

## COVID-19 BULLETIN – MAY 19, 2020

By Greg Heywood and Paige Ainslie

It's a new dawn, it's a new day, and Phase 2 is here. As announced by Premier John Horgan on May 6, 2020, this next phase of British Columbia's restart plan begins today, with a number of businesses being permitted to reopen, subject to certain guidelines.

Prime Minister Justin Trudeau also announced today an expansion to the eligibility criteria for the Canada Emergency Business Account, and an extension to the Canada-U.S. border closure to June 21, 2020.

### **Phase 2 of BC's Restart Plan**

As summarized in our [May 6, 2020, bulletin](#), Phase 2 of the [BC Restart Plan](#), includes an increase in business activity in several sectors, under enhanced protocols, including:

- Restoration of health services (re-scheduling elective surgery);
- Medically related services including: dentistry, physiotherapy, registered massage therapy, chiropractors, physical therapy, and speech therapy;
- Retail sector;
- Hair salons, barbers, and other personal service establishments;
- In-person counselling;
- Restaurants, cafes, and pubs;
- Museums, art galleries, and libraries;
- Office-based worksites;
- Recreation and sports;
- Parks, beaches, and outdoor spaces; and
- Child care.

Under Phase 2, all employers – both those who are re-opening following mandated closures and those who have continued operations during the pandemic – are required to:

1. Ensure compliance with the [Provincial Health Officer's Orders](#); and
2. Develop and implement a COVID-19 Safety Plan: more information on these can be found in our [May 15, 2020, bulletin](#), and on the [WorkSafeBC website](#).

During Phase 2, individuals are being asked to stay close to home and avoid any non-essential travel.



## **Expansion of the Canada Emergency Business Account**

As covered in our [previous COVID-19 bulletins](#), the Canada Emergency Business Account (“CEBA”) provides interest-free loans of up to \$40,000 to small businesses and not-for-profits, to help cover operating costs during periods of temporary revenue reduction. If the balance of the loan is repaid on, or before, December 31, 2022, 25% of the loan will be forgiven (up to \$10,000).

When announced on March 27, 2020, to qualify for the loan, organizations needed to demonstrate between \$50,000 and \$1 million in total payroll in 2019. On April 16, 2020, the payroll eligibility range was increased to between \$20,000 and \$1.5 million.

Today, the government announced that the eligibility criteria would be further expanded to include many owner-operated small businesses. To qualify, applicants with payroll below \$20,000 need to have:

- a business operating account at a participating financial institution;
- a Canada Revenue Agency business number, and to have filed a 2018 or 2019 tax return; and
- eligible, non-deferrable, expenses between \$40,000 and \$1.5 million (which can include costs such as: rent, property taxes, utilities, and insurance).

The Federal Government confirmed that business expenses will be subject to verification and audit. The launch date for applications under the new criteria will be announced in the coming days.

## **Canada-U.S. Border**

An agreement has been reached between Canada and the United States to keep the border closed to all non-essential travel until June 21, 2020. The agreement exempts the flow of trade and commerce, as well as vital health-care workers such as nurses who live and work on opposite sides of the border.

Although the extended closure of the border may be unwelcome news for Canadian businesses that rely on cross-border tourism, it comes as a relief for those concerned that the arrival of this next phase of business operations could result in increased infection rates, even absent the arrival of international visitors.

A recent article in the [New York Times](#) highlights the drastic difference between British Columbia’s infection and death rates, as compared to states of comparable size in the United States: 2 fatalities for every 100,000 people in B.C., as compared to 52 for every 100,000 in Massachusetts. A difference the article’s author credits to Canada’s Public Health Sector, said to greatly facilitate efficient decision-making:

“The kind of system we have in Canada — and I think in British Columbia we have a pretty well-run version of it — allows the public health authorities to essentially commandeer the hospital system. It’s a command and control thing, it’s not a coordination thing,” he said.



In the United States, Professor Berman said, hospitals are largely private institutions without any overall control.

Although Provincial Health Officer, Dr. Bonnie Henry, announced Monday that 16 new COVID-19 cases had been confirmed in a 48-hour period, B.C.'s overall infection and death rates remain relatively low at 2,444 confirmed cases (335 active), and 143 deaths. This compared to 87,925 reported cases, and 5,938 deaths, in Massachusetts ([as of May 19, 2020](#)).

### **Navigating COVID-19 in the Workplace**

For further information relating to the COVID-19 pandemic and how it may impact your workplace, please look to our previous bulletins, which can be found on [Roper Greyell's COVID-19 resource page](#).

This memorandum is current to the morning of **May 19, 2020**, but the pandemic and the responses of federal and provincial governments continue to evolve, and this may impact the accuracy of the information in this bulletin. If in doubt about whether anything in this document is still current, please do not hesitate to [contact us](#).

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