

‘We get it, and we’re on it’: Ottawa unveils \$1B response fund for coronavirus outbreak

Tonda MacCharles

OTTAWA—The Liberal government responded to the disruption of the coronavirus outbreak with a package of measures Wednesday, including money for provincial health care systems, workers, bulk orders of emergency hospital equipment and health research — and promises that Ottawa will do much more, as needed.

At a morning news conference, Prime Minister Justin Trudeau unveiled a billion-dollar “COVID-19 response fund” to address spreading concerns about the health system’s capacity to absorb critical cases if the outbreak worsens, and the economy’s ability to cushion the shock to the travel and tourism sectors.

He said Ottawa’s response fund will include \$500 million to support “critical health care system needs” in the provinces and territories, as well as \$275 million for medical research and a decision to waive wait times for employment insurance for workers who leave work because of the virus.

The package also includes \$100 million for enhanced testing at Canada’s national microbiology lab, improved virus surveillance and support for Indigenous communities.

There is also \$50 million for the Public Health Agency of Canada to “ensure adequate supplies” of protective equipment like surgical masks and face shields.

“The number of people infected around the globe keeps climbing. Canada has been fortunate so far,” Trudeau said, acknowledging how the economic downturn concurrent with the spreading illness is adding to anxieties.

“I want all premiers and all Canadians to know our government is here for you. We will make sure you have everything you need,” the prime minister said.

“I know that people are worried about what they’re seeing on the nightly news... We get it, and we’re on it,” he said. “We are pulling out all the stops to make sure Canadians stay safe, healthy and supported... We will get through what comes next together.”

The number of COVID-19 cases hit 93 and climbing in Canada with Ontario reporting 36 cases, B.C. 39, Alberta 14, and Quebec four.

But health authorities warn the outbreak is likely to get worse before it gets better, especially south of the border where the U.S. government is centralized testing early on, delaying the surveillance of just how widespread the virus is there. There were 647 confirmed cases, with 25 deaths, but 36 American jurisdictions report COVID-19 cases and so it is expected those tallies will spike.

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Trudeau acknowledged there is “real potential” for the virus to spread into Canada from the U.S., but added that both countries are taking steps to slow the rate of infection.

Asked about further restrictions in Canada — as jurisdictions in the U.S. limit the size of gatherings and Italy continues with its nationwide lockdown — Trudeau vowed the government will do what is needed, but is urging Canadians to follow the advice of health professionals to curb the spread of the disease and prevent the need for more drastic action.

That includes regularly washing one’s hands, coughing into one’s elbow, and avoiding handshakes, Trudeau said.

“While we are prepared for a wide range of scenarios, we will focus on what needs to be done now,” he said.

Since the virus emerged in China’s Hubei province in late December, the illness has infected more than 110,000 people and killed more than 4,000, according to the [World Health Organization](#).

In recent weeks, fears of the virus’s impact on global trade and demand for commodities shook stock markets and dampened economic forecasts around the world. Markets were jolted even further after international discussions on oil production fell apart last week, triggering a huge sell-off of equities that sent Toronto’s key stock market index on its biggest drop since the crash of 1987.

Speaking alongside Trudeau on Wednesday, Finance Minister Bill Morneau said he is in daily contact with all of Canada’s banks, and at the moment they’re not experiencing “any challenges around credit.”

But Morneau said the government is prepared to help mitigate any challenges that come up. Throughout the week, Morneau and the Liberal government have rejected assertions from the Opposition Conservatives that Canada has no fiscal room to stimulate the economy and increase health funds because of the \$27-billion budget deficit.

The independent Parliamentary Budget Officer reported in late February that Ottawa could “permanently increase” spending by \$41 billion and still keep national debt levels on a sustainable track.

Trudeau said Wednesday that Canada is in a good position to respond to the crisis, with fiscal room to increase spending and an already-strong health care system.

But he said further actions will be taken if the economic impacts worsen and the disease spreads further.

“We are always to do more,” he said.

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