



**CANADIAN FEDERATION  
OF INDEPENDENT BUSINESS**

*In business for your business™*



# COVID-19 Weekly Webinar

FAQs and Government Support Update  
3<sup>rd</sup> in series of weekly webinars



All information contained within this  
presentation and webinar is current as of  
April 9, 2020

# Your presenters



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Executive Vice-President and Chief Strategic Officer



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Senior Vice-President, National Affairs and Partnerships



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Business Counsellor



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# Our commitment

Information is changing rapidly and our website will be updated regularly [cfib.ca/covid19](https://cfib.ca/covid19)

We will answer as many questions as we can today and use your comments and questions to update our FAQs and in our advocacy work

If we don't answer your question you can call us at 1-888-234-2232 or ask on our website at [cfib.ca/covid19](https://cfib.ca/covid19)

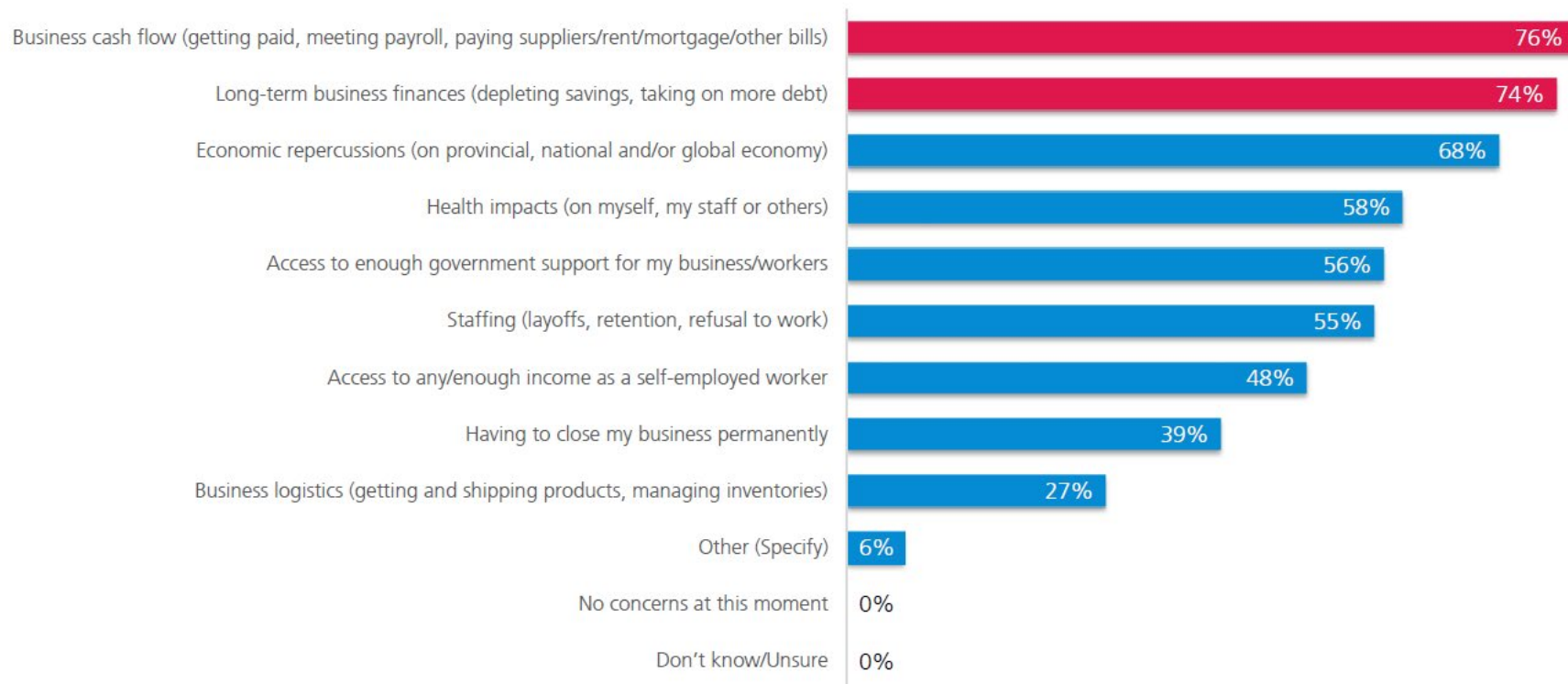


# Key questions covered today

1. What's new this week?
2. How do I manage? Staff? Bills? Stress?
3. Your questions

**Important Tip:** Keep a business log/journal that includes key information that may be useful when this is over (business decisions open/close; bills paid/deferred; key conversations with staff/suppliers/government; your own reflections on the business)

# What are you most worried about with respect to COVID-19?



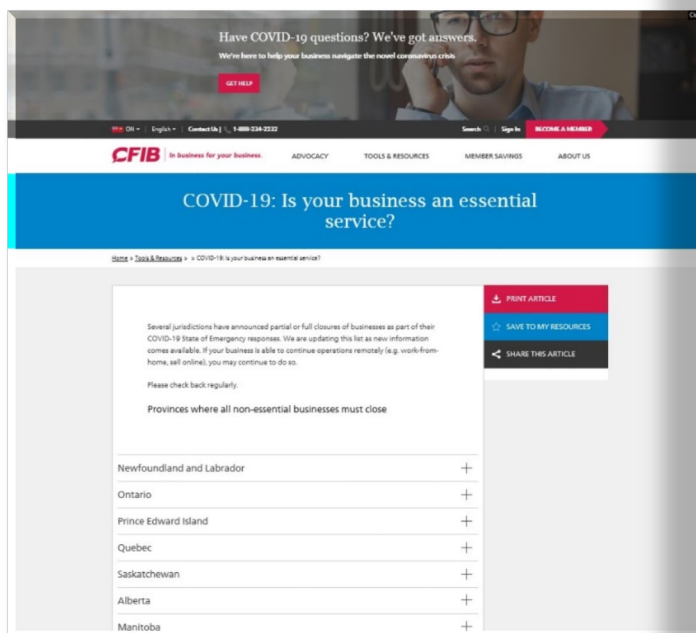
Source: CFIB, Your Business and COVID-19 – Survey Number Four, April 2020, preliminary results, n = 10,190.

Note: Respondents are allowed to select multiple answers, percentages will not add to 100%

# List of worries is long – a comment on dealing with stress

Writing in the *New York Times*, Scott Kelly, a former astronaut who spent a year on the International Space Station, suggested that keeping a routine and *writing a journal* can help ease loneliness. He also encouraged people to get outside, if they could.

# Business closures information



Provinces where all non-essential businesses must close	
Newfoundland and Labrador	+
Ontario	+
Prince Edward Island	+
Quebec	+
Saskatchewan	+
Alberta	+
Manitoba	+
Provinces and territories with partial business closures	
British Columbia	+
New Brunswick	+
Northwest Territories	+
Nova Scotia	+
Yukon	+

[www.cfib-fcei.ca/en/tools-resources/covid-19-business-essential-service](http://www.cfib-fcei.ca/en/tools-resources/covid-19-business-essential-service)

# What's new this week?

- 1) Changes to the 75% wage subsidy: some new flexibility to meet revenue drop test, 15% revenue drop test for March,
- 2) All EI applicants will be funneled into CERB, no more Supplemental Unemployment Benefit (SUB) or working while on claim
- 3) CERB now available online, some indications that it might soon allow for some earnings, and potentially top-ups for lower wage workers, but nothing announced yet
- 4) Banks lowered interest rates on credit card amounts owed, Visa and Mastercard delayed reduction of merchant fees for 3 months.
- 5) Insurance industry announced reductions in car insurance premiums and more flexibility on payments of other P&C premiums
- 6) Canada Summer Jobs Program expanded to 100% wage subsidy, prolonged into 2021 and allowed for part-time work
- 7) Some evidence that BC is flattening the curve



# Wage subsidy: What we know

- 75% wage subsidy for businesses that show 15% drop in revenue for March, 30% drop in April, and May
- Revenue can be compared to same month in previous year OR to January/February 2020 revenues
- Will allow cash accounting (not just accrual) to calculate losses
- Up to \$58,700 in annual wages or up to \$847/week per employee
- Backdated to March 15, must apply every month
- CRA portal for applications – likely ready in about 2 weeks with funds available in 3 to 5 weeks, likely through direct deposit
- Available to corporations, sole proprietors and partnerships, no limit on number of employees
- Employers will have to attest that they have done everything they can to pay additional 25 percent (tip: keep a journal of what you are doing)
- Yes, you can (and are encouraged by government) to hire back employees

# How do I manage my staff? Main options

1. Keep staff & access 75% wage subsidy or 10% wage subsidy (whichever works best for your business)
2. Other options for keeping staff include:
  - *Use Workshare - employees agree to reduced work week & to share the available work over a period of time*
3. Temporary layoffs with your staff accessing:
  - *Employment Insurance*
  - *Canada Emergency Response Benefit (CERB)*

# CERB and EI now one program

- Any applications for EI since March 15 will be automatically enrolled in the CERB program going forward
- Two streams to get it – if EI eligible, apply through EI system, if not, apply directly to CERB through CRA
- CERB (and now EI) are \$2000 per month for up to four months, must apply monthly
- Covers employees who are unable to work for COVID-related reasons including contract workers and self-employed who would not otherwise be eligible for EI
- Begin receiving payments within ten days of application (3 days with direct deposit)
- To apply for CERB must have earned \$5000 within the last 12 months & gone 14 consecutive days without income in last 4 weeks

# How to temporarily lay off staff: The basics

1. Check your provincial Employment Standards
  - *What are your minimum requirements of a layoff? or How much you will have to pay your employees if you cannot recall them?*
2. Prepare your Temporary Layoff Letter *(template available in handouts)*
3. File your employee's ROE with Service Canada
  - *Whenever your employee experiences an interruption of earnings. This includes layoffs and is required even if your employees don't plan on going on EI or plan to apply for CERB*
4. Talk to your employees
  - *Be as clear as you can about why you need to lay them off*
  - *When you hope to bring them back*
  - *Let them know what funding options are available to them during their layoff (CERB)*
  - *Provide them with your Temporary Layoff Letter*

# How do I code the ROE?

Most likely codes to use:

## Code A - Shortage of work (layoff):

When you are laying off employees due to a shortage of work or a temporary business closure

## Code D - Illness or Injury:

When an employee is absent due to illness, quarantine, or ordered self-isolation

## Code H - Work-Sharing

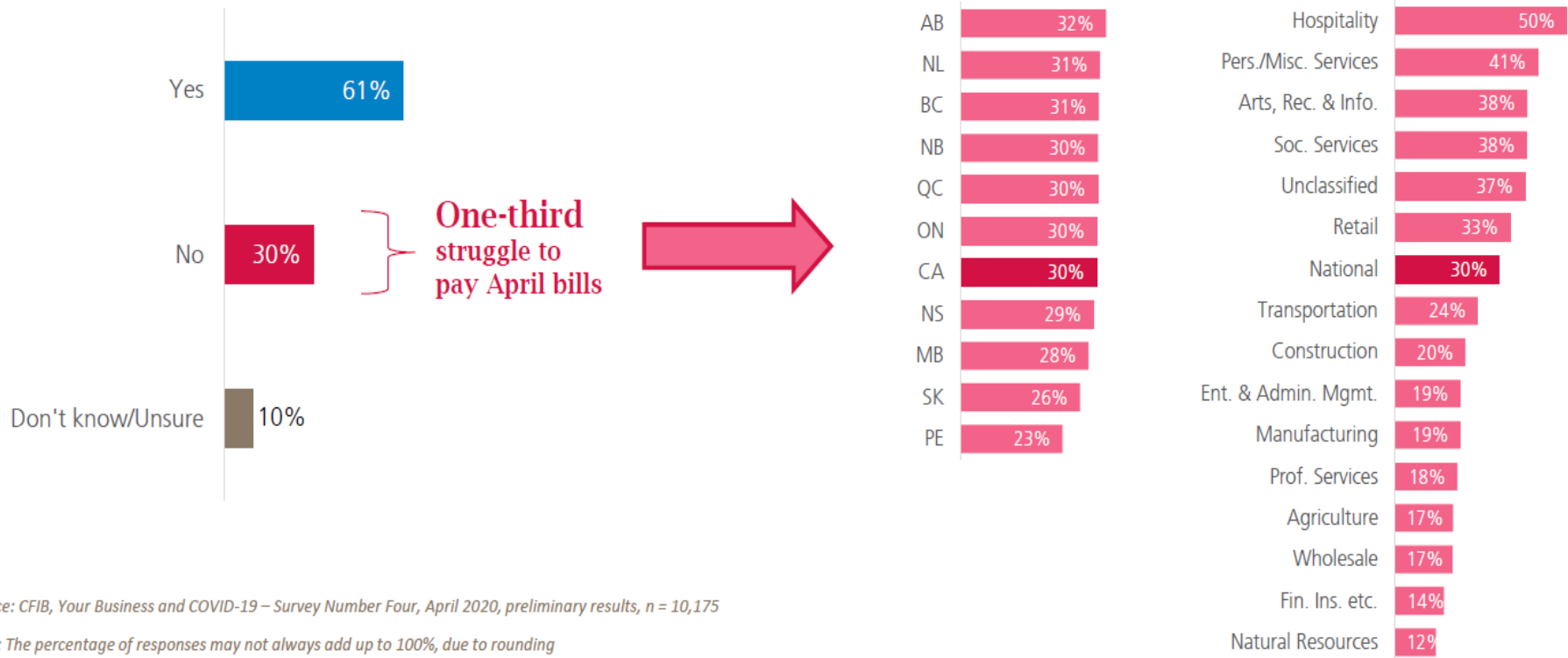
Code N – Leave of Absence (including I don't feel comfortable coming to work due to COVID or looking after a family member at home)

**DO NOT** put any comments in the comments box on the ROE; this will slow down processing as the ROE will need to be reviewed manually

# How do I manage/pay my bills?

- Canada Emergency Business Account  
*(available online through banks)*
- Bank loans and deferrals
  - *More money available through banks as government is providing loan guarantees for financial institutions up to 80 percent; banks also making mortgage payment deferrals for up to 6 months, personal and other loans up to 3 months*
- Tax deferrals
- Negotiate with suppliers, including landlords
- CERB (some money available for self-employed that don't qualify for EI)

# Do you currently have the cash flow to pay your April bills (wages, rent, other payments)?



Source: CFIB, Your Business and COVID-19 – Survey Number Four, April 2020, preliminary results, n = 10,175

Note: The percentage of responses may not always add up to 100%, due to rounding

# Canada Emergency Business Account

- Banks (and some credit unions) provide interest free loans up to \$40,000 to help cover operating costs
- Up to \$10,000 forgiven (25%) if repaid by Dec. 31, 2022
- Available to employers with \$50,000 to \$1 million in payroll in 2019
- Applications now available online on bank websites
- 40 per cent of businesses want to use it; 20 percent want to but are ineligible
- CFIB calls for payroll eligibility criteria to be dropped and for \$10k to be a grant provided upfront to cover rent and other costs



# What should I do if I can't afford to pay my rent/mortgage?

- Look at your lease to know what it says and check to see if there is a clause regarding extreme circumstances
- Try and negotiate an agreement to reduce or delay your payment. Be sure to put agreement in writing
- Try to get loan from your bank
- Pay what you can, many are telling us they are prioritizing wages and rent payments
- Stay calm and remember it is in everyone's interests to work this out
- CFIB is lobbying provinces for a minimum 25 percent property tax reduction and emergency hardship money to help with fixed costs

# Provincial financial assistance

Province	Name	Main Eligibility Criteria	How to apply
BC	BC Emergency Benefit for Workers and Self-Employed	<ul style="list-style-type: none"> <li>- One-time, tax free payment of \$1,000</li> <li>- Payment to be made in May 2020</li> <li>- Eligible for those who are also on CERB</li> </ul>	Applications not open yet
SK	Self-Isolation Support Program For Workers and Self-employed	<ul style="list-style-type: none"> <li>- \$450 per week, for a maximum of 2 weeks or \$900</li> <li>- For those in isolation not covered by EI or other financial assistance</li> </ul>	Applications <a href="#">open online</a>
QC	Temporary Aid for Workers and Self-Employed	<ul style="list-style-type: none"> <li>- \$573 a week for 2 weeks</li> <li>- For those in isolation not covered by EI or other financial assistance</li> </ul>	Applications open and managed by the Red Cross
	Incentive Program to Retain Essential Workers	<ul style="list-style-type: none"> <li>- Benefit for low-income essential workers</li> <li>- Eligible workers receive \$400/month over a max. period of 15 weeks</li> </ul>	Applications <a href="#">open online</a> from May 19 to November 15, 2020
	Financial assistance for training (PACME)	<ul style="list-style-type: none"> <li>- Reimbursement up to 100% of eligible expenses, with a \$100,000 maximum to pay for training fees and equipment to help employees transition to working from home</li> </ul>	Applications <a href="#">open online</a> until September 30
	Emergency aid for small and medium-sized businesses	<ul style="list-style-type: none"> <li>• The aid aims to support, for a limited period, eligible businesses who are experiencing financial difficulties due to COVID-19 and who need cash under \$ 50,000 .</li> </ul>	Contact your MRC, your municipality office or the body responsible for managing the Local Investment Fund (FLI) in your MRC.
NB	New Brunswick Emergency Income Benefit for Workers and Self-employed	<ul style="list-style-type: none"> <li>- One-time income benefit of \$900 to bridge the gap to CERB</li> <li>- Benefit ends on April 30, 2020</li> </ul>	Applications close 8pm Thursday, April 9, potential extension to deadline.
PEI	Emergency Income Relief Fund for Workers and Self-employed	<ul style="list-style-type: none"> <li>- A maximum \$500 per week from March 16 to 29,</li> <li>- For those not covered by EI or receiving any other income support (i.e. Business Interruption Insurance)</li> </ul>	Applications closed
	COVID-19 Income Support Fund for Workers and Self-employed	<ul style="list-style-type: none"> <li>- One-time payment of \$750</li> <li>- For those who have <b>not</b> already accessed the Emergency Income Relief for the Self-Employed, and who have applied for federal benefits (CERB)</li> </ul>	Applications <a href="#">open online</a> until April 30
	Rent Deferral Program	<ul style="list-style-type: none"> <li>- Financial assistance where deferred rent cannot be provided is being offered, up to a max. Of \$50,000 per landlord and \$15,000 per tenant</li> </ul>	Landlords can register by contacting Finance PEI at <a href="mailto:financepei@gov.pe.ca">financepei@gov.pe.ca</a> by April 15
NS	Small Business Impact Grant	<ul style="list-style-type: none"> <li>- Grant of 15% of sales revenues up to max. of \$5,000</li> </ul>	Applications not open yet
	Self-employed and Employee Emergency Bridge Fund	<ul style="list-style-type: none"> <li>- One-time \$1,000 payment to bridge gap to bridge layoffs, closures, and CERB</li> </ul>	Applications not open yet
YK	Paid Leave Rebate for Employers	<ul style="list-style-type: none"> <li>- Rebate covers max. 10 days of wages per employee (not including benefits or payroll taxes) to allow for sick leave and/or a 14-day self-isolation period</li> </ul>	Applications open: email <a href="mailto:ecdev@gov.yk.ca">ecdev@gov.yk.ca</a> or phone 867-456-3803

# Tax deferrals

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BC	BC Emergency Benefit for Workers and Self-Employed	<ul style="list-style-type: none"> <li>- One-time, tax free payment of \$1,000</li> <li>- Payment to be made in May 2020</li> <li>- Eligible for those who are also on CERB</li> </ul>	Applications not open yet
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# Making your voice heard

- Action alerts are a highly effective way to ensure that governments are paying attention to your top priorities
- Sign at [cfib.ca/covidpetition](https://cfib.ca/covidpetition)

## My business needs urgent help to survive COVID-19!

Canadian small businesses like mine are facing their biggest challenge in our lifetimes as a result of the COVID-19 pandemic. Many firms will not survive without significant support to help pay staff and cover fixed costs like rent.

I appreciate many of the helpful measures, such as the 75% wage subsidy, emergency income support for the self-employed, and deferring certain taxes like GST/HST, income tax, property taxes and workers' compensation premiums.

But for businesses to survive this crisis, I am asking governments to:

- ☐ Improve wage support: Reduce the six-week funding delay and ensure small firms are not disqualified by the 30% gross revenue reduction test.
- ☐ Help businesses pay rent or mortgages: Provide direct funding to pay rent or mortgage costs for business forced to fully or partially close.
- ☐ Delay all planned tax/cost increases until the economy recovers. This includes: Federal carbon tax (April 1), CPP (January 1, 2021), minimum wage (varies by province).
- ☐ Forgive the payment of taxes, including property taxes, for up to 3 months for those forced to fully or partially close.
- ☐ Promptly pay suppliers: Ensure suppliers to government are paid quickly (i.e. less than 30 days) and encourage large businesses to do the same.

First Name \*

Last Name \*

Email Address \*

Business Name \*

City \*

Postal Code \*

\*By submitting this form, you agree to be contacted by CFIB by telephone or email.

SUBMIT

# Quick stress reduction tips

- Adopt healthy habits- eat well, exercise and sleep
- Prioritize leisure time - Try to find a few minutes to do something you enjoy, limit news consumption to what you need to know
- Connect with someone you care about – Make sure you are only socially self-distancing and not socially self-isolating. Use technology to seek support from family, friends and other communities.
- Ask for help, financial and emotional – many resources available across the country (some listed in appendix)
- Keep a journal of how this is affecting business (good for stress relief and post COVID audits!)
- Don't forget to breathe

# CFIB resources

- Go to [cfib.ca/covid19](https://cfib.ca/covid19) for FAQs, latest updates on government relief measures & templates
- Call the CFIB Business Helpline: 1-888-234-2232
- Weekly email updates, webinars and surveys
- Follow us on Social:



[CFIB](#)



[CFIB](#)



[CFIBbuzz](#)



[cfib\\_fcei](#)

**CFIB** In business for your business.

## COVID-19

Dear CFIB member,

We know this is a difficult time for small businesses across the country. Information is changing rapidly and it can be difficult to find the help you need. To keep you informed on the latest government relief measures and provide up to date answers to your questions, we will be sending you a weekly newsletter for as long as COVID-19 poses serious challenges.

On behalf of everyone at CFIB, I would like to offer you, your employees and your business our full support.

Dan Kelly  
President and CEO

### Answers to your COVID-19 questions

Find up to date info using our business owner FAQ

Our business counselors have fielded thousands of COVID-19 calls over the past several days alone. We are regularly updating our online Help Center based on your questions and the new information we are getting from governments. Visit our online FAQ to find answers to common question including: "Can my business remain open?" "Are employees under quarantine eligible for EI?" and "What should be done when business is slow and there isn't enough work for employees?"

[Get answers](#)

### What's the government doing to help your business?

The COVID-19 crisis has brought a lot of uncertainty into our lives and our economy—and your business may need help getting through it. To date, announcements from the federal government include a 10% wage subsidy and deferring tax remittances. Find out what other relief measures the provincial and federal governments are implementing and how you can apply for them.

[See Ontario relief](#) [See federal relief](#)

# Our commitment

As the situation evolves this content will be updated

[cfib.ca/covid19](https://cfib.ca/covid19)

We will continue to work to answer your individual questions



We will never stop fighting on behalf of independent business!





# More on the ROE

- You are required to complete an ROE (Record of Employment) when there is an interruption of earnings
- Interruption of earnings is generally when an employee goes 7 days without earning income which has source deductions
- ROE must be filed 5 days after the 7-day interruption of earnings
- This may be challenging due to high volumes at Service Canada websites and Service Canada closures. We recommend doing it online despite current delays.

Obtain at: [www.canada.ca/en/employment-social-development/programs/ei/ei-list/reports/roe-guide/instructions.htm](http://www.canada.ca/en/employment-social-development/programs/ei/ei-list/reports/roe-guide/instructions.htm)

- **Guide to completing the ROE:**  
[www.canada.ca/en/employment-social-development/programs/ei/ei-list/reports/roe-guide/instructions.htm](http://www.canada.ca/en/employment-social-development/programs/ei/ei-list/reports/roe-guide/instructions.htm)

# Some resources for dealing with stress

- Anxiety Canada: [www.anxietycanada.com](http://www.anxietycanada.com) for information and self-management strategies for anxiety
- Crisis help across Canada - the Canadian Association for Suicide Prevention provides a list of [crisis centres](#) across Canada



**[cfib.ca/covid19](https://cfib.ca/covid19)**



**1-888-234-2232**