and Nunavut to support northern carriers.

The funding will be in partnership with the territorial governments to ensure the continued supply of food, medical supplies and other essential goods and services to remote and fly-in communities.

Details will be released at a later date.