

AAFC – Industry-Government COVID-19 monitoring call

May 20, 2020

Noon – 1:00 PM EST

There were approximately 293 participants on the call.

Summary of the government updates are below.

Introductory remarks (Frédéric Seppey - AAFC)

- Frédéric noted that on Friday, May 15, 2020 AAFC sent an email update to stakeholders that had information on the following topics:
 - Mandatory Isolation Support for Temporary Foreign Workers Program (MISTFWP)
 - AgriStability estimator that is available on the AAFC website
 - Additional flexibility to the Temporary Foreign Worker (TFW) program as announced by IRCC
 - Agri-Food Immigration Pilot which opened for applications on May 15, 2020
 - Additional support for businesses through the Large Employer Emergency Financing Facility (LEEFF) program and expanding the Business Credit Availability Program (BCAP)
 - Opening of Wave 2 of the Employee Absenteeism Survey for the food processing sector. This survey is open until May 21, 2020 for all to complete, regardless of whether your company participated in Wave 1.

Farm Credit Canada (FCC) - venture capital fund (Rebecca Clarke – FCC)

- FCC noted that it has had a venture capital program since 2001, and has previously participated in 3 equity funds and 3 subordinated debt funds. In fall of 2018, FCC approved an expanded venture capital strategy that would focus on “Partnering with entrepreneurs, investors and other industry participants to foster innovation and support the development of strong Canadian companies in the agriculture and agri-food sector.”
- To do this, FCC identified investment and sponsorship objectives that included:
 - Investing in all life-cycle stages of business (seed/early to growth/late-stage)
 - Providing financial support through sponsorships and funding commitments to organizations that promote innovation such as accelerators and incubators.
- FCC indicated that as shared by the Minister last week, and in FCC’s press release on May 19, 2020, FCC recently provided \$150 million of investment into Canada’s agriculture and food industry through their venture capital program.
- FCC launched the \$100 million venture fund, in partnership with Forage Capital, (Agriculture & Food Business Solutions Fund) to support proven, viable companies through an unexpected business disruption, such as COVID19 and FCC is the sole investor.
 - The fund will target investment in all sectors of agriculture and food from crop inputs, primary food production, equipment manufacturing, processing and distribution.
 - Companies will need to demonstrate a business disruption such as losing a major customer, supply chain disruption, labour force loss, facility loss, etc.
 - Fund will primarily provide convertible debt and flexible terms that support the investees cashflows with the objective of returning the business to health.

- In addition, FCC noted that they also recently invested more than \$50 million into three new venture capital funds and provided funding to an innovation and growth accelerator to support various parts of Canada's agriculture and food industry. These recent investments include:
 - **InvestEco Sustainable Food Fund** – \$100-million fund to invest in expansion-stage private companies with the goal of promoting health and sustainability in the food and agricultural sector. FCC's commitment to this fund is \$20 million.
 - **District Ventures Fund** – \$100-million fund that focuses solely on investing in companies operating in the food and beverage sector, health, wellness and beauty consumer goods categories. FCC's commitment to this fund is \$20 million.
 - **Ag Capital Canada Fund** – \$24-million fund aimed at discovering, developing and nurturing Canadian agricultural businesses through capital investment and entrepreneurial expertise. FCC's commitment is \$12 million, which represents 50 per cent of the fund.
 - **Bioenterprise** – is a non-profit corporation established in 2000 to provide accelerator, mentorship and support services for entrepreneurs and innovative companies in Canada's agribusiness and agri-food sector. FCC committed \$1.35 million in program support to facilitate expansion of Bioenterprises' services to underserved areas across Canada.
- FCC noted that they are committed to advancing the landscape of agriculture in Canada through venture capital investments.

Temporary Foreign Workers (TFWs) & Other Labour issues (Steve Jurgutis - AAFC)

- AAFC noted that as of May 17, 2020, approximately 25,627 TFWs are in Canada, with another [approximately](#) 9,417 ready to travel and about 1,123 applications being processed.
- AAFC indicated that since April 1st, based on charter plane arrival information, there have been approximately 14,757 TFWs arrive in Canada, including [about](#) 1,739 arrivals in the past week.
- AAFC indicated that for May 2020, approximately 3,698 TFWs have arrived, and up to 1,053 TFWs are expected to arrive in the coming weeks.
- It was noted that approximately 62% of the expected arrivals for May 2020 have entered Canada or are planning to enter Canada when compared to the numbers for May 2019.
- AAFC did mention that they are also seeing demand for [LMIA](#)s for agriculture related positions decrease for May and June [by about 10%](#) when compared to the same months last year.
- It was also noted that late last week, Guatemala introduced in-country movement restrictions which forced planned flights over the weekend (May 16, 17 & 18) to be canceled.
- AAFC noted that in Mexico there are capacity issues in facilitating new applications. It was mentioned that as the COVID situation intensifies, processing of TFW visa applications and other paperwork might be impacted. However, at this time, these activities are still considered an essential service and continue operating. Employment and Social Development Canada (ESDC) and Immigration, Refugees and Citizenship Canada (IRCC) are working closely with Mexican officials and agriculture employers/travel arrangers to resolve some challenges (e.g. matching). Potential domestic travel restrictions may further complicate the situation.
- AAFC continues to work with other federal partners to work through logistical hurdles that impact the travel of TFWs.
- Industry was encouraged to continue to send their questions on logistical challenges to the Roundtable account

Canada Emergency Business account (CEBA) changes

- On May 19, 2020, the Prime Minister announced expanded eligibility criteria for the CEBA that should allow businesses with payrolls lower than \$20,000 to access the program.
- To qualify, applicants would need:
 - a business operating account at a participating financial institution
 - a Canada Revenue Agency business number, and to have filed a 2018 or 2019 tax return.
 - 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.
- It was noted that these changes should increase accessibility for sole proprietor, contractors, payment through dividends.
- AAFC stated that the issue of businesses that do not use business bank accounts remains an outstanding issue. AAFC noted that ISED is aware of this issue and is working on potential solutions.
- AAFC noted that it is unclear what the timeline will be for implementing this change.
- AAFC indicated that they will monitor the situation and provide information on additional program changes.

Canada Summer Job Program (CSJ)

- It was noted that ESDC/Service Canada and Members of Parliament have begun contacting successful applicants to confirm their continued ability to participate in the program and to make any necessary adjustments to projects to reflect the temporary flexibilities introduced for CSJ 2020.

Next Call

- The next stakeholder call will take place on Friday, May 22th, 2020 at noon EST.