



Wealth
Management

the Navigator

INVESTMENT, TAX AND LIFESTYLE PERSPECTIVES FROM RBC WEALTH MANAGEMENT SERVICES

A guide to financial support measures to help Canadians impacted by COVID-19

Please contact us for more information about the topics discussed in this article.

The Government of Canada and financial institutions, including RBC, are working together to offer financial support programs for Canadians. RBC remains committed to keeping you informed about initiatives to support you during this time. This guide is a summary of a number of federal economic relief measures that have been announced to-date to support individuals and businesses. There may also be other support available to you in your province or territory of residence. The information in this guide is current as of January 6, 2022.

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Support for individuals

Employment Insurance (EI)

EI provides regular benefits if you lose your job through no fault of your own (for example, due to shortage of work, seasonal or lay-offs) and you are available for and able to work, but can't find work. EI also provides sickness benefits, with up to 26 weeks of financial assistance, if you cannot work for medical reasons. If your claim starts between September 26, 2021 and November 20, 2021, you'll receive at least \$300 per week before taxes, but you could receive more.

Apply for EI at:

<https://www.canada.ca/en/services/benefits/ei.html>

If you are not eligible for EI or if you've received the maximum number of weeks of EI regular benefits, you may be eligible for the following benefits:

- Canada Recovery Sickness Benefit (CRSB)
- Canada Recovery Caregiving Benefit (CRCB)

Canada Recovery Sickness Benefit (CRSB)

The CRSB provides \$500 (\$450 after taxes withheld) per week for up to a maximum of six weeks to employed and self-employed individuals who are unable to work because they are sick or need to self-isolate due to COVID-19, or have an underlying health condition that puts them at greater risk of getting COVID-19. This benefit is available until May 7, 2022.

Apply for the CRSB at:

<https://www.canada.ca/en/revenue-agency/services/benefits/recovery-sickness-benefit.html>

Canada Recovery Caregiving Benefit (CRCB)

The CRCB provides \$500 (\$450 after taxes withheld) per week for up to 44 weeks per household to employed and self-employed individuals who are unable to work because they must care for their child under 12 years old or a family member who needs supervised care due to COVID-19. This benefit is available until May 7, 2022.

Apply for at the CRCB at:

<https://www.canada.ca/en/revenue-agency/services/benefits/recovery-caregiving-benefit.html>

Canada Worker Lockdown Benefit (CWLB)

The CWLB provides \$300 (\$270 after taxes withheld) a week to eligible workers who are unable to work due to a temporary local lockdown anytime between October 24, 2021 and May 7, 2022. The government also introduced regulations that will temporarily expand the CWLB to Canadians in designated regions affected by qualifying capacity restrictions that will apply from December 19, 2021 to February 12, 2022.

Apply for at the CWLB at:

<https://www.canada.ca/en/revenue-agency/services/benefits/worker-lockdown-benefit.html>

Canada Child Benefit young child supplement (CCBYCS)

The CCBYCS provides up to four tax-free payments in 2021 to families with children under the age of six. Families may be entitled to receive up to \$1,200 per child under the age of six. To receive the CCBYCS you must be entitled to receive the Canada Child Benefit (CCB) in January, April, July or October 2021. If you already receive the CCB, you will not need to apply for this benefit. However, you and your spouse or common-law partner must file your

Support for individuals

2019 and 2020 income tax and benefit returns to get the payments you are entitled to.

Learn more about the CCBYCS at:

<https://www.canada.ca/en/revenue-agency/services/child-family-benefits/ccb-young-child-supplement.html>

Canada Workers Benefit (CWB)

The (CWB) is a refundable tax credit to help people who are working and earning a low income. Low-income workers who are single and without children are eligible for a tax refund of up to approximately \$1,400 and workers with families are eligible for a tax refund of up to approximately \$2,400. You can claim the CWB when you file your income tax return or apply for advance payments.

Learn more about the CWB at:

<https://www.canada.ca/en/revenue-agency/services/child-family-benefits/canada-workers-benefit.html>

Mortgage payment deferral

Homeowners facing financial stress may be eligible for mortgage deferral to help ease their financial burden. To find out if you are eligible for a mortgage payment deferral or to learn what options are available, book an appointment with one of our RBC advisors through our <https://www.rbcroyalbank.com/book-an-appointment/book-an-appointment.html>

Interest relief on 2020 income taxes owing

The government will provide interest relief to those who received COVID-related income support benefits. If you

have an amount owing once you have filed your 2020 income tax and benefit return, you will not be required to pay interest on any outstanding income tax owing for the 2020 tax year until April 30, 2022.

To qualify for the interest relief, you must have had a total taxable income of \$75,000 or less in 2020 and have received income support in 2020 through one or more of the following COVID-19 measures:

- the Canada Emergency Response Benefit (CERB);
- the Canada Emergency Student Benefit (CESB);
- the Canada Recovery Benefit (CRB);
- the Canada Recovery Caregiving Benefit (CRCB);
- the Canada Recovery Sickness Benefit (CRSB);
- Employment Insurance (EI) benefits; or
- Provincial or territorial emergency benefits.

The Canada Revenue Agency (CRA) will automatically apply the interest relief for those who meet these criteria.

Learn more about the interest relief at:

<https://www.canada.ca/en/services/taxes/income-tax/personal-income-tax/covid19-taxes/interest-relief.html>

Waiving Interest on Student and Apprentice Loans

The government is waiving the interest on the federal portion of Canada Student Loans and Canada Apprentice Loans until March 31, 2023.

Support for businesses

Avoiding layoffs, rehiring employees and creating new jobs

Although the Canada Emergency Wage Subsidy (CEWS) and the Canada Emergency Rent Subsidy (CERS) programs (including the lockdown support) expired on October 23, 2021, eligible entities can continue to make an application for these subsidies until 180 days after the end of the applicable claim period.

Apply for the CEWS at:

<https://www.canada.ca/en/revenue-agency/services/subsidy/emergency-wage-subsidy.html>

Apply for the CERS at:

<https://www.canada.ca/en/revenue-agency/services/subsidy/emergency-rent-subsidy.html>

The government replaced the CEWS and the CERS with the following two programs that provide support to tourism, hospitality and other hard-hit organizations until May 7, 2022, with authority to further extend them until July 2, 2022.

The Tourism and Hospitality Recovery Program (THRP)

The THRP provides a wage and rent subsidy to organizations in selected sectors of the tourism and hospitality industry (including hotels, restaurants, bars, travel agencies, tour operators, and others) that have been significantly affected since the outset of the pandemic. The maximum subsidy rate is 75% until March 12, 2022, and 37.5% thereafter until May 7, 2022.

Support for businesses

The Hardest-Hit Business Recovery Program (HHBRP)

The HHBRP provides a wage and rent subsidy to hard-hit organizations that have been significantly affected since the outset of the pandemic and do not qualify for the THRP. The maximum subsidy rate is 50% until March 12, 2022, and 25% thereafter until May 7, 2022.

Lockdown Support

The government is providing lockdown support for both the THRP and the HHBRP, at a fixed rate of 25% available for organizations who have been significantly restricted by a mandatory public health order issued by a qualifying public health authority.

The government is also supporting organizations, regardless of sector, that are subject to new temporary lockdowns due to public health restrictions because of resurgences of the pandemic. Affected organizations are eligible for support at the THRP subsidy rates if they can demonstrate a current-month decline in revenues, regardless of sector.

The government also introduced regulations that will temporarily expand the Lockdown support to include employers subject to capacity-limiting public health restrictions. These regulations will apply from December 19, 2021 to February 12, 2022.

Canada Recovery Hiring Program (CRHP)

The CRHP is available to eligible employers who have experienced qualifying revenue declines so they can hire more workers, increase workers' hours, or increase wages. The program provides a subsidy of up to 50% of eligible salary or wages. The CRHP is designed to interact with the CEWS so that, as CEWS rates gradually decline, eligible employers would still be able to receive the maximum support from the CRHP if they hire more workers or increase workers' hours or wages. This program is available until May 7, 2022.

Apply for the CRHP at:
<https://www.canada.ca/en/revenue-agency/services/subsidy/recovery-hiring-program/crhp-how-apply.html>

Work-Sharing (WS) program

The WS program helps employers and employees avoid layoffs when there is a temporary decrease in business activity beyond the control of the employer. 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.

Apply to the WS program at:
<https://www.canada.ca/en/employment-social-development/services/work-sharing/notice-covid-19.html#h2.05>

Financial support, loans and access to credit

Canada Emergency Business Account (CEBA)

The CEBA provides interest-free, partially forgivable, loans of up to \$60,000, to small businesses and not-for-profits, that have experienced diminished revenues due to COVID-19 and face ongoing non-deferrable costs, such as rent, utilities, insurance, taxes and wages. Repaying the balance of the loan by December 31, 2022 will result in loan forgiveness of up to \$20,000.

Business owners can apply for CEBA support through RBC. Learn more about the CEBA at:
<https://www.rbcroyalbank.com/business/loans/canada-emergency-business-account.html>

Highly Affected Sectors Credit Availability Program (HASCAP)

The HASCAP provides businesses heavily impacted by COVID-19, government-guaranteed, low-interest loans of \$25,000 to \$1 million to cover operational cash flow needs. HASCAP is available to businesses that operate in sectors such as tourism and hospitality, restaurants and those that primarily rely on in-person services.

The HASCAP guarantee is available until December 31, 2021. RBC is currently accepting HASCAP applications.

Learn more about the HASCAP at:
<http://rbcnet.fg.rbc.com/pcb/cb/news-article.page?path=templatedata/cb-site-specific/news-article/data/cb/2021/01/hascap-new-relief-program.xml>

Loan Guarantee for Small and Medium-Sized Enterprises

Through the Business Credit Availability Program (BCAP), Export Development Canada (EDC) is working with financial institutions such as RBC to guarantee 80% of new operating credit and cash flow term loans of up to \$6.25 million to small and medium-sized enterprises. The financing support is to be used for operational expenses.

RBC business clients can also contact their RBC Account Manager to learn more about the application process and eligibility criteria. This support is available until December 31, 2021.

Support for businesses

Learn more about the loan guarantee at:

<https://www.edc.ca/en/solutions/working-capital/bcap-guarantee.html>

Co-Lending Program for Small and Medium-Sized Enterprises

Through the Business Credit Availability Program (BCAP), Business Development Canada (BDC) is working with financial institutions such as RBC to co-lend term loans of up to \$6.25 million to small and medium-sized enterprises for their operational cash flow requirements. The program offers differing maximum finance amounts based on business revenues.

RBC business clients can also contact their RBC Account Manager to learn more about the application process and eligibility criteria. This support is available until December 31, 2021.

Learn more about the co-lending program at:

<https://www.bdc.ca/en/special-support/special-support-co-lending-program>

Black Entrepreneurship Loan Fund

The Black Entrepreneurship Loan Fund is a partnership between the government, Black-led business organizations, and several financial institutions including RBC. The Black Entrepreneurship Loan Fund supports Black business owners and entrepreneurs by providing loans of between \$25,000 and \$250,000. The Loan Fund is accepting applications beginning in May 2021.

Learn more about the Loan Fund at:

http://www.ic.gc.ca/eic/site/150.nsf/eng/h_00000.html

Mid-Market Financing Program

Through the Business Credit Availability Program (BCAP), the Business Development Canada's (BDC) 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 BCAP and other measures.

This financing is for medium-sized businesses from any sector or industry with annual revenues in excess of approximately \$100 million. This support is available until December 31, 2021.

Learn more about the mid-market financing program at:

<https://www.bdc.ca/en/special-support/special-support-mid-market-financing-program>

Mid-Market Guarantee and Financing Program

Through the Business Credit Availability Program (BCAP), Export Development Canada's (EDC) 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. EDC will continue to work with financial institutions such as RBC to guarantee 75% 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. This support is available until December 31, 2021.

Apply to the program at:

<https://www.edc.ca/en/solutions/working-capital/bcap-guarantee.html>

Support for Indigenous businesses

Indigenous Community Business Fund

The Indigenous Community Business Fund is providing non-repayable financial contributions to help support operating costs for First Nation, Inuit and Métis community- or collectively-owned businesses and microbusinesses whose revenues have been affected by

the COVID-19 pandemic. The fund aims to provide support for businesses that do not qualify for other government COVID-19 relief measures.

Apply to the Fund at:

<https://www.sac-isc.gc.ca/eng/1596809415775/1596809469296>

Additional support measures by sector

In addition to the measures above, the government has put in place measures that support individuals and businesses in certain sectors. Please see the following links for more information regarding these additional support measures:

Tourism:

<https://www.canada.ca/en/department-finance/economic-response-plan.html#tourism>

Agriculture and agri-food:

<https://www.canada.ca/en/department-finance/economic-response-plan.html#agri-food>

Aquaculture and fisheries:

https://www.canada.ca/en/department-finance/economic-response-plan.html#aquaculture_fisheries

Culture, heritage and sport:

https://www.canada.ca/en/department-finance/economic-response-plan.html#culture_heritage_sports

Energy:

<https://www.canada.ca/en/department-finance/economic-response-plan.html#energy>

Transportation:

<https://www.canada.ca/en/department-finance/economic-response-plan.html#transportation>

Aerospace:

<https://www.canada.ca/en/department-finance/economic-response-plan.html#aerospace>

Infrastructure:

<https://www.canada.ca/en/department-finance/economic-response-plan.html#infrastructure>



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