



March 25, 2020

## March 2020 Economic and Fiscal Update

Today the Minister of Finance, the Honourable Rod Phillips, delivered an economic and fiscal update at Queen's Park. The Minister noted this is a starting point; more will need to be done. At this time the government is responding to the immediate circumstances created by COVID-19. Longer term impacts on municipal governments and others are not yet fully understood.

In general, the government has outlined a \$17 billion plan to support Ontario's response to COVID-19. This includes \$3.3 billion for health care and \$3.7 billion for people and jobs in new direct spending. It also includes province-wide cash flow measures totalling \$10 billion in deferrals for provincial taxes and charges. This includes \$6 billion in deferral for business, \$1.9 billion in WSIB deferrals for employers, and \$1.8 billion in deferrals for the remittance of municipal education property tax payments. (See details below).

**Highlights of a municipal interest include the following:**

### Property Taxation

**Property Assessment Postponed** – The provincial government is postponing the assessment update for 2021. Assessed values for 2021 will be based on the same valuation date as they are for 2020. There will be no financial impact for municipalities as a result of this postponement. MPAC will continue to update assessment rolls to reflect new construction. Technical details related to this postponement will be determined in the months ahead.

**Education Property Tax Remittance Deferral** – The provincial government is deferring the required municipal quarterly remittance of education tax collections by 90 days. The current remittance due March 31 remains unchanged. This will affect two future quarterly payments. The remittance which would have been due on June 30 is now due on September 30. The payment which had been due September 30 is now due December 30. This measure supports single and lower tier Council decisions on property tax deferrals and the waiving of late penalties.

### Health Care and Social Services

The government response includes an additional \$3.3 billion in funding for the health care system including \$75 million for personal protective equipment and critical medical supplies. Of municipal interest, this includes:

**Municipal Service Managers and DSSABs** – As previously announced this week, the government is providing \$200 million of assistance for homeless shelters, food banks, emergency services, other community services, and expanded discretionary to those receiving social assistance. As part of the \$200 million, emergency assistance will be provided to individuals not eligible for other income support programs.

**Paramedic Services** – Approximately \$80 million for ambulance and paramedic services.

**Public Health** – Recently announced increases to public health will now be extended into 2021. In total, the statement includes an additional \$100 million for public health.

Additional dollars are being provided to long-term care home for emergency capacity and virus containment.

**Other** - For municipalities responding to inquiries from business, the province has launched a toll-free line for questions related to workplaces and the province's emergency orders following recommendations by Ontario's Chief Medical Officer of Health. That number is 1-888-444-3659.

**WSIB**- Providing up to \$1.9 billion in financial relief by the Workplace Safety and Insurance Board (WSIB) allowing employers to defer payments for up to six months.

AMO's [COVID-19 Resources](#) page is being updated continually so you can find critical information in one place. Please send any of your municipally related pandemic questions to [covid19@amo.on.ca](mailto:covid19@amo.on.ca).

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