

MEMORANDUM

To: Mayor & Members of City Council
Chambers of Commerce
Media

Date: March 27, 2020

Subject: COVID-19 – Update

SUMMARY

Over the last week, we have introduced a number of new measures to fight COVID-19. We amalgamated the Emergency Care Benefit and the Emergency Support Benefit, to streamline services, and get money to Canadians, faster. We have also introduced new measures for businesses. These measures include increasing wage subsidies, the new Canada Emergency Business Account, more funding for EDC and BDB, as well as deferring GST/HST, Duties, and Import Taxes. We have introduced new measures to help our farmers and food producers. We've allocated more money to the researchers who are trying to find vaccines. We made clearer, the exceptions to people who can still enter Canada. This includes temporary foreign workers, students, and those whose application for permanent residency has been accepted but who have not yet arrived in Canada. These people are able to come into Canada as of today. For Canadians abroad, we are still working on negotiating flights into countries that have completely closed their borders. We have also passed the new Quarantine Act which came into effect on March 26th. The act enforces 14 day isolation for people arriving in Canada, or risk punishment in terms of fines and/or prison time.

UPDATES

Financial Support for Farmers and Food Producers:

- We understand that for farmers, and people across the agri-food business, these are hard times, too.
- That is why we are opening up \$5 billion in additional lending capacity.
- Farmers and food producers can apply through Farm Credit Canada for the support they need to keep food growing, and getting to our tables.
- All eligible farmers who have an outstanding Advance Payments Program (APP) loan due on or before April 30 will also receive a Stay of Default, allowing them an additional six months to repay the loan.
- Canadian farmers and food businesses work hard so Canadians have quality food on their grocery store shelves and kitchen tables. In these times of uncertainty, it is more important than ever to make sure that they are supported so they can continue providing the good, healthy food that nourishes our families.



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HOUSE OF COMMONS
CHAMBRE DES COMMUNES
CANADA

The New Canada Emergency Response Benefit:

The Canada Emergency Response Benefit will provide \$2,000 a month, for the next 4 months, for workers who lose their income as a result of COVID-19. This will replace the two benefits we announced last week – the Emergency Care Benefit and the Emergency Support Benefit – to streamline the process.

If you have lost your job because of COVID-19 – whether you're full-time, contract, or self-employed – this new benefit is there for you. If you are sick or quarantined, looking after someone sick, or at home taking care of your kids – it's there for you. And even if you're still employed, but not receiving income because of this crisis – the CERB is there for you. An application portal will launch as quickly as possible, and people should start receiving money within 10 days of applying.

Wage Subsidy Update:

Last week, we had announced that we would cover 10% of wages, but it's becoming clear that we need to do more, so we're bringing that percentage up to 75% for qualifying businesses. This subsidy will be backdated to March 15. This means that people will continue to be paid even though their employer has had to slow down or stop its operations because of COVID-19. We will have more to say on this very soon.

Canada Emergency Business Account:

We are launching the Canada Emergency Business Account. With this new measure, banks will soon offer \$40,000 loans, which will be guaranteed by the government, to qualifying businesses. The loan will be interest free for the first year, and if you meet certain conditions, \$10,000 will be forgivable.

Export Development Canada & Business Development Bank:

We will provide an additional \$12.5 billion through Export Development Canada and the Business Development Bank to help small and medium-sized businesses with their operational cash flow requirements. This means that businesses will be able to apply for a guaranteed loan when they go to their financial institutions to get help as they weather the impacts of COVID-19.

GST/HST, Duties, and Import Taxes:

We will defer GST/HST payments, as well as duties and taxes owed on imports, until June. This is the equivalent of giving \$30 billion in interest free loans to businesses. So, if you're struggling to get by right now and you have a payment due at the end of the quarter, we're going to give you more time.

It will also allow you to keep money that would have been sent to the government and use it instead for your immediate needs. With these new measures, our hope is that employers who are being pushed towards laying off people because of COVID-19 will think again.

Taxpayer relief requests:

Taxpayers who are unable to file a return or make a payment by the tax-filing and payment deadlines because of COVID-19 can request the cancellation of penalty and interest charged to their account. Penalties and interest will not be charged if the new deadlines that the government has announced to tax-filing and payments are met. For more information about deadlines see <https://www.canada.ca/en/revenue-agency/campaigns/covid-19-update.html> For more information about taxpayer relief and how to make a request to the CRA to have interest and/or penalties cancelled, please go to [Canada.ca/taxpayer-relief](https://www.canada.ca/taxpayer-relief).

Mobilizing Science to Fight COVID-19:

- We are home to some of the most skilled and brightest researchers in the world, who are working hard to develop countermeasures that will protect the health and safety of Canadians and support international efforts to fight this pandemic.
- That's why we are providing \$192 million to directly support vaccine development and production in Canada, as part of our \$275 million in funding for coronavirus research and medical countermeasures.
- The funding will be used to advance projects that are already underway by university researchers and others to respond to COVID-19, and ensure domestic supply of potential vaccines.
- Once there are promising options, we need the capacity to mass-produce treatments as quickly as possible.
- We are investing in a long-term solution to COVID-19 in Canada.
- We are asking every university, college, polytechnic, and CEGEP in the country to identify the ways they can help, and many institutions have already stepped up.
- We need all hands on deck.

International Inbound Flights to Canada:

On March 18, 2020, the Government of Canada issued an Interim Order to prevent certain persons from boarding international inbound flights to Canada. This Interim Order was replaced with a new Interim Order, which took effect on Saturday, and includes:

- Updated provisions banning entry of foreign nationals by air travel from all countries except the U.S, with some exceptions;
- Introduced new measures directing air carriers to notify foreign national air travellers coming from the United States of the new border measures. Passengers must be advised that, even if they are permitted to board the aircraft, they may be prohibited from entering Canada under any emergency order made pursuant to the Quarantine Act; and
- Requiring passengers to confirm they are aware of the new measures and that, to the best of their knowledge, they are not prohibited from entering Canada.

The new Interim Order also broadened the definition of “**immediate family member**” for the purposes of air travel only. An immediate family member is now defined as:

- a. the spouse or common-law partner of the person;
- b. a dependent child of the person or of the person’s spouse or common-law partner;
- c. a dependent child of a dependent child referred to in paragraph (b);
- d. the parent or step-parent of the person or of the person’s spouse or common-law partner;
or
- e. The guardian or tutor of the person.

This means that a parent of a Canadian citizen or permanent resident will be allowed to board their plane, provided they are able to demonstrate their relationship and hold a valid travel document to present to a CBSA officer upon arrival at a Canadian port of entry.

Canadians Abroad:

For Canadians stranded abroad, we are working with airlines to get people home. People should be returning by commercial means while they are still available. Air Canada, WestJet, Air Transat, and Sunwing all have flights this week. As of today, we have secured authorizations for Air Canada to operate three flights this week for Canadians in Peru, and there will be two more flights in the coming days from Morocco. We have also helped secure an Air Canada flight from Spain, as well as Air Transat flights, including two from Honduras, and one each from Ecuador, El Salvador, and Guatemala.

Canadians abroad need to register with the government now so we can send them updates and contact them.

The Quarantine Act:

If you’ve just returned from abroad, you have to go home and stay home for at least 14 days. But some people have not been taking this seriously. They are stopping by the grocery store on their way home from the airport. They are getting together with friends after being away for March Break. This kind of conduct is not just disappointing. It’s dangerous. So now, a 14 day quarantine will be mandatory for all Canadians returning home from abroad. We are implementing the Quarantine Act to keep all Canadians safe. If you do not comply with these instructions, you could face serious fines and even prison time.

FOR MORE INFORMATION:

- Financial assistance for **businesses**:
 - <https://www.canada.ca/en/services/business/maintaingrowimprovebusiness/resources-for-canadian-businesses.html>

- Financial assistance for **individuals**:
 - <https://www.canada.ca/en/department-finance/economic-response-plan/covid19-individuals.html>