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BILL C-13: AN ACT RESPECTING CERTAIN MEASURES IN RESPONSE TO COVID-19

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Economics, Resources and International Affairs Division
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Notice: For clarity of exposition, the legislative proposals set out in the bill described in this Legislative Summary are stated as if they had already been adopted or were in force. It is important to note, however, that bills may be amended during their consideration by the House of Commons and Senate, and have no force or effect unless and until they are passed by both houses of Parliament, receive Royal Assent, and come into force.
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LEGISLATIVE SUMMARY OF BILL C-13: 
AN ACT RESPECTING CERTAIN MEASURES IN 
RESPONSE TO COVID-19*

1 BACKGROUND

Bill C-13, An Act respecting certain measures in response to COVID-19 (short title: COVID-19 Emergency Response Act),1 was introduced and read for the first time in the House of Commons on 24 March 2020, following extensive inter-party negotiations.2 The bill also received second reading, was referred to the Committee of the Whole, was concurred in at report stage, and received third reading that same day. On 25 March 2020, the bill proceeded without amendment through the Senate, including study by the Committee of the Whole, and received Royal Assent.

As the bill’s short and long titles suggest, the purpose of Bill C-13 is to implement measures to respond to the COVID-19 pandemic.

Bill C-13 has 18 parts:

• Part 1 implements certain income tax measures related to the goods and services tax/harmonized sales tax credit, the Canada Child Benefit, and withdrawals from registered retirement income funds. It also provides eligible small employers a temporary wage subsidy for a period of three months (clauses 2 to 7).

• Part 2 enacts the Canada Emergency Response Benefit Act to authorize the making of income support payments to workers who suffer a loss of income for reasons related to COVID-19 (clause 8).

• Part 3 enacts the Public Health Events of National Concern Payments Act, which temporarily authorizes payments in relation to public health events of national concern (clause 9).

• Part 4 amends the Canada Deposit Insurance Corporation Act to allow the Minister of Finance to increase the deposit insurance coverage limit until 30 September 2020 (clauses 12 to 15).

• Part 5 amends the Canada Mortgage and Housing Corporation Act to authorize the making of payments to that Corporation for the purpose of increasing its capital (clause 16).

• Part 6 amends the Export Development Act in various respects, and also provides for the suspension of certain provisions of the Export Development Canada Exercise of Certain Powers Regulations (clauses 17 to 21).
Part 7 amends the Federal-Provincial Fiscal Arrangements Act to authorize additional payments to the provinces and territories for the fiscal year beginning on 1 April 2019 (clause 22).

Part 8 amends the Financial Administration Act in various respects, and also makes related or consequential amendments to the Borrowing Authority Act and the Canada Deposit Insurance Corporation Act (clauses 23 to 32).

Part 9 amends the Food and Drugs Act to, among other things, temporarily authorize the Governor in Council to make regulations preventing shortages of therapeutic products in Canada or alleviating those shortages or their effects, in order to protect human health (clauses 33 to 35).

Part 10 amends the Canada Labour Code to, among other things, create a regime which provides for a leave related to COVID-19 of up to 16 weeks (clauses 36 to 46).

Part 11 amends the National Housing Act to increase, for a period of five years, the maximum total for the outstanding insured amounts of all insured loans (clauses 47 to 50).

Part 12 adds a time-limited provision to the Patent Act related to authorizations to make, construct, use and sell a patented invention to the extent necessary to respond to a public health emergency that is a matter of national concern (clause 51).

Part 13 amends the Canada Student Loans Act to provide that, during the period from 30 March 2020 to 30 September 2020, no interest is payable by a borrower on a guaranteed student loan and no amount on account of principal or interest is required to be paid by the borrower (clause 52).

Part 14 amends the Farm Credit Canada Act to authorize the Minister of Finance to determine the limit on the amounts that the Minister of Finance may pay to Farm Credit Canada out of the Consolidated Revenue Fund (clause 53).

Part 15 amends the Canada Student Financial Assistance Act to provide that, during the period from 30 March 2020 to 30 September 2020, no interest is payable by a borrower on a student loan and no amount on account of principal or interest is required to be paid by the borrower (clause 54).

Part 16 amends the Business Development Bank of Canada Act to authorize the Minister of Finance to determine the limit on the aggregate of the paid-in capital – and any related contributed surplus – of the Business Development Bank and any proceeds prescribed as equity (clause 55).

Part 17 amends the Apprentice Loans Act to provide that, during the period from 30 March 2020 to 30 September 2020, no interest is payable by a borrower on an apprentice loan and no amount on account of principal or interest is required to be paid by a borrower (clause 56).
Part 18, which is subdivided into two divisions, amends the Employment Insurance Act. Division 1 gives the Minister of Employment and Social Development the power to make interim orders for the purpose of mitigating the economic effects of COVID-19. Division 2 provides that references in the Employment Insurance Act and its regulations to specified medical certificates are deemed to be of no effect, and that any benefit that would have been payable to a claimant had such a certificate been issued may nonetheless be payable to the claimant (clauses 58 to 61).

This document provides a brief description of the main measures proposed in the bill by summarizing the substance of each part. For ease of reference, the information is presented in the same order as it appears in the summary of the bill.
2 DESCRIPTION AND ANALYSIS

2.1 PART 1: INCOME TAX MEASURES

2.1.1 Part 1 (a): One-time Additional Payment under the Goods and Services Tax/Harmonized Sales Tax Credit

Clauses 2(1) and 2(3) of Bill C-13 add sections 122.5(3.001) and 122.5(4.1) to the Income Tax Act (ITA) to introduce a one-time additional non-taxable payment under the refundable goods and services tax/harmonized sales tax (GST/HST) credit. The amount of the additional payment depends on an individual’s family income for 2018 and the family’s situation in May 2020 (or an earlier month specified by the Minister of National Revenue). This amount is determined by the following formula:

\[ 0.5(A - B) \]

A is the total of

a) $580;

b) $580 for their cohabitating spouse, common-law partner or other qualified relation;\(^3\)

c) $580 for an individual who has no cohabitating spouse, common-law partner or other “qualified relation” and can claim the wholly dependent person credit\(^4\) under section 118(1)(b) of the ITA;

d) $306 for each eligible child (or other “qualified dependant”\(^5\)), other than a qualified dependant in respect of whom an amount is included under (c);

e) $306 for an individual who has no cohabitating spouse, common-law partner or other “qualified relation” and has one or more qualified dependants (amount for a single-parent family); and

f) the lesser of $306 and 2% of the amount by which the individual’s income for 2018 exceeds $9,412, for an individual who has no cohabitating spouse, common-law partner or other “qualified relation” and no qualified dependant.

B is 5% of the amount by which the individual’s adjusted income for 2018 exceeds $37,789.

For example, a single person without children could receive a maximum additional payment of $443, while a couple or a single-parent family could receive a payment of $580 as well as $153 per eligible child.
Clause 2(2) adds section 122.5(3.02) to the ITA to specify that each shared-custody parent is entitled to one half of the additional payment calculated under new section 122.5(3.001) in respect of the children.

Clause 5 makes coordinating amendments to the tax assessment rules.

2.1.2 Part 1 (b): Temporary Additional Amounts under the Canada Child Benefit

Clause 3 adds section 122.61(1.01) to the ITA to introduce a non-taxable, one-time additional payment of $300 per child eligible for the May 2020 Canada Child Benefit. Families already receiving the Canada Child Benefit will receive this additional payment without applying for it.

2.1.3 Part 1 (c): Reducing Required Minimal Withdrawals from Registered Retirement Income Funds

Beneficiaries of a registered retirement income fund (RRIF) must begin annually withdrawing a minimum amount from their RRIF the year following the year the RRIF is established. The minimum annual withdrawal amount is calculated based on the beneficiary’s age at the time of withdrawal and the value of the assets held in the RRIF.

Clause 4 adds section 146.3(1.4) to the ITA to reduce the mandatory minimum RRIF withdrawal amount by 25% for 2020.6

Clause 4 also adds section 146.3(1.5) to specify that the 25% reduction in the mandatory minimum RRIF withdrawal amount does not apply for the purposes of the spousal income attribution rules under section 146.3(5.1) of the ITA, the withholding tax rules under section 153(1) of the ITA, and the definition of a periodic pension payment in section 5 of the Income Tax Conventions Interpretation Act.

Clause 7 adds section 8506(7.1) to the Income Tax Regulations to provide similar rules for beneficiaries of a defined contribution pension plan.

2.1.4 Part 1 (d): Providing Eligible Small Employers a Temporary Wage Subsidy

Clause 6 adds sections 153(1.02), 153(1.03) and 153(1.04) to the ITA to provide eligible small employers a temporary wage subsidy for the period from 18 March 2020 to 19 June 2020.

New section 153(1.02) sets out the formulas for calculating the amount of the temporary wage subsidy based on amounts to be prescribed by regulation.
According to the Canada Revenue Agency, the temporary wage subsidy will be equal to 10% of the remuneration paid by an eligible employer up to $1,375 per employee and a maximum of $25,000 total per employer.7

New section 153(1.03) of the ITA adds certain definitions of terms applicable for the purposes of the temporary wage subsidy:

An “eligible employee” must be employed in Canada.

“Eligible remuneration” means salary, wages or other remuneration paid to an eligible employee during the “eligible period” beginning 18 March 2020 and ending 19 June 2020.

An “eligible employer” means an individual, a partnership, a Canadian-controlled private corporation eligible for the small business deduction, a non-profit organization or a registered charity. Eligible employers must also have a business number in respect of which they are registered with the Minister of National Revenue to make remittances under section 153 of the ITA.

New section 153(1.04) provides that amounts deemed to have been remitted to the Receiver General under new section 153(1.02) are deemed to not be held in trust under sections 227(4) and 227(4.1) of the ITA.

2.2 PART 2: ENACTMENT OF THE CANADA EMERGENCY RESPONSE BENEFIT ACT

Clause 8 enacts a new Canada Emergency Response Benefit Act (CERBA) to provide income support to Canadians who have lost income due to the COVID-19 emergency.

Section 2 of the CERBA outlines definitions, indicating that workers means persons who are at least 15 years of age and have earned at least $5,000, or an amount set by regulation under section 3, in the previous 12 months from employment, self-employment, specified Employment Insurance benefits or provincial allowances for pregnancy or the care of one or more new-born or adopted children.

Section 4 indicates that the Minister of Employment and Social Development must make income support payments to eligible workers. Section 5 specifies that the payments are for any four-week period from 15 March 2020 to 3 October 2020.

Eligibility criteria are outlined in section 6, such that a worker, whether employed or self-employed, must have ceased working for at least 14 consecutive days within the four-week period for reasons related to COVID-19. Workers are not eligible if they quit voluntarily or if they received, subject to regulations, income during the period
from employment or self-employment, Employment Insurance benefits or provincial allowances for pregnancy or the care of one or more new-born or adopted children.

Under section 7, the Minister may set the amount of income support payments by regulation, as well as distinguish among different classes of workers. Section 8 indicates that income support payments would be made for a maximum of 16 weeks, unless otherwise indicated in regulations.

Sections 9 and 10 allow the collection and use of information and documents to assist in the administration and enforcement of the Act. According to the government’s Charter Statement on the bill, “[i]nformation will only be collected for the limited administrative purpose of verifying information received when workers applied for the payments, as well as preventing non-compliance.”

Clause 11 prevents the payments from being used in bankruptcy or insolvency proceedings, given as a security, retained by way of deduction, set-off or compensation under any other Act of Parliament or being garnished for the purposes of the Family Orders and Agreements Enforcement Assistance Act.

Section 12 outlines conditions for the return of erroneous payments or overpayments.

Section 13 provides a six-year limitation period on actions taken to recover monies owing and allows for the recovery of monies owing by way of deduction, set-off or compensation against any sum of money that may be due or payable by the Crown other than an amount payable under section 122.61 of the ITA, which is related to the Canada Child Benefit.

Section 14 specifies that no interest is payable on any amount owing.

2.3 PART 3: ENACTMENT OF THE PUBLIC HEALTH EVENTS OF NATIONAL CONCERN PAYMENTS ACT

Clause 9 enacts a new Public Health Events of National Concern Payments Act (PHENCPA) to authorize payments in relation to certain public health events.

Under section 2(1) of the PHENCPA, if, after consulting with the Chief Public Health Officer and provincial and territorial health officers, the Minister of Health determines that there is a public health event of national concern, the federal government may make payments of all money required to do anything in relation to that event.

Section 2(2) provides examples of payments in relation to these events, including, acquiring medical supplies, providing assistance to provinces and territories to help cover the cost of safety and emergency response needs, providing income support to
Canadians and funding public health-related programs or expenses incurred by federal departments and agencies.

Section 2(3) defines a public health event of national concern as an extraordinary event that constitutes a public health risk through the spread of an infectious disease, such as COVID-19, and requires a coordinated national or international response.

Together, clauses 10 and 11 repeal the PHENCPA, as of 30 September 2020.

### 2.4 PART 4: AMENDMENTS TO THE CANADA DEPOSIT INSURANCE CORPORATION ACT

Clauses 12 and 13 amend section 12 of the *Canada Deposit Insurance Corporation Act* and add new section 12.01 to give the Minister of Finance the power to increase the insurance coverage limit for deposits with member institutions beyond the current $100,000 limit. The Minister of Finance is required to publish the new limit in the *Canada Gazette* as soon as feasible after making the change. Clauses 14 and 15 eliminate this new power on 1 October 2020, at which point the limit will again be set at $100,000.

### 2.5 PART 5: AMENDMENTS TO THE CANADA MORTGAGE AND HOUSING CORPORATION ACT

Clause 16 amends the *Canada Mortgage and Housing Corporation Act* (CMHCA) to authorize the Minister of Finance, with the approval of the Governor in Council, to make payments to the Canada Mortgage and Housing Corporation (CMHC) out of the Consolidated Revenue Fund for the purpose of increasing the Corporation’s capital. Clause 16 amends section 16 of the CMHCA by creating new sections 16(1) and 16(2).

Section 16(1) states that the capital of the CMHC consists of adding $25 million to the aggregate of any amount paid specified in section 16(2) (rather than $25 million, or such greater amount as may be determined by the Governor in Council from time to time as was outlined in the original text).

Section 16(2) allows the Minister of Finance to make additional capital payments to the CMHC from the Consolidated Revenue Fund with the approval of the Governor in Council. These amounts cannot exceed $10 billion or any additional amount that might be authorized periodically under an appropriation Act.
2.6 PART 6: AMENDMENTS TO THE EXPORT DEVELOPMENT ACT

Clause 17 amends section 10 of the Export Development Act (EDA) to add direct and indirect support for – and development of – domestic business to the purposes of Export Development Canada (EDC). EDC must provide this support and development at the request of – and for a period specified by – the Minister of Small Business, Export Promotion and International Trade and the Minister of Finance, and in a manner that complements the products and services available to domestic business from commercial financial institutions and commercial insurance providers. The Minister of Small Business, Export Promotion and International Trade must publish in the Canada Gazette a notice of such a request that stipulates the request’s effective date and expiry date as soon as feasible.

Clause 17 also permits the Minister of Finance to determine or re-determine, until 30 September 2020, the maximum amount of EDC’s contingent liability relating to its provision of insurance, reinsurance, indemnities and guarantees. The maximum amount is currently the greater of 10 times EDC’s authorized capital or $45 billion. The Minister of Finance must publish a notice of any such determined or re-determined amount in the Canada Gazette as soon as feasible.

Clause 18 amends section 11(1) of the EDA to permit the Minister of Finance to determine or re-determine, until 30 September 2020, the amount of EDC’s authorized capital, with each share having a par value of $100. EDC’s authorized capital is currently $3 billion divided into 30 million shares that have a par value of $100 each. The Minister of Finance must publish a notice of any such determined or re-determined amount in the Canada Gazette as soon as feasible.

Clause 19 amends section 23(1) of the EDA to expand EDC’s ability to enter into certain types of transactions that are financed by the Consolidated Revenue Fund. Specifically, it permits the Minister of Small Business, Export Promotion and International Trade, with the concurrence of the Minister of Finance, to authorize such transactions if they are mentioned in section 10(1.1) of the EDA and if the Minister of Small Business, Export Promotion and International Trade deems that entering into such a transaction is in Canada’s national interest.

Clause 20 amends section 24 of the EDA to permit the Minister of Finance to determine or re-determine, until 30 September 2020, the maximum amount of EDC’s obligations and contingent liabilities in respect of transactions entered into by EDC under section 23 of the EDA, which is currently $20 billion. The Minister of Finance must publish a notice of any such determined or re-determined maximum amount of EDC’s obligations and contingent liabilities in the Canada Gazette as soon as feasible.

Clause 21 suspends certain provisions of the Export Development Canada Exercise of Certain Powers Regulations (EDCECPR). During – and in some cases after – the
specified period of time for such a request stipulated in clause 17, sections 5(2), 6(2) and 6(3) of the EDCECPR, which deal with the approval of certain domestic transactions that involve EDC, do not apply. EDC may also take any steps and do anything that it considers necessary or desirable to implement transactions or arrangements related to such a request.

2.7 PART 7: AMENDMENTS TO THE FEDERAL-PROVINCIAL FISCAL ARRANGEMENTS ACT

On 11 March 2020, the Prime Minister announced $500 million in payments to provinces and territories for critical health care needs and to support mitigation efforts, as needed.9

To put this into effect, clause 22 amends the Federal-Provincial Fiscal Arrangements Act by adding new section 24.71 to authorize a total of $500 million in special payments to the provinces and territories in the fiscal year 2019–2020.

2.8 PART 8: AMENDMENTS TO THE FINANCIAL ADMINISTRATION ACT

Part 8 makes a number of amendments to the Financial Administration Act (FAA).

Clause 24 amends the FAA to authorize the Minister of Finance to undertake borrowing without Governor in Council approval, provided the monies borrowed are required under any Act of Parliament or are for extraordinary circumstances, including in the event of a natural disaster or to promote and maintain the stability of the financial system in Canada. This authority ends on 30 September 2020. Under clause 23, the funds borrowed would be excluded from the borrowing limits set out by the Governor in Council.

Clauses 25 and 26 amend the reporting timelines in the FAA. Clause 25 specifies that the Minister of Finance shall table a report on the funds to be borrowed and the management of the debt within 30 sitting days after the start of the fiscal year. Clause 26 specifies that the Minister of Finance shall table a report on the funds borrowed in respect of extraordinary circumstances within 30 sitting days after the Minister borrows the funds.

Clause 27 provides a new authority, enabling the Minister of Finance to make payments to provinces and territories, or to an entity after consultation with a province or territory, for the purposes of responding to a situation of significant and systemic economic and financial distress.

If it is necessary to promote or maintain the stability of the financial system in Canada, clause 28 authorizes the Minister of Finance to procure the incorporation of a corporation in which the government holds all of the shares. For example, the
Minister of Finance may set up holding companies that could be used to purchase assets of financial institutions or other companies.

The Minister can make regulations concerning the governance of the corporation, give it directives, make payments to it, lend it money and dissolve it. The Minister may also establish an entity, other than a corporation, and make payments to it.

Clauses 29, 30 and 31 make related amendments to the Borrowing Authority Act such that the borrowings noted in clause 24 are excluded from the borrowing limits set out in that Act.

Clause 32 makes a consequential amendment the Canada Deposit Insurance Corporation Act to take into account a renumbering of FAA sections outlined in clause 27.

2.9 PART 9: AMENDMENTS TO THE FOOD AND DRUGS ACT

Part 9 makes changes to the Food and Drugs Act (FDA) to include two new regulation-making authorities under section 30 and to amend section 37(1.2). New section 30(1)(k.2) authorizes the Governor in Council to make regulations requiring any person to provide any information that the Minister of Health has determined is necessary pertaining to food, drugs, devices or cosmetics under circumstances not otherwise addressed under the FDA. The Minister may also determine the timeframe and manner in which the information is to be provided. New section 30(1.4) authorizes the Governor in Council to make regulations for preventing or alleviating shortages of therapeutic products in order to protect human health.

Amended section 37(1.2) no longer lists specific activities associated with food, drugs, devices and cosmetics for which exported products must comply with regulations. Section 37(1.2) now simply states that exported food, drugs, devices and cosmetics must comply with regulations. In addition, whereas section 37(1.2) previously applied to any packaged food, drug, cosmetic or device, the application of amended section 37(1.2) has been expanded to include any food, drug, cosmetic or device (as defined in the FDA).

Additional language stipulates that these changes are designed to be temporary and the FDA will revert to its previous version on 1 October 2020.

2.10 PART 10: AMENDMENTS TO THE CANADA LABOUR CODE

Part 10 of Bill C-13 makes changes to employee leave provisions under Part III of the Canada Labour Code (CLC) in relation to COVID-19. Part III of the CLC sets out the federal labour standards that apply to employees and employers in works,
undertakings or businesses under the legislative authority of the Parliament of Canada. It does not, however, apply to federal public service employees.

Clause 36 of the bill adds new section 168.1 to the CLC to waive the requirement for a certificate from a health care practitioner for employees taking medical leave, compassionate care leave or leave related to critical illness. The requirement to provide documentation in support of the reasons for the leave or change in the length of leave is also waived. These are temporary measures in place until 30 September 2020.

Clause 41 of the bill adds new section 239(1.1) to the CLC to allow employees to take a medical leave of absence of up to 16 weeks as a result of quarantine. Currently, under Part III of the CLC, employees are entitled to medical leave as a result of personal illness or injury, organ or tissue donation, or medical appointments during working hours.

Clause 42 of the bill adds new Division XIII.01 to the CLC (subsections 239.01(1) to 239.01(13)) to provide for a specific leave related to COVID-19. Under the new provisions, employees are entitled to up to 16 weeks of leave (or to another number of weeks if fixed by regulation) if they are unable or unavailable to work for reasons related to COVID-19. Employees must give written notice to their employer regarding the reasons for the leave and the length of the leave.

While on leave related to COVID-19, employees are entitled, upon written request, to be informed about any employment, promotion or training opportunities for which they are qualified. Employee benefits (including pension, health and disability benefits) as well as seniority continue to accumulate during the leave period, provided the employee and employer pay any normally required contributions.

For their part, employers are prohibited from dismissing, suspending, laying off, demoting or disciplining employees for taking this leave. However, employees may be assigned to a different position upon their return from their leave related to COVID-19 if they are unable to perform the work they did prior to their absence.

Clauses 37 to 40 of the bill amend various provisions of Part III of the CLC to extend existing protections to employees so that they can take leave related to COVID-19 or medical leave as a result of quarantine. These protections include:

- interrupting or postponing a vacation;
- interrupting parental leave, compassionate care leave, leave related to critical illness, or leave related to death or disappearance; and
- extending the length of the period during which parental leave may be taken.
Further, clauses 43 to 45 of the bill set up a scheme that amends section 246.1(1)(a) of the CLC (in coordination with the coming into force of relevant provisions from *Budget Implementation Act, 2018, No. 2*) to allow employees to make a written complaint if they believe their employer has acted against them in contravention of their entitlement to leave related to COVID-19. Similar protections already exist in relation to medical leave and other employee rights under the CLC.

Clause 46 of the bill provides for the repeal of all the provisions concerning the new leave in the CLC related to COVID-19, effective 1 October 2020. According to Employment and Social Development Canada, this leave may be used by employees while they are quarantined, self-isolating, or unable to work\(^{10}\) for other reasons related to COVID-19.

Upon this repeal, the regime setting out the medical leave of absence as a result of quarantine will come into force. As explained above, current medical leave provisions do not include quarantine as one of the justifications.

### 2.11 PART 11: AMENDMENTS TO THE NATIONAL HOUSING ACT

Section 11(a) of the *National Housing Act* (NHA) stipulates that the total of the outstanding insured amounts of all insured loans may not exceed the sum of $150 billion and the amount mentioned in section 11(b): any additional amounts authorized by Parliament under an appropriation Act or other Act of Parliament on or after 1 April 1997.

Clause 47(1) of Bill C-13 amends section 11(a) of the NHA so that the total of the outstanding insured amounts of all insured loans may not exceed the sum of $300 billion and any additional amounts authorized by Parliament under an appropriation Act or other Act of Parliament on or after 1 April 1997. Clause 48 adds a new section 11.1, which sets the maximum total of the outstanding insured amounts of all insured loans at $750 billion.

Clauses 47(2) and 49 repeal these changes, reverting to the original text of the law five years after Bill C-13 comes into force (clause 50).

### 2.12 PART 12: AMENDMENTS TO THE PATENT ACT

The *Patent Act* allows the Commissioner of Patents (the Commissioner) to approve or deny an application by a Canadian government to use a patented invention without the permission of the patent holder.\(^{11}\) Part 12 of the bill requires the Commissioner to grant such authorization during a public health emergency.

More specifically, clause 51 of the bill adds section 19.4 to the *Patent Act* to require the Commissioner to authorize the federal government, or a person designated by the
federal government, to make, construct, use, and sell an invention in order to respond to a public health emergency without the permission of the patent holder. The patent holder shall not have any legal recourse to stop the use or sale of an invention made or constructed under such an authorization.

To obtain this authorization, the Minister of Health must submit to the Commissioner an application that:

- identifies the invention and the patentee;
- confirms that the Chief Public Health Officer believes that there is a public health emergency that is a matter of national concern;
- describes the emergency; and
- designates a person, if any, that will be authorized to make, construct, use and sell the patented invention to respond to the emergency.

The authorization lasts until, either:

- the day on which the Minister of Health notifies the Commissioner that the authorization is no longer necessary; or
- at the latest, a year after the authorization is granted.

The federal government does not have the power to transfer the authorization and has to pay the patentee any remuneration that the Commissioner finds adequate in the circumstances. The patentee can petition the Federal Court to stop anyone from using the invention if there is an inconsistency with the authorization.

Section 19.4 includes a sunset provision providing that the Commissioner does not have the power to authorize the federal government to make use of a patented invention under this section after 30 September 2020.

2.13 PART 13: AMENDMENTS TO THE CANADA STUDENT LOANS ACT

Clause 52 of the bill adds new section 11.2 to the Canada Student Loans Act, which governs the provision of loans issued to students up to 1 August 1995. The new section stipulates that, from 30 March 2020 to 30 September 2020, no interest is payable by a borrower on guaranteed student loans. It also provides that, during this period, borrowers are not required to pay any amount of principal or interest on these loans.
2.14 PART 14: AMENDMENTS TO THE FARM CREDIT CANADA ACT

Clause 53(1) of Bill C-13 amends section 11(1) of the Farm Credit Canada Act to replace the maximum amount of $1,250,000,000 that can be paid to Farm Credit Canada (FCC) from the Consolidated Revenue Fund at the FCC’s request by the Minister of Finance under the current law. With this amendment, the Minister can determine and re-determine the maximum amount paid to the FCC until 30 September 2020. After 30 September 2020, the maximum amount that can be paid to the FCC will be the last amount determined by the Minister before that date and the Minister may not determine a new amount. The Minister of Finance must announce the new amount in the Canada Gazette as soon as feasible after the amount has been determined or re-determined.

Clause 53(2) makes wording changes to the French version of the law to clarify the “capital of the Corporation.”

Clause 53(3) removes the requirement that increases in the amount paid to FCC be referred to a parliamentary committee reviewing matters relating to agriculture.

In a news release, the Prime Minister announced that the FCC will receive support from the Government of Canada to increase the FCC’s lending capacity by $5 billion to help producers, agribusinesses, and food processors manage the financial difficulties caused by the impacts of the COVID-19 pandemic.

2.15 PART 15: AMENDMENTS TO THE CANADA STUDENT FINANCIAL ASSISTANCE ACT

Clause 54 of the bill adds new section 9.3 to the Canada Student Financial Assistance Act (CSFAA), which governs the provision of student loans issued as of 1 August 1995. This new section provides for the suspension of interest and payments on student loans. It stipulates that, from 30 March 2020 to 30 September 2020, no interest is payable by a borrower on student loans. It also provides that, during this period, borrowers are not required to pay any principal or interest on these loans.

These amendments apply to both full-time and part-time students, as well as to individuals with severe permanent disabilities and in the case of the death of a borrower, as provided for in the regulations made under the CSFAA.

2.16 PART 16: AMENDMENTS TO THE BUSINESS DEVELOPMENT BANK OF CANADA ACT

Section 23(1) of the Business Development Bank of Canada Act states that the authorized capital of the Business Development Bank of Canada consists of an
unlimited number of common shares with a par value of $100 per share and an unlimited number of preferred shares without par value. That said, the paid-in capital of the Bank, together with any contributed surplus relating to it and any proceeds referred to in section 30(2)(d) – proceeds of debt instruments, hybrid capital instruments or other arrangements – that have been prescribed as equity, must not exceed $4.5 billion at any time. Prior to December 2017, this limit was set at $3.0 billion.

Clause 55 of Bill C-13 amends section 23(1) so that this limit is, until 30 September 2020, to be determined or re-determined by the Minister of Finance. The Minister is required to publish in the Canada Gazette the determined or re-determined amount as soon as feasible. After 30 September 2020, this limit becomes the last amount determined before that date, and the Minister may not determine a new amount.

2.17 PART 17: AMENDMENTS TO THE APPRENTICE LOANS ACT

Clause 56 of the bill makes an addition to section 8 of the Apprentice Loans Act, which specifies the conditions for interest-free and deferral periods on apprentice loans. New section 8.1 stipulates that, from 30 March 2020 to 30 September 2020, no interest is payable by borrowers on apprentice loans. Further, during this period, borrowers are not required to pay any principal or interest on these loans.

2.18 PART 18: EMPLOYMENT INSURANCE

2.18.1 Division 1: Interim Orders

Part 18, Division 1 of the bill amends the Employment Insurance Act (EIA) to allow the Minister of Employment and Social Development to make interim orders to mitigate the economic effects of COVID-19.

Clause 57 adds Part VIII.3, Interim Orders, to the EIA. This includes new sections 153.3 and 153.4. Section 153.3 permits the Minister to make interim orders that adapt existing provisions, add provisions (including provisions that add new benefits) to the EIA or associated regulations, or render provisions partly or entirely inapplicable.

Section 153.3 also establishes conditions and restrictions on the Minister’s power to make the interim orders described above. An interim order may not be made in respect of Part IV or Part VII of the EIA – which pertain to insurable earnings and collection of premiums and to benefit repayment – or to associated regulations.

An interim order may not be made without the consent of the Minister of Finance. An interim order relating to Part III of the EIA – which pertains to premiums and other financial matters – or to associated regulations, requires the additional consent
of the President of the Treasury Board. In addition, the Minister may choose to consult with the Canada Employment Insurance Commission before making an interim order.

An interim order must include provisions for any adaptations or added provisions to the EIA and associated regulations to cease to apply on the earliest of: a day specified by the interim order, the day the interim order is repealed, or the Saturday after the first anniversary of the day on which the interim order takes effect.

If an interim order or an added provision states that it applies despite any provision in the EIA or associated regulations, then it will prevail in the event that it conflicts with one of these provisions.

The power to make an interim order cannot be exercised after 30 September 2020. However, interim orders can be made to apply retroactively.

Section 153.4 allows the Minister to make orders to ensure that the interim orders have a temporary effect, including through the repeal of any provisions added.

2.18.2 Division 2: Medical Certificates

Part 18, Division 2 of the bill temporarily eliminates requirements for medical certificates under the EIA and associated regulations.

Clause 58 establishes that claimants are no longer required to provide a certificate issued by a medical doctor or other medical professional or medical practitioner, or by a nurse practitioner, where it was previously required to obtain a benefit. Any benefit that would have been payable to a claimant if such a certificate had been provided is payable as long as the Canada Employment Insurance Commission is satisfied that the claimant is eligible.

Clause 58 stipulates that these measures will remain in effect until 30 September 2020, and clauses 59 and 61 stipulate that the relevant provisions will be repealed on 1 October 2020.

For claimants whose benefit period begins before 1 October 2020, however, the medical certificate exemption will continue to apply, as stipulated by clause 60 of the bill.15
NOTES

This Legislative Summary was prepared by the following authors:

- Bashar Abu Taleb Sections 2.6
- Andrew Barton Sections 2.5 and 2.11
- Sylvain Fleury Sections 2.1.1–2.1.4
- Eleni Kachulis Sections 2.13, 2.15 and 2.17–2.18
- Natasha Kramski, Corentin Bialais and Joanne Markle Lamontagne Section 2.14
- Cynthia Kirkby "Background" section
- Michail Lambert-Racine Sections 2.4 and 2.16
- Francis Lord Section 2.12
- Sonya Norris Section 2.9
- Mayra Perez-Leclerc Section 2.10
- Alex Smith Sections 2.2–2.3 and 2.7–2.8

3. The term “qualified relation” is defined in section 122.5 of the *Income Tax Act*, R.S.C. 1985, c. 1 (5th Supp.).
5. The term “qualified dependant” is defined in section 122.5 of the *Income Tax Act*, R.S.C. 1985, c. 1 (5th Supp.).
6. The minimum withdrawal amount is based on the factors prescribed in sections 7308(3) and 7308(4) of the *Income Tax Regulations*.
15. The benefit period is the period during which benefits may be paid to claimants who qualify to receive them. Generally, this is a 52-week period. This does not mean that benefits will be paid in each week, but rather that the benefits for which the claimant qualifies must be paid during this period. See *Employment Insurance Act*, S.C. 1996, c. 23, s. 9.
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