

## Memorandum

**To: First Nation Leadership, Leadership Council**

**From: Chiefs of Ontario**

**Date: March 25, 2020**

**Re: March 2020 Economic and Fiscal Update**

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At 4 pm this afternoon, Ontario's Finance Minister Rod Phillips delivered the *March 2020 Economic and Fiscal Update* in the Legislature.

The key points in the Minister's announcement were:

- This is the first step in Ontario's response to COVID-19, which represents the greatest threat to the province's economy "in my lifetime."
- \$17 billion of additional government support to combat COVID-19
- That includes \$7 billion in additional resources for the health care system and direct support for people and \$10 billion in support for people and businesses through tax and other deferrals
- New, additional support of \$26 million to Indigenous peoples and communities. That includes emergency assistance for urban Indigenous people in financial need, costs for health care professionals and critical supplies for remote First Nations
- Given the investment required to deal with the COVID-19 crisis, the deficit is projected to rise significantly in 2021 from \$9 billion to \$20.5 billion

The full report is available online at <https://tinyurl.com/yxx9ayqf>. We have provided a more detailed summary below.

**Minister Phillips, speaking @ 4 pm, March 25:**

- \$3.3 billion has been allocated for additional resources for health care. That includes:
  - A \$1 billion COVID-19 contingency fund
  - \$1.2 billion to meet the demand for services in the health and long-term care sector
  - \$341 million for hospital capacity, to increase assessments and treatments

- \$243 million for long-term care home emergency capacity and containment measures
  - \$170 million for community capacity, homecare and Telehealth Ontario
  - \$100 million more for public health
  - \$75 million to supply front line health care workers with personal protective equipment and critical medical supplies
- \$3.7 billion has been allocated to provide direct support to people and jobs. That includes:
  - \$1.5 billion to make electricity bills more affordable for eligible people, farms and small businesses, through an increase in electricity cost relief
  - \$355 million to cut taxes for 57,000 employers through a temporary increase to the Employer Health Tax exemption
  - \$200 million to provide temporary emergency support for people in financial need
  - Money to help families meet the extra costs associated with school closures. A one-time payment of \$200 per child up to 12 years old, and \$250 for those with special needs
  - \$75 million in urgent additional support for 194,000 low-income seniors, by doubling the Guaranteed Annual Income System maximum payment to \$166 per month for individuals, \$332 for couples
- \$10 billion in support for people and businesses to improve cash flows. That includes:
  - \$6 billion in relief by providing a five-month interest and penalty-free period to make payments for the majority of provincially administered taxes
  - Deferring the June 30 remittance of education property tax to school boards by 90 days. It will allow municipalities to provide property tax deferrals of over \$1.8 billion to local residents and businesses
  - \$1.9 billion in financial relief as the Workplace Safety and Insurance Board allow employers to defer payments for up to six months

The Chiefs of Ontario will provide future updates related to this announcement, in particular, how communities can access financial resources.