

Ontario's Action Plan: Responding to COVID-19

Premier Ford and Minister Phillips Announce Additional Health Care Resources and Support for People, Jobs and Employers

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TORONTO — Today, Finance Minister Rod Phillips released *Ontario's Action Plan: Responding to COVID-19 (March 2020 Economic and Fiscal Update)*.

The government's action plan is a first step in its response to COVID-19 and includes \$7 billion in additional resources for the health care system and direct support for people and jobs. It also will make available \$10 billion in support for people and businesses through tax and other deferrals to improve their cash flow, protecting jobs and household budgets.

This \$17 billion response is a critical first step to ensure our health care system, communities and economy are positioned to weather the challenges ahead. The plan includes historic levels of prudence, including a dedicated \$1 billion COVID-19 contingency fund, as part of the additional health care investments, as well as an unprecedented \$2.5 billion reserve and an increased contingency fund of \$1.3 billion to provide continued flexibility to respond to changing global circumstances.

The plan includes \$3.3 billion in additional health care resources to protect the health and well-being of the people of Ontario.

"As Finance Minister, my number one priority right now is ensuring that our front-line health care professionals have the resources they need to fight the COVID-19 outbreak," said Minister Phillips. "The people of Ontario can have confidence that we will do whatever it takes to protect their health and well-being. These additional resources will enhance hospital capacity, protect our loved ones in long-term care, and support our public health officials' work to flatten the curve and slow the spread."

Health

- Committing to a dedicated \$1.0 billion COVID-19 contingency fund for emerging needs related to the COVID-19 outbreak.
- Investing \$935 million for the hospital sector, including \$594 million to accelerate progress on the government's commitment to address capacity issues, as well as \$341 million for an additional 1,000 acute care and 500 critical care beds and additional assessment centres.

- Increasing public health funding by \$160 million to support COVID-19 monitoring, surveillance, and laboratory and home testing, while also investing in virtual care and Telehealth Ontario.
- Investing \$243 million for surge capacity in the long-term care sector, as well as funding for 24/7 screening, more staffing to support infection control, and supplies and equipment to help tackle the COVID-19 outbreak.
- Investing \$75 million to supply personal protective equipment and critical medical supplies to front-line staff to tackle COVID-19.

As part of the action plan, the Province also announced \$3.7 billion to directly and urgently support people and to protect jobs.

"During this global pandemic, I want the people of Ontario to be focused on their health — not worrying about losing their job or how to make ends meet as they deal with unexpected additional expenses," said Minister Phillips. "We are helping make life a little more manageable for every person in Ontario, while providing additional support to those who need it the most."

Key initiatives in the government's plan to strengthen its response to the COVID-19 outbreak and support people, families, workers and employers include:

People and Jobs

- Helping families pay for the extra costs associated with school and daycare closures during the COVID-19 outbreak by providing a 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.
- Proposing to double the Guaranteed Annual Income System (GAINS) payment for low-income seniors for six months.
- Supporting more affordable electricity bills for eligible residential, farm and small business consumers, by providing approximately \$5.6 billion for electricity cost relief programs in 2020-21, which is an increase of approximately \$1.5 billion compared to the *2019 Budget* plan.
- Further supporting more affordable electricity bills by setting electricity prices for residential, farm and small business time-of-use customers at the lowest rate, known as the off-peak price, 24 hours a day for 45 days to support ratepayers in their increased daytime electricity usage as they respond to the COVID-19 outbreak, addressing concerns about time-of-use metering.
- Cutting taxes by \$355 million for about 57,000 employers through a proposed temporary increase to the Employer Health Tax (EHT) exemption.
- Providing \$9 million in direct support to families for their energy bills by expanding eligibility for the Low-income Energy Assistance Program (LEAP) and ensuring that their electricity and natural gas services are not disconnected for nonpayment during the COVID-19 outbreak.
- Providing emergency child care 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 to people facing economic hardship and help more people meet basic needs such as food and rent during this public health emergency.
- Enhancing funding by \$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, by providing funding directly to

Consolidated Municipal Service Managers and District Social Service Administration Boards who would allocate this funding based on local needs.

- Providing six months of Ontario Student Assistance Program (OSAP) loan and interest accrual relief for students, leaving more money in people's pockets.
- Helping to support regions lagging in employment growth with a proposed new Corporate Income Tax Credit, the Regional Opportunities Investment Tax Credit.
- Providing additional supports of \$26 million to Indigenous peoples and communities, including emergency assistance for urban Indigenous people in financial need, and costs for health care professionals and critical supplies to reach remote First Nations.

The government's plan also includes measures that will make available \$10 billion in support for people and businesses through tax and other deferrals to improve their cash flows over the coming months, including:

- Making available \$6 billion by providing five months of interest and penalty relief for businesses to file and make payments for the majority of provincially administered taxes.
- Over \$1.8 billion by deferring the upcoming June 30 quarterly municipal remittance of education property tax to school boards by 90 days, which will provide municipalities the flexibility to, in turn, provide property tax deferrals to residents and businesses, while ensuring school boards continue to receive their funding.
- Making available \$1.9 billion by the Workplace Safety and Insurance Board (WSIB) allowing employers to defer payments for up to six months.

"We're taking responsible steps to lessen the burden for businesses and people," said Minister Phillips. "Together, these actions can free up as much as \$10 billion in cash flows for businesses and people in these uncertain times, helping protect jobs and household budgets."

QUICK FACTS

- The *March 2020 Economic and Fiscal Update* provides planning assumptions for the year ahead. The government will provide regular updates of the Province's fiscal and economic outlook throughout the year.
- The Province is projecting a deficit of \$9.2 billion in 2019–20, an improvement of \$1.1 billion relative to the 2019 Budget. As a result of the response to the COVID-19 outbreak, the government is planning for a deficit of \$20.5 billion in 2020–21.
- Ontario's \$2.5 billion reserve in 2020–21 is the highest ever in history.
- The government will release a multi-year provincial Budget by November 15, 2020. This responsible approach will allow the government to continue assessing the economic situation and put forward a long-term outlook based on the most recent and reliable data.

LEARN MORE

- [Ontario's Action Plan: Responding to COVID-19 \(March 2020 Economic and Fiscal Update\)](#)
- [Information on COVID-19](#)

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