

Financial Supports for OMA Members from Federal/Provincial Governments, Banking Sector

The COVID-19 pandemic has had a detrimental effect on the economy and business in general. For OMA members, this means potential financing and cash-flow difficulties due to practice disruptions. Both the federal and provincial governments have announced economic initiatives to support physicians and others during this extraordinary time. Canadian banks have announced relief programs of their own. Below is a summary of policies and programs that may be of benefit to you and/or your practice.

Your Income

Canada Emergency Response Benefit (CERB)

The federal government has introduced the [Canada Emergency Response Benefit \(CERB\)](#):

- This taxable benefit would provide \$2,000 a month for up to four months for workers who lose their income as a result of the COVID-19 pandemic.
- The CERB covers Canadians who have lost their job, are sick, quarantined, or taking care of someone who is sick with COVID-19, as well as working parents who must stay home without pay to care for children who are sick or at home because of school and daycare closures.
- The CERB would apply to wage earners, as well as contract workers and self-employed individuals who would not otherwise be eligible for Employment Insurance.
- Additionally, workers who are still employed, but are not receiving income because of disruptions to their work situation due to COVID-19, would qualify for the CERB.

Your Employees

Federal Wage Subsidy

- The federal government has announced a [10% wage subsidy](#) applicable between March 18 to June 20, 2020.
- This subsidy is up to a maximum of \$1,375 per employee and \$25,000 per employer.

Laying Off Employees

- If you need to lay off employees temporarily, there is no requirement in Ontario to give or pay notice since the employee is not being terminated. Get the details in Ontario's [guide to the Employment Standards Act](#).
- In Ontario, employers have the option to temporarily lay off employees for up to 13 weeks. After 13 weeks, the layoff becomes permanent and severance pay rules will apply.

Your Family

- The provincial government is helping families pay for extra costs associated with school and daycare closures by providing a one-time \$200 payment per child up to 12 years of age, and \$250 for those with special needs, including children enrolled in private schools. [Read the news release](#).
- The provincial government is keeping open some emergency childcare centres to support health care workers and other frontline staff – [read the news release](#). Once the centres have been established, they will be reported on the government's [COVID-19 webpage](#).

Filing Your Taxes

- Individuals now have until June 1, 2020, to submit their income tax return. Learn more about [tax-filing and payment deadlines](#).

Improving Your Expenses, Financing and Cash Flow

Banks

Canada's [six largest banks](#) have committed to working with personal and small business customers on a case-by-case basis. Provisions may include:

- Up to a six-month payment deferral for mortgages.
- Opportunity for relief on other credit products.
- Contact your bank for more details.

Government Programs

- The new [Business Credit Availability Program](#) provides \$10 billion of additional support to businesses experiencing cash flow challenges through the Business Development Bank of Canada and Export Development Canada.

Reductions to Your Hydro Costs

- The provincial government has committed to making electricity bills more affordable for residential and small business consumers. [Read the news release](#).
- In addition, if you are a time-of-use customer, the provincial government is also setting electricity prices at the lowest rate, 24 hours a day for 45 days.

Tax Cuts

- The provincial government announced it is cutting taxes through a proposed temporary increase to the [Employer Health Tax exemption](#).

Tax Payment Deferrals

- The deadline to pay any balance due for your individual income tax and benefit return for 2019 has been extended from April 30, 2020, to September 1, 2020. This means you will not be assessed any penalties or interest if your balance due is paid by

September 1, 2020. Learn more about [tax-filing and payment deadlines](#)

- Businesses may also defer their federal income tax payment (for taxes owed between March 18, 2020 and before September 1, 2020) until September 1, 2020. This means you will not be assessed any penalties or interest if your balance due is paid by September 1, 2020. Learn more about [tax-filing and payment deadlines](#)
- The provincial government is also providing a five-month interest and penalty-free period to make payments for the majority of provincially administered taxes. [Read more about interest and penalty relief for businesses.](#)

WSIB Payment Deferrals

- The provincial government is allowing employers to defer their Workplace Safety and Insurance Board payments for up to six months. [Read the news release.](#)