

New federal support for Canadian businesses affected by U.S. tariffs

April 22, 2025

On April 15, 2025, [the federal government announced three new measures](#) to aid Canadian businesses and entities affected by the ongoing tariff dispute with the U.S. These measures are:

- conditional remissions on CUSMA-compliant auto imports;
- temporary tariff relief on goods for critical industries; and
- a loan program for large businesses.

Remissions for automakers

The government intends to implement a performance-based duty remission framework for automakers.

The measure will allow Canadian automakers to import a certain number of U.S.-assembled, CUSMA-compliant vehicles into Canada on a tariff-free basis. The remission is available only to automakers that:

- continue to produce vehicles in Canada; and
- implement planned investments.

The number of tariff-free vehicles a company is permitted to import will be reduced if there are reductions in Canadian production or investment.

The automaker remission framework is in addition to [existing remission framework](#) implemented on March 4, which is applicable to all industries where goods used as inputs cannot be sourced domestically or where tariffs would have severe adverse impacts on the Canadian economy.

Temporary relief

The government will provide temporary 6-month relief for goods imported from the U.S. that are used:

- in Canadian manufacturing, processing, and food and beverage packaging; and
- to support public health, health care, public safety, and national security objectives.

This relief is time-limited to enable businesses to reorient their supply chains to prioritize domestic sources of supply where possible.

Large Enterprise Tariff Loan

The government announced a new [Large Enterprise Tariff Loan \(LETL\)](#) facility. This program will provide eligible large businesses (particularly those contributing to Canada's food security, energy security, economic security and national security) access to liquidity as they face difficulty accessing traditional sources of financing.

The LETL application process is now open. The LETL facility is open to large Canadian enterprises who can demonstrate they have been (or expect to be) affected by the new tariffs and countermeasures and who:

- a. have an impact on Canada's economy as a result of:
 - o significant operations in Canada;
 - o a significant workforce in Canada;
- b. have approximately \$300 million, or more, in annual Canadian revenue; and
- c. require a minimum loan size of \$60 million

Large for-profit enterprises in all sectors can apply for funding under the LETL facility. Certain not-for-profit enterprises may also be eligible. Companies that have been found guilty of tax evasion are not eligible.

Canada is making available loans of \$60 million and above, based on the applicant's cash flow needs for the next 12 months. The loan size for each applicant will be assessed on a case-by-case basis based on demonstrated need, the reasonableness of management's business plan assumptions and the ability to repay.

Applicants should register their interest at info@ceefc-cfuec.ca by submitting a completed enquiry form. A Canada Enterprise Emergency Funding Corporation (CEEFC) representative will promptly send applicants a non-disclosure agreement, application form and instructions. The application form will request important information relating to the applicant and its current financial condition and its projected cash flow requirements. Further information on the terms and conditions of LETL loans are available on the [CEEFC website](#).

By

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