

From: **Minister of Small Business and Export Promotion / Ministre de la Petite Entreprise et de la Promotion des exportations (IC)** <[sbep.minister-ministre.pepe@canada.ca](mailto:sbep.minister-ministre.pepe@canada.ca)>

Date: Wed, 12 May 2021 at 06:20

Subject: Minister of Small Business and Export Promotion

To: [wjudas@tiabc.ca](mailto:wjudas@tiabc.ca) <[wjudas@tiabc.ca](mailto:wjudas@tiabc.ca)>

Cc: Minister Joly / Ministre Joly (IC) <[nfa1575380137356830@canada.ca](mailto:nfa1575380137356830@canada.ca)>

Minister of Small Business,  
Export Promotion and  
International Trade



Ministre de la Petite Entreprise,  
de la Promotion des exportations et  
du Commerce international

Dear Mr. Judas, Ms. Baptiste, and Ms. Jarrett:

I am pleased to respond to your correspondence of March 26, 2021, which was co-addressed to the Honourable Chrystia Freeland and the Honourable Mélanie Joly and forwarded to me by Minister Freeland, concerning support for tourism and hospitality businesses and the Highly Affected Sectors Credit Availability Program (HASCAP).

The Government of Canada recognizes the significant impact the COVID-19 pandemic continues to have on the economy, affecting businesses of all sizes across every sector and region, especially those operating in the tourism and hospitality sectors. Small and medium-sized enterprises (SMEs), which are the backbone of the economy, are particularly vulnerable to economic impacts from the pandemic.

As the situation continues to evolve, our government continues to take the necessary measures to help Canadians facing hardship as a result of the pandemic. This includes adjusting programs regularly based on the feedback we receive. Thank you for raising your concerns regarding [HASCAP](#). Through this program, the government is helping hard-hit businesses that require additional capital, based on having already benefited from other programs such as the Canada Emergency Wage Subsidy, the Canada Emergency Rent Subsidy, and the Canada Emergency Business Account, which are either fully supported or partially forgivable, to help businesses bridge to the other side of the COVID-19 pandemic.

Understanding that many SMEs are concerned with taking on more debt, HASCAP loans have flexible repayment terms of up to 10 years and principal payments that may be delayed by up to 12 months. Additionally, the HASCAP interest rate at 4% is a favourable rate for hard-hit businesses, and no personal guarantee is taken under the program.

The Government of Canada remains committed to supporting tourism operators. To assist the sector's recovery, Budget 2021 proposes to make available a package of supports, totalling \$1 billion over three years, starting in 2021–2022. This includes establishing a \$500-million tourism relief fund to support investments by local tourism businesses in adapting their products and services. The package also includes \$200 million to help support Canada's major festivals and events. Additional information on these measures will be available once program details are finalized.

Thank you for writing, and please accept my best wishes.

Sincerely,

A handwritten signature in black ink, appearing to read 'Mary Ng', written in a cursive style.

The Honourable Mary Ng, P.C., M.P.

c.c.: The Honourable Mélanie Joly, P.C., M.P.

The word 'Canada' in a serif font, with a small red maple leaf icon above the 'a'.