



# CPHR/CRHA

CHARTERED PROFESSIONALS  
IN HUMAN RESOURCES  
CANADA

CONSEILLERS EN RESSOURCES  
HUMAINES AGRÉÉS  
CANADA

# Briefing Note

ECONOMIC RESPONSES  
TO COVID-19

March 2021

[CPHR.CA](http://CPHR.CA)

## ABOUT THE AUTHORS



### KAMALESH GOSALIA

Kamalesh Gosalia has, since August 2016, transitioned to become a freelance researcher on regulatory, accounting, finance, and economic issues.

While he worked predominantly in academia and public practice early in his career in India, he worked as a SOX auditor in the financial services industry upon his arrival to Canada. Having worked for a national legacy body, as Secretary to the Emerging Issues Committee of the Canadian Accounting Standards Board in seconded capacity, and ultimately with CPA Canada upon unification of the profession, Kamalesh has experience in accounting and assurance standards development, economic policy and investment analysis, and in a number of specialty areas including the use of KPIs in the Canadian mining sector, the functioning of Canadian capital markets, the changing role of CFOs, and the impact of technology on the accounting profession to name a few.

Kamalesh holds a Ph.D. as well as CFA and CPA designations.



### ANTHONY ARIGANELLO

Anthony Ariganello is the President and CEO of CPHR BC & Yukon and CEO of CPHR Canada, a federation representing Provinces and Territories that hold well over 27,000 members across Canada. He currently sits as a director on several boards, and holds various professional designations including the CPHR, the SHRM-SCP, the ICD.D, and is a Fellow CPA-Fellow CGA.

# Table of Contents

<b>Preface</b>	<b>4</b>
<b>Executive Summary</b>	<b>6</b>
<b>Overview of the Pandemic (COVID-19)</b>	<b>9</b>
<b>Canadian Economic Response Measures</b>	<b>11</b>
<b>International Economic Response Measures</b>	<b>17</b>
<u>Cost of Economic Responses to the Pandemic</u>	<u>24</u>
<b>CPHR Canada Members' Survey</b>	<b>28</b>
<b>Summary and Conclusions</b>	<b>39</b>
<b>Appendix A</b>	<b>42</b>
<u>Legislative History of COVID-19 Relief Measures</u>	<u>42</u>
<u>Government of Canada Resources</u>	<u>43</u>
<b>Appendix B</b>	<b>44</b>
<u>Provincial/Territorial COVID-19 Supports and Information</u>	<u>44</u>



# Preface

**The economic restrictions and social distancing measures during the COVID-19 pandemic have caused major disruptions to Canadian businesses. Those disruptions are expected to have particularly large negative effects on small and medium-sized organizations, as many of these businesses tend to be concentrated in the travel and hospitality-related industries, such as transportation, restaurants, accommodation, and arts and entertainment, which took the hardest hit from the COVID-19 pandemic.**

This briefing-note is based on information in the public domains and documents relating to economic responses to the pandemic by the Canadian federal and provincial governments. It also summarizes similar responses by other developed countries for the purpose of comparison.

CPHR (Chartered Professionals in Human Resources) Canada represents 27,000 members in the Human Resources (HR) Profession across various Provinces and Territories in Canada. Established in 1994, CPHR Canada is the national voice on the enhancement and promotion of the HR Profession.

CPHR Canada commissioned a survey of its members in the fall of 2020, to understand the views of its members on the issues related to COVID-19. More than 1,000 members participated in this survey. This briefing note also provides a high-level summary of the survey questions, members' responses and comments.

The COVID-19 pandemic has ushered in a new era of virtual work environment and alternative work arrangements. Because COVID-19 is a global pandemic, it is necessary to understand its impact on working practices, the workers' well-being, and Human Resources Management in a Canadian context. It is likely that many changes will be common across country contexts, but we should also expect, given institutional differences, that there will be localized nuances.

Overall, the general sense is that people management is becoming more agile and more responsive as a consequence of the changed situation. In particular, there is a need to differentiate between compliance that is required in the Canadian context (for example, the importance of compliance within various Employment Standards Acts) and compliance with internal policies and procedures that can be optional to provide greater agility and flexibility.

This change directly affects Human Resources functions, which will be a critical agent of this change management. The change presents challenges, as well as opportunities, to HR professionals. HR professionals should prepare for this transformation by molding a fresh mindset, remodeling their practices, becoming more technologically literate, and investing time to acquire a broader perspective of business models of their employers. This is how they will be able to contribute, add value and claim a prominent standing in the corporate hierarchy.

# Executive Summary

## INTRODUCTION

- » COVID-19 is a highly infectious virus that has a very high fatality rate, and individuals with comorbidities are particularly vulnerable.
- » The restrictions enforced to contain the virus have greatly disrupted the economic lives of individuals and countries.
- » The Canadian federal and provincial governments have implemented several measures to mitigate the impact of economic disruption and support individuals and businesses in Canada.

## DOMESTIC RESPONSE

- » Response measures include various forms of financial assistance, tax breaks and loans. They also cover a broad spectrum of economic sectors and the most vulnerable sections of the society.
- » The economic responses from the provincial governments lag the responses from the federal government because of disparity among their resources. Again, among provincial governments, the scope, extent and coverage of responses vary considerably. The provinces of British Columbia and Ontario have fared relatively better than the other provinces.
- » The overall economic responses of the Canadian federal and provincial governments compare favourably with those of other developed countries, if measured both in terms of dollars spent and as a percentage of GDP.

## IMPACT ON PUBLIC FINANCES

- » Canada has recorded the highest increase in its total debt to GDP ratio among all the advanced economies, reflecting massive support programs and liquidity injections by the Canadian federal and provincial governments. This may not be an enviable position as ultimately these massive debts must be reduced over time. While currently benefitting from low interest rates, should that scenario change, Canada's debt rating may suffer in future years, further affecting economic recovery.
- » Canada should begin planning how to eventually recover from these massive debts. With the end of the pandemic not necessarily in immediate sight (given delays in vaccine distribution, continued rising cases, economic lockdowns, and new variants, all potentially requiring even more stimulus before any return to normal) a fiscal plan is of ultimate importance.

## CPHR CANADA MEMBERS' SURVEY

- » Chartered Professionals in Human Resources (CPHR) Canada commissioned a survey of its members in the fall of 2020, to understand the views of its members on the issues related to COVID-19. More than 1,000 members participated in this survey.
- » The members explained the problems specific to their sectors of employment and expressed their views on relief measures implemented by the government, as well as the post-pandemic future of work.
- » The members are concerned about decreased revenues, increased cost of operations and challenges in recruiting and staffing.
- » Sectors such as oil and gas, restaurant, hospitality, entertainment, tourism, and transportation are completely decimated.
- » The health industry is highly stressed because of the high-risk nature of its operations, large requirements for Personal Protective Equipment (PPE), and staffing challenges.
- » Educational institutions are stressed because of decreased enrollments and challenges of imparting quality education in a virtual environment.
- » Non-profit organizations are financially distressed as their main source of revenue is drying up.
- » Some businesses also agonize over inconsistent and unclear guidelines from the government, which are, often, in conflict with union agreements.
- » Some members are of the view that many federal government support programs for individuals disincentivize them to be gainfully employed while such programs for business are wasteful. These programs should be tightly monitored, rigorously controlled and methodically audited.
- » Members also expressed the need for mental health support programs, reliable supply of PPE, and availability of reliable, affordable fast internet and online training programs.
- » They expect the government to provide efficient testing, clear communication, and safe transportation for vulnerable employees.
- » Members suggested providing 10 paid sick days to all employees, customized relief measures to specific economic sectors and eliminating artificial trade barriers among provinces for supporting domestic businesses.

### **Some key highlights coming out of the Members' survey include:**

- » In terms of economic response to support businesses, 65% of members felt the federal government had done enough (4 to 5 rating), while 48% felt their provincial governments had done enough.
- » In terms of economic response to support individuals, 75% of members felt the federal government had done enough (4 to 5 rating), while 49% felt their provincial governments had done enough.
- » From members' perspective, 75% believe Canada compares favourably to other developed nations in terms of economic response. This is proven by Canada's overall lead in percentage of GDP spent on various fiscal measures.

### **POST-PANDEMIC WORLD**

- » It is believed that social distancing, flexible work schedules, working from home and outsourcing will be the new normal in the post-pandemic world. However, impacts on some industries such as construction will only be marginal.
- » Due to expected changes in the work environment, the demand for commercial real estate will decrease and their prices will fall.
- » Increased deployment of Artificial Intelligence (AI) and Machine Learning (ML) will eliminate many low-level jobs.
- » There will be appreciation of Human Resources values and renewed interest in Human Resource Accounting.
- » The public finances will be stressed because of massive fiscal deficits.
- » Businesses will be expected to formulate business continuity plans in order to navigate any future uncertainty.

### **CONCLUSION**

- » The pandemic also has long-term lessons on the issues of equity and fairness, interdependency of societies, importance of corroboration, and the fragility of our existence.
- » Federal and provincial governments can create more resilient societies by improving virus control and reimagining healthcare, facilitating a learning revolution, developing resilient trade and supply chains, delivering contactless government, institutionalizing best-practice crisis response to prepare for the next crisis, and fostering new forms of partnership with the private sector.
- » Human Resources Professionals will be highly regarded in the post-pandemic work environment, and Human Resources Management will offer a highly satisfying and rewarding career path.



# Overview of the Pandemic (COVID-19)

## INTRODUCTION

COVID-19 is a highly infectious virus caused by the coronavirus strain, SARS-CoV-2, which is a respiratory pathogen, and is also known as novel coronavirus. Senior citizens with comorbidities are at the most risk. However, anyone can get sick with COVID-19 and become seriously ill or ultimately die, regardless of age. Many potential vaccines for COVID-19 are being studied. At this point, Pfizer and Moderna are the two vaccines that have been approved and are being administered in Canada. Scientists around the world are also working to find and develop treatments for COVID-19.

The risk of getting COVID-19 is evolving daily and varies between and within communities, and remains high. Overall, the risk to Canadians remains high. This doesn't mean that all Canadians will get the disease. It just means that there already is a significant impact on Canada's health care system. Resurgence of the virus is highly dependent upon two unknowns: inherent characteristics of the virus (infection fatality rate and duration of immunity) and the country's responses to the virus. The following are the statistics on the spread and fatality of this disease globally and in Canada.

### The outbreak by the numbers (as of 8:00 am, Monday, January 11, 2021)<sup>1</sup>:

	Cases	Recoveries	Deaths
Globally	90,367,346	50,080,157	1,936,436
Canada	659,981	558,772	16,950
British Columbia	56,632	48,205	988
Alberta	111,452	96,052	1,284
Saskatchewan	17,803	14,426	191
Manitoba	26,316	20,850	738
Ontario	215,782	180,720	4,983
Quebec	228,821	195,663	8,686
New Brunswick	779	585	9

1 Source: CTV coronavirus newsletter (<https://www.ctvnews.ca/newsletters>)

Nova Scotia	1,528	1,435	65
Prince Edward Island	102	94	-
Newfoundland & Labrador	393	381	4
Yukon	70	59	1
Northwest Territories	24	24	-
Nunavut	266	265	1
Trenton (CFB quarantine)	13	13	-

The economic restrictions and social distancing measures during the COVID-19 pandemic have caused major disruptions to Canadian businesses. These have had particularly large negative effects on small and medium-sized firms, as these businesses tend to have fewer resources.

The measures implemented by the Canadian federal and provincial governments to stop the spread of this virus have greatly disrupted Canadians' normal economic life. The future economic scenario depends upon the interplay of the spread of the virus and effectiveness of the measures to contain such spread.

As per the Conference Board of Canada's two-year outlook summary<sup>2</sup>, Canada's economy bounced back in recent months following the economic plunge sparked by COVID-19-related shutdowns in March and April. At its trough in April, real GDP was at 82 per cent of February's (pre-COVID) level, 3 million Canadians were out of work (a 15.6 per cent decline in employment), and total hours worked had plummeted a staggering 28 per cent.

The Canadian federal and provincial governments recognized this disruption early on and responded with a slew of economic and non-economic measures. This briefing note aims to provide a high-level overview of the economic measures implemented by the Canadian federal and provincial governments, and compare them with the responses of other developed nations. It also documents the CPHR members' views on the additional measures required and the issues specific to the various economic sectors. Finally, it summarizes and draws conclusions for the attention of policy makers.

This Briefing Note aims to help CPHR members better educate the government and advocate on behalf of employers and HR leaders given the evolving nature of this pandemic.

2 [https://www.conferenceboard.ca/docs/default-source/pdf\\_downloads/se\\_canadian-two-year-outlook\\_sept2020.pdf](https://www.conferenceboard.ca/docs/default-source/pdf_downloads/se_canadian-two-year-outlook_sept2020.pdf)

# Canadian Economic Response Measures

The Canadian federal government responded to the pandemic with a massive package of stimulants and announced several economic relief measures for supporting individuals, businesses, and special interest groups. Appendix A of this Briefing Note provides a list of legislative actions in chronological order relating to the economic response measures intended by the Canadian federal government.

These bills enacted many COVID-19-related benefits to individuals, special interest groups, businesses, and specific sectors' economy. A brief description of these benefits is provided in the following paragraphs of this Briefing Note. The following is not an exhaustive list, only a high-level summary as the information is sourced from the public domain and is continuously evolving.

Please refer to **Appendix A** for a list of Canadian federal government websites to understand the details of these measures.

Listed below are some important COVID-19 relief measures that are available to Canadian small business owners through the Canadian federal and provincial governments:

## CANADA

- » Tax filing deadlines, as well as deadlines for tax payments, were extended until August 31, 2020.
- » Reduced the amount of payroll deductions to be sent to the CRA with the 10% Temporary Wage Subsidy program.
- » Eligible businesses received a 75% wage subsidy (which was backdated from March 15, 2020), for 90 days, up to a maximum of \$1,375 per employee and \$25,000 per employer.
- » The Canadian Emergency Commercial Rent Assistance for small- to medium-sized businesses provided forgivable loans to qualifying commercial property owners that provided over 50% of three-monthly rent payments. The loans will only be forgiven if the property owners agreed to reduce small business tenants' rents by at least 75% for three months.
- » Guaranteed bank loans for up to \$40,000 for small businesses, which will be interest-free for 1 year.
- » The CRA temporarily suspended audit interactions.

- » The Business Credit Availability Program (BCAP) is available through Business Development Bank of Canada (BDC) and Export Development Canada (EDC), and provided more than \$10 billion in additional support to help small businesses remain resilient.
- » The Office of the Superintendent of Financial Institutions (OSFI) lowered the Domestic Stability Buffer by 1.25%.
- » The Bank of Canada adjusted its market liquidity operations and broadened eligible collateral to include the full range of collateral eligible under the Standing Liquidity Facility.
- » GST and HST payments, as well as the duties and taxes owed on imports, were deferred until June.
- » Work-Share programs were extended from 38 weeks to 76 weeks.
- » Farm Credit Canada provided an additional \$5 million in lending capacity to producers, agribusinesses, and food processors.
- » CRA provided income support to:
  - » Self-employed workers who were quarantined or sick with COVID-19 but did not qualify for EI or sickness benefits;
  - » Self-employed workers who were taking care of any family members sick with COVID-19, but did not qualify for EI;
  - » Parents with children who required care or supervision due to school closures and cannot earn employment income.
- » The Canadian Emergency Response Benefit (CERB) was a taxable benefit of \$2,000 for up to four months for workers who lost their source(s) of income due to COVID-19.

For a better understanding of the cost of implementation of these measures by the Canadian federal government, please visit its website<sup>3</sup>. It is worth noting that the federal government is criticized by the Parliamentary Budget Officer Yves Giroux for a lack of transparency with regards to the unprecedented levels of spending during this pandemic<sup>4</sup>.

The Canadian provincial governments have also responded to the pandemic by implementing economic and other measures. Please refer to Appendix B for a list of Canadian provincial government websites for further information regarding provincial responses to the pandemic.

The following paragraphs briefly describe the economic responses by the provincial governments.

3 <https://www.canada.ca/en/department-finance/economic-response-plan/fiscal-summary.html>

4 <https://www.theglobeandmail.com/politics/article-liberal-governments-covid-19-spending-lacks-transparency-budget/>

## ALBERTA

The province of Alberta announced financial aid to small businesses impacted by the COVID-19 virus. Alberta provided the following relief:

- » Small business owners could defer bill payments for 90 days without having their services cut-off.
- » Working adult citizens who must self-isolate could apply for a one-time payment of \$573.
- » Corporate income tax payments and instalment payments were deferred from March 19 until August 31 to increase employers' access to cash. This way, they could pay employees, address debts, and continue operations.
- » Owners of small businesses could apply for payment deferral on loans and lines of credit for up to six months.

## BRITISH COLUMBIA

British Columbia announced financial aid in the form of tax breaks to small businesses and enterprises that were affected by COVID-19. Some of the relief measures are as follows:

- » Small businesses' provincial tax filing and payment deadlines were deferred to September 30, 2020, including provincial sales tax, municipal and regional district taxes, tobacco tax, motor fuel tax and carbon tax.
- » Plans for \$1.5 billion funding to support an economic stimulus once COVID-19 has passed.
- » BC Hydro deferred bill payments for commercial properties.

## MANITOBA

As part of the Manitoba Protection Plan, the government implemented aids for businesses struggling through COVID-19:

- » No interest or penalties for Manitoba Hydro, Centra Gas, Workers Compensation Board and Manitoba Public Insurance (MPI).
- » Manitoba Hydro and Centra Gas did not disconnect customers.
- » No interest fees on Manitoba Liquor and Lotteries receivables from restaurants, bars, and specialty wine stores.
- » No interest on education property tax.
- » Provincial tax deadlines were extended until August 31, 2020.

## NEW BRUNSWICK

The government of New Brunswick announced measures to protect small businesses impacted by the spread of COVID-19, including:

- » Small business owners could apply for working capital loans of up to \$100,000 through the NB Small Business Emergency Working Capital Program.
- » Businesses that employ 1-49 employees, including sole proprietors and those who are self-employed, with sales of less than \$10 million could also apply for capital loans.
- » Loan and interest repayments were deferred for up to six months (determined on a case-by-case basis).
- » Work-Safe-NB deferred assessment premiums related to employer payrolls for three months without interest charges.

## NOVA SCOTIA

Many programs and service fees were deferred until June 30, 2020 for small business owners in Nova Scotia.

## ONTARIO

The government of Ontario announced the following financial relief for small to medium-sized businesses that were impacted by COVID-19:

- » Interest and penalty relief for five months for provincial taxes.
- » Deferred Workplace Safety and Insurance Board (WSIB) payments for up to six months.
- » Increase of the Employer Health Tax exemption for up to \$9,945 per business.

## PRINCE EDWARD ISLAND

The province of Prince Edward Island offered the following for small businesses impacted by COVID-19:

- » Those who are self-employed and have lost all revenues on or after March 13, 2020 could apply for the Emergency Income Relief for a maximum of \$500 per week.
- » Small businesses could apply for support through the Special Situation Fund for a one-time payment of \$1,000.
- » A financing program was developed to provide emergency working capital for PEI's small businesses. Eligible businesses could apply for a loan of up to \$100,000, with deferred interest payments for a minimum of 12 months.

## QUEBEC

The province of Quebec offered emergency aid, in the form of a loan of up to \$50,000, for small and medium-sized enterprises that were struggling with delivering products or goods, or those that were experiencing issues with the supply of raw materials or products.

## SASKATCHEWAN

Saskatchewan announced the following measures for small businesses during COVID-19:

- » The Saskatchewan Small Business Emergency Payment (SSBEP) provided a one-time payment for small- to medium-sized businesses, which was based on 15% of the business' monthly sales revenue.
- » Deferred provincial sales tax payments and interest charges for three months.
- » Provincial utilities were deferred, with 0 interest, for up to six months.
- » Workers Compensation Board waived premium penalties of employers.

## CONCLUSION

All provinces imposed moratoria on evictions, ensured child care capacity for essential workers and paused student loan payments. However, there are important differences across provinces that were highlighted by the COVID-19 economic responses. Smaller provincial governments have much less fiscal capacity and typically higher pre-pandemic debt-to-GDP ratios. Hence, it is no surprise that they largely left the economic response to the federal government, with only minor additional measures.

In some cases, such as that of Manitoba, austerity measures are already underway, with the provincial government seeking budget cuts in the public sector. This points to looming fiscal challenges for provinces as Canada has a larger collective debt load. Responding to this debt load with provincial austerity measures could be detrimental for the recovery and could severely undermine essential public services.

Across the board, the province of British Columbia is leading the nation with its economic response to COVID-19. However, British Columbia's additions to income and housing supports are cushioning the blow of the COVID-19 recession, and numerous smaller measures have been advanced to help specific groups. Other provinces should consider developing a more robust package of support along the lines of those of British Columbia. To a lesser extent, Ontario has provided specialized funding for vulnerable populations and extra support for indigenous people and communities.

The challenges and gaps at the provincial level point to the need for further federal action in key areas to improve conditions across the country. This could be the case for addressing homelessness, income support for people on social assistance, rent and mortgage deferrals and cancellation, and support for municipal and regional governments. In each of these areas, the federal government can close gaps in coverage, reduce inequality among people and provinces, and ensure everyone has a better future in the post-pandemic world.



# International Economic Response Measures

COVID-19 is a global pandemic that is greatly disrupting the global economy and supply chains. The impact varies depending on the demography, socio-political realities, and structural characteristics of each country's economy. Accordingly, the economic responses of different countries to this challenge also varies and are evolving continuously and dynamically. Hence, the economic and fiscal measures being implemented to support economies and financial sectors are not strictly comparable. There are also innate differences between the measures implemented by developed and developing countries.

The International Monetary Fund Policy Tracker<sup>5</sup> maintains a narrative description of the key economic responses of government agencies across different countries including Canada, as well as the measures these countries are taking to limit human and economic impact of the COVID-19 pandemic.

Although not directly comparable, the economic responses by developed countries have common overarching themes. These policy responses can be presented within the four pillars of action defined by the International Labour Organization (ILO)<sup>6</sup>.

- 1. Stimulating jobs and the economy through active fiscal policies, accommodative monetary policies, and lending financial support to specific sectors, including the health sector.**
- 2. Supporting enterprises, employment and incomes by extending social protection for all, implementing employment retention measures, and providing financial/tax and other forms of relief for enterprises.**
- 3. Protecting workers in the workplace by strengthening OSH (Occupational Safety and Health) measures, adapting work arrangements (e.g., teleworking), preventing discrimination and exclusion, providing health access for all and expanding access to paid leave.**
- 4. Using social dialogue between the government, workers and employers to strengthen the capacity and resilience of employers' and workers' organizations and that of government agencies, strengthening social dialogue, collective bargaining, and labour relations institutions and processes.**

5 <https://www.imf.org/en/Topics/imf-and-covid19/Policy-Responses-to-COVID-19>

6 <https://www.ilo.org/global/topics/coronavirus/regional-country/country-responses/lang--en/index.htm>

Pew Research Center is a nonpartisan fact tank that informs the public about the issues, attitudes and trends shaping the world. The Research Center commissioned a survey to determine the cross-national views on how governments have handled the Coronavirus outbreak in 14 advanced economies, as well as the pandemic's effect on daily life and civic unity.

**The following are the excerpted highlights from the survey:**

### **Most approve of national response to COVID-19 in 14 advanced economies, but many also say their country is more divided since the outbreak**

Countries' approaches to combat the spread of the Coronavirus have varied throughout Europe, North America, Australia, Japan and South Korea, but most of the public in these regions believe their own country has done a good job of dealing with the outbreak, according to a new Pew Research Center survey of 14 advanced economies. Overall, a median of 73% across the nation say their country has done a good job of handling novel coronavirus, which has reached nearly every corner of the globe and infected more than 90 million people worldwide, and resulted in the deaths of just under two million people.

However, the pandemic has had a divisive effect on a sense of national unity in many of the countries surveyed: A median of 46% feel more national unity now than before the coronavirus outbreak, while 48% think divisions have grown. This includes 77% of Americans who say that they are further divided than prior to the pandemic, while just 18% believe the country to be more united.

In addition, a median of 58% say that their lives have changed a great deal or fair amount due to COVID-19. Women in particular have felt the effects of the virus most acutely.

And in a quarantine period marked with critiques of leaders ranging from China to the United States to the World Health Organization, a median of 59% believe more international cooperation would have reduced the number of coronavirus cases facing their country. Young people in many nations are especially likely to hold this viewpoint.

These are among the findings of a Pew Research Center survey, conducted on June 10 to Aug. 3, 2020, among 14,276 adults in 14 countries: The United States, Canada, Belgium, Denmark, France, Germany, Italy, the Netherlands, Spain, Sweden, the United Kingdom, Australia, Japan and South Korea. The survey also found that public attitudes toward their own country's dealing with the coronavirus epidemic and national unity are linked to feelings of trust in others and economic confidence in their nation.

## Most people think their own country has done well handling pandemic response

Across the 14 countries surveyed, a median of 73% say that their own country has done a good job dealing with the coronavirus outbreak. Only 27% believe that their country has handled it poorly. However, there is some variation by country on this assessment.

About seven in ten, or more, gave their nation's coronavirus response a positive review in Denmark, Australia, Canada, Germany, the Netherlands, South Korea, Italy and Sweden. And more than half in Belgium, France, Japan and Spain share this sentiment.

In two countries – the United Kingdom and the United States – people are divided in their beliefs when it comes to rating their government's performance in responding to the coronavirus. These two nations also have high levels of political polarization on views of the government's handling of this crisis. In the U.S., 76% of Republicans and independents who lean to the Republican Party say that the government has done a good job, while just a quarter of Democrats and Democratic leaders agree, a 51% point difference.

*A majority of right-leaning Britons (55%) gave a positive rating to their country's handling of the pandemic, led by Prime Minister Boris Johnson's Conservative government, but just 26% on the left hold the same opinion.*

People in Spain, which is currently led by the left-leaning Spanish Socialist Workers' Party, are also split ideologically on assessing their government's response to COVID-19, but in the opposite direction: 73% on the left are pleased with how their country has managed the outbreak, while 40% on right are not, a 33% point difference. Those on the left are also more positive on their country's response to the outbreak than those on the right by double digits in Italy (18 points more positive), Sweden (17 points) and South Korea (15 points).

Economies around the world have contracted due to the unprecedented nature of the coronavirus outbreak, and the U.S. Congressional Research Service reports that the global economy has shrunk between 3% and 6% less in 2020 compared with previous projections. These economic effects also relate to how people assess their own nation's handling of the pandemic. Across all 14 nations included in the survey, those who think their current national economic situation is good are also more likely than those who believe the economy is bad to say that their country has done a good job of dealing with the coronavirus outbreak.

This divergence is especially pronounced in the United States. Among those with a more optimistic view of the economy, 78% report that they approve of the way the U.S. government has dealt with the virus. On the other hand, those who think the American economy is currently in poor shape are less than half as likely to give the government response a positive rating.

## Coronavirus has changed many lives throughout the 14 nations

Each of the countries in the survey have suffered the effects of the coronavirus. The number of deaths vary in the 14 countries from about 100 to more than 100,000 when the survey was fielded, and some nations completely locked down while others like Sweden, Japan and the U.S. used different measures to attempt to stave off the virus.

Across the 14 countries surveyed, a median of 58% say the pandemic has changed their lives either a great deal or fair amount, while 42% report not too much change or none at all.

About two-thirds or more in South Korea, Sweden, the U.S., the UK, Japan and Canada say their lives have changed at least a fair amount due to the pandemic (in all of these countries except the UK, the government never imposed a national-level lockdown.) And at least three-in-ten in South Korea, the U.S., Sweden and the UK say their lives have changed a great deal since the outbreak began.

The majority of the people in Spain and Italy – two early hotspots for the virus – have also noted changes in their lives because of the outbreak.

In six countries, about half or more say that their lives have not changed much or at all since the onset of the virus, including 54% of the Dutch, 53% of Australians, 53% of the French and 51% of Belgians. In each of these six nations except Australia, governments did put in place national-level lockdowns to counter the spread of COVID-19.

In 12 of the 14 countries surveyed, women are more likely than men to say that their lives have changed due to the coronavirus. In nine of those countries, the gender gap reaches double digits – including in Sweden, the U.S. and France, where women were more likely to say this by 15 points each.

*The changes that women have experienced during the pandemic could take on many forms, and data underscores that women's burdens have increased both at work and at home.*

Women around the world typically do more unpaid work at home than their male counterparts, such as child care and housework, and this may be amplified by the closure of schools and day care centers to combat the spread of COVID-19. Additionally, according to the Organization for Economic Cooperation and Development, a higher share of women than men in each of the surveyed countries participate in part-time employment, which is more likely to have been interrupted by the pandemic. And a report from Citi asserts that coronavirus-related job losses have disproportionately affected women globally.

## Little consensus on whether or not the pandemic has brought people together

The degree to which civic division has changed since the coronavirus emerged is itself a divisive question. When asked if their country is now more united or more divided than before the coronavirus outbreak, people in many countries are split, with a 14-country median of 46% saying their country is more united and 48% saying their country is more divided.

In the U.S., where a patchwork of coronavirus-related restrictions brought disagreement over the best path to economic recovery while mitigating the spread of the virus, roughly three-quarters say that the U.S. is more divided than before the outbreak. Only about two-in-ten Americans say that the country has become more united. Though Americans of all ideological tilts say that the country has become more divided, Democrats and Democratic-leaning independents (81%) are more likely than Republicans and Republican leaders (74%) to say that division has increased.

*In contrast, nearly three-quarters in Denmark say that there is more unity now than before the coronavirus outbreak. More than half in Canada, Sweden, South Korea and Australia also say their countries have become more united since the coronavirus outbreak.*

In every country surveyed, those who think their country has done a bad job of dealing with the coronavirus outbreak are more likely to say that their country is now more divided. This is particularly true in South Korea, where 74% of those who believe South Korea has done a bad job of dealing with the coronavirus say their country is now more divided, compared with just 29% among those who say that their country has done a good job of dealing with the pandemic, a 45% point difference. In Europe, those who have favorable opinions of right-wing populist parties are more likely than those with unfavorable views to say division has grown since the coronavirus outbreak began. This is especially true in Germany, where thousands gathered to protest coronavirus restrictions, including some protestors affiliated with the far right. 75% of Germans with a favorable opinion of the right-wing Alternative for Germany (AfD) party say Germany is now more divided than before the coronavirus outbreak, compared with 51% of those with an unfavorable view of the AfD.

Other countries that have seen similar protests against prolonged lockdowns, including the Netherlands and Spain, also show gaps between those with favorable and unfavorable views of right-wing populist parties in their country.

Feelings of national disunity are tied to feelings of distrust, as well. In many countries, those who say that, in general, most people cannot be trusted are more likely to say their country is now more divided than those who say most people can be trusted. In 11 of 14 countries surveyed, this gap exceeds 10 percentage points.

France is a particularly stark example. A majority (63%) of those who say most people cannot be trusted also say the country is more divided now than before the coronavirus outbreak. Fewer than four-in-ten (37%) of those who think most people can be trusted see more division.

The public generally agrees that more international cooperation would have potentially reduced virus-related fatalities.

As confirmed cases of the coronavirus top 20 million globally, many of those in the countries surveyed say that the numbers could have been minimized through stronger international cooperation. A 14-country median of 59% say that if their country had cooperated more with other countries, the number of coronavirus cases would have been lower in their country. In comparison, a median of 36% say such cooperation would have been futile in reducing the number of cases.

Missed opportunities for cooperation to reduce coronavirus cases are felt especially strongly in Europe, where failure to coordinate the initial response led to sudden and severe outbreaks in Northern Italy and Spain. More than half in seven of the nine European countries surveyed say that more cooperation would have reduced coronavirus cases.

*Notably, 78% of Danes think the number of coronavirus cases would not have been reduced by international cooperation. A great majority in Germany also say that cooperation would not have reduced case numbers.*

Americans on the whole say that more cooperation could have limited the number of coronavirus cases. A majority (58%) of U.S. adults say that if the U.S. had cooperated with more countries, the number of American coronavirus cases would have been lower.

Much as younger people globally tend to have more favorable opinions of the UN and younger Americans give higher approval ratings to the WHO for its handling of the coronavirus outbreak, those aged 18 to 29 are more likely than those aged 50 and older to say that more cooperation would have reduced the number of coronavirus cases in their country.

In Australia, for example, the difference between younger and older respondents on the question of international cooperation on the pandemic exceeds 30 percentage points. While 61% of Australians aged 18 to 29 say more cooperation would have helped reduce the number of coronavirus cases, only about a quarter of Australians aged 50 and older say the same.

In most countries, those who say cooperation would have lowered the number of coronavirus cases are also more likely to say that their own country has done a bad job dealing with the coronavirus outbreak. For example, 64% of Britons who say cooperation would have reduced the number of coronavirus cases also think the UK government has done a bad job of dealing with the coronavirus outbreak.

Whether people think more cooperation could have helped stop the spread of the coronavirus relates with whether they align with the ruling party's ideology. In the U.S. and the UK, those on the left are more likely to say that more cooperation would have reduced the number of coronavirus cases. Those on the right are more skeptical of the effectiveness of international cooperation.

On the other hand, the left-wing Spanish Socialist Worker's Party currently holds power in Spain, and Spaniards on the ideological right are more likely than those on the left to say their government could have limited coronavirus cases by cooperating more with other countries. And in South Korea and Sweden, where the governments are technically led by left-leaning coalitions, a similar pattern follows.

## OECD

The OECD's Key Country Policy Responses website<sup>7</sup> provides policy papers on 97 countries' responses to COVID-19. An interactive map allows users to receive detailed descriptions of each country's COVID-19 response.

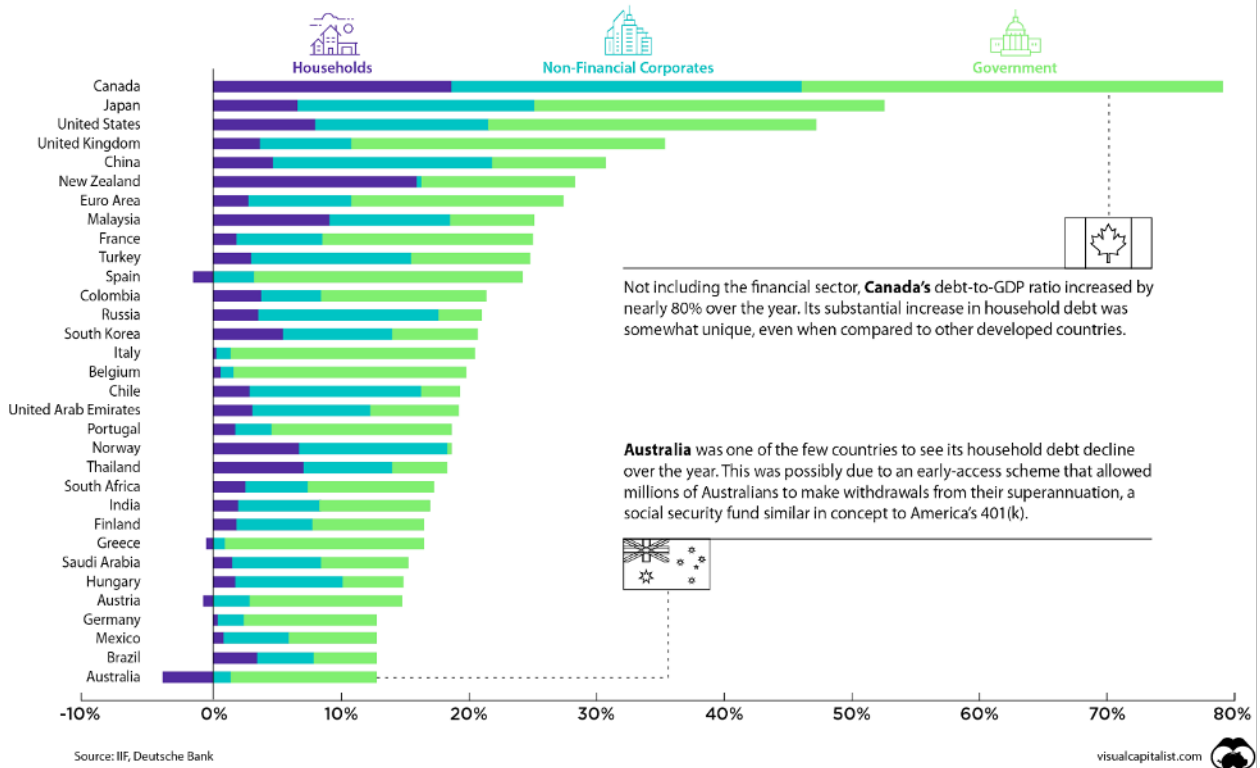
It can be concluded that the Canadian federal and provincial governments have done a commendable job of mitigating the adverse economic impact of this pandemic by developing effective and efficient policy responses. These efforts are reflected in a relatively praiseworthy record of Canada in containing economic damages resulting from the pandemic.

7 <https://www.oecd.org/coronavirus/country-policy-tracker/>

# COST OF ECONOMIC RESPONSES TO THE PANDEMIC

It would be naive to ignore the cost of the massive economic responses by the Canadian federal and provincial governments. Canada entered this crisis in a strong fiscal position, allowing the government to take decisive action to put in place the support necessary for people and businesses. The massive fiscal stimulants may jeopardize that position by stressing the public finances. In fact, Canada has the unenviable distinction of the highest **increase in total debt-to-GDP ratio** from Q42019 to Q32020 among the developed as well as the emerging economies as displayed by the following chart.

**CHANGE IN DEBT-TO-GDP**  
(Q42019–Q32020)



<https://www.visualcapitalist.com/debt-to-gdp-continues-to-rise-around-world/>

It is noteworthy that the total national debt includes Government debt, non-financial corporate debt and household debt. All these sectors have contributed to Canada's total debt increase.

This increase in Canada's total debt contrasts sharply with record of another resource-based economy, Australia, which recorded the smallest such increase.



The following table reproduced from IMF publication Fiscal Monitor (October 2020)<sup>8</sup> indicate that as percentage of GDP, Canada provided the highest direct support (above the line measures) among all G20 advanced economies (12.5% of GDP).

### Summary of Country Fiscal Measures in Response to the COVID-19 Pandemic (Above the line measures)

(USD billion and per cent of GDP)

	USD Billion				Percent of GDP			
	Above the line measures				Above the line measures			
	Additional spending or foregone revenues				Additional spending or foregone revenues			
	Sub-total	Health sector	Non-health sector	Accelerated spending / deferred revenue	Sub-total	Health sector	Non-health sector	Accelerated spending / deferred revenue
<b>G20: Advanced economies</b>								
Australia	<b>157</b>	7	150		<b>11.7</b>	0.5	11.2	
Canada	<b>200</b>	15	185	63	<b>12.5</b>	0.9	11.6	3.9
European Union	<b>489</b>	0	489		<b>3.8</b>	0.0	3.8	
France	<b>134</b>	16	118	65	<b>5.2</b>	0.6	4.6	2.5
Germany	<b>316</b>	26	289		<b>8.3</b>	0.7	7.7	
Italy	<b>91</b>	7	84	8	<b>4.9</b>	0.4	4.5	0.4
Japan	<b>555</b>	48	508	243	<b>11.3</b>	1.0	10.3	4.9
Korea	<b>55</b>	4	51	28	<b>3.5</b>	0.3	3.2	1.7
Spain	<b>44</b>	6	37		<b>3.5</b>	0.5	3.0	
United Kingdom	<b>241</b>	41	201	5	<b>9.2</b>	1.5	7.6	0.2
United States	<b>2449</b>	304	2145	18	<b>11.8</b>	1.5	10.3	0.1

The government also intends to deploy additional fiscal support to accelerate the recovery once the virus is controlled. To achieve this goal, the government will begin by setting aside between 3 to 4 per cent of GDP, up to \$100 billion, over the next three fiscal years.

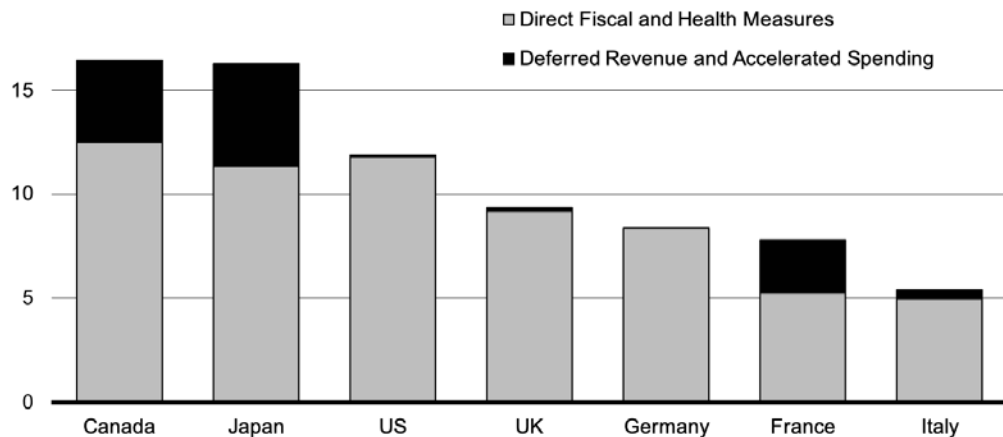
8 <https://www.imf.org/en/Publications/FM/Issues/2020/09/30/october-2020-fiscal-monitor#Full%20Report%20and%20Executive%20Summary>

The International Monetary Fund (IMF) has warned governments that premature withdrawal of support would harm livelihoods, increase bankruptcies and jeopardize the recovery. In order to keep permanent economic harm to a minimum and secure a rapid and robust recovery, the federal and provincial governments must continue to support Canadians throughout the pandemic, particularly as the country fights a second wave of the pandemic.

Canada's overall economic and fiscal situation depends greatly on how the virus unfolds in the coming months, the level of spending anticipated to support the recovery is necessary, at a manageable amount. What this assumes are continued low interest rates, as any potential increase will further deepen Canada's debt levels.

Further, as documented in the federal government's fiscal update for fall 2020, the federal government has provided more than 8 out of every 10 dollars spent in Canada to fight COVID-19 and support Canadians. With a fiscal impact of approximately \$407 billion, nearly 19 per cent of GDP, the support provided is one of the largest among G7 countries as depicted in the following chart.

### Significant Fiscal Policy Support Announced across G7 Countries



Note: The timeframe for the announced measures is country-specific.

Source: International Monetary Fund, Fiscal Monitor (October 16, 2020). Includes announced measures as at September 11, 2020

## CONCLUSION

Canada entered into the pandemic related crisis with a very healthy state of public finances. Hence, the government was able to respond with a massive injection of fiscal stimulants. While this may look favorable in the near term, there are long term consequences, should debt levels not be restored to previous levels.

It is also necessary to exercise prudence and to ensure that the temporary support programs not become permanent. The government should be mindful of the facts that:

- 1.** If the interest rates rise from the present ultra-low level, as they can be expected to eventually, the servicing of debt will severely stress the public finances. The financial assets such as uncollected taxes and other receivables should be aggressively monetized to lessen the burden of gross debt and its servicing.
- 2.** The support programs should be designed to be efficient, effective and void of wasteful leakages.
- 3.** The government should chalk out a clear and creditable fiscal plan to restore public finances at their previous healthy level.

Canada successfully tackled the last financial crisis in 2008 and can do it again with prudent, prescient, and pragmatic leadership.



# CPHR Canada Members' Survey

CPHR (Chartered Professionals in Human Resources) Canada represents 27,000 members in the Human Resources (HR) Profession across nine provinces and three territories in Canada. Established in 1994, CPHR Canada is the national voice on the enhancement and promotion of the HR Profession.

CPHR Canada commissioned a survey of its members in the fall of 2020, to understand their views on the issues related to COVID-19. More than 1,000 members participated in this survey.

This Section provides a high-level summary of the survey questions, members' responses and comments.

## Where do you live?

Province	%	Count
Alberta	17.74%	217
BC	31.23%	382
Manitoba	9.98%	122
New Brunswick	7.36%	90
Newfoundland & Labrador	0.49%	6
Nova Scotia	9.16%	112
Prince Edward Island	1.39%	17
Saskatchewan	12.35%	151
Quebec	7.20%	88
Ontario	0.65%	8
Yukon	0.82%	10
Northwest Territories	0.25%	3
Nunavut	0.08%	1
Outside of Canada	1.31%	16
<b>Total</b>	<b>100%</b>	<b>1,223</b>

*The majority of the respondents are from the eastern and western provinces, most of which come from BC.*

## How many years of professional experience do you have?

Years	Percentage	Count
Less than 1	3.03%	37
1-5 years	15.06%	184
5-10 years	17.27%	211
10-15 years	19.72%	241
15-20 years	15.88%	194
20+ years	29.05%	355
<b>Total</b>	<b>100%</b>	<b>1,222</b>

*The majority of the respondents have more than ten years of professional experience and only a very small percentage of respondents have less than one-year experience.*

**In terms of their support of businesses during the pandemic, on a scale of 1-5, how would you assess the economic response of the following? (1 being low, 5 being high)**

<b>Scale</b>	<b>The Canadian Federal Government</b>	<b>Your Provincial Government</b>
	<i>Percentage/Count</i>	<i>Percentage/Count</i>
1	1.23%	2.96%
	13	31
2	6.53%	12.70%
	69	133
3	28.48%	36.77%
	301	385
4	53.07%	38.20%
	561	400
5	10.69%	9.36%
	113	98
<b>Total</b>	<b>1,057 (100%)</b>	<b>1,047 (100%)</b>

*The majority of the respondents have rated the economic response from the federal government for supporting businesses as adequate or more than adequate. The provincial governments are not relatively as highly rated as the federal government. This may be because the provincial governments do not have resources, manpower and infrastructure comparable to those of the federal government. However, despite this, the provincial governments are thought to have responded adequately or more than adequately to support businesses.*

**In terms of their support of individuals during the pandemic, on a scale of 1-5, how would you assess the economic response of the following? (1 being low, 5 being high)**

<b>Scale</b>	<b>The Canadian Federal Government</b>	<b>Your Provincial Government</b>
	<i>Percentage/Count</i>	<i>Percentage/Count</i>
1	0.85%	3.84%
	9	40
2	4.36%	13.61%
	46	142
3	19.92%	33.37%
	210	348
4	54.17%	38.83%
	571	405
5	20.68%	10.35%
	218	108
<b>Total</b>	<b>1,054 (100%)</b>	<b>1,043 (100%)</b>

*The respondents also believe that economic responses from the federal as well as the provincial governments for supporting individuals are adequate or more than adequate. Again, the federal government is thought to have outperformed the provincial governments.*



**How would you compare Canada’s overall economic response to that of other developed nations? (1 being low, 5 being high)**

<b>Scale</b>	<b>Percentage</b>	<b>Count</b>
1	1.33%	14
2	4.45%	47
3	18.77%	198
4	51.85%	547
5	23.60%	249
<b>Total</b>	<b>100%</b>	<b>1,055</b>

*The respondents have judged that Canada’s overall economic response is comparable or better than that of other developed nations. This fact is reflected in Canada’s relatively better record of dealing with the pandemic and mitigating its disruptive impact.*

## What sector do you work in?

Answer	Percentage	Count
Accommodation, Tourism and Food Service	3.71%	40
Business Services, Administrative and Support	7.43%	80
Agriculture, Forestry, Fishing and Hunting	2.32%	25
Arts and Entertainment	1.11%	12
Construction	4.74%	51
Educational Services	10.03%	108
Finance and Insurance	6.04%	65
Health Care and Social Assistance	7.99%	86
Information and Cultural Industries	0.46%	5
Manufacturing	8.64%	93
Mining, Quarrying, and Oil and Gas Extraction	3.06%	33
Public Administration	9.10%	98
Professional, Scientific and Technical Services	9.01%	97
Real Estate and Rental and Leasing	1.58%	17
Retail Trade	4.83%	52
Transportation and Warehousing	4.09%	44
Utilities	1.39%	15
Wholesale Trade	1.02%	11
Other	13.46%	145
<b>Total</b>	<b>100%</b>	<b>1,077</b>

*The respondents to this survey are dispersed across many industries and sectors. Hence, their collective thoughts represent an entire spectrum of Canada's economy and viewpoints of Human Resources professionals.*

## What specific problems are your employer and your sector facing, as a result of the pandemic?

The respondents, drawing from their experiences across the entire spectrum of the Canadian economy, identified specific problems that their employer and sector are facing because of the pandemic. The following are excerpts from some of their submissions:

- » All sectors of the economy, with very few exceptions, face decreased revenue and increased costs of operations. Sectors such as oil and gas, restaurant, hospitality, entertainment, tourism, and transportation are completely decimated.
- » The healthcare industry is distressed by onerous requirements. It is required to keep employees safe, shut down unnecessary services, work with unions on pandemic plans, source Personal Protective Equipment (PPE), redeploy staff to areas of greatest need, and keep the public informed.
- » Pharmacies are often the only healthcare provider in rural communities. These businesses have faced increased costs related to PPE and delivery services, increased workload, and increased wage costs to retain workers. This sector requires a specific relief package.
- » Banking and Credit Union employees are not listed as critical employees, even though this sector is absolutely critical for the economy to function well. This sector is also adversely impacted by payment deferrals and deteriorating credit profiles of the customers.
- » Educational institutions face challenges related to safety of the staff and students, as well as managing their operations effectively. Their revenue stream has decimated and the quality of instructions declined.
- » For many non-profit organizations, donations represent a major source of revenue, which have dropped significantly.
- » For all employers, managing, engaging and supporting employees working from home is a significant technological challenge. Data privacy and security issues are considerable causes of concerns. There are also issues relating to the mental health of employees because of isolation and stress due to the pandemic.
- » For many employers, implementation of the pandemic guidelines conflict with the collective agreements with the union.
- » COVID-19 testing is slow and the employees are not compensated for the time lost between test date and receipt of negative result.
- » Recruiting replacement for sick employees is extremely difficult due to the amount of training and orientation required for new employees, as well as the decreased level of immigration.

- » The federal government support programs such as CERB and EI discourage many workers from returning to work even when able to do so.
- » Border closures and quarantine requirements have adversely affected immigration and hiring of temporary foreign workers.
- » For all employers, it is a significant challenge to interpret and implement health guidelines in the absence of consistent, clear, concise and coherent guidelines.

## **What additional measures do you suggest for supporting individuals and businesses?**

The respondents suggested many proposals for supporting individuals and businesses. Below are a few suggestions:

- » A more accessible and efficient testing process, and more effective contact tracing methods.
- » Clear communication around policies and best practices to keep employees safe. Information sharing through the 811 number would be very helpful. Ensuring a reliable supply of PPE.
- » The government support programs for individuals and businesses should be monitored more rigorously and thoroughly audited.
- » Pharmacies should be paid higher fee allowances for flu vaccinations because of the extra work required and an increase in the cost of providing services.
- » Safe transportation for people with high risk is critical for the reopening of the economy.
- » Reliable and affordable high-speed Internet access, particularly in remote areas, should no longer be a luxury, but instead a necessity.
- » Individuals and businesses should be afforded a comprehensive package of tax breaks and relief measures for mitigating the impact of pandemic. Individuals should be allowed to access their Registered Retirement Saving Plans (RRSPs) without penalty if required. Businesses should be provided with investment tax credits for improving their technological infrastructure. Similar incentives should also be provided for investments in employee safety and health.
- » Recent graduates should be provided relief from student loan repayments.
- » The Employment Standards Act should provide for a minimum of 10 paid sick leave days.
- » The capabilities of Service Canada should be enhanced and scaled up to improve customer experience.
- » Employers and the government should provide free and accessible training programs in a virtual learning environment and online collaborative tools.

- » The government should customize relief measures in accordance with the need of a geographic area and should not structure a generic solution for an entire jurisdiction.

## **How do you visualize post-pandemic future of work, and what changes do you consider necessary?**

The respondents identified expected trends in the post-pandemic world. They are narrated below:

- » Social distancing, flexible work schedules and work from home are here to stay. The future of work will be more virtual/remote than in-person. There will be more casual, consulting, part-time and contract employment than full time. The "gig economy" will grow. The work environment will become more informal and outsourcing of work will be accelerated.
- » The increased use of Artificial Intelligence (AI) and Machine Learning (ML) will automate many business processes and eliminate lower-level jobs.
- » Some industries such as construction will not be significantly impacted because of its intrinsic nature.
- » As a result of a changed work environment, the demand for commercial real estate will decrease and so will their prices.
- » Employees will be expected to be proficient in working in a virtual environment and using online collaboration tools. Employers will be required to make investments in technological infrastructure and employee health and safety.
- » More online learning, training and collaboration will be part of the "New Normal".
- » There will be a renewed interest in Human Resource Accounting, as the pandemic has proven that human resources are more important than capital assets such as plants, machineries and office buildings.
- » The idea of Universal Basic Income will receive increased political support.
- » The government support programs will stress the public finances and trigger massive fiscal deficits.
- » Future urban planning will require rethinking; similarly, employment laws will need to be rewritten so as to accommodate the realities of remote work.
- » All businesses will require a robust business continuity plan to successfully overcome future uncertainties and unknown challenges.

## Any additional comments on this topic?

The following additional comments were provided by the respondents.

- » Canadian employers will have to acquire a global mindset and will need to be more flexible about their expectations regarding the qualifications and experiences of their employees.
- » The value of the Human Resources (HR) department will increase and the contribution of HR professionals will be highly appreciated and recognized.
- » The long-term impact of increased government deficits and debt levels could be quite problematic.
- » The government should give special considerations to the Arts and Entertainment sectors, which are an integral part of the Canadian culture.
- » Government forms such as T2200 should be simplified, made user-friendly and easily accessible. Its users should be able to submit necessary paperwork without the need to visit any government office.
- » Collective thinking and action are crucial to protecting human health and the concept of a public good. We need to consider what we, as a society, mean by fairness and equity, to consider the possibility that our society is fundamentally built on a foundation that capriciously compromises both for many of its constituents. The disproportionate cost of COVID-19 to underprivileged sections of the society should be a matter of concern for all of us. We need to exploit the lessons learned from COVID-19 to create a sustainable and equitable “new normal” for all Canadians and lead the international community by example.
- » A very important lesson we should learn from the pandemic is the importance of having a good long-term care (LTC) system, the value of care and the consequences of the precarious status of care workers. It is a matter of great discomfort that Canada’s LTC facilities account for disproportionately large cases of COVID-19 related fatalities.
- » The COVID-19 pandemic demonstrates to us the value of freedom, dignity and fragility of our existence. The COVID-19 pandemic demonstrates to us that our economic, political and social systems can serve our needs and purposes only when they induce us to cooperate at the appropriate scale.
- » In most of our endeavors, we are interdependent. One individual cannot succeed without the cooperation of others. We cooperate at many different scales – local, regional and national. The COVID-19 pandemic highlights the danger of ignoring our interdependence and the importance of global cooperation. Since the virus can be defeated somewhere only when it is defeated everywhere, it shows us the terrible folly of pretending that we can achieve security in isolation, within the borders of our nation, culture, class or religion.



# Summary and Conclusions

The COVID-19 crisis has increased pressure on governments to serve citizens at a speed and scale not seen in peacetime. The following paragraphs articulate priorities that can shape more resilient societies, federal and provincial governments, and public sectors.

## SHAPING MORE RESILIENT SOCIETIES

The following approaches could help governments create more resilient societies:

- 1. Improve virus control and reimagine healthcare.** The COVID-19 pandemic has affected all stakeholders in the healthcare ecosystem. Examples of effective responses to this crisis abound and they include using digital technology to support containment, better preparation to accelerate the supply of personal protective equipment (PPE), increase healthcare capacity to meet the surge in demand to help navigate the road to recovery. Governments can unlock the potential in the digital and telehealth sector to make these services the first choice for patients and globally accessible.

- 2. Facilitate a learning revolution.** Governments have been forced to rethink learning and education systems to combat the effects of school and university closures and spikes in unemployment. Best practices include adopting hybrid learning models, building skills-based learning modules, funding continuous learning courses, and creating virtual resource centers.
- 3. Develop resilient trade and supply chains.** Countries have responded to global-trade and supply-chain disruptions due to COVID-19 by protecting their own supplies. In addition in the longer term, companies will need to adopt several best practices to make their supply chains more resilient. In addition to securing health equipment and essential food supplies, governments can help companies increase their resilience. At the same time, governments may need to consider the policy implications of remote working in the knowledge economy: as exports of highly skilled services grow, these skills will become increasingly mobile and unshackled from the location of their employers or clients.
- 4. Distribute effective stimulus measures.** The COVID-19 crisis saw governments implement unprecedented economic responses, allocating massive physical and financial resources to fight COVID-19. The Canadian federal government has announced on December 1, 2020, a new round of financial support to respond to the second wave of the COVID-19 pandemic, as the latest projections show the national deficit is projected to hit a new high: at least \$381.6 billion this fiscal year. In order to support household welfare and help businesses survive the crisis, governments have used both quick acting and innovative delivery mechanisms. Potential best practices for governments include targeting stimulus in areas that achieve the broader objectives of a more resilient society, such as expanding green energies and energy efficiency; accelerating government digitization and offering companies incentives to adopt new technologies; and shaping the workforce of the future to increase resilience in the face of the rising automation.
- 5. Deliver contactless government.** The COVID-19 pandemic has made digital transformation a priority—digital channels have become more important, and citizens and customers increasingly prefer them. For governments to implement technology-enabled change initiatives that address the citizens' needs faster and at a lower cost than the current manually-processed approach, governments need to facilitate the adoption of digital identities.
- 6. Manage public finances with an investor mindset.** Over the medium term, the federal and provincial governments could monetize the assets on their balance sheets, in order to finance massive deficits without stressing public finances.
- 7. Institutionalize best-practice crisis responses to prepare for the next crisis.** An important practice in crisis management is to establish a crisis response unit that looks ahead and considers simulations of various scenarios. Best practices require that top management in the federal government, supported by a cross-functional team, think ahead and make investments to build resilience and preparedness for future potential crises.



**8. Cultivate smarter, more productive ways for public servants to work.**

The COVID-19 crisis has required public servants to improvise and adapt to a rapidly evolving situation. In the future, automation could strengthen public-service productivity and move significant numbers of public servants from back-office jobs into more valuable and meaningful citizen-facing roles—provided that the government focuses on the citizen experience and effective change management, including building the capabilities required to make the necessary changes.

- 9. Foster new forms of partnership with the private sector.** By partnering with private sectors and multinational institutions to design and implement well-structured stimulus measures, governments could help prepare workforces for a technology-focused future and improve the long-term competitiveness and resilience of key industries. The public sector can establish partnerships with private sectors to the next level to enhance service delivery, recognizing that there is a natural intersection between the role of governments and that of companies' broader societal purpose.

## CONCLUSION

COVID-19 is a once in a century catastrophe that has irreversibly altered the course of human civilization. The immediate implications and remedial measures in the Canadian context reflecting collective wisdom of the CPHR Canada members are discussed in the previous section. These suggestions are appropriate and applicable in the context of the specific sectors of the Canadian economy.

In conclusion, it is apt to say that HR has played a critical role to date supporting both employers and employees, all while navigating continued uncertainty, and with no clear end point to return to normality. In a post-pandemic world, HR professionals will continue to play a leadership role in building prosperous, secure, inclusive and sustainable businesses. There will never be a better time to be HR professionals than now, and their best days are yet to come.

## APPENDIX A

### LEGISLATIVE HISTORY OF COVID-19 RELIEF MEASURES

Bill 13, COVID-19 Emergency Response Act

<https://www.parl.ca/DocumentViewer/en/43-1/bill/C-13/royal-assent>

Bill C-14, COVID-19 Emergency Response Act, No. 2

<https://www.parl.ca/LegisInfo/BillDetails.aspx?Language=E&billId=10716060>

Bill C-15, Canada Emergency Student Benefit Act

<https://laws.justice.gc.ca/eng/acts/C-3.75/index.html>

Bill C-17, An Act Respecting Additional COVID-19 Measures

<https://www.parl.ca/LegisInfo/BillDetails.aspx?Language=E&billId=10788610>

Bill C-20, An Act Respecting Further COVID-19 Measures

<https://www.parl.ca/LegisInfo/BillDetails.aspx?Language=E&billId=10833096>

Bill C-2, An Act Relating to Economic Recovery in Response to COVID-19

<https://www.parl.ca/LegisInfo/BillDetails.aspx?Language=E&billId=10867434>

Bill C-4, An Act Relating to Certain Measures in Response to COVID-19

<https://parl.ca/DocumentViewer/en/43-2/bill/C-4/royal-assent>

Bill C-9, An Act to amend the Income Tax Act (Canada Emergency Rent Subsidy and Canada Emergency Wage Subsidy)

<https://www.parl.ca/LegisInfo/BillDetails.aspx?Language=e&Mode=1&billId=10926615>

## GOVERNMENT OF CANADA RESOURCES

Canada's COVID-19 Economic Response Plan

<https://www.canada.ca/en/department-finance/economic-response-plan.html>

CRA: COVID-19: Changes to Canadian Taxes and Benefits

<https://www.canada.ca/en/revenue-agency/campaigns/covid-19-update.html>

Parliamentary Budget Office COVID-19 Analysis

<https://covid19.pbo-dpb.ca/#/en>

## APPENDIX B

### PROVINCIAL/TERRITORIAL COVID-19 SUPPORTS AND INFORMATION

Alberta COVID-19 Information and Support

<https://www.alberta.ca/coronavirus-info-for-albertans.aspx>

British Columbia COVID-19 Information and Support

<https://www2.gov.bc.ca/gov/content/safety/emergency-preparedness-response-recovery/covid-19-provincial-support>

Manitoba COVID-19 Information and Support

<https://www.gov.mb.ca/covid19/index.html>

New Brunswick COVID-19 Information and Support

[https://www2.gnb.ca/content/gnb/en/departments/ocmoh/cdc/content/respiratory\\_diseases/coronavirus.html](https://www2.gnb.ca/content/gnb/en/departments/ocmoh/cdc/content/respiratory_diseases/coronavirus.html)

Newfoundland & Labrador COVID-19 Information and Support

<https://www.gov.nl.ca/covid-19/>

Northwest Territories COVID-19 Information and Support

<https://www.gov.nt.ca/covid-19/>

Nova Scotia COVID-19 Information and Support

<https://novascotia.ca/coronavirus/>

Nunavut COVID-19 Information and Support

<https://www.gov.nu.ca/health/information/covid-19-novel-coronavirus>

Ontario COVID-19 Information and Support

<https://www.ontario.ca/page/how-ontario-is-responding-covid-19>

Ontario COVID-19 Action Plan March 25, 2020

<https://budget.ontario.ca/2020/marchupdate/action-plan.html>

Prince Edward Island COVID-19 Information and Support

<https://www.princeedwardisland.ca/en/covid19>

Quebec COVID-19 Information and Support

<https://www.quebec.ca/en/health/health-issues/a-z/2019-coronavirus/>

Saskatchewan COVID-19 Information and Support

<https://www.saskatchewan.ca/government/health-care-administration-and-provider-resources/treatment-procedures-and-guidelines/emerging-public-health-issues/2019-novel-coronavirus>

Yukon COVID-19 Information and Support

<https://yukon.ca/en/covid-19-information>

People Leading Business.

—

MAIN 604-684-7228

EMAIL [info@cphr.ca](mailto:info@cphr.ca)

**CPHR.CA**