



Guide for Municipal Leaders on Canada's and Alberta's Economic Response to COVID-19

Created: March 25, 2020
Updated: January 21, 2021



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Executive Summary

In March 2020, the Government of Canada and Government of Alberta began announcing comprehensive plans involving various financial supports to help stabilize the economy due to the impact of the COVID-19 coronavirus. AUMA developed this guide for municipalities to determine which programs may be applicable to their operations or to communicate with residents and employers about available programs that can help alleviate financial pressures.

Many programs have started and concluded since the outbreak, but the following offers a summary of current initiatives with additional details and links available in this Guide.

Government of Canada's Current Economic Response Initiatives

Support for employers	<ul style="list-style-type: none">• Increased flexibility and funding of the Canada Summer Jobs program• Canada Emergency Wage Subsidy• Canada Emergency Rent Subsidy• Canada United Small Business Relief Fund• Extension of the Work-Sharing program• Targeted investments in energy, fisheries, agriculture, culture, sport, air transportation, academic, and mining sectors
Access to business credit	<ul style="list-style-type: none">• Canada Emergency Business Account• Regional Relief Recovery Fund• Loan Guarantees and Co-Lending for Small and Medium-Sized Enterprises• Mid-market loan guarantees and financing programs• Large Employer Emergency Financing Facility
Support for people facing loss of income	<ul style="list-style-type: none">• Canada Recovery Benefit• Canada Recovery Sickness Benefit• Canada Recovery Caregiving Benefit• Employment Insurance program expanded
Support for targeted populations	<ul style="list-style-type: none">• Numerous investments for Indigenous communities, seniors, and homeless persons

Government of Alberta's Current Economic Response Initiatives

Support for employers	<ul style="list-style-type: none">• Small and Medium Enterprise Relaunch Grant
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Introduction

The purpose of this document is to help AUMA members understand the variety of programs available and actions taken by the Government of Canada and Government of Alberta to stabilize and restart the economy as a result of the COVID-19 pandemic.

How to use this guide

Municipal leaders may use this document as a reference when communicating with residents, not-for-profit organizations, and local businesses about the supports that are currently available to help alleviate financial pressures on households and employers. In addition, municipalities need to be aware of programs that are available to mitigate financial impacts on municipal organizations and help create infrastructure jobs.

The guide is organized into four sections:

- A. Government of Canada's current economic response initiatives.
- B. Government of Alberta's current economic response initiatives.
- C. Initiatives completed by the Government of Canada and Government of Alberta.
- D. Summary of updates to this Guide, including the most recent changes.

Since the federal and provincial governments may release information more frequently, readers can access the most up-to-date information directly from the [Government of Canada](#) and [Government of Alberta](#) websites.

Note

This report does not represent a comprehensive summary of all initiatives announced by the federal and provincial governments. The content of this guide is focused on programs and initiatives that are most relevant to municipal leaders.

Limitation

The information set out in this Guide is considered accurate as of the date on page 1; because the situation with COVID-19 is changing rapidly it is important that readers ensure that the most recent update to this Guide is consulted.

While we have endeavored to provide accurate information about the programs set out in this Guide, official information about the programs, including eligibility requirements, deadlines and related terms and conditions, is found in official government publications. We recommend that readers consult those sources for details.

A. Government of Canada's Current Economic Response Initiatives

Federal Program/ Type	Description	Applies to employers			Applies to	
		Municipal Government	Private Sector	Not-for-Profit	Employee/individual	Self-employed
Canada Summer Jobs	Municipalities and other eligible employers approved under CSJ will receive a wage subsidy of up to 75% of the provincial minimum hourly wage. Prior to COVID-19, the subsidy was set at 50%. Temporary flexibilities added in 2020 will remain in place in 2021 including support for part-time placements and extended employment periods. The deadline to apply is January 29, 2021.	✓	✓	✓	n/a	n/a
Wage subsidies for employers	All employers who experienced a reduction in gross revenues of at least 15 per cent or 30 per cent, between March 15 and July 4, 2020, can access the Canada Emergency Wage Subsidy . For claims after July 4, 2020, there is no minimum revenue reduction to qualify for the subsidy, but the amount of the revenue reduction will be used to calculate the subsidy amount. The program applies to remuneration paid from March 15, 2020 to March 13, 2021 and can be applied for through CRA's My Business Account .	n/a	✓	✓	n/a	✓
Rent and Mortgage Subsidy	The Canada Emergency Rent Subsidy (CERS) offers a rent and mortgage subsidy of up to 65% of eligible expenses for organizations that have experienced a reduction in revenue due to COVID-19. Organizations that have been significantly restricted by a mandatory public health order can receive an additional 25% of support. Together, a hard-hit organization subject to a lockdown can receive rent support of up to 90%. Payment is made directly to the tenant or property owner without the involvement of landlords. The program is available until June 2021.	n/a	✓	✓	n/a	n/a

Federal Program/ Type	Description	Applies to employers			Applies to	
		Municipal Government	Private Sector	Not-for-Profit	Employee/individual	Self-employed
Relief grants	Canada United Small Business Relief Fund Offers grants of up to \$5,000 to help small businesses offset the cost of expenses to reopen safely or adopt digital technologies to move more of their business online. Applications are no longer accepted in Alberta.	n/a	✓	✓	n/a	✓
Credit for small and medium-sized businesses	Canada Emergency Business Account (CEBA) <ul style="list-style-type: none"> • Interest free loans of up to \$60,000 to small businesses and not-for-profits to cover operating costs if they have been affected by COVID-19. • To qualify, organizations must have paid \$20,000 to \$1.5 million in total payroll in 2019 or have eligible non-deferrable expenses greater than \$40,000 in 2020. • Up to \$20,000 of CEBA loans will be forgiven if repaid by December 2022. • Applications have been extended to March 31, 2021. Initially the program was not available to businesses that were owned by individuals holding political office. Following advocacy by AUMA and other municipal associations, the program was changed to only exclude businesses that are owned by Members of Parliament or Senators.	n/a	✓	✓	n/a	n/a
	Loan Guarantees and Co-Lending for Small and Medium-Sized Enterprises <ul style="list-style-type: none"> • SMEs may access new operating credit and cash flow term loans of up to \$6.25 million that are guaranteed by Export Development Canada. • SMEs may enter into co-lending agreements with the Business Development Bank of Canada to access incremental credit amounts of up to \$6.25 million. • Both programs are available until June 2021. 	n/a	✓	n/a	n/a	n/a

Federal Program/ Type	Description	Applies to employers			Applies to	
		Municipal Government	Private Sector	Not-for-Profit	Employee/individual	Self-employed
	Regional Relief Recovery Fund <ul style="list-style-type: none"> Western Economic Diversification Canada is providing interest-free loans to businesses that have been unable to access other COVID-19 support measures. RRRF offers several funding streams of up to \$60,000 for rural businesses, women-owned or women-led businesses, or other businesses and up to \$1 million for businesses that meet select criteria. Up to 25% of the loan will be forgiven if repaid by December 2022. 	n/a	✓	n/a	n/a	n/a
	Black Entrepreneurship Loan Fund <ul style="list-style-type: none"> Will provide loans of between \$25,000 and \$250,000. Application details are not yet available. 	TBA	TBA	TBA	TBA	TBA
Credit for medium-sized businesses	Mid-Market Financing Program A new program offered by the Business Development Bank of Canada will provide commercial operating loans ranging from \$12.5 million to \$60 million for medium sized businesses that have revenues of \$100 million to \$500 million per year. It is available until June 2021.	n/a	✓	n/a	n/a	n/a
	EDC's Mid-Market Guarantee and Financing Program A new program by Export Development Canada will guarantee 75 per cent of new operating credit and cashflow loans ranging from \$16.75 million to \$80 million. The program is available to businesses with annual revenues of \$50 million to \$300 million.	n/a	✓	n/a	n/a	n/a

Federal Program/ Type	Description	Applies to employers			Applies to	
		Municipal Government	Private Sector	Not-for-Profit	Employee/individual	Self-employed
Credit for large businesses	Large Employer Emergency Financing Facility (LEEFF) A new program that will offer bridge financing to large businesses whose cashflow needs are not being met through conventional financing. Eligible businesses must have revenues exceeding \$300 million per year, seek financing of \$60 million or more, and have a significant workforce in Canada.	n/a	✓	n/a	n/a	n/a
Credit for farmers	Farm Credit Canada is offering loan payment deferral plans or increased credit to farmers and the agri-food sector.	n/a	✓	n/a	n/a	n/a
Income replacement for households	As of September 27, 2020, the Employment Insurance (EI) program is temporarily changed for 1 year: <ul style="list-style-type: none"> • Individuals eligible for EI will receive a minimum benefit of \$500 per week. • Individuals with at least 120 hours of insurable work can receive a temporary, one-time credit of 300 or 480 insurable hours to qualify for EI. 	n/a	n/a	n/a	✓	Restrictions
	Canada Recovery Benefit is a new program for workers who are not eligible for EI may who can access up to \$500 per week for up to 26 weeks. This applies to individuals who have stopped working or had their income reduced by at least 50% due to COVID-19.	n/a	n/a	n/a	✓	✓
	Canada Recovery Sickness Benefit is a new program that provides \$500 per week for up to two weeks for workers who are unable to work because they contracted COVID-19 or are self-isolated for reasons related to COVID-19.	n/a	n/a	n/a	✓	✓
	Canada Recovery Caregiving Benefit is a new program that provides \$500 per week for up to 26 weeks for workers who are unable to work because: <ul style="list-style-type: none"> • They must care for a child because schools, day-cares, or care facilities are closed due to COVID-19. • A child or family member is sick or required to quarantine. 	n/a	n/a	n/a	✓	✓

Federal Program/ Type	Description	Applies to employers			Applies to	
		Municipal Government	Private Sector	Not-for-Profit	Employee/individual	Self-employed
	Employment Insurance (EI) sickness benefits provides up to 15 weeks of partial income replacement for individuals who cannot work for medical reasons. A medical certificate is not required for claims after March 15, 2020.	n/a	n/a	n/a	✓	Restrictions
Work-Sharing program	The Work-Sharing program provides employment insurance (EI) benefits to workers who agree to reduce their working hours instead of being laid off when there is a reduction in business activity. The maximum duration of Work-Sharing agreements is extended from 38 weeks to 76 weeks.	n/a	✓	✓	✓	n/a
Support for targeted sectors	Sectors such as agriculture, fisheries, culture, sport, air transportation, tourism, energy, academic, and mining can access targeted programs . For example: <ul style="list-style-type: none"> The governments of British Columbia, Alberta, and Saskatchewan are receiving up to \$1.7 billion to clean up orphan/inactive oil and gas wells. In Alberta, grants are being paid directly to oilfield service companies that complete the work. The Mandatory Isolation Support for Temporary Foreign Workers provides agricultural employers with \$1,500 for each worker to follow the mandatory 14-day isolation period after arriving in Canada. 	n/a	✓	✓	n/a	✓

B. Government of Alberta's Current Economic Response Initiatives

Provincial Program	Description	Applies to employers			Applies to	
		Municipal Government	Private Sector	Not-for-Profit	Employee/individual	Self-employed
Small and Medium Enterprise Relaunch Grant	<p>The Small and Medium Enterprise Relaunch Grant has been updated to offer up to \$20,000 in funding to organizations that have experienced revenue reductions due to COVID-19.</p> <p><u>First Payment</u></p> <ul style="list-style-type: none"> Organizations that experienced at least a 30% reduction in revenues in April or May 2020 due to COVID-19 can access up to \$5,000 in funding. Recent changes have reduced the minimum threshold for eligibility from 50% to a 30% decline in revenues. Businesses that began operations between March 1 and October 31, 2020 will now be able to apply starting February 4, 2021. <p><u>Second Payment</u></p> <ul style="list-style-type: none"> Applicants approved under the first payment can access up to \$15,000 in additional funding if the organization was required to curtail operations because of a public health order introduced after November 6, 2020. <p>The program budget has increased from \$200 million to \$500 million. Applications will be open until March 31, 2021.</p>	n/a	✓	✓	n/a	✓

C. Completed Initiatives

The following is a summary of initiatives and programs that were put in place by the Government of Canada and Government of Alberta to respond to COVID-19 and have now completed. In some cases, the initiative is currently ongoing, but applications have closed.

Government of Canada – completed initiatives

Support for municipal governments

- \$303 million of funding through the [Municipal Operating Support Transfer](#).
- Accelerated payment of the 2020 Gas Tax Fund.
- New [COVID-19 Resilience stream](#) under the Investing in Canada Infrastructure Program.

Support for individuals and families

- [Canada Emergency Response Benefit](#).
- One-time [GST credit top-up](#) in May 2020.
- One-time top-up of the Canada Child Benefit in May 2020.
- One-time top-up to the Old Age Security Pension and Guaranteed Income Supplement programs in July 2020.
- Deadline to pay income tax balances extended to September 30, 2020.

Support for students

- [Canada Emergency Student Benefit](#) closed September 30, 2020.
- Six-month interest-free moratorium for Canada Student Loan borrowers ended September 2020.

Support for businesses

- [Temporary Wage Subsidy](#).
- Deadline to pay income tax balances extended to September 30, 2020.
- [Canada Emergency Commercial Rent Assistance](#).
- Deadline for [GST remittance and payments](#) extended to June 30, 2020.
- \$405 million in assistance through the [Innovation Assistance Program](#).

Support for targeted organizations

- \$158 million in assistance through the [Reaching Home](#) initiative for the homeless.
- \$100 million in assistance through the [Local Food Infrastructure Fund](#).
- \$50 million for [women's shelters and sexual assault centres](#).
- \$350 million in assistance through the [Emergency Community Support Fund](#).

Government of Alberta – completed initiatives

Support for municipal governments

- \$303 million of funding through the [Municipal Operating Support Transfer](#).
- \$500 million delivered through the [Municipal Stimulus Program](#).

Support for individuals and families

- \$108 million delivered through the Emergency Isolation Support program.

Support for students

- Six-month interest-free moratorium for Alberta Student Loan borrowers ended September 2020.

Support for businesses

- Deadline to pay 2020 non-residential education property taxes was [extended for six months](#) or both municipal and education property tax could be deferred for a shorter time frame to achieve an equivalent benefit.
- Approximately [\\$67 million contributed](#) to the Canada Emergency Commercial Rent Assistance program.
- 2020 [Worker Compensation Board premiums](#) were deferred until 2021 and small and medium-sized private sector employers received a 50% waiver of 2020 premiums.
- Hotels and lodging providers could keep all tourism levies collected between March 1 and December 31, 2020.
- The Government of Alberta [doubled its budget for capital maintenance and renewal projects](#) from \$937 million to \$1.9 billion for 2020-21.

Support for individuals and businesses

- Plan to increase [provincial educational property taxes](#) in 2020 was reversed. This saved residential and farmland property owners \$55 million and non-residential property owners \$32 million in 2020 provincial education property taxes.
- [Deferral of electricity and natural gas utility payments](#) until June 18, 2020.
- In April 2020, customers of ATB Financial were encouraged to apply for short-term deferral on loans, credit lines, and mortgages.

D. Version History

AUMA has released updated versions of this Guide on:

- March 25, 2020
- April 1, 2020
- April 8, 2020
- April 21, 2020
- April 30, 2020
- May 19, 2020
- November 18, 2020
- January 21, 2021

The current version includes the following updates:

Updates to the Government of Canada's plan

- The Canada Emergency Wage Subsidy is extended to March 13, 2021.
- Canada Summer Jobs re-opens with the continuation of additional temporary supports.
- Canada Emergency Business Account loan limits are increased to \$60,000 and is extended to March 2021.
- Announcement of the Canada Emergency Rent Subsidy.
- Regional Relief Recovery Fund loans are increased to \$60,000.
- The Mid-Market Guarantee and Financing Program is now open for applications.

Updates to the Government of Alberta's plan

- The Small and Medium Enterprise Relaunch Grant is expanded to offer more flexible criteria and an increase in the program budget to \$500 million.