



Good afternoon,

Earlier today, Premier John Horgan and Minister of Finance Carole James unveiled B.C.'s *COVID-19 Action Plan* – a package of economic measures totalling \$5 billion in income supports, tax relief and direct funding for people, businesses and services.

Today's announcement comes on the heels of the federal government's economic plan released last week. B.C.'s *COVID-19 Action Plan* is being framed as a fiscal plan that builds on the federal one while also filling in specific gaps.

In their remarks, both Premier Horgan and Minister James expressed thanks to the front-line workers who are, day after day, providing critical services for British Columbians. They stressed the importance of adhering to the specific directions being given by Provincial Health Officer Dr. Bonnie Henry and Minister of Health Adrian Dix.

Premier Horgan remarked that the COVID-19 pandemic is challenging our health, our economy, and our way of life. "People and businesses urgently need support," he said. "Our action plan focuses on services to protect people's health and safety, gives immediate relief to people and businesses, and plans for B.C.'s economic recovery over the long term."

When asked about the province's financial picture, Minister James said "we will be impacted just as every other jurisdiction globally," noting that B.C. will do – and spend – whatever is needed to help people. She confirmed there will be a first quarter financial update in August. Premier Horgan also pointed to the province's newly-announced task force – made up of leaders from the business and labour communities – that has been charged with building an economic stimulus plan to get the economy back on its feet.

Minister James ended her remarks by saying that today's *COVID-19 Action Plan* "is a first step, but a critical step." As noted below, we expect further announcements by the province this week, including one on support for renters to come on Wednesday.

The *COVID-19 Action Plan* is divided into three priority areas: people, businesses, and recovery. A summary of the *Action Plan* is provided below.

Summary of Announcement

Priority 1: For People

The following economic measures – totalling **\$2.8 billion** – were introduced under the umbrella of protecting British Columbians and front line workers.

- \$1.7 billion in investments for critical services
 - Investments in housing and shelter supports, income and disability assistance programs and crucial health services, such as funding for the BC Centre for Disease Control hotline, quarantine costs, and lab tests
 - Includes \$50 million for United Way’s *Better at Home* program
 - Licensed child care providers staying open will be eligible to receive seven times their average funding amount received from government
- \$1.1 billion to provide relief to workers and their families
 - New B.C. Emergency Benefit for Workers
 - This benefit will provide a tax-free payment to British Columbians whose ability to work has been affected by the outbreak. The benefit will be a one-time payment for British Columbians who receive federal Employment Insurance (EI), or the new federal Emergency Care Benefit or Emergency Support Benefit as a result of COVID-19 impacts.
 - This includes workers who have been laid-off, who are sick or quarantined, parents with sick children, parents who stay at home from work while child care centres and schools are closed, and those caring for sick family members, such as an elderly parent. The workers can be EI-eligible and non-EI eligible, such as the self-employed. The benefit will be paid to B.C. residents, in addition to their federal income supports.
 - Top-up to B.C. Climate Action Tax Credit in July 2020
 - Eligible families of four will receive up to \$564 and eligible individuals will receive up to \$218 in an enhanced payment.
 - On housing security, Premier Horgan noted that “no one will lose their home because of COVID-19”, but there have been no additional details on what this means for renters
 - Minister of Housing and Municipal Affairs Selina Robinson will make an announcement on support for renters on Wednesday, March 25
 - Province freezing B.C. student loan payments for six months, starting March 30, 2020
 - ICBC extending deferrals up to 90 days
 - B.C. Hydro to provide Customer Crisis Fund grant program for people dealing with job loss, illness or loss of wages (up to \$600 grant)

Priority 2: For Businesses

The following economic measures – totalling **\$2.2 billion** – were introduced under the umbrella of supporting businesses.

- Businesses with a payroll over \$500,000 can defer their employer health tax payments until September 30, 2020. Businesses with a payroll under this threshold are already exempt from the tax.
- Extending tax filing and payment deadlines for the provincial sales tax (PST), municipal and regional district tax, tobacco tax, motor fuel tax and carbon tax until Sept. 30, 2020.
- The scheduled April 1 increase to the provincial carbon tax, as well as the new PST registration requirements on e-commerce and the implementation of PST on sweetened carbonated drinks, will be delayed and their timing will be reviewed by Sept. 30, 2020.
- Business and light- and major-industry property classes will see their school tax cut in half. This will provide \$500 million in immediate relief for businesses that own their property and allow commercial landlords to immediately pass savings on to their tenants in triple-net leases.

Priority 3: Recovery

- **\$1.5 billion** has been allocated for economic recovery
- Recovery plan will dedicate funding to particularly hard-hit parts of the economy, such as the tourism, hospitality and culture sectors
- The B.C. government is partnering with business and labour leaders to build an economic stimulus plan to get the economy back on its feet.

You can find the provincial government's news release on today's announcement [here](#).

If you have any questions at all, or require further analysis, please do not hesitate to contact us.

Thank you on behalf of the Earnscliffe team!

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