

## Emerging Programs and Assistance for Families and Business, from the Federal Government and Manitoba Governments

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### Bottom Line:

The Federal and Manitoba Governments have released a tranche of programs and program enhancements to help individuals and businesses manage the economic impact of COVID-19. Listed here are the Federal programs that were authorized by Bill C-13, which was given Royal Assent on March 25, 2020. Federal programs currently active are indicated, while others will be rolling out over April and May, 2020. We updated our list of what the Manitoba provincial government has announced via their news releases.

**The actions by the federal and provincial governments are helping to support families and companies through the COVID-19 pandemic. Governments have said that they will do what it takes, so if more supports are needed, they will act.**

### Analysis

The COVID-19 pandemic is pressuring governments, healthcare systems, businesses and families. Federal and provincial government public health responses are ongoing. They are using an array of social distancing (physical distancing) approaches to slow the spread of COVID-19 and flatten the curve.

These social distancing measures buy time:

- To expand our COVID-19 testing and tracing capacity,
- Expand the availability of personal protective equipment for medical staff and the general public,
- To expand the required supplies, equipment, and staff of **our health care system** to handle the increase in those requiring medical assistance.
- while **researchers** develop therapeutics and vaccines, and then
- **pharmaceutical companies** mass manufacture the resulting therapeutics and vaccines for mass distribution.

### Monetary and Fiscal Policy Response

Meanwhile, as the Crisis Working Group at the C.D. Howe Institute noted [March 25, 2020](#), **the necessity of implementing social distancing measures around the globe has effectively shut-down parts of the Canadian and global economy. Thus families and financially solvent firms are facing a liquidity crunch. This has required rapid monetary and fiscal policy responses.**

The Bank of Canada has reduced its policy rate three times since the start of March (another 50 basis points [March 27](#)), which currently sits at 0.25 per cent. The Bank has also implemented a number of measures to support the payment system. See their [website](#) for further actions by the Bank.

The Federal and Provincial Government have been unveiling numerous measures to support families and businesses as well. We will start with the federal government, followed by the Manitoba provincial government.

## Federal Government Fiscal Response as of March 26, 2020

Table 1: Business Programs from the Federal Government

Program	Description	Payment note
<a href="#">Extending the Work-Sharing program</a>	<b>ESDC:</b> Extending the maximum duration of the Work-Sharing program from 38 weeks to 76 weeks. The Work-Sharing program is offered to workers who agree to reduce their normal working hours because of developments beyond the control of their employers.	Extending work sharing maximum duration to 76 weeks (from 38 weeks).
<a href="#">Providing small business with wage subsidies</a>	<b>CRA:</b> Provides eligible small employers with a wage subsidy for up to three months. Businesses will be able to benefit immediately from this support by reducing their remittances of income tax withheld on their employees' remuneration.	Equal to 10 per cent of remuneration during that period, up to a max of \$1,375/person, and \$25,000 per employer
<a href="#">Establishing a Business Credit Availability Program (BCAP)</a>	<b>Business Development Bank of Canada (BDC), and Export Development Canada (EDC):</b> targeted at small and medium-sized businesses. BDC and EDC are cooperating with private sector lenders to coordinate on credit solutions for individual businesses, including: oil and gas, air transport, and tourism	\$10 Billion. Contact your financial institution as a first step.
<a href="#">Increasing credit available</a>	<b>Farm Credit Corporation (FCC):</b> Increased credit available to farmers and the agri-food sector through <a href="#">Farm Credit Canada</a> .	\$5 billion. Available now.
<a href="#">Launching an Insured Mortgage Purchase Program</a>	<b>Department of Finance and CMHC:</b> <a href="#">Insured Mortgage Purchase Program</a>	\$50 billion. Live
<a href="#">Bank of Canada actions</a>	<b>Bank of Canada:</b> Monetary Policy Actions. Noted above	Live program
<a href="#">Lowering the Domestic Stability Buffer</a>	<b>The Office of the Superintendent of Financial Institutions</b> announced it is <a href="#">lowering the Domestic Stability Buffer by 1.25%</a> of risk-weighted assets. This action will allow Canada's large banks to inject \$300 billion of additional lending in to the economy.	Allows Canada's large banks to inject \$300 billion into the economy. Live.
<a href="#">More time to pay income taxes</a>	<b>CRA:</b> All business can defer until after August 31, 2020, the payment of any income tax amounts that become owing on or after March 18 and before September 2020. This relief would apply to tax balances due, as well as instalments, under Part I of the Income Tax Act.	

Bill C-13, the [COVID-19 Emergency Response Act](#), received Royal Assent March 25, 2020. This authorizes the fiscal measures (direct support and tax deferrals) needed to support Canadian families and businesses. Also on March 25, 2020, the federal government posted a webpage, [Economic Response Plan](#) for individuals and businesses to see what their programs are.

Programs aimed at business are meant to: avoid layoffs where possible, to help businesses to get access to credit, provide support for farmers, support financial stability, and provide flexibility of paying income taxes.

The federal government programs are in place to help support individuals to get through the economic impact of COVID-19.

Table 2: Individual Benefits from the Federal Government

Program	Description	Payment note
<a href="#">Increasing the Canada Child Benefit</a>	<b>Canada Revenue Agency (CRA):</b> Top up of \$300/child. Added to scheduled May payment.	Up to \$2 billion. Scheduled May payment.
<a href="#">Special Goods and Services Tax credit payment</a>	<b>CRA:</b> One-time special payment by early May for low-modest-income families	\$5.5 billion. Early May Payment.
<a href="#">Extra time to file income tax returns</a>	<b>CRA:</b> <u>Can defer filing until June 1, 2020.</u> Not suggested if expect to receive CCB or GST credit.	N/S.
<a href="#">Mortgage support</a>	<b>Canadian Bankers Association:</b> Individuals need to work with their mortgage lender to arrange a deferral. The <b>Canadian Mortgage and Housing Corporation (CMHC) and other mortgage insurers</b> can assist.	N/S. LIVE.
<a href="#">The new Canada Emergency Response Benefit (CERB)</a>	<b>Department of Finance Canada:</b> Support for people who are facing unemployment unable to work; or who are sick, quarantined, or in directed self-isolation. <u>Regardless if eligible for EI.</u> Canadians would begin to receive their CERB payments within 10 days of application. The CERB would be paid every four weeks and be available from March 15 - October 3, 2020.	\$2,000/month for up to 4 months. Will be available <u>starting in early April, so watch for the new portal.</u>
<a href="#">Apply for Employment Insurance</a>	<b>Employment and Social Development Canada (ESDC):</b> Those recently laid off, or have reduced hours and qualify for EI benefits.	Standard program. LIVE.
<a href="#">Improved access to Employment Insurance sickness benefits</a>	<b>ESDC:</b> If you are sick, quarantined or have been directed to self-isolate, we will waive the requirement to provide a medical certificate to access EI sickness benefits.	Waives requirement for medical certificate. LIVE
<a href="#">A new Indigenous Community Support Fund</a>	<b>Indigenous Services Canada (ISC):</b> existing channels will be used by ISC to transfer funds to those communities with emergency needs. Regional, urban and off-reserve Indigenous organizations will need to apply through a call for proposal progress.	\$305 million. Regular channels, & call for proposal channel (coming soon).
<a href="#">Enhancing the Reaching Home initiative</a>	<b>ESDC:</b> This will enhance Reaching Home, Canada's Homelessness Strategy. The funding could be used for a range of needs such as purchasing beds and physical barriers for social distancing and securing accommodation to reduce overcrowding in shelters.	\$157.5 million

Program	Description	Payment note
<a href="#">Support for women's shelters and sexual assault centres</a>	Supporting women and children fleeing violence, by 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.	Up to \$50 million.
<a href="#">Reduced minimum withdrawals for Registered Retirement Income Funds</a>	<b>CRA:</b> We are reducing the required minimum withdrawals from Registered Retirement Income Funds (RRIFs) by 25% for 2020.	Reducing minimum RRIF withdrawals by 25 per cent for 2020.
<a href="#">A moratorium on the repayment of Canada Student Loans</a>	<b>ESDC:</b> Effective March 30, the federal government is placing a six-month interest-free moratorium on the repayment of Canada Student Loans for all student loan borrowers. No payment will be required and interest will not accrue during this time. Students do not need to apply for the repayment pause.	Effective March 30, 2020.

## Manitoba Provincial Government Programs

The provincial government had introduced a number of tax cuts in budget 2020. The provincial government also introduced a COVID-19 Emergency Supplement to Budget 2020, as noted in March 19, 2020 [news release](#). The details on the [budget 2020](#) webpage. We will be monitoring any necessary changes on this front.

Table 3: Business Programs from the Manitoba Provincial Government

Program	Description	Payment note
<a href="#">Retail Sales Tax (RST) Two Month Deferral</a>	<b>Manitoba Finance: RST Tax deferral.</b> RST returns for small and medium businesses with monthly RST remittances of no more than \$10,000/month normally due on April 20 and May 20, will now be due June 22, 2020. Quarterly filers have a deferral to June 22, 2020. <b>Keeps more cash in company's pockets to support liquidity.</b>	A two-month deferral on RST remittance payments, if monthly total is <= \$10,000.
<a href="#">Health and Post-Secondary Education Tax Levy (HE Levy)</a>	<b>Manitoba Finance: Tax Deferral.</b> Returns for small and medium businesses with monthly HE Levy remittances of no more than \$10,000/month normally due on April 15 and May 15, will now be due June 15, 2020. <b>Keeps more cash in company's pockets to support liquidity.</b>	A two-month deferral on HE Levy, if monthly total is <= \$10,000.
<a href="#">Manitoba Implementing \$27.6-Million Plan to Support Child Care for Essential Workers</a>	<b>Manitoba Families Ministry.</b> To help provide child care to essential front line workers, who need child care. Funneled through current or new daycare facilities authorized by the province.	\$27.6 million to support child care

The two tables above and below detail changes introduced by the Manitoba Provincial Government specifically due to the COVID-19 pandemic.

The provincial government is taking significant policy action in public health and other areas, which we have not compiled here.

Table 4: Individual Benefits from the Manitoba Provincial Government

Program	Description	Payment note
<a href="#">Postpone Eviction Hearings and Freeze Rent Increases</a>	<b>Residential Tenancy Branch (RTB), and Residential Tenancies Commission (RTC):</b> This gives support to those affected by COVID-19. No evictions unless tenants are engaging in unlawful activities. In place through April and May, 2020. Rent increases frozen for the same period.	Gives certainty when people need to shelter in place. 2 month deferrals.

We expect new programs and adjustments to programs to continue to rollout at a fairly rapid pace. Economic Development Winnipeg will be adding information on these programs as they come to light. Also watch the provincial governments' [Press Releases](#) and [COVID-19 webpage](#).

## EDW Contacts for Assistance or Inquiries:

- For Winnipeg businesses looking for assistance accessing these new government programs, please reach out to our Yes! Winnipeg Team at: [About Yes! Winnipeg](#), or fill out this [Get In Touch Form](#) if you are not sure who to contact on the Y!W team.
- For general inquiries please email [wpginfo at edwinnipeg dot com](mailto:wpginfo@edwinnipeg dot com).
- For Marketing & Communications Inquiries, please email [marketingandbranding at edwinnipeg dot com](mailto:marketingandbranding at edwinnipeg dot com).