SUMMARY OF ONTARIO FISCAL UPDATE
March 25, 2020

Introduction

This is a summary of Ontario’s Action Plan: Responding to COVID-19 (March 2020 Economic and Fiscal Update)

- The March 2020 Economic and Fiscal Update provides planning assumptions for 2020-21
- The government will provide regular fiscal and economic updates throughout the year
- Due to its COVID-19 response, the government is planning a 2020-21 deficit of $20.5B
- The government will release a multi-year provincial Budget by November 15, 2020.

Health

- $1.0 billion COVID-19 contingency fund for emerging needs
- $935 million for hospital sector:
  - $594M to address capacity issues
  - $341M for 1,000 new acute care and 500 new critical care beds and more assessment centres.
- $160 million for public health for COVID-19 monitoring, surveillance, and laboratory/home testing, as well as virtual care and Telehealth Ontario
- $243 million for long-term care surge capacity, 24/7 screening, staff for infection control, and supplies and equipment to tackle COVID-19 outbreak.
- $75 million for personal protective equipment and critical medical supplies for frontline staff to tackle COVID-19.

People and jobs

$3.7 billion to directly support people and to protect jobs:

- One-time payment of $200 per child up to 12 years of age, and $250 for those with special needs, including children enrolled in private schools to help families pay for costs associated with school and daycare closures
- Doubling of Guaranteed Annual Income System (GAINS) payment for low-income seniors for six months
- About $5.6 billion for electricity cost relief programs in 2020-21 for eligible residential, farm and small business consumers
- Setting electricity prices at the lowest rate (off-peak price) 24 hours a day for 45 days for residential, farm and small business time-of-use customers
- $355 million for temporary increase to Employer Health Tax Exemption for 57,000 employers
- $9 million to expand eligibility for Low-income Energy Assistance Program (LEAP) and ensure electricity and natural gas services are not disconnected for nonpayment during COVID-19 outbreak.
• Providing emergency childcare options to support parents working on the front lines, such as health care workers, police officers, firefighters and correctional officers.
• Expanding access to the Emergency Assistance Program administered by Ontario Works to provide financial support and help more people meet basic needs such as food and rent.
• $148 million for charitable and non-profit social services organizations such as food banks, homeless shelters, churches and emergency services to improve their ability to respond to COVID-19 (administered through Consolidated Municipal Service Managers and District Social Service Administration Boards).
• Six-month Ontario Student Assistance Program (OSAP) loan and interest accrual relief.
• New Corporate Income Tax Credit -- the Regional Opportunities Investment Tax Credit -- to support regions lagging in employment growth.
• $26 million for Indigenous peoples and communities, including:
  • Emergency assistance for urban Indigenous people in financial need
  • Costs for healthcare professionals and critical supplies to reach remote First Nations.

$10 billion in tax and other deferrals for people and businesses to improve their cash flow over the coming months:

• $6 billion to provide five months of tax interest and penalty relief for majority of provincially administered business taxes.
• $1.8+ billion for municipalities to defer June 30 quarterly emittance of education property tax to school boards by 90 days, giving municipalities the flexibility to provide property tax deferrals to residents and businesses, as school boards receive funding.
• $1.9 billion to enable employers to defer Workplace Safety and Insurance Board (WSIB) payments for up to six months.

1 John Stapleton: Doubling from $83 to $166 but anyone with more than $2000 a year in outside income (not OAS or GIS) like CPP etc. will not get it, so only for very poor seniors.