Summary of today’s announcement.  A document on economic measures announced to date both federal and provincially is also being developed that will share and keep evergreen

Overview:

* On March 18, 2020, the Prime Minister announced a new set of economic measures to help stabilize the economy. These measures, delivered as part of the [**Government of Canada’s COVID-19 Economic Response Plan**](https://www.canada.ca/en/department-finance/economic-response-plan.html), **will provide up to $27 billion in direct support to Canadian workers and businesses.**

Support to Canadians:

* As previously announced, EI is waiving the one-week waiting period and requirement for a medical certificate for those individuals in imposed quarantine that claim EI sickness benefits. This temporary measure will be in effect as of March 15, 2020.
* For those not eligible for EI who are unable to work due to sickness or quarantine, a **new Emergency Care Benefit** providing $900 bi-weekly for up to 15 weeks will be administered by the CRA.
* For those Canadians who are not eligible for EI who lose their jobs or face reduced hours as a result of COVID-19, the Government is introducing an **Emergency Support Benefit** through the CRA. $5 billion has been set aside for this initiative.
* As previously announced, ESDC’s **Work-sharing program** has also been extended so recipients can benefit from these agreements for up to 76 weeks and easing eligibility requirements and reducing wait times.
* For low and middle income Canadians there will be a one-time payment in early May through the **GST Tax Credit** of $400 for single individuals and $600 for couples injecting $5.5 billion into the economy.
* The **Canada Child Benefit** (delivered by the CRA) is also being expanded so that families can receive an extra $300 per child. In total this will deliver almost $2 billion in extra support.
* Other initiatives include:
  + $305 million for a Indigenous Community Support Fund;
  + Six-month interest free moratorium on Canada Student Loan repayments;
  + Reducing require minimum withdrawals from Registered Retirement Income funds (RRIFs) by 25% in recognition of the volatility of market conditions;
  + Providing the Reaching Home initiative with $157.5 million to continue to support people experiencing homelessness during the COVID-19 outbreak.
  + Providing up to $50 million to women’s shelters and sexual assault centres to help with their capacity to manage or prevent an outbreak in their facilities.

Support to Businesses:

* To support businesses that are facing revenue losses and to help prevent lay-offs, the government is proposing to provide eligible small employers a **temporary wage subsidy** for a period of three months. The subsidy will be equal to 10% of remuneration paid during that period, up to a maximum subsidy of $1,375 per employee and $25,000 per employer. Businesses will be able to benefit immediately from this support by reducing their remittances of income tax withheld on their employees’ remuneration. Employers benefiting from this measure will include corporations eligible for the small business deduction, as well as non-profit organizations and charities.
* Revisions to EDC’s Canada Account to allow the government to provide additional support to Canadian companies through loans, guarantees or insurance policies were announced.
* The **Business Credit Availability Program** (BCAP) will allow the BDC and EDC to provide more than **$10 billion of additional support**, largely targeted to small and medium-sized businesses. BDC and EDC are cooperating with private sector lenders to coordinate on credit solutions for individual businesses, including in sectors such as oil and gas, air transportation and tourism. The near term credit available to farmers and the agri-food sector will also be increased through Farm Credit Canada.
* The Office of the Superintendent of Financial Institutions (OSFI) announced it is lowering the Domestic Stability Buffer (the reserve rate) by 1.25% of risk-weighted assets, effective immediately. This action will allow Canada’s large banks to inject $300 billion of additional lending in to the economy.

Flexibility for Taxes and Availability of Credit:

* The CRA is deferring the filing date to June 1, 2020 and allow taxpayers to defer payment until after August 31, 2020, potentially deferring up to $55 billion in tax revenue.
* The CRA will also 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.
* Banks in Canada have affirmed their commitment to working with customers to provide flexible solutions, on a case-by-case basis, for managing through hardships caused by recent developments. Canada’s large banks have confirmed that this support will include up to a **6-month payment deferral for mortgages**, and the opportunity for relief on other credit products.
* The Government, through Canada Mortgage and Housing Corporation (CMHC), is also 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.