

## Cash Flow and Liquidity Measures

Initiative	Agriculture Implications and Analysis
<p><a href="#">Increased credit availability to the agriculture sector</a></p> <p><b>Lead:</b> Farm Credit Canada</p> <p><b>Description:</b> \$5 Billion in lending capacity to producers, agribusinesses, and food processors. FCC has put in place: a deferral of principal and interest payments for up to 6 months for existing loans, a deferral of principal for up to 12 months, access to additional credit line up to \$500,000 and access to an additional term loan up to \$12.5M.</p>	<p>To offer increased flexibility to farmers who face cash flow issues and to processors who are impacted by lost sales.</p>
<p><a href="#">Large Employer Emergency Financing Facility (LEEFF)</a></p> <p><b>Lead:</b> Finance, ISED</p> <p><b>Description:</b> LEEFF will provide bridge financing to Canada’s largest employers, with annual revenues generally in the order of \$300 million or higher, whose needs during the pandemic are not being met through conventional financing, in order to keep their operations going.</p>	<p>The additional liquidity provided through LEEFF will allow Canada’s largest businesses and their suppliers to remain active during this difficult time, and be positioned for a rapid economic recovery.</p>
<p>Business Credit Availability Program (BCAP):</p> <ul style="list-style-type: none"> <li>• Canada Emergency Business Account</li> <li>• SME Loan and Guarantee Program</li> <li>• Mid-market Financing and Guarantee Programs</li> </ul>	<p>Businesses seeking support through BCAP are instructed to contact the financial institutions with whom they have a pre-existing relationship, so that the financial institutions may assess the client’s financial request. If the needs of the client exceed the level of support the financial institution is able to provide, the financial institution will work alongside BDC or EDC to access additional resources the Government has made available under BCAP.</p>

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<p><b>Initiative 1:</b> <a href="#">Canada Emergency Business Account</a></p> <p><b>Lead:</b> Export Development Canada (EDC) and Business Development Bank of Canada (BDC) through financial institutions.</p> <p><b>Description:</b> This program will provide up to \$25 billion to eligible financial institutions so they can 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. Repaying the balance of the loan on or before December 31, 2022 will result in loan forgiveness of 25 percent (up to \$10,000).</p> <p>To qualify, organizations either need to demonstrate they paid between \$20,000 to \$1.5 million in total payroll in 2019, or for applicants with payroll lower than \$20,000, they would need to demonstrate that they had eligible non-deferrable expenses between \$40,000 and \$1.5 million. Eligible non-deferrable expenses could include costs such as rent, property taxes, utilities, and insurance.</p>	<p>Agriculture and agri-food businesses that meet the payroll qualifications or the non-deferrable expense qualifications may be eligible for this loan. Access to this type of loan, along with specific agricultural loans, to help defray some immediate cashflow requirements for the spring planting period.</p>
<p><b>Initiative 2:</b> <a href="#">Small and Medium-sized Enterprise Loan and Guarantee program</a></p> <p><b>Lead:</b> Export Development Canada (EDC) and Business Development Bank of Canada (BDC) through financial institutions.</p> <p><b>Description:</b>                  This program will enable up to \$40 billion in lending and includes:  <b>Loan Guarantee for Small and Medium-Sized Enterprises:</b>                  EDC is working with financial institutions to issue new operating credit and cash flow term loans of up to \$6.25 million to SMEs.  <b>Co-Lending Program for Small and Medium-Sized Enterprises:</b></p>	<p>EDC aspect of this loan guarantee program could have uptake by the agriculture and agri-food sector specifically those who have existing loans with EDC.</p>

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<p>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>	
<p><b>Initiative 3:</b> Mid-market Financing and Guarantee Program</p> <p><b>Lead:</b> Export Development Canada (EDC) and Business Development Bank of Canada (BDC) through financial institutions.</p> <p><b>Description:</b></p> <ul style="list-style-type: none"> <li>• BDC’s Mid-Market Financing Program will provide commercial loans ranging between \$12.5 million and \$60 million to medium-sized businesses whose credit needs exceed what is already available through the Business Credit Availability Program and other measures.</li> <li>• EDC’s Mid-Market Guarantee and Financing Program will bring liquidity to companies who tend to have revenues of between \$50 million to \$300 million, to sustain operations during this uncertain period. EDC will continue to work with Canadian financial institutions to guarantee 75 per cent of new operating credit and cash-flow loans – ranging in size from \$16.75 million to a maximum of \$80 million. These expanded guarantees are available to exporters, international investors and businesses that sell their products or services within Canada.</li> </ul>	<p>BDC anticipates that qualifying companies will have annual revenues in excess of approximately \$100 million. EDC’s program will be available to companies who tend to have revenues between \$50 million to \$300 million.</p>
<p><a href="#"><u>Agriculture and Food Business Solutions Fund</u></a></p> <p><b>Lead:</b> FCC</p> <p><b>Description:</b> A \$100-million venture capital fund to support proven, viable companies through unexpected business disruptions.</p>	<p>This initiative will provide companies with the stability and flexibility they need to rebuild their business models during challenging times.</p> <p>The fund is set up to support a wide range of enterprises in the agribusiness and agri-food sector, including companies involved in primary production, agri-tech, manufacturing, packaging and distribution. The fund will help companies in times of need through innovative</p>

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	<p>solutions such as convertible debt investments and other flexible financing solutions.</p> <p>To qualify, companies need to demonstrate an impact from an unexpected business disruption, such as the loss of a key supplier, temporary loss of a facility or permanent loss of critical staff or leadership. Funds cannot be used to repay shareholder loans or purchase shareholder equity positions.</p>
<p><a href="#"><u>Canadian Dairy Commission</u></a></p> <p><b>Lead:</b> CDC</p> <p><b>Description:</b> The Government is working to increase the Canadian Dairy Commission’s borrowing limit by \$200 million.</p>	<p>This increase will support costs associated with the temporary storage of cheese and butter to avoid food waste.</p>
<p><a href="#"><u>Canada Emergency Commercial Rent Assistance</u></a></p> <p><b>Lead:</b> Finance in collaboration with provinces and territories</p> <p><b>Description:</b> This program will provide forgivable loans to qualifying commercial property owners to cover 50 per cent of three monthly rent payments that are payable by eligible small business tenants who are experiencing financial hardship during April, May, and June. The loans will be forgiven if the mortgaged property owner agrees to reduce the eligible small business tenants’ rent by at least 75 per cent for the three corresponding months under a rent forgiveness agreement, which will include a term not to evict the tenant while the agreement is in place. The small business tenant would cover the remainder, up to 25 per cent of the rent.</p>	<p>Small input and service suppliers, food retailers and wholesalers and foodservice providers who rent commercial property could benefit. A key requirement to receive the benefit is that the rent must be for property in which commercial activity, that is the sale of goods and/or services, occurs. Businesses must have a commercial lease agreement with a landlord.</p>

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<p>Impacted small business tenants are businesses paying less than \$50,000 per month in rent and who have temporarily ceased operations or have experienced at least a 70 per cent drop in pre-COVID-19 revenues. This support will also be available to non-profit and charitable organizations.</p>	
<p><a href="#"><u>Regional Relief and Recovery Fund</u></a></p> <p><b>Lead:</b> ISED and Regional Development Agencies.</p> <p><b>Description:</b> The Fund will help to mitigate the financial pressure experienced by businesses and organizations to allow them to continue their operations, including paying their employees; support projects by businesses, organizations and communities to prepare now for a successful recovery.</p> <p>This initiative is implemented by the six regional development agencies, which are familiar with their regions' economic realities and are often the first point of contact for people at the local level.</p> <p>This initiative includes two components:</p> <ul style="list-style-type: none"> <li>• \$675 million to support regional economies, businesses, organizations and communities in regions all across Canada;</li> <li>• \$287 million to support the national network of Community Futures Development Corporations, which will specifically target small businesses and rural communities across the country.</li> </ul>	<p>This fund is specifically targeted to those that may require additional help to recover from the COVID-19 pandemic but have been unable to access existing support measures.</p> <p>For the first component of RRRF funding, \$675 million has been made available to Regional Development Agencies (RDAs). Prospective applicants are encouraged to contact their RDA to apply. Further details on are available online:</p> <ul style="list-style-type: none"> <li>• <a href="#"><u>Western Economic Diversification</u></a></li> <li>• <a href="#"><u>Canadian Northern Economic Development Agency</u></a></li> <li>• <a href="#"><u>Federal Economic Development Agency for Southern Ontario</u></a></li> <li>• <a href="#"><u>Federal Economic Development Initiative for Northern Ontario</u></a></li> <li>• <a href="#"><u>Canada Economic Development for Quebec Regions</u></a></li> <li>• <a href="#"><u>Atlantic Canada Opportunities Agency</u></a></li> </ul> <p>For example, Western Economic Diversification (WD) will offer interest free loans up to \$1,000,000 to any business that operates in Western Canada. WD is also collaborating with Community Futures Pan West to deliver \$95.7 million, from the second component of RRRF funding, to rural businesses. Through this program, rural businesses will be able to apply for loans of up to \$40,000.</p> <p>As the financing terms of RRRF and Canada Emergency Business Account (CEBA) are the same, applicants can only apply to one of these federal programs.</p>
<p><a href="#"><u>Fish Harvester Grant</u></a></p> <p><b>Lead:</b> DFO</p>	<p>The \$201.8 million program would provide non-repayable support of up to \$10,000 to self-employed fish harvesters with a valid fishing licence.</p>

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<p><b>Description:</b> This initiative will provide grants to help fish harvesters impacted by the COVID-19 pandemic and give them more liquidity to address non-deferrable business costs.</p>	<p>Size of the non-repayable support will vary depending on the level of fish harvesters’ historic revenue.</p>
<p><a href="#">Income Tax deferral</a></p> <p><b>Lead:</b> Finance Canada</p> <p><b>Description:</b> Allow all businesses to defer, until after August 31, 2020, the payment of any income tax amounts that become owing on or after today and before September 2020</p>	<p>To allow for more short-term cash flow.</p>
<p><a href="#">Advance Payments Program (APP)</a></p> <p><b>Lead:</b> APP advances are available through 36 industry associations across Canada. Contact one of the <a href="#">Advance Payments Program Administrators</a></p> <p><b>Description:</b> Federal loan guarantee program which provides agricultural producers with access to low-interest cash advances to help provide marketing flexibility to allow producers to sell their commodity at the most opportune time.</p>	<p>Tool for producers to manage cash flow concerns related to market disruptions related to COVID-19. If there is a decline in commodity prices due to COVID-19, producers can use advances to delay sales until markets are more favourable.</p> <p>Due to COVID-19 the Government announced a Stay of Default for eligible farmers to provide farmers the flexibility they need to manage their cash flow when facing lower prices or reduced marketing opportunities. In addition, applicable farmers who still have interest-free loans outstanding will have the opportunity to apply for an additional \$100,000 interest-free portion for 2020-2021, if their total APP advances remain under the \$1 million cap.</p>
<p><a href="#">AgrilInvest</a></p> <p><b>Lead:</b> AAFC through financial institutions.</p> <p><b>Description:</b> Government matching savings account intended to provide producers with cash flow to manage losses and invest in farm operations.</p>	<p>Most agricultural producers have an AgrilInvest account, with access to some level of government-matched funding that could be used to address near-term cash flow requirement, including covering some of the costs associated with COVID-19.</p>

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## Exceptional Costs and Demands

### [Temporary Foreign Workers](#)

**Lead:** ESDC and AAFC

**Description:** Changes to ensure TFWs can continue to enter efficiently and safely to support the sector.

\$50 million will be made available under the Mandatory Isolation Support for Temporary Foreign Workers Program to help farmers, fish harvesters, and all food production and processing employers, put in place the measures necessary to follow the mandatory 14-day isolation period required of all workers arriving from abroad.

### [FAQ on Changes to TFW Program](#)

Exemptions to travel restrictions to temporary foreign workers in agriculture, agri-food, seafood processing and other key industries. However, all individuals entering from abroad must isolate for 14 days upon arrival.

A temporary modification is being made to the Labour Market Impact Assessment (LMIA) process for agriculture and food processing employers, as the required 2-week recruitment period will be waived for the next 6 months.

The maximum duration of employment under LMIA's is increased from 1 to 2 years for employers of workers in the low-wage stream as part of a three-year pilot. LMIA's in key occupations related to the agriculture and agri-food sectors will be prioritized.

The \$50 million federal investment will provide \$1,500 to eligible employers for each TFW to help cover the incremental expenses associated with the 14-day mandatory isolation period such as wages, accommodations, transportation, food, health and safety products.

In addition, the government has added flexibilities to the TFW Program to make it easier for TFWs already in Canada with an employer-specific permit to change employers. This change will cut what can often take 10 weeks or more, down to 10 days or less. There is no change to the role of the employer in the process for hiring foreign workers.

### [Local Food Infrastructure Fund](#)

Under the Food Policy for Canada's Local Food Infrastructure Fund, the Government of Canada is making up to \$100 million available to Canadian food banks and local food organizations to help improve access to food

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<p><b>Lead:</b> AAFC working with key national and regional agencies that have an established network and distribution system for food aid and hunger relief</p> <p><b>Description:</b> The LFIF program aims to strengthen food systems and to facilitate access to safe and nutritious food for at-risk populations</p>	<p>for people experiencing food insecurity in Canada due to the COVID-19 pandemic.</p>
<p><a href="#"><u>Surplus Food Purchase Program</u></a></p> <p><b>Lead:</b> AAFC</p> <p><b>Description:</b> This program is designed to help redistribute existing and unsold inventories, which could include products such as potatoes and poultry, to local food organizations who are serving vulnerable Canadians.</p>	<p>An investment of \$50 million will help to alleviate pressures of accumulating food waste faced by producers. In addition, it will help to support organizations that are tackling food insecurity, which have faced increased demand due to COVID-19.</p>
<p><a href="#"><u>Nutrition North Canada</u></a></p> <p><b>Lead:</b> Crown-Indigenous Relations and Northern Affairs Canada (CIRNAC)</p> <p><b>Description:</b> Nutrition North Canada is a Government of Canada subsidy program to provide Northerners in isolated communities with improved access to perishable nutritious food.</p>	<p>In response to COVID-19, the Government of Canada is providing an additional \$25 million to Nutrition North Canada to increase subsidies so families can afford much-needed nutritious food and personal hygiene products.</p>
<p><a href="#"><u>Strengthen Food Inspections</u></a></p> <p><b>Lead:</b> CFIA</p> <p><b>Description:</b> \$20 million for the CFIA to strengthen food inspections and keep food supply safe.</p>	<p>This additional funding will mean CFIA can build capacity for more overtime, and extra shifts from inspectors to fill demand. It also means CFIA can invest in hiring and training to get more people on board.</p>
<p><a href="#"><u>Seafood Stabilization Fund</u></a></p> <p><b>Lead:</b> DFO</p>	<p>This funding will provide assistance to help address the financial strain and instability that the fish and seafood processing sector is facing by</p>

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<p><b>Description:</b> This \$62.5 million program will help businesses:</p> <ul style="list-style-type: none"> <li>• access short-term financing to pay for maintenance and inventory costs,</li> <li>• add storage capacity for unsold product;</li> <li>• comply with new health and safety measures for workers;</li> <li>• support new manufacturing/automated technologies to improve productivity and quality of finished seafood products; and,</li> <li>• adapt products to respond to changing requirements and new market demands.</li> </ul>	<p>helping the sector to safely and efficiently process, store, package, and distribute fish and seafood products.</p>
<p><a href="#"><u>Emergency Processing Fund</u></a></p> <p><b>Lead: AAFC</b></p> <p><b>Description:</b> This \$77.5 million fund will help food producers adapt to health protocols, automate or modernize their facilities, processes, and operations, and respond to emerging pressures from COVID-19 so they can better supply Canadians with food during this period.</p>	<p>This funding will support food processors facing significant hardships associated with COVID-19.</p>
<p><a href="#"><u>AgriRecovery Framework</u></a></p> <p><b>Lead:</b> AAFC. PT governments put forward AgriRecovery proposals to the federal government.</p> <p><b>Description:</b> Objective of the framework is to help producers with the extraordinary costs of activities necessary to resume business operations as quickly as possible after a disaster and/or the extraordinary costs associated with short-term actions necessary to minimize/contain the impacts of a disaster on producers</p>	<p>Due to COVID-19, the government has launched a national AgriRecovery initiative of up to \$125 million in funding to help producers faced with additional costs incurred by COVID-19. This includes set-asides for cattle and hog management programs to manage livestock backed-up on farms, due to the temporary closure of food processing plants.</p>

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## Overall Income Loss and Wage Support

### [Canada Emergency Response Benefit](#)

**Lead:** Service Canada and the CRA

**Description:** Provide a taxable benefit of \$2,000 a month for up to 4 months.

The benefit is available to:

- 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.
- workers who have recently exhausted their EI regular benefits and are unable to find a job or return to work because of COVID-19.
- seasonal workers who have exhausted their EI regular benefits and are unable to undertake their regular seasonal work as a result of the COVID-19 outbreak.

Individuals, including those self-employed, can earn up to \$1000 per month and still receive the benefit.

Absenteeism issues have been challenging in the sector. Of note, a person cannot quit their job voluntarily to apply for the benefit.

Allowances exist such that part-time workers can collect the CERB while earning up to \$1000 part-time to encourage workers to stay in the labour force.

### [Essential worker wage top up](#)

**Lead:** CRA

The Government of Canada will provide up to \$3 billion in support to increase the wages of low-income essential workers. Each province or territory will determine which workers would be eligible for support, and how much support they will receive.

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<p><b>Description:</b> The Government will cost-share with provinces and territories a temporary top up to the salaries of low-income essential workers that the provinces and territories have deemed essential in the fight against COVID-19.</p>	
<p><a href="#">10% wage subsidy</a></p> <p><b>Lead:</b> CRA</p> <p><b>Description:</b> A 10% wage subsidy (announced March 17) for small businesses is available for the next 90 days, up to a maximum of \$1,375 per employee and \$25,000 per employer. Corporations that are eligible for the small business deduction are eligible for this wage subsidy.</p>	<p>Employers benefiting from this measure could include incorporated farms.</p>
<p><a href="#">Canada Emergency Wage Subsidy</a></p> <p><b>Lead:</b> CRA</p> <p><b>Description:</b> Announced a 75% wage subsidy (to a maximum of \$58,700 or \$847 a week per employee) for qualifying businesses, for up to 12 weeks, retroactive to March 15, 2020, until the end of August 2020. The subsidy will be available to all taxable businesses. To receive the subsidy, a business must demonstrate a 15 percent drop in revenue for March 2020 (and 30 percent for April or May) by choosing one of two calculation methods:</p> <ul style="list-style-type: none"> <li>- Comparison of average revenue for January and February of 2020 relative to revenue in March 2020; or</li> <li>- Comparison of revenue in the current month to the same month of 2019.</li> </ul> <p>A <a href="#">calculator</a> has been developed as a tool to help potential applicants to estimate the amount of their wage subsidy.</p>	<p>Eligibility is based on sales lost due to COVID. With price changes occurring across the sector due to COVID-19 some farms may benefit from this support.</p>

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<p><a href="#"><u>Fish Harvester Benefit</u></a></p> <p><b>Lead:</b> DFO</p> <p><b>Description:</b> This initiative will provide grants to help fish harvesters impacted by the COVID-19 pandemic and give them more liquidity to address non-deferrable business costs.</p>	<p>The \$267.6 million program would provide income support for this year's fishing seasons. This measure covers 75 per cent of fishing income losses beyond a 25 per cent income decline threshold, up to a maximum individual entitlement equivalent to what is provided under the Canada Emergency Wage Subsidy (\$847 per week for up to 12 weeks).</p>
<p><a href="#"><u>GST/HST Deferral</u></a></p> <p><b>Lead:</b> Finance Canada</p> <p><b>Description:</b> Allow businesses, including self-employed individuals, to defer all Goods and Services Tax/Harmonized Sales Tax (GST/HST) payments until June, as well as customs duties owed for imports.</p>	<p>Most supplies of agricultural and fishing products are zero-rated (i.e. subject to GST/HST at 0%). Incorporated agriculture businesses that sell taxable agricultural products such as cut flowers, foliage, bedding plants, sod, living trees could be eligible for this GST/HST deferral.</p>
<p><a href="#"><u>Employment Insurance for fish harvesters</u></a></p> <p><b>Lead:</b> ESDC</p> <p><b>Description:</b> The government will propose measures or changes to Employment Insurance (EI) that would allow self-employed fish harvesters and sharepersons to access EI benefits on the basis of insurable earnings from previous seasons (winter and summer claims).</p>	<p>Details will be provided as they develop.</p>
<p><a href="#"><u>Working While on EI Claim</u></a></p> <p><b>Lead:</b> ESDC</p> <p><b>Description:</b> Under the existing Employment Insurance rules, the Working While on Claim provision allows a worker to keep receiving part of their EI benefits and all earnings from a new job.</p>	<p>This could be an incentive for those who are laid off from their jobs to continue to receive EI benefits and take on part time work in the agriculture and agri-food sector.</p>

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<p>A person earning money while receiving EI benefits can keep 50 cents of their EI benefits for every dollar they earn, up to 90 percent of their previous weekly earnings (roughly four and a half days of work). Above this cap, their EI benefits are deducted dollar-for-dollar.</p>	
<p><a href="#"><u>Work-Sharing Program – Employment Insurance</u></a></p> <p><b>Lead:</b> ESDC</p> <p><b>Description:</b> Work-Sharing is a program that helps employers and employees avoid layoffs when there is a temporary decrease in business activity beyond the control of the employer.</p> <p>The program provides EI benefits to eligible employees who agree to reduce their normal working hours and share the available work while their employer recovers.</p> <p>Effective March 15, 2020 to March 14, 2021, and not limited to one specific sector or industry, the Government of Canada is introducing temporary special measures due to COVID-19.</p> <ul style="list-style-type: none"> <li>• Extension of the maximum possible duration of an agreement from 38 weeks to 76 weeks</li> <li>• Mandatory cooling off period has been waived for employers who have already used the Work-Sharing program so that eligible employers may immediately enter into a new agreement</li> </ul> <p>Reduce the requirement and expand eligibility to employers affected by accepting business who have been in business for only 1 year rather than 2 and eliminate the burden of having to provide sales/production figures at the same time.</p>	<p>Could have utility for farm and agri-food businesses.</p>
<p><a href="#"><u>Support for Students</u></a></p>	<p>The Government of Canada will expand existing federal employment, skills development, and youth programming to create up to 116,000 jobs,</p>

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<p><b>Lead:</b> CRA, ESDC, SSHRC, NSERC, CIH, ISED</p> <p><b>Description:</b> \$9 billion for post-secondary students and recent graduates to help provide financial support for the summer, continue their studies in the fall, and help provide experience needed to start careers. This support includes:</p> <ul style="list-style-type: none"> <li>• A new Canada Emergency Student Benefit will provide \$1,250 a month to eligible students from May to August;</li> <li>• a new Canada Student Service Grant will provide up to \$5000 to students who choose to do national service and serve their communities;</li> <li>• double the Canada student Grants;</li> <li>• broaden Eligibility for student financial assistance by removing expected student’s and spouses’ contributions in 2020-21;</li> <li>• raise the maximum weekly amount that can be provided to a student in 2020-21;</li> <li>• increase existing distinctions-based support for First Nations, Inuit, and Métis Nation students by providing an additional \$75.2 million in 2020-21; and</li> <li>• extend expiring federal graduate research scholarships and postdoctoral fellowship and supplement existing federal research grants by providing \$291.6 million to federal granting councils.</li> </ul>	<p>placements, and other training opportunities to help students find employment and develop valuable skills this summer and over the coming months. Student job opportunities in the agricultural sector will also be advertised on the recently launched <a href="#">agricultural jobs portal</a>.</p>
<p><a href="#">Agricultural Jobs Portal</a></p> <p><b>Lead:</b> AAFC</p> <p><b>Description:</b> An online jobs portal directing Canadians to job opportunities in the sector</p>	<p>To further help address labour challenges facing the sector, and help Canadians who have had their jobs affected by COVID-19, the department has launched an agricultural jobs portal to inform Canadians about the diverse and rewarding job opportunities available in the sector.</p>
<p><a href="#">Youth Employment and Skills Program Enhancement</a></p> <p><b>Lead:</b> AAFC</p>	<p>This funding can help provide necessary labour to where it is needed most.</p>

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Canada’s response during the COVID-19 pandemic – Information and implications for the Agriculture and Agri-Food Sector

<p><b>Description:</b> The Youth Employment and Skills Program (YESP) provides a wage subsidy to employers who hire youth for agricultural jobs. The Government is investing up to \$9.2 million to enhance the YESP and fund up to 700 new positions for youth in the agriculture industry.</p> <p>Eligible applicants include producers, agri-businesses, industry associations, provincial and territorial governments, Indigenous organizations and research facilities. Employers may apply for this funding retroactive to April 1, 2020, with projects to be completed by March 31, 2021.</p>	<p>The YESP will provide agriculture employers up to 50 per cent of the cost of hiring a Canadian youth up to \$14,000. Indigenous applicants and those applicants hiring a youth facing barriers are eligible for funding of up to 80 per cent of their costs.</p>
<p><a href="#">AgriStability</a></p> <p><b>Lead:</b> AAFC administered by provincial jurisdictions</p> <p><b>Description:</b> A margin-based, whole farm program that provides support to producers when their program margin declines more than 30% relative to their reference margin</p>	<p>In response to COVID-19, governments have agreed to extend the enrollment deadline from April 30, 2020 to July 3, 2020.</p> <p>Participants may also request interim payments for the program year once they are able to estimate potential losses. The Government is working with provinces and territories to increase interim payments from 50 per cent to 75 per cent. This change has already been enacted in some provinces.</p>
<p><a href="#">AgriInsurance</a></p> <p><b>Lead:</b> AAFC administered by provincial jurisdictions</p> <p><b>Description:</b> Provides producers with actuarially sound insurance against crop yield and quality losses caused by uncontrollable natural perils</p>	<p>AgriInsurance provides production insurance based on quality and yield of crops.</p> <p>The Government is working with provinces and territories to explore possibilities for expanding the AgriInsurance program to include labour shortages as an eligible risk for the horticulture sector. This work with provincial and territorial partners would insure against lost production due to an insufficient workforce, should producers be unable to find enough labour to harvest.</p>

*This assessment is based on the details currently available. AAFC is working with other government departments to verify the agriculture and agri-food sector’s eligibility for certain programs. This document will be updated as additional information becomes available.*

Updated: 28 May 2020

## Strategic Opportunities

Initiative	Agriculture Implications and Analysis
<p><a href="#">AgrilInnovate</a></p> <p><b>Lead:</b> AAFC</p> <p><b>Description:</b> This program provides repayable contributions for projects that aim to accelerate the commercialization, adoption and/or demonstration of innovative products, technologies, processes or services that increase agri-sector competitiveness and sustainability.</p>	<p>AgrilInnovate could further ensure Canadian food security by funding projects that utilize innovations to improve productivity, helping to address strains on Canadian food supply brought on by COVID-19.</p>
<p><a href="#">Canadian Agricultural Strategic Priorities Program (CASPP)</a></p> <p><b>Lead:</b> AAFC</p> <p><b>Description:</b> The Canadian Agricultural Strategic Priorities Program (CASPP) supports the Canadian agricultural sector’s participation in the Government of Canada’s growth and policy objectives, by investing in the sector’s design, development and implementation of tools and strategies to respond to and seize opportunities created by these objectives.</p>	<p>CASPP programs can support sector-based organisations respond to new supply and trade realities developed through COVID-19. Projects must be led by Canadian agriculture based non-profit organizations and be national or sector wide in scope.</p>
<p><a href="#">Dairy Processing Investment Fund</a></p> <p><b>Lead:</b> AAFC</p> <p><b>Description:</b> The Dairy Processing Investment Fund was established to provide funding to dairy processors for investments that will improve productivity and competitiveness and help them prepare to market changes resulting from the Canada-European Union Comprehensive Economic and Trade Agreement (CETA).</p>	<p>The DPIF was initially designed to support the sector adapt to market changes resulting from CETA. The program supports investments in capital to assist and improving dairy processors productivity and competitiveness. The program can function to help dairy processors address market changes brought on by COVID-19.</p>
<p><a href="#">Industrial Research Assistance Program</a></p>	<p>Due to COVID-19 the Government has invested \$250 million to assist innovative, early-stage companies that are unable to access existing</p>

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<p><b>Lead:</b> National Research Council of Canada</p> <p><b>Description:</b> The National Research Council of Canada's Industrial Research Assistance Program provides advice, connections, and funding to help Canadian small and medium-sized businesses increase their innovation capacity and take their ideas to market.</p>	<p>COVID-19 business support, through the National Research Council of Canada's Industrial Research Assistance Program.</p>
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## Other benefits

### Beneficiary Initiatives

<p><b>Workers</b></p>	<ul style="list-style-type: none"><li>• Waived, for a minimum of six months, the mandatory one-week waiting period for EI sickness benefits for workers in imposed quarantine or who have been directed to self-isolate, as announced on March 11.</li><li>• Waived the requirement for a medical certificate to access EI sickness benefits.</li><li>• Extended the tax filing deadline for individuals to June 1, and allowed all taxpayers to defer, until after August 31, 2020, the payment of any income tax amounts that become owing on or after today and before September 2020. This relief would apply to tax balances due, as well as instalments, under Part I of the <i>Income Tax Act</i>. No interest or penalties will accumulate on these amounts during this period. This measure will result in households having more money available during this period.</li><li>• Provided increased flexibility to lenders to defer mortgage payments on homeowner government-insured mortgage loans to borrowers who may be experiencing financial difficulties related to the outbreak. Insurers will permit lenders to allow payment deferral beginning immediately.</li><li>• Provide additional assistance to individuals and families with low and modest incomes with a special top-up payment under the <a href="#">Goods and Services Tax (GST) credit</a>.</li></ul>
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