

# COVID 19

# **Canadian economic stimulus packages**

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## Overview

In response to the COVID19 pandemic the Government of Canada has acted to provide fiscal measures to support businesses, households and individuals. These measures have been introduced by Minister of Finance Bill Morneau, the Bank of Canada, and the Office of the Superintendent of Financial Institutions (OSFI). The measures include a **\$ 107 Billion stimulus package** representing more than 3% of Canada's Gross Domestic Product.

In addition to these measures, some provinces and territories have announced additional specific economic measures aimed at supporting key sectors, as well as protecting individuals from economic hardship.

# Federal Government

| Type of support         | Description   | Who is eligible  |
|-------------------------|---|--|
| <b>Business Support</b> | <p><b>Wage Subsidy (10%)</b><br/>A business wage subsidy equal to 10% of remuneration paid during a 3-month period, up to a maximum subsidy of \$1,375 per employee and \$25,000 per employer.</p> <p><b>Canada Emergency Wage Subsidy CEWS (75%)</b><br/>Provides both small and large employers with a subsidy that may cover up to 75 per cent of employee wages.</p> <p>Employers who do not qualify for CEWS may still qualify for the 10% subsidy.</p> <p><b>Deferred income tax</b><br/>The Canada Revenue Agency will allow all businesses to defer, until after August 31, 2020, the payment of any income tax amounts that become owing on or after March 18, 2020 and before September 2020.</p> | Eligible employers include individuals, taxable corporations, partnerships whose partners are eligible employers, non-profit organizations, and registered charities. Employers would have to attest that their monthly revenues have dropped by at least 30 per cent in the month(s) of March, April or May 2020, compared to the same month(s) in 2019 |

## Federal Government (cont'd)

| Type of support      | Description   | Who is eligible   |
|----------------------|---|---|
| Employment Insurance | <p><b>The Canada Emergency Response Benefit (CERB)</b></p> <p>This will replace the two benefits announced last week (emergency care benefit and emergency support benefit), in order to simplify the process.</p> <p>\$2,000 a month for the next four months to any worker not getting a paycheck due to Covid19.</p> <p>The online CRA portal is now available.<br/>The federal government has begun accepting applications.</p> | <p>Income support provided to:</p> <p>Workers, including the self-employed, who are quarantined or sick with COVID-19 but do not qualify for EI sickness benefits.</p> <p>Workers, including the self-employed, who are taking care of a family member who is sick with COVID-19, such as an elderly parent, but do not qualify for EI sickness benefits.</p> <p>Parents with children who require care or supervision due to school or daycare closures, and are unable to earn employment income, irrespective of whether they qualify for EI or not.</p> |

| Type of support             | Description  | Who is eligible  |
|-----------------------------|--|--|
| <b>Employment Insurance</b> | <p><b>Extending Work-Sharing program</b><br/> The Government of Canada is Implementing the EI Work Sharing Program, which provides EI benefits to workers who agree to reduce their normal working hour as a result of developments beyond the control of their employers, by extending the eligibility of such agreements to 76 weeks, easing eligibility requirements, and streamlining the application process.</p> <p>the Government is waiving the requirement to provide a medical certificate to access EI sickness benefits.</p> | <p>Employers and employees must agree to participate in Work-Sharing and apply together.</p> <p><b>Employers</b><br/> To be eligible for a WS agreement, your business must:</p> <ul style="list-style-type: none"> <li>-be a year-round business in Canada in operation for at least 1 year</li> <li>- be a private business or a publicly held company, and have at least 2 employees in the WS unit</li> </ul> <p><b>Employees</b><br/> To be eligible for WS, your employees must:</p> <ul style="list-style-type: none"> <li>be year-round, permanent, full-time or part-time employees needed to carry out the day-to-day functions of the business (your "core staff")</li> </ul> |

## Federal Government (cont'd)

| Type of support                        | Description  | Who is eligible                      |
|--|--|--------------------------------------|
| <b>General Support for Individuals</b> | <p><b>Increasing the Canada Child Benefit this year</b><br/>           For over 3.5 million families with children, who may also require additional support, the Government is proposing to increase the maximum annual Canada Child Benefit (CCB) payment amounts, only for the 2019-20 benefit year, by \$300 per child. The overall increase for families receiving CCB will be approximately \$550 on average; these families will receive an extra \$300 per child as part of their May payment. In total, this measure will deliver almost \$2 billion in extra support.</p> | Families with children.              |
|  | <p><b>Extra time to file income taxes</b><br/>           In order to provide greater flexibility to Canadians who may be experiencing hardships during the COVID-19 outbreak, the Canada Revenue Agency will defer the filing due date for the 2019 tax returns of individuals, including certain trusts.</p>  | For individuals (other than trusts), |
|  | <p>For individuals (other than trusts), the return filing due date will be deferred until June 1, 2020. However, the Agency encourages individuals who expect to receive benefits under the GSTC or the Canada Child Benefit not to delay the filing of their return to ensure their entitlements for the 2020-21 benefit year are properly determined.</p>  |                                      |

## Federal Government (cont'd)

| Type of support        | Description  | Who is eligible                                   |
|------------------------|--|---|
| <b>Freezes</b>         | Interest free 6-month moratorium on Canada Student Loans.  | Students and graduates with unpaid student loans. |
| <b>Mortgage Relief</b> | CMHC, is providing increased flexibility for homeowners facing financial difficulties to defer mortgage payments on homeowner CMHC-insured mortgage loans. CMHC will permit lenders to allow payment deferral beginning immediately. The big 6 banks will allow mortgage deferral payments for up to 6 months. | Homeowners facing financial difficulties.         |

## Federal Government (cont'd)

| Type of support                     | Description   | Who is eligible   |
|-------------------------------------|---|---|
| <b>Low to Modest Income Support</b> | <p>Increased goods and services tax credit : double the GSTC for eligible recipients.</p> <p>Enhancing reaching home initiative to address homelessness: \$157.5 million</p> <p>Support for women's shelters: \$50 million</p> <p>Indigenous community support fund: \$305 million</p> <p>Eased rules for registered retirement income funds for seniors : Increase withdrawals from RRIF's by 25% for 2020</p> | <p>Eligible recipients GSTC amounts based on previous year claim.</p> |



## Federal Government (cont'd)

| Type of support           | Description   | Who is eligible   |
|---------------------------|---|---|
| <b>Liquidity increase</b> | <p>An Insured Mortgage Purchase Program (IMPP) the government will purchase up to \$50 billion of insured mortgage pools through the Canada Mortgage and Housing Corporation (CMHC). This action is intended to provide long-term stable funding to banks and mortgage lenders, help facilitate continued lending to Canadian consumers and businesses, and add liquidity to Canada's mortgage market.</p> <p>The Bank of Canada has cut its target for the overnight rate by 50 basis points to <math>\frac{3}{4}</math> of a percent. The BoC has also broadened the scope of the Government of Canada's bond buyback program, added new term repo operations, and introduced a new Bankers' Acceptance Purchase Facility that starts March 23, 2020.</p> <p>The BoC will launch its new Standing Term Liquidity Facility. This new funding mechanism is focused on individual financial institutions rather than the market as a whole. It is intended to give an eligible institution that is viable, but facing a sudden stress to its liquidity, access to central bank liquidity on terms that are known in advance.</p> <p>Business Credit Availability Program (BCAP) will allow the Business Development Bank of Canada (BDC) and Export Development Canada (EDC) to provide more than \$10 billion of additional support, largely targeted to small and medium-sized businesses.</p> <p>Augment credit available to farmers and the agri-food sector through Farm Credit Canada.</p> | <p>These measures will allow financial institutions to increase lending capacity to provide further support to businesses and households.</p> |

# Quebec

**\$2.5+ billion package** to support businesses in QC struggling with liquidity, and individuals.

| Type of support         | Description   | Who is eligible   |
|-------------------------|---|---|
| <b>Business Support</b> | <p>\$2.5 billion package to support businesses in QC struggling with liquidity.</p> <p>The government will offer companies a minimum of \$50,000 each, in loans and loan guarantees, under advantageous terms.</p> <p>Focus on helping industries it considers strategically important to the Quebec economy, such as aerospace, artificial intelligence and life sciences.</p> <p>Harmonizing some tax measures with those of the federal government (extended deadlines, Aug 31 for businesses).</p> <p>\$150 million to support small businesses, these funds will be distributed and administered by region and are aimed for business who require access to less than \$50 000.</p> <p>Quebec also announced an extension of its Local Investment Funds (FLI) for two years, until December 31, 2022</p> <p>Up to \$100,000 in subsidies, for online training with the goal of retaining employees and improving their skills and abilities.</p> | <p>Businesses that are able to prove this loan will assist them in generating a profit after the pandemic subsidies.</p> <p>Businesses in all industries, including co-operatives, non-profit organizations and social economy businesses engaged in commercial activities are eligible.</p> <p>Independent businesses of all sizes</p> |

## Quebec (cont'd)

| Type of support                | Description   | Who is eligible                                 |
|--------------------------------|---|---|
| <b>Support for individuals</b> | <p>Funding through new program called PAT (program d'aide temporaire): 573\$ / week, non-taxable (majority of people will be 2 weeks, up to 1 month if possible). For people who don't qualify for federal programing and are experiencing a temporary loss of wages due to the pandemic.</p> <p>Moratorium on provincial student loans.</p> <p>Wage top up for essential service employees earning less than 2k / month.</p> | Individuals who may not qualify for federal EI. |

# Ontario

\$17-billion to protect businesses, households and public services

| Type of support         | Description   | Who is eligible  |
|-------------------------|---|--|
| <b>Business Support</b> | <p>Employer Health Tax exemption is increased from \$490,000 to \$1 million for 2020.</p> <p>A Regional Opportunities Investment Tax Credit will be given to Canadian-controlled private corporations that construct, renovate, or acquire eligible commercial and industrial buildings and other assets in specified regions of Ontario after March 25, 2020. The tax credit will apply to expenditures of between \$50,000 and \$500,000, at a rate of 10% of eligible expenses.</p> <p>Tax filing deadlines for select Provincial taxes, including the Employer Health Tax, Tobacco Tax, Fuel Tax, Gas Tax, Wine and Spirits Taxes, Mining Tax, Insurance Premium Tax, International Fuel Tax Agreement, and Retail Sales Tax on Insurance Contracts and Benefit Plans, are extended until August 31. The government is also postponing the planned property tax reassessment for 2021.</p> <p>Workplace Safety and Insurance Board payments can be deferred for up to six months.</p> <p>Electricity prices for time-of-use customers (including small businesses) will be set at the lowest rate, known as the off-peak price, for 24 hours a day for 45 days.</p> | <p>A list of the specified regions and specifics on eligibility <a href="#">can be found here</a>.</p> |

# Ontario

(Cont'd)

| Type of support                           | Description  | Who is eligible   |
|---|--|---|
| <b>Individual &amp; Household Support</b> | <p>For parents of children 12 and under, a \$336-million program was announced that will see a one-time payment of \$200 per child and \$250 for a child with special needs as schools across the province remain shutdown. This applies to students in public and private schools.</p> <p>Low-income seniors who receive Guaranteed Annual Income System payments will see their benefits double (maximum of \$332 a month and up from \$166).</p> <p>Moratorium on student loans.</p> <p>Electricity prices set at lowest off peak rate for 45 days.</p> <p>Deferring required property tax payments municipalities make to school boards for three months.</p> <p>All hearings related to eviction applications are suspended and no new eviction notices will be issued until further notice, except for urgent disputes such as those involving illegal acts or serious safety concerns. Landlords are encouraged to agree on suitable arrangements, such as payment deferrals, where required.</p> | <p>The portal for parents to apply is currently active.</p> <p>Automatic eligibility.</p> |

## British Columbia

**\$5 billion** back into the provincial economy. This is split into three phases: **\$2.8 billion for people and services**, and **\$2.2 billion for critical services like health care and housing** as well as for the province's eventual economic recovery.

| Type of support         | Description  | Who is eligible  |
|-------------------------|--|--|
| <b>Business Support</b> | <p>Organizations with a payroll over \$500,000 per year can defer employer health tax payments until September 30, 2020.</p> <p>Tax filing and payment deadlines for the PST, municipal and regional district tax on short-term accommodation, tobacco tax, motor fuel tax, and carbon tax are extended until September 30, 2020.</p> <p>The increase to the provincial carbon tax and the new PST registration requirements on e-commerce are delayed</p> <p>Non-profit organizations and charities will continue to receive Provincial funding, even if they are closed or their regular operations have been disrupted.</p> <p>The Action Plan also allocates \$1.5 billion for longer-term economic recovery and will be partnering with industry to develop the plan.</p> | For businesses, non-profit organizations, and charities, |

## British Columbia (cont'd)

| Type of support                           | Description   | Who is eligible  |
|---|---|--|
| <b>Individual &amp; Household Support</b> | <p>\$1,000 cash payment, called the Emergency Benefit for Workers program,</p> <p>Increasing the B.C. Climate Action Tax Credit in July 2020. Eligible families of four will receive up to \$564 and eligible individuals will receive up to \$218 in an enhanced payment. This boosts the regular Climate Action Tax Credit payment of up to \$112.50 per family of four and up to \$43.50 per adult.</p> <p>BC Hydro customers have the option to defer bill payments or arrange for flexible payment plans with no penalty. 600\$ grant program available.</p> <p>500\$ monthly rent rebate, moratorium on evictions until end of emergency state.</p> <p>6 month moratorium on student loans.</p> | <p>BC residents who are already eligible for the federal emergency care benefit.</p> <p>Based on previous year.</p> <p>Tenants who lose their jobs or income can apply for the rebate, which will be paid directly to landlords.</p> <p>Students or graduates with outstanding provincial student loans.</p> |

# Alberta

**\$50 million** in direct financial assistance for individuals. **\$1.5 billion** for businesses.

| Type of support           | Description  | Who is eligible  |
|---------------------------|--|--|
| <b>Business Support</b>   | <p>Delaying corporate income tax until August, which will give businesses access to about \$1.5 billion in funds to help them cope with the COVID-19 crisis.</p> <p>WCB premium relief for business.</p> <p>Residential, farm, and small commercial customers can defer utility payments for up to 90 days, including natural gas and electricity regardless of provider.</p> <p>Tourism levy delayed until August 31.</p> <p>More details on business support (notably for the oil and gas sector) to be released soon.</p> | <p>Small and medium business, non-profits.</p> <p>Small medium and large corporations can benefit from the WCB relief.</p> <p>Hotels and lodging businesses.</p> |
| <b>Individual Support</b> | <p>The government will provide \$573 per week for a total of \$1,146 per individual – if wages lost due to self isolation</p>  | <p>Anyone who has lost their job or has had their wages or hours reduced due to Covid19.</p>   |



# Nova Scotia

**\$161 million** to address cash flow and access to credit for **small and medium-sized businesses** in Nova Scotia.

| Type of support         | Description  | Who is eligible  |
|-------------------------|--|--|
| <b>Business Support</b> | <p>Defer payments until June 30 on all government loans, including those under the Farm Loan Board, Fisheries and Aquaculture Loan Board, Jobs Fund, Nova Scotia Business Fund, Municipal Finance Corp. and Housing Nova Scotia.</p> <ul style="list-style-type: none"><li>• small business fees, including business renewal fees and workers compensation premiums (a list of fees will be posted online early next week)</li></ul> <p>Changes to the <b>Small Business Loan Guarantee Program</b>, administered through credit unions, include: deferring principal and interest payments until June 30<br/>enhancing the program to make it easier for businesses to access credit up to \$500,000.<br/>Those who might not qualify for a loan, government will guarantee the first \$100,000<br/>Further measures include:</p> <ul style="list-style-type: none"><li>• small businesses which do business with the government will be paid within five days instead of the standard 30 days</li><li>• suspending payments on Nova Scotia student loans for six months, from March 30 to Sept. 30 and students do not have to apply</li></ul> | <p>Small and medium sized businesses.</p> <p>Small businesses.</p> |

## New Brunswick

| Type of support         | Description  | Who is eligible                                       |
|-------------------------|--|---|
| <b>Business Support</b> | <p><b>Waiving late penalties on property taxes:</b><br/>Though business property taxes must be paid by May 31, late penalties will be reviewed on a case-by-case basis to see if the penalty can be waived</p> <p><b>Deferring interest and principal payments on existing loans:</b><br/>defer loan and interest repayments for up to six months on existing provincial loans.<br/>This assistance is available, on a case-by-case basis, to any business that has a loan with an existing Government of New Brunswick department. The deferral can be requested by contacting the department that issued the loan.</p> | <p>Case by case review.</p> <p>Any size business.</p> |

## New Brunswick (cont'd)

| Type of support         | Description   | Who is eligible      |
|-------------------------|---|----------------------|
| <b>Business Support</b> | <p><b>New operating loans for small business</b><br/>           Provide operating loans to support small businesses. Loans will help companies respond to challenges Loans will be up to \$100,000.<br/>           Payments of interest and principal will not be required during the first 12 months.<br/>           More details will be available on application process in the coming days.</p>   | Small business.      |
|                         | <p><b>Injecting needed working capital for mid-to-large employers:</b><br/>           Opportunities New Brunswick will make available support mid-to-large sized employers. ONB will also provide – upon request – working capital in excess of \$200,000 to help large employers manage the impacts of COVID-19 on their operations.<br/>           Large employers will be able to apply for this assistance directly from Opportunities New Brunswick.</p> | Mid- large business. |
|                         | <p>Moratorium on evictions for non payment of commercial rent until May 31.</p> <p>Self employed relief. A one time payment of 900\$ from the province is available.</p>  | Self employed.       |

## PEI – \$25 million for the Covid -19 relief

| Type of support  | Description   | Who is eligible   |
|------------------|---|---|
| Business Support | <p><b>Support for small businesses and employees</b></p> <p>the scheduled loan payments are deferred for the next 3 months for clients of Finance PEI, Island Investment Development Inc., and the PEI Century Fund;</p> <p>\$4.5 million will be provided to Community Business Development Corporations across the province to deliver financing to small business and entrepreneurs; and</p> <p>a temporary allowance of \$200 per week for employees that have a significant drop in their working hours.</p> <p><b>Emergency Income Relief for the Self-Employed</b> \$500 per week for the period of March 16 to March 29, 2020. To be eligible to the program, the individuals must have declared business income on their most recent tax return, business income must be their primary source of income, must be able to demonstrate direct financial losses related to COVID-19 isolation measures and don't receive any other income support.</p> <p>The <b>Worker Assistance Program</b> is a temporary program aimed at providing financial support to employers to assist their employed workers. The employers eligible will receive a maximum of \$250 per week for each employed worker that experienced a reduction of at least 8 hours per week during the two week period March 16-29, 2020..</p> | <p>Small businesses.</p> <p>Self employed</p> <p>Registered private sector business</p> |

Some provinces have made announcements highlighting specific measures as opposed to announcing robust aid packages. Newfoundland, for instance, announced the following in separate press releases:

[City of St. John's: Tax Relief for Commercial and Residential Property Owners](#)

[Workplace NL defers assessment payments from employers until June 30, 2020](#)

The following slides include additional resources for businesses and individuals in each of the provinces.

# Continually updated resources (Federal and Provincial)

## Canada Economic Response plan – Covid19

<https://www.canada.ca/en/departement-finance/economic-response-plan.html>

## Alberta support for employers and employees (continually updated):

<https://www.alberta.ca/covid-19-support-for-employers.aspx>

## BC Provincial Support Measures

<https://www2.gov.bc.ca/gov/content/safety/emergency-preparedness-response-recovery/covid-19-provincial-support>

## Manitoba : Covid information for Manitobans

<https://www.gov.mb.ca/covid19/infomanitobans/index.html>

## Saskatchewan: Information for business and workers

[https://www.saskatchewan.ca/~link.aspx?\\_id=380105922B1249708F22D35E974FE476&\\_z=z](https://www.saskatchewan.ca/~/link.aspx?_id=380105922B1249708F22D35E974FE476&_z=z)

## Ontario: Information on Ontario Economic Action Plan

<https://budget.ontario.ca/2020/marchupdate/action-plan.html>

## **(cont'd)**

### **Quebec: Support for workers**

<https://www.quebec.ca/en/family-and-support-for-individuals/financial-assistance/temporary-aid-for-workers-program/>

**Business support from investissement QC :** <https://www.investquebec.com/quebec/fr/salle-de-presse/nouvelle/programme-daction-concertee-temporaire-pour-les-entreprises-pacte.html>

### **Nova Scotia : Support for businesses, families and individuals**

<https://novascotia.ca/coronavirus/#support>

### **New Brunswick: Covid19 resources**

[https://www2.gnb.ca/content/gnb/en/departments/ocmoh/cdc/content/respiratory\\_diseases/coronavirus.html](https://www2.gnb.ca/content/gnb/en/departments/ocmoh/cdc/content/respiratory_diseases/coronavirus.html)

### **PEI: Resources for Business - Covid19**

<https://www.princeedwardisland.ca/en/topic/for-business>

### **Newfoundland: Resources for people and businesses**

<https://www.gov.nl.ca/covid-19/resources-2/>