



COVID-19 - Updates from our Chamber and “Partners in Prosperity”

Dear Members and Associates: As a vested member of the Ontario Chamber of Commerce and Canadian Chamber of Commerce, am participating in regular teleconference meetings and conversations on provincial and federal issues affecting business sector and their path forward, while also in communications with our municipal partners. We recognize the multitude of issues and concerns before us and we, together with all levels of government, are working to assist our members, local business and community.

As we respect your valued time, and with a manner to reduce efforts, we are now sharing information from our many “partners in prosperity” in formats as we receive. We trust you will appreciate the readied information.

Should you have questions or concerns, please do not hesitate to reach out. We are all in this together, yet, apart.

Yours in Prosperity and Good Health, Gail Hundt / President & CEO

Be sure to follow us on [Facebook](#) and [Twitter](#) for up-to-date information regarding COVID-19. Below, and other, resources area available at www.chatham-kentchamber.ca



Closure of Non-Essential Businesses:

Here are the details:

On Monday, March 23, the Government of Ontario [announced](#) it is ordering the closure of all non-essential businesses in the province to help deal with the spread of COVID-19. See [here](#) for the list of business impacted and our [response](#) shared with government and media.

Businesses that can continue operations with employees working remotely, or through other contingency measures, are being given approximately 36 hours to prepare and adapt. We have called for an extension to this timing.

Essential services may continue their operations to maintain supply chains and ensure the people of Ontario have access to necessities, including groceries, medicines and other essential products.

The order will be effective Tuesday, March 24th at 11:59 p.m. and will be in place for at least 14 days.

10% Payroll Tax Deduction (Federal) Eligibility for Not-for-Profits:

To support businesses that are facing revenue losses and to help prevent lay-offs, the federal government is proposing to provide eligible small employers a temporary wage subsidy for a period of three months. The subsidy will be equal to 10% of remuneration paid during that period, up to a maximum subsidy of \$1,375 per employee and \$25,000 per employer. Businesses will be able to benefit immediately from this support by reducing their remittances of income tax withheld on their employees’ remuneration. Employers benefiting from this measure will include corporations eligible for the small business deduction, as well as non-profit organizations and charities.

- This subsidy applies to not-for-profits which had an employer payroll account set up as of March 18, 2020, have eligible employees (employed in Canada), and they need to pay the employee salaries, wages or remuneration during the 3 month period starting March 18.

- Small businesses use a different test which will be the same criteria CRA applies when determining if a business qualifies for small business tax deduction

- There is no application and approval process. Companies and NFPs can start withholding the subsidy from the personal income tax remittances right away.



FAQ: COVID-19

We have prepared an FAQ based on questions we have received from members on the government's measures to support business during the COVID-19 pandemic and about how we are adjusting our own operations.

http://chamber.ca/resources/pandemic-preparedness/COVID-19_FAQ.pdf

News Release

Stop the Spread Business Information Line Now Open at 1-888-444-3659

March 25, 2020

The province has launched a toll-free line 1-888-444-3659 to provide support to Ontario businesses who have questions about the province's recent emergency order to close at-risk workplaces following recommendations by Ontario's Chief Medical Officer of Health.

On Monday, the province issued an [emergency order](#) to close at-risk workplaces and encourage non-essential businesses to find ways to help their employees work from home. The government also reminded businesses to put in place protocols for physical distancing and regular hand-washing in order to protect the health and safety of employees and the general public.

Businesses who have questions about closures of at-risk workplaces or how emergency measures impact their business or employment can call the Stop the Spread Business Information Line at 1-888-444-3659.

Help is available from Monday to Sunday, from 8:30 a.m.—5:00 p.m.

A complete list of essential services is available on the Government of Ontario's [website](#).

Community Futures Development Corporation of Chatham-Kent

Considering the restrictions levied by the Government with respect to the current Coronavirus situation and how they will have a detrimental effect on businesses, especially cash flow, Community Futures Chatham-Kent is offering to its clients:

A three (3) month deferral of payments based on the client's payment cycle ~ such payments will be added to the end of their current amortization schedule.

This deferral will require written confirmation from the client along with confirmation in writing from all guarantors where required.

For more information please contact us directly @ peter.maguire@cfdcck.on.ca, brenda.richardson@cfdcck.on.ca or donna.pollock@cfdcck.on.ca or call us during regular business hours 226-996-1234.

We are working on a more pro-active initiative as well. We will provide that information once it is available.

Business Development Bank of Canada

Business Credit Availability Program

This program allocates \$10 billion in loans to fund business transactions domestically and internationally. The program will be managed by the Business Development Bank of Canada, Export Development Canada, and Farm Credit Canada. Program details from EDC and FCC have not currently been released.

COVID-19 Relief Program - Working Capital (BDC program):

The working capital program is a 36-month, backend-loaded loan with principal deferment for the first 12 months. The amount of financing provided is based on a detailed projection or forecast identifying the 'carrying cost' or 'burn rate' of the operation for the upcoming 12-24 months.

Loans are available in amounts from \$100,000 to \$2 million. They are currently being offered at BDC's floating rate minus 1.75% (currently 3.3%).

Repayment terms are over 36 months. Interest-only payments apply for the first 12 months, followed by 24 months of interest and principal payments. It is possible to structure payments with a large final balloon payment of up to 60% of the principal.

BDC is offering existing clients with a total BDC loan commitment of \$1 million or less a postponement of payments for up to six months.

Standard BDC rules and due diligence will apply to the loans. Activities that do **not** qualify for these loans include refinancing existing debt, change of ownership transactions, and pre-revenue companies.

Exclusions

- Start-ups
- Refinancing of other debt
- Change of ownership financing
- If the entrepreneur doesn't already have BDC lending and is a good business, BDC requires the following:
 - Application for financing (attached) **Instructions below**
 - Statement of personal affairs (attached – one needs to be filled out and signed by each shareholder with 25%+ ownership) **Instructions below**
 - Ownership chart
 - Last 3 years of accountant prepared financial statements
 - If the company's fiscal year end is more than 3 months old, interim statements are required with prior year comparable figures for the same time period
 - Monthly cash flow forecasts for at least the next 6 months (12 month template attached if clients don't have their own template)
 - Specifics around the impact of COVID-19 on the business (attached is an outline of basic questions we'll need answered; companies can answer questions directly on the word doc and submit)
 - Concurrence from their primary lending institution that they will NOT pull their line of credit or other lending even if our financing puts the company in breach of covenants; if the lenders do NOT agree, we will NOT be providing additional financing

Application for financing

- Client fills it out in the name of the borrowing company at the top and bottom left
- Any owner can then sign and date in the signature position on behalf of the company
- Each owner/Guarantor will then fill out their own name and signature under Guarantor to the right

Statement of Personal Affairs

- Each owner individually fills one out as it gives us net worth and consent
 - Personal assets only
 - Use Current market value for homes
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Electricity Update

Ontario is temporarily slashing hydro rates for families, farmers and small businesses amid the COVID-19 crisis

Rates will be lowered to the current off-peak rate of 10.1 cents per kilowatt hour. No action is required. New rates will automatically be applied to your bill

News article: <https://www.theglobeandmail.com/canada/article-ontario-to-slash-hydro-rates-to-offset-costs-of-working-from-home/>

COVID-19 Business Resources

Chatham-Kent Economic Development is dedicated to providing local businesses with accurate and timely information.

Information is changing quickly as governments at all levels adapt to the COVID-19 situation. Chatham-Kent Economic Development will be posting information to this area of our website as frequently as possible.

We have added new information to the site and a new Utilities section.

[Click here to access the information on the Economic Development website](#)

Tele-Townhall with Minister Lisa MacLeod Thursday, March 26, 2020



**TELE-TOWNHALL WITH
MINISTER LISA MACLEOD**

Join Lisa MacLeod, Ontario's Minister of Heritage, Sport, Tourism and Culture Industries for a tele-townhall to discuss the government's response to COVID-19

Thursday March 26, 2020 • 10:30 AM

With Guest Speakers:
Beth Potter President & CEO, TIAO
Jim Mirkopoulos VP, Cinespace Film Studios
Josh Basseches Director and CEO, ROM
David Shoemaker CEO, Canadian Olympic Committee
Moderated by **Tim Hudak** CEO, OREA

Please note, in order to receive dial-in instructions you must register [here](#)

Resources:

Local

[Public Health Information on COVID-19](#)

[Workplace Information](#)

Provincial & Federal

[Ontario Chamber of Commerce – COVID-19 Preparedness Toolkit](#)

[Canadian Chamber of Commerce – Pandemic Preparedness Guide for Business](#)

[Government of Canada Support for Small Businesses](#)

[Wage subsidy for Businesses](#)
