

# COVID-19 Canada's Economic Response Plan

## Individuals - Summary

### Canada Emergency Response Benefit (CERB)

CERB is a taxable benefit of \$2,000 every four weeks for up to 16 weeks to eligible workers who have lost their income due to COVID-19. This includes workers 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 benefit applies to wage earners, as well as contract-workers and the self-employed who would not otherwise be eligible for Employment Insurance.

On April 15, the CERB was extended to seasonal workers who have exhausted their EI regular benefits and are unable to undertake their regular seasonal work because of COVID-19. The CERB was also extended to workers who have recently exhausted their EI regular benefits and are unable to find a job because of COVID-19.

**Up to \$2,000**  
**per month for 4**  
**months**



#### Tax returns

Filing deadline for individuals is moved to June 1, 2020, from April 30, 2020. Payment of income tax can be deferred to September 1, 2020.



#### Mortgage payments

Several mortgage support options are available such as payment deferral, loan re-amortization, special-payment arrangements. Contact your lender or mortgage professional to see what options are available to you.



#### Canada child benefit

The maximum annual benefit will be increased by \$300 per child for the 2019-20 benefit year. Overall increase will be approximately \$550 per family.



#### GST credit

The maximum annual GST credit will be doubled for the 2019-20 benefit year. One-time special payment to be made by early May 2020. This will increase income by \$400 for qualifying individuals and \$600 for couples.



#### RRIF withdrawals

The RRIF minimum withdrawal amount can be reduced by 25% for 2020.



#### Student loans

Six-month interest-free moratorium on repayment of Canada Student Loans.

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## Individuals – Benefits Chart

	Unemployed due to COVID-19 or reduced employment income	Parents	Borrowers	Receiving GST Credits	Tax filing
<b>Benefit(s)</b>	You can expect to receive \$500 per week for a 4-week period to be paid by direct deposit or cheque if your banking information is not on file with the CRA. When the next 4- week period begins, you will need to re-apply.	You will receive an extra \$300 of additional Child Care Benefit (CCB) as part of your scheduled CCB payment in May	Your bank should allow you to defer payments	You will receive a one-time payment of between \$400 and \$600	The tax filing deadline for individuals is extended.
<b>Our interpretation</b>	If you are out of work because of Covid-19 or have had your hours reduced such that you are earning less than \$1,000/month, you should apply for this benefit. Once you have logged into my CRA, it is simple (3-Clicks).	This is an additional benefit meant to supplement parents who now must stay home with children while school is out.	Mortgage payments may be deferred, but interest will continue to accrue, which will lengthen the payback period if utilized.	This will be useful for low-income households.	File as early as possible if you think you will be receiving a refund. If you owe tax, you can wait longer to pay.
<b>Qualifying conditions</b>	<ul style="list-style-type: none"> <li>You reside in Canada and are at least 15 years old.</li> <li>Are eligible for Employment Insurance (EI) or exhausted EI benefits after December 29, 2019.</li> <li>Had an employment income of at least \$5,000 in 2019.</li> <li>You did not quit your job voluntarily.</li> </ul>	Have a dependent child(ren) and already receiving CCB. More information on CCP <a href="#">here</a> .	<a href="#">Start here</a>	Must already be receiving GST	None
<b>How to apply</b>	Online <a href="#">Through MyCRA</a> or by phone at 1-800-959-2019 or 1-800-959-2041. Have your SIN and Postal code ready	No application necessary	<a href="#">Start here</a>	No application necessary	No application necessary
<b>Key dates</b>	Eligibility began March 15 and goes until September 26 (could change).	Additional amounts will be added to the regular May CCB payment	Will depend on your lender. The duration of this benefit is six months.	Payment date April 9, 2020	June 1, 2020 – Filing deadline September 1, 2020 – deadline to pay amounts owing.

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	Students/Recent graduates
<b>Benefit(s)</b>	<ul style="list-style-type: none"> <li>• \$1,250 per month for eligible students and \$1,750 for students with dependents or with disabilities.</li> <li>• The Canada Student Grant will double to a maximum of \$6 K for full-time and \$3,600 for part-time students. The grant for students with disabilities will also double.</li> <li>• Six-month interest-free deferral of student loan payments.</li> <li>• \$5 K for students who choose to do national service and serve their communities. Benefit will go towards for their education in the fall.</li> <li>• 5. Student loan eligibility amounts will increase from \$210 to \$350 weekly</li> </ul>
<b>Our interpretation</b>	<p>These measures are still relatively new, and criteria are still being finalized as of today May 4<sup>th</sup>. From the available information, it seems that students would be disincentivized to work this summer if earning more than \$1,000/month, but less than \$1,250 (or slightly more). If this is the case, students should consider qualifying community service to earn \$5,000 toward education and help their community in the process. Also, businesses of all types should be looking to hire students more than usual as the federal government plans to cover student wages up to the minimum wage. We hope/think this will provide more opportunities for students to explore career possibilities. We see this as a win-win initiative.</p>
<b>Qualifying conditions</b>	<ul style="list-style-type: none"> <li>• This benefit will be available for students earning up to \$1,000/month.</li> <li>• Be in school, starting school this September or graduated in December 2019.</li> </ul>
<b>How to apply</b>	<p>There is still limited information on the application process. Monitor updating information on applications <a href="#">here</a>.</p>
<b>Key dates</b>	<ul style="list-style-type: none"> <li>• May to August 2020.</li> <li>• During the 2020-2021 School year</li> <li>• March 30 to September 30, 2020</li> <li>• Available when school starts Sept. 2020.</li> <li>• Available when school starts Sept. 2020.</li> </ul>

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