



Supporting Canadians and Canadian Businesses in the Face of U.S. Tariffs



The Impact of U.S. Tariffs

The impact of the U.S.'s unwarranted and unjustified tariffs will be felt by Canadians and Americans alike. The effects will include disrupted supply chains, higher costs for consumers and businesses, and reduced business and household spending. Employment on both sides of the border will also be affected and North America's competitiveness will be weakened in the global economy.

The Government of Canada understands the uncertainty and concern many Canadians are feeling as a result of the unjustified tariffs imposed by the U.S. and is committed to using every tool at its disposal to protect Canadian businesses and workers.

Protecting Jobs and Keeping Businesses Open

Canada already has a robust system of economic support programs available to help businesses and workers directly impacted by U.S. tariffs. Ensuring businesses have swift access to liquidity support, along with Canada's strong social safety net, will act as a first line of defence against the immediate impacts of U.S. tariffs and Canada's countermeasures response.

The government will use any revenues from Canada's countermeasures to support Canadians and Canadian businesses. While it continues to closely monitor impacts across all sectors and the economy, the government will bring forward additional measures as needed.

Impacted Canadians	Actions
Workers	<ul style="list-style-type: none"> ✓ Ensuring a strong social safety net through the Employment Insurance (EI) program including: <ul style="list-style-type: none"> ○ Waiving the one-week waiting period so that workers can receive benefits for the first week of unemployment. This measure is in effect from March 30 to October 11, 2025. ○ Suspending the rules around monies on separation (e.g., severance, vacation pay) to allow claimants to receive EI benefits sooner without having to use up those monies first. This measure is in effect from March 30 to October 11, 2025. ○ Ensuring that no worker needs more than 630 hours (instead of 700 hours) to qualify for EI regular benefits and increasing the duration of EI regular benefits by up to four additional weeks by adjusting the regional unemployment rates by up to one percentage point. This measure is in effect from April 6 to July 12, 2025.

Impacted Canadians	Actions
	<ul style="list-style-type: none"> ✓ Introducing temporary flexibilities for tariff-impacted businesses under the Work-Sharing Program, which provides EI benefits to eligible employees who agree to work reduced hours due to a decrease in business activity beyond their employer’s control. This helps employers and employees avoid layoffs while supplementing reduced income with EI benefits.
Businesses	<ul style="list-style-type: none"> ✓ Ensuring businesses have access to liquidity to keep businesses open. <ul style="list-style-type: none"> ○ Export Development Canada (EDC) – \$5 billion for a new Trade Impact Program to help exporters reach new markets for Canadian products and help companies navigate the economic challenges imposed by the tariffs, including losses from non-payment, currency fluctuations, lack of access to cash flows, and barriers to expansion. ○ Business Development Bank of Canada (BDC) – \$500 million in favourably priced loans to support impacted businesses in sectors directly targeted by tariffs, as well as companies in their supply chains. Businesses can also benefit from advisory services in areas such as financial management and market diversification. ○ Farm Credit Canada (FCC) – \$1 billion in new financing to reduce financial barriers for the Canadian agriculture and food industry. This lending offer will help address cash flow challenges so that businesses can adjust to a new operating environment and continue to supply the high-quality agricultural and food products that Canadians rely on. ○ A new credit facility to help Canada’s largest employers keep Canadian jobs and avoid bankruptcies while they adjust their long-term planning. ○ Deferring corporate income tax payments and GST/HST remittances due to the Canada Revenue Agency from April 2 to June 30, 2025, providing up to \$40 billion in liquidity support for Canadian businesses. ○ Canada Small Business Financing Program – helps small businesses obtain loans from financial institutions by sharing the risk with lenders.

Impacted Canadians	Actions
Businesses	<ul style="list-style-type: none"> ✓ Providing relief from countermeasures on imports from the United States <ul style="list-style-type: none"> ○ A remission framework to protect businesses and jobs by considering, under specific exceptional circumstances, relief from the payment of tariffs, or the refund of tariffs already paid by Canadian businesses. In addition, the government intends to develop a framework for auto producers that incentivizes production and investment in Canada. ○ The Duties Relief Program and Duty Drawback Program allow qualified companies to import commercial goods without paying tariffs, or refund tariffs paid, if they re-export them either in the same condition or after using, consuming or expending them to process other goods that are eventually exported. ✓ Supporting farmers and producers <ul style="list-style-type: none"> ○ Enhancements to AgriStability benefits to provide additional support to agricultural producers in light of trade disruptions with the U.S. and China. ✓ Market diversification <ul style="list-style-type: none"> ○ Trade Commissioner Services, which help businesses grow and diversify their business operations by connecting them with funding and support programs. ✓ Protecting businesses from harmful foreign investment <ul style="list-style-type: none"> ○ Update of the Investment Canada Act Guidelines to protect Canadian businesses from harmful takeover and foreign investment that would be harmful to our economic security.
Supporting hardest hit regions	<ul style="list-style-type: none"> ✓ Providing more funding to Canada's regional development agencies, so they can better support businesses. ✓ Working with provinces and territories to ensure supports are in place across all jurisdictions.
Canadian consumers	<ul style="list-style-type: none"> ✓ Empowering consumers to choose Canada <ul style="list-style-type: none"> ○ Share information on Made in Canada labels, how to buy Canadian, and the benefits of shopping and travelling in Canada.

For more information, visit canada.ca/unitedstatestariffs.