

# Government of Canada Response

**March 18, 2020**

Prime Minister Justin Trudeau and Finance Minister Bill Morneau have announced a \$27 Billion support package for businesses in Canada and \$55 billion to meet business liquidity needs through tax deferrals. This totals \$82 billion in support overall. This is in addition to the announcements last week which together now total over \$93 billion.

## **Business Assistance**

The government has announced a three-month temporary wage subsidy for small businesses to keep workers on payroll, which equates to roughly 10% of an employee's salary.

- The value of this subsidy is a maximum of \$1,375 per employee, maximum \$25,000 per employer and will come into force immediately.
- The Working Business Credit availability program announced last week run by the BDC will ensure there is a capital bridge for companies that require it.
- The EDC will support companies who trade overseas to navigate international uncertainty.
- There will be no restrictions to commerce or trade through the closure of the US/Canadian border.
- These additional measures will provide Canadian businesses and households with access to roughly \$500 billion in credit.

## **Employment Insurance Changes**

- Emergency Care Benefits will be provided to those who are not eligible for EI but have to stay home.
- The COVID-19 Emergency Support Benefit will support those who do not have access to EI and become unemployed.
- The availability of these programs is scheduled for 14 weeks at this point but may be extended in the future.
- This will be payable every two weeks and will be worth roughly \$900.
- This application can be made without the requirement of a medical certificate and will be available by early April.

## **Tax Updates**

- The 2020 tax deadline has been extended to June 1<sup>st</sup>, 2020.
- Payment deadline for those who owe taxes has been deferred until after August 31, 2020.

## **Canada/US Border**

- Canada and the United States have decided to temporarily restrict all non-essential travel across the border.
- This will not disrupt the flow of essential goods and services on which Canadians and Americans depend.