

A Shot in the Arm: Canada Announces Sweeping Stimulus Measures to Assist Employees and Businesses

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By Daniel Wong, Megan Mah, Sean Foran, and Max Skrow

In the last two days the federal and Ontario provincial governments have announced proposed substantial emergency legislation in response to the COVID-19 pandemic.

On March 16, 2020, Ontario's provincial government announced its intention to pass legislation granting job-protected leave and other benefits to employees who are in quarantine as a result of COVID-19 or who are required to miss work to care for children due to school and/or daycare closures.

A press release issued by the provincial government provides some details regarding the anticipated legislation. The proposed legislation would provide job protections for employees where:

- The employee is under medical investigation, supervision or treatment for COVID-19;
- The employee is acting in accordance with an order under the *Health Protection and Promotion Act*;
- The employee is in isolation or quarantine;
- The employee is acting in accordance with public health information or direction;
- The employer directs the employee not to work; or
- The employee needs to provide care to a person for a reason related to COVID-19 such as a school or daycare closure.

The proposed legislation would further provide that employees will not be required to provide a medical note if they take leave under the statute. The provincial government also plans to make the legislation retroactive to January 25, 2020.

Based on the details given in the provincial government's press release, this legislation will be broad in scope. That, and the potential for retroactive application may have significant implications for employers.

Then, on March 18, 2019, Prime Minister Trudeau announced a massive \$82 billion aid package to assist Canadian workers and businesses, which includes \$27 billion in direct support as well as another \$55 billion in tax deferrals to improve business liquidity, in addition to the creation of a \$10 billion credit fund to lend money to businesses, which was announced on March 13, 2020.

Employees who do not qualify for employment insurance will be able to apply to receive an "Emergency Support Benefit" payment of up to \$900 every two weeks for a period of 15 weeks. The federal government has also extended the tax filing deadline to June 1, 2020, and has waived the one-week waiting period for sick-leave employment insurance benefits.

Canada and the US have also bilaterally agreed to close their borders for all non-essential travel.

These proposed legislative and executive acts will have significant implications for businesses small and large. WeirFoulds'

Employment Law Group will be monitoring the progress of the legislation and will provide updates as these developments unfold. For more information on how to respond to COVID-19 in your workplace or organization, please contact one of the authors listed above.

The information and comments herein are for the general information of the reader and are not intended as advice or opinion to be relied upon in relation to any particular circumstances. For particular application of the law to specific situations, the reader should seek professional advice.

For more information or inquiries:



Daniel Wong

Toronto
416.947.5042

Email:
dwong@weirfoulds.com

Daniel Wong is Chair of the Firm's Employment & Labour Practice Group with a practice that is focused on employment and labour relations.



Megan Mah

Toronto
416.947.5098

Email:
mmah@weirfoulds.com

Megan Mah has a diverse practice that focuses on human rights, employment, civil litigation, administrative and constitutional law.



Sean Foran

Toronto
416.947.5019

Email:
sforan@weirfoulds.com

Sean Foran is a leading expropriation lawyer, with extensive experience as counsel in large-scale infrastructure projects. Sean also practises real-estate, employment, business and government litigation.

Toronto

Email:

WeirFouldsLLP

www.weirfoulds.com

Toronto Office

4100 – 66 Wellington Street West
PO Box 35, TD Bank Tower
Toronto, ON M5K 1B7

Tel: 416.365.1110
Fax: 416.365.1876

Oakville Office

1320 Cornwall Rd., Suite 201
Oakville, ON L6J 7W5

Tel: 416.365.1110
Fax: 905.829.2035