

ECONOMIC AND POLICY INITIATIVES RELATED TO COVID-19

March 24, 2020

Initiative	Responsible Department/Agency
<b>Border Measures</b>	
<ul style="list-style-type: none"> <li>• <b>Redirect international passenger flight arrivals</b> to four airports: Toronto Pearson International Airport, Vancouver International Airport, Montreal-Pierre Elliott Trudeau International Airport, and Calgary International Airport. The Government will also strengthen screening measures at airports.</li> <li>• Ask <b>all travelers entering Canada to self-isolate</b> for 14 days. Exemption includes workers in the trade and transportation sectors such as truck drivers and aircrew.</li> <li>• Require air carriers to <b>deny boarding</b> on flights to Canada, to any passenger who is not a Canadian citizen or permanent resident, and has resided in any country other than the United States in the last 14 days. This does not apply to surface or marine shipping.</li> <li>• Provision of Royal Assent to Bill C-4, the legislation implementing <b>the new North American Free Trade Agreement</b>, on March 13.</li> <li>• <b>Close the Canada-US border</b> as of 11:59 PM March 20 to all non-essential travel. This will not apply to trade-related essential travel (e.g., trucking).</li> </ul>	Transport Canada, Canadian Border Services Agency (CBSA) and the Public Health Agency of Canada (PHAC).
<b>Immigration</b>	
<ul style="list-style-type: none"> <li>• Exemptions to the border closure include seasonal agricultural workers, fish and seafood workers, caregivers and all other temporary foreign workers.                             <ul style="list-style-type: none"> <li>○ Agriculture Minister Bibeau has stressed the importance of the foreign workers to Canada's food chain, that they fill 60,000 jobs across the country and that food security depends on them;</li> <li>○ IRCC warns that people planning to come to Canada under these exceptions should not travel immediately. The government will announce when the exemptions are formally in place, which is expected next week; and</li> <li>○ these foreign nationals will be subject to screening measures before travel and must isolate for 14 days after arriving in Canada.</li> </ul> </li> </ul>	Immigration, Refugees, and Citizenship Canada (IRCC)
<b>General Economy and Financial Sector</b>	
<b>Business Credit Availability Program (BCAP)</b>	
<ul style="list-style-type: none"> <li>• The program will further support financing in the private sector through the BDC and EDC and will be implemented immediately.</li> <li>• Under this program, the two banks will enhance their cooperation with private sector lenders to coordinate financing and credit insurance solutions for Canadian businesses.</li> <li>• This will provide more than \$10 Billion (B) of additional support to business.</li> <li>• On March 18, the Minister of Finance also indicated that he is in discussions with oil and gas producers for additional measures (please see natural resources section of table for recent challenges).</li> </ul>	Business Development Bank of Canada (BDC), Export Development Canada (EDC).
<b>Domestic Stability Buffer</b>	
<ul style="list-style-type: none"> <li>• Lower the Domestic Stability Buffer requirement for domestic systemically important banks by 1.25% of risk-weighted assets. This will increase the lending capacity of Canada's largest banks and support the supply of credit to the economy. The release of the buffer will support in excess of \$300 B of additional lending capacity.</li> </ul>	Office of the Superintendent of Financial Institutions (OSFI).
<b>Bankers' Acceptance Purchase Facility</b>	
	Bank of Canada (The Bank).

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<ul style="list-style-type: none"> <li>This will support a key funding market for SMEs at a time when they may have increased funding needs and credit conditions are tightening.</li> </ul>	
<p><b>Standing Term Liquidity Financing (STLF)</b></p> <ul style="list-style-type: none"> <li>Launch the STLF which was announced in November 2019. The STLF complements the Bank’s current tools for the provision of liquidity and will strengthen the Bank’s efforts to enhance the resilience of the Canadian financial system.</li> <li>Under the STLF, the Bank could provide loans to eligible financial institutions in need to temporary liquidity support and where the bank has no concerns about their financial soundness.</li> </ul>	The Bank
Health and/or Medical Research	
<p><b>Health Care Support</b></p> <ul style="list-style-type: none"> <li>\$500 million (M) to provinces and territories for critical health care system needs and to support mitigation efforts as needed.</li> <li>This could include help to support with access to testing, acquisition of equipment, and to enhance surveillance and monitoring.</li> </ul>	Health Canada, Provinces and territories.
<p><b>Medical Research and Development (R&amp;D)</b></p> <ul style="list-style-type: none"> <li>Enhance Canada’s capacity in R&amp;D, including research on medical countermeasures, including antivirals, vaccine development and support for clinical trials, by providing an additional \$275 M to the original \$27 M announced to fund coronavirus research on March 6.</li> <li>This will support 47 research teams across Canada that will focus on accelerating the development, testing, and implementation of measures to deal with the COVID-19 outbreak. The research will help inform clinical and public health responses, develop and evaluate diagnostic tools and vaccines, as well as create strategies to tackle misinformation, stigma and fear.</li> <li>On March 23, the Government provided further detail on these R&amp;D funds::             <ul style="list-style-type: none"> <li>\$192 M in new projects that will be prioritized under the new Strategic Innovation Fund COVID-19 stream to deliver direct support to Canadian companies for large-scale projects. These companies include:                 <ul style="list-style-type: none"> <li>AbCellera, a Vancouver-based biotech company, partnered with Eli Lilly, researching to find antibodies that can be used for treatment and prevention against COVID-19;</li> <li>Medicago, a Quebec City-based company focusing on plant-based vaccines and therapeutics;</li> </ul> </li> <li>Funding for the University of Saskatchewan’s Vaccine and Infectious Disease Organization – International Vaccine Centre (VIDO-InterVac), one of the largest and most advanced infectious disease research facilities in the world. In addition, \$11 M will come from the Canada Foundation for Innovation, to strengthen VIDO-InterVac’s existing expertise in coronavirus research and to help develop a vaccine for COVID-19. An additional \$12 M from <b>Western Economic Diversification’s</b> Regional Economic Growth Through Innovation program to help VIDO-InterVac expand its bio-manufacturing capacity to support clinical trials.</li> <li>Funding of \$15 M for the National Research Council of Canada to upgrade its Human Health Therapeutics facility in Montréal to develop, test and scale-up promising vaccine candidates to be ready for industrial production.</li> <li>Support for BlueDot, a Toronto-based digital health firm, whose disease analytics platform the Public Health Agency of Canada will use to support modelling and monitoring of the spread of COVID 19, and to inform government decision-making.</li> </ul> </li> </ul>	Canadian Institutes of Health Research (CIHR), the Natural Sciences and Engineering Research Council of Canada (NSERC), the Social Sciences and Humanities Research Council (SSHRC), the Canada Research Coordinating Committee (CRCC) through the New Frontiers in Research Fund (NFRF), the International Development Research Centre (IDRC), and Genome Canada (GC), Innovation, Science and Economic Development (ISED), Canada Foundation for Innovation (CFI), National Research Council of Canada (NRC), Western Economic Diversification Canada (WD).

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<p><b>Public Health (including Indigenous Health)</b></p> <ul style="list-style-type: none"> <li>Support measures such as enhanced surveillance, increased testing at the National Microbiology Laboratory, and ongoing support for preparedness in First Nations and Inuit Communities, by providing \$100 M.</li> <li>This is in addition to an initial \$50 M that was provided to support the immediate public health response.</li> </ul>	Public Health Agency of Canada (PHAC)
Indigenous Services	
<ul style="list-style-type: none"> <li>Provide \$305 million for a new distinctions-based Indigenous Community Support Fund to address immediate needs in First Nations, Inuit, and Métis Nation communities.</li> </ul>	Indigenous Services Canada
Employment Support	
<p><b>Employment Insurance (EI) Sickness Benefits</b></p> <ul style="list-style-type: none"> <li>Provide support to workers in quarantine or self-isolation who will claim EI sickness benefits by waiving the mandatory one-week waiting period.</li> <li>Waive the one-week waiting period to claim Employment Insurance (EI) sickness benefits.</li> <li>Waive the requirement to provide a medical certificate to access EI sickness benefits.</li> <li>Implement the EI Work Sharing Program by extending the eligibility of such agreements to 76 weeks, easing eligibility requirements, and streamlining the application process.</li> </ul>	Employment and Social Development Canada (ESDC).
<ul style="list-style-type: none"> <li>Introduce the <b>Emergency Care Benefit</b> that will provide up to \$900 bi-weekly, for up to 15 weeks for workers, including the self-employed, who are quarantined or sick with COVID-19, are taking care of a family member but do not qualify for EI sickness benefits, or parents with children who require care or supervision and are unable to earn employment income.</li> <li>Application will be available in April 2020 and require attestation every two weeks.</li> <li>Implement a <b>six-month, moratorium on Canada Student Loan</b> payments for all individuals who are in the process of paying these loans.</li> </ul>	Canada Revenue Agency (CRA)
<p><b>Long-Term Income Support for Workers</b></p> <ul style="list-style-type: none"> <li>Introduce an <b>Emergency Support Benefit</b> to provide up to \$5.0 billion in support to workers who are not eligible for EI and who are facing unemployment.</li> <li>Provide eligible small employers a <b>temporary wage subsidy</b> 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 reduce their remittances of income tax withheld on their employees' remuneration.</li> </ul>	CRA
Natural Resources	
<ul style="list-style-type: none"> <li>On March 18, the Minister of Finance also indicated that he is in <b>discussions with oil and gas producers</b> for additional measures.</li> <li>BDC and EDC have been included in recent economic initiatives. In November 2018, BDC and EDC announced support for the oil and gas sector due to lower prices in the sector.</li> </ul>	Finance Canada EDC, BDC and Natural Resources Canada

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<ul style="list-style-type: none"> <li>○ BDC supports businesses and workers in Canada's oil and gas sector through commercial financing fund of up to \$500 million through energy diversification from 2018 to 2021 to help higher risk, viable small medium enterprises weather market uncertainty. Financing is directed specifically to SMEs in Alberta, Saskatchewan, northern BC and Newfoundland and Labrador.</li> <li>○ EDC provides support for commercial financing to exporters for innovative technologies, working capital and entering new markets.</li> </ul>	
Parks and Tourism	
<ul style="list-style-type: none"> <li>● Suspension of visitor service and closure of facilities for Parks Canada sites across Canada, effective March 19. No new reservations will be taken until April 30, 2020 and all existing reservations will be refunded. Visitors to some parks may continue to use green areas and trails.</li> <li>● Parks will continue to deliver key services including highway management, fire response, dam operations, and water management and is in discussions with food services businesses and tourist shops operating on park property.</li> </ul>	Parks Canada
Cruise Ship Industry	
<ul style="list-style-type: none"> <li>● Deferral of the start of the cruise ship season from April 2 to July 1, 2020, to mitigate the unique risks posed by large passenger ships arriving at Canadian ports. This deferral applies to all cruise ships capable of carrying more than 500 passengers and crew.</li> </ul>	Transport Canada (TC)
Mobilizing Industry	
<ul style="list-style-type: none"> <li>● Mobilize innovation programs to refocus on helping businesses to rapidly scale up or re-tool to provide supplies that are high in demand during the COVID-19 crisis.</li> <li>● ISI's Strategic Innovation Fund will focus on directing support to large firms, NRC will support innovative solutions at SMEs, Innovation Superclusters will tap into their vast network to find suppliers, and Innovative Solutions Canada will help commercialize new technologies to address the challenges of COVID-19.</li> <li>● For example, ISI has signed Letters of Intent with Medicom of Pointe Claire, Quebec to scale-up production of medical masks and personal protective equipment; Thornhill Medical of Toronto, Ontario for ventilators and Spartan Biosciences of Ottawa to mobile COVID-19 testing kits.</li> <li>● PSPC is coordinating current and anticipated procurement needs in consultation with Health Canada and PHAC. PSPC has put out a call to action on Canada Buy and Sell and have asked companies to fill out a simple form their products and inventory on hand.</li> </ul>	Innovation, Science and Economic Development (ISED), Public Service and Procurement Canada (PSPC), National Research Council (NRC), Health Canada, Public Health Agency of Canada (PHAC)
Agriculture and Farm Credit	
<ul style="list-style-type: none"> <li>● <b>Farm Credit Canada</b> will receive support that will allow for an additional \$5 billion in lending capacity to producers, agribusinesses, and food processors. This will offer increased flexibility to farmers who face cashflow issues and to processors who are impacted by lost sales, helping them remain financially strong during this difficult time.</li> <li>● In addition, all eligible farmers who have an outstanding <b>Advance Payments Program (APP)</b> loan due on or before April 30 will receive a Stay of Default, allowing them an additional six months to repay the loan. This important measure, which represents \$173 million in deferred loans, will help keep more money in farmers' pockets during these critical months. The Stay of Default will also provide farmers the flexibility they need to manage their cashflow when facing lower prices or reduced marketing opportunities. Applicable farmers who still have interest-free</li> </ul>	Agriculture and Agrifood Canada, Farm Credit Canada

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loans outstanding will have the opportunity to apply for an additional \$100,000 interest-free portion for 2020-2021, as long as their total APP advances remain under the \$1 million cap.	