

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 months¹
- **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.