

CIRCULAR

Date: April 27, 2020

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To: Early learning and child care providers, Early Learning and Child Care Program

Subject: **Information Pertaining to COVID-19**

Program(s): Early Learning and Child Care

Type: Policy For Internal Reference Only
 Procedure Information Only

Effective Date Immediately

Topic: Federal COVID-19 measures relevant for early learning and child care

This information is provided for reference only. Please see [Canada's COVID-19 Economic Response Plan](#) to learn more about and apply for this and other programs. We hope the following information is valuable for your facilities.

Questions about federal measures should be referred to the Government of Canada. As further support, Manitoba non-profits, including child care facilities, and businesses can contact the Manitoba Economic Support Centre at 1-888-805-7554 to help inform and guide them through the supports available, including assistance on how to apply for federal programs.

Businesses and non-profit organizations, including child care providers, are eligible for the Canada Emergency Wage Subsidy, which provides up to 75 per cent of employee wages for businesses and non-profits. Information on this and other federal COVID-19 measures that may be relevant to the early learning and child care sector are summarized as follows:

Government of Canada supports for businesses
Canada Emergency Wage Subsidy
The Canada Emergency Wage Subsidy covers 75% of an employee's wages – up to \$847 per week – for employers of all sizes and across all sectors who have suffered a drop in gross revenues of at least 15% in March, and 30% in April and May. The program will be in place for a 12-week period from March 15 to June 6, 2020.

Government of Canada supports for businesses
<p>For non-profit organizations and registered charities similarly affected by a loss of revenue, the federal government will continue to work with the sector to ensure the definition of revenue is appropriate to their circumstances.</p> <p>An eligible employer's entitlement to this wage subsidy will be based entirely on the salary or wages actually paid to employees. All employers would be expected to at least make best efforts to top up salaries to 100% of the maximum wages covered.</p> <p>Eligible employers would be able to access the Canada Emergency Wage Subsidy by applying through a Canada Revenue Agency online portal.</p>
Deferral of GST/HST Tax Remittances
<p>The Canada Revenue Agency will allow all businesses to defer, until the end of June 2020, any GST/HST payments or remittances that become owing on or after March 27, 2020, and before June 2020.</p>
Filing of Income Tax
<p>The Canada Revenue Agency will allow all businesses to defer, until August 31, 2020, the payment of any income tax amounts that become owing on or after March 18 and before September 2020. No interest or penalties will accumulate on these amounts during this period.</p>
Business Credit Availability Program
<p>Through this program, Export Development Canada (EDC) and the Business Development Bank of Canada (BDC) will provide \$65 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. This program includes:</p> <ul style="list-style-type: none"> ● 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. ● Loan Guarantee for Small and Medium-Sized Enterprises (SMEs): EDC is working with financial institutions to issue new operating credit and cash flow term loans of up to \$6.25 million to SMEs. ● Co-Lending Program for SMEs: BDC is working with financial institutions to co-lend term loans to SMEs for their operational cash flow requirements. Eligible businesses may obtain incremental credit amounts of up to \$6.25 million through the program. <p>These programs will roll out in the three weeks after March 27, and interested businesses should work with their current financial institutions.</p>

Thank you for your cooperation as we work together to continue to address the challenges through our COVID-19 response to support Manitoba children, families and communities. For updated information about COVID-19 in Manitoba, please visit www.manitoba.ca/covid19.

Sincerely,

Early Learning and Child Care Program