

Daily Update – 8 April 2021

\$50M grant program announced for B.C. businesses affected by COVID-19 'circuit breaker'

A \$50-million relief package is coming for 14,000 B.C. restaurants, bars, gyms and other businesses hit hard by the March 30 tightening of COVID-19 provincial health orders. Dubbed the Circuit Breaker Business Relief Grant, the program will give affected businesses a one-time cash infusion of \$1,000 to \$10,000 to help with expenses such as rent, insurance and employee wages.

The grant is open to eligible businesses of any size that have been in operation since Feb. 1. [Grant applications](#) are expected to open the week of April 12 and close on June 4 or earlier if the funds run out.

The government expects the majority of eligible businesses will receive a grant of \$5,000. The program is scalable depending on the number of employees. To be eligible, a business is required to:

- Confirm it has been affected by the recent provincial health orders.
- Provide electronic banking information.
- Confirm it is registered as a B.C. business.
- Produce a business validation document, such as a business licence, liquor licence, notice of assessment or lease agreement.
- Confirm majority ownership and operations and payment of taxes in B.C.

Alberta Enhanced COVID-19 Business Benefit

Starting in mid-April, the Enhanced COVID-19 Business Benefit will provide payments of up to \$10,000 to eligible small and medium businesses most affected by the pandemic and ongoing public health restrictions.

Businesses can use these funds as they see fit to help offset the costs of re-opening, and implementing public health measures including:

- physical barriers
- purchasing personal protective equipment and disinfecting supplies
- paying rent and employee wages
- replacing inventory
- expanding online business or e-commerce opportunities

Applications will open in mid-April 2021.

Manitoba 2021 budget

Finance Minister Scott Fielding presented the 2021-22 budget to the Manitoba legislature Wednesday afternoon. The budget focused primarily on mitigating the effects of the global [COVID-19](#) pandemic and includes things like rebate cheques and rent freezes for residential tenants.

The budget did include the first step in a plan to phase out education taxes on property and instead fund schools directly from provincial coffers. Residential and farmland owners are to receive a 25 per cent rebate this year, while owners of commercial and other land are to get a 10 per cent rebate. Next year, residential property owners will see a 50 per cent rebate.

Real gross domestic product (GDP) is projected to grow in Manitoba by 4.1 per cent in the coming year, followed by 3.6 per cent in the subsequent year, according to budget documents.

The province is also planning to reduce its 2021-22 budget deficit by around \$400 million, to a forecast \$1.6 billion. Manitoba's total debt is expected to rise to \$30 billion, up \$2.4 billion from the year prior.

Total provincial spending is projected to fall around \$500 million to \$19.44 billion, mainly due to a \$800-million drop in expected COVID-19 spending, to \$1.18 billion. The new pandemic costs will be divvied up among public health, improvements to the health-care system and the vaccination campaign.

The province is expecting an increase in sales tax revenue, in part because Manitoba will apply the provincial sales tax to streaming services, online accommodation platforms and online marketplaces which will take effect in December.

The government will remove the seven per cent PST on personal services such as haircuts and salon visits, reduce vehicle registration fees by an extra 10 per cent and lower payroll taxes for small businesses, which the budget says will offer savings for 1,100 employers.

The government is raising the payroll tax exemption threshold from \$1.5 million to \$1.75 million of annual payroll, and raising the threshold below which employers pay a reduced rate from \$3.0 million to \$3.5 million.

They have also allocated \$62 million for COVID-19 recovery job creation and workforce training that will help businesses find workers and workers find jobs. There is also \$25 million for youth and student job hiring, through a range of public, private and non-profit sector-focused programs.

[Manitoba's Roadmap to Economic Recovery](#)

Ontario stay at home order

Ontario has declared its third provincewide state of emergency as the number of COVID-19 cases surge, issuing a stay-at-home order effective 12:01 a.m. Thursday.

The province-wide Stay-at-Home order requiring everyone to remain at home except for essential purposes, such as going to the grocery store or pharmacy, accessing health care services (including getting vaccinated), for outdoor exercise, or for work that cannot be done remotely.

Workplace Inspections accelerated

Health and safety inspectors and provincial offenses officers will increase inspections and enforcement at essential businesses in regional hot zones

Retail restrictions

The province is strengthening measures for non-essential retail by:

- Limiting the majority of non-essential retailers to only operate for curbside pick-up and delivery, via appointment, between the hours of 7 a.m. and 8 p.m., with delivery of goods to patrons permitted between 6:00 am and 9:00 pm, and other restrictions;
- Restricting access to shopping malls to limited specified purposes, including access for curbside pick-up and delivery, via appointment, with one single designated location inside the shopping mall, and any number of designated locations outside the shopping mall, along with other restrictions;
- Restricting discount and big box stores in-person retail sales to grocery items, pet care supplies, household cleaning supplies, pharmaceutical items, health care items, and personal care items only;

Office Restrictions

The Stay-at-Home order also restricts who may work from an office until May 6 (when the current Order ends). The regulation only allows people to work in an office if “the nature of their work requires them to be on-site at the workplace.”

Here is a simple [Q&A that CTV](#) put together to help you understand some of the other the changes

Vaccinations are being accelerated

The province is also expanding vaccine eligibility for more people over the age of 18 in regions hardest hit by the virus, starting with Toronto and Peel Region. Mobile teams are being organized to offer vaccines to those 18 and over in high-risk congregate settings, residential buildings, faith-based locations and locations occupied by large employers in hot-spot neighbourhoods. Education workers in high-risk neighbourhoods will be allowed to book vaccinations starting next week.

[Read the government's press release](#)

[Find out how to book a vaccine appointment](#)

Quebec brings back 8:00p curfew

Premier François Legault announced today he was rolling back the curfew in the two cities to 8 p.m., starting on Sunday. He also announced that the added lockdown measures in place in Quebec City, Lévis, Beauce and Gatineau — where variants of COVID-19 are spreading rapidly — will be extended until April 19.

The extension was expected after the province reported more than 1,600 new cases on Thursday, the highest total since Jan. 23.

Schools switched to online learning only last week in Québec City, Lévis, Beauce and Gatineau. Non-essential businesses were closed there and the curfew brought back to 8 p.m.

StatsCan: Credit extended to Canadian corporations decreases in the second half of 2020

Outstanding credit extended to Canadian corporations edged down 0.8% (-\$7.8 billion) from the first half of 2020 to \$1,007.0 billion at the end of the second half of 2020. On a year-over-year basis, total business credit outstanding increased 2.2% (or +\$22.1 billion).

Total business credit outstanding decreased from the first half of 2020 for borrowers in several industries. The manufacturing industry led the decrease (-\$7.1 billion), followed by the finance and insurance industry (-\$5.7 billion).

Total term credit disbursed during the second half of 2020 was \$134.5 billion, down 12.3% (-\$18.9 billion) from the first half of 2020.

The finance and insurance industry led the decrease in term credit, down 29.9% (or -\$6.8 billion).

Conference Board: Canadian Economic Outlook

Canada's economy will expand by 5.8 per cent this year and 4.0 per cent in 2022, thanks to the rollout of vaccines, which has led to a gradual reopening of the economy and boosted confidence.

The federal fiscal deficit will improve from the \$219 billion recorded in 2020 but will remain uncomfortably high.

The Bank of Canada will keep interest rate hikes on hold until the early part of 2023, as inflation, while spiking higher in the spring of this year, will remain in the Bank's 2.0 per cent target range through the medium term.

The Canadian economy has already recovered close to 80 per cent of the jobs lost during the severe recession last year and the unemployment rate stood at 8.2 per cent in February, down from double-digits in the spring and summer of 2020.

[Conference Board of Canada](#)