



CANADIAN
CATTLEMEN'S
ASSOCIATION

National Voice Of Cattle Producers

Industry Update

Federal Government to provide support due to COVID-19 impacts

March 24, 2020

Ottawa, Ontario

Below is a summary of recent Government of Canada announcements outlining support due to COVID-19 impacts.

Over the past week, the Government of Canada (GoC) has announced support to help businesses and Canadians due to impacts of the COVID-19 pandemic. The aid package includes \$27.4 billion of direct support to workers and businesses, in addition to another \$55 billion in support through tax deferrals.

Limited Members of Parliament and Senators were called back to Ottawa to formally adopt these and other measures specific to COVID-19. They are expected to debate and pass the bill March 24-25, 2020. Parliament will remain suspended for at least another month after the bill is passed with Royal Assent.

Specific to Agriculture, on March 23, 2020, the Prime Minister announced \$5 billion would go towards Farm Credit Canada (FCC), to help farmers and agri-food businesses as part of Canada's response to COVID-19. FCC will receive the additional funds in lending capacity to producers, agribusinesses and food processors. This will offer increased flexibility to producers who face cashflow issues and to processors who are impacted by lost sales, helping them remain financially strong during this difficult time. FCC will be collaborating with banks, credit unions and other financial institutions to alleviate industry financial pressure.

In addition, all eligible producers who have an outstanding Advance Payments Program (APP) loan due on or before April 30 will receive a Stay of Default, allowing them an additional six months to repay the loan. This important measure, which represents \$173 million in deferred loans, will help keep more money in farmers' pockets during these critical months. All producers should contact their APP administrator to enquire about their eligibility for the Stay of Default. The new deadlines for outstanding APP loans are September 30, 2020 for 2018 cash advances for cattle.

Producers will continue to have support under the Canadian Agricultural Partnership, with business risk management (BRM) programs, designed to help manage significant financial impacts and risks

*The CCA is the national voice for Canada's beef cattle industry representing 60,000 beef farms and feedlots.
Visit www.cattle.ca*

beyond producers' control. The CCA submitted BRM recommendations to the Minister of Agriculture for review—you can see those recommendations [here](#).

We have heard from the Prime Minister, the Minister of Agriculture and Agri-Food Canada, and GoC officials, that the GoC remains committed to support Canada's agricultural sector to ensure that producers and businesses have the support they need to provide for their families and all Canadians during this critical time.

Other measures in the GoC aid package:

For exporters: Expand Export Development Canada's ability to support by loosening rules on the limit for Canada Account transactions to provide loans to businesses if deemed of national interest.

For tax filers: Allow 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.

For employers to keep paying workers: Provide small businesses a 10 per cent wage subsidy for the next 90 days, up to a maximum of \$1,375 per employee and \$25,000 per employer.

For non-ill workers off work: Provide Emergency Support Benefits for workers not eligible to EI and facing unemployment. It includes those self-employed and those forced to close shop due to the virus.

Further details can be found at <https://www.canada.ca/en/department-finance/news/2020/03/canadas-covid-19-economic-response-plan-support-for-canadians-and-businesses.html>

Additional announcements on support from federal and provincial governments are expected.

For more information, please visit our COVID-19 Resource page: <https://www.cattle.ca/cca-resources/covid-19/>.

For further information, contact:
Canadian Cattlemen's Association
feedback@cattle.ca