

Government of Canada Support for Canadians:

\$27 billion of the federal government's aid package is direct funding to help offset the costs of not working, for everything from groceries to rent. Expect aid cheques to be produced in a few weeks. Additionally, the tax man will be taking a vacation (even if no one else is). Personal income tax deferrals are in place until later in the summer, which frees up \$55B in liquidity. Note this isn't a cancellation of taxes - just a deferral.

For those workers who may be self-employed or don't qualify for EI, an Emergency Care Benefit has been established which will provide payment for those who are ill, quarantined, self-isolated or need to care for a family member infected with COVID-19. This payment will happen every two weeks, for 14 weeks (otherwise comparable to what would be paid through EI). The government will also introduce an Emergency Support Benefit to help those who suffer a loss in employment because of COVID-19.

Regular benefits

Apply for benefits if you have lost your job through no fault of your own.

Sickness benefits

Apply if you are unable to work due to illness, injury or quarantine.

Caregiving benefits and leave

Apply if you are providing care or support to a critically ill or injured person or someone needing end-of-life care.

Benefits for the self-employed

Register and apply for special benefits if you are self-employed.

Parents will have a temporary boost to the Canada Child Benefit in coming months and student loans will be granted a six-month interest-free moratorium. Lower-income Canadians will receive a supplement to their GST credit to the tune of \$300.00, starting in May, and up to \$150 / child. Shelters will also receive a boost in funding and there will be targeted measures for Indigenous communities and homeless Canadians as well. These government announcements were complemented today by an announcement from Canada's major banks that a mortgage deferral of up to six months would be granted in certain circumstances.

Support for Businesses: Small businesses will receive a temporary wage subsidy for three months, designed to encourage companies to keep staff on payrolls. Corporate tax filings have been delayed further into the year to keep more cash in businesses. More cash will also be made available to businesses

by way of loans, guarantees or insurance policies through changes to the Canada Account. Export Development Canada will receive a boost to support businesses, as well Farm Credit Canada to better support the agriculture sector.

- Provide eligible small businesses a 10 per cent wage subsidy for the next 90 days, up to a maximum of \$1,375 per employee and \$25,000 per employer. Employers benefiting from this measure would include corporations eligible for the small business deduction, as well as not-for-profit organisations and charities. This will help employers keep people on their payroll and help Canadians keep their jobs.
- Allow all businesses to defer, until after August 31, 2020, the payment of any income tax amounts that become owing on or after today and before September 2020. This relief would apply to tax balances due, as well as instalments, under Part I of the *Income Tax Act*. No interest or penalties will accumulate on these amounts during this period. This measure will result in businesses having more money available during this period.

Resources for Canadian businesses

<https://www.bdc.ca/en/pages/special-support.aspx?special-initiative=covid19>