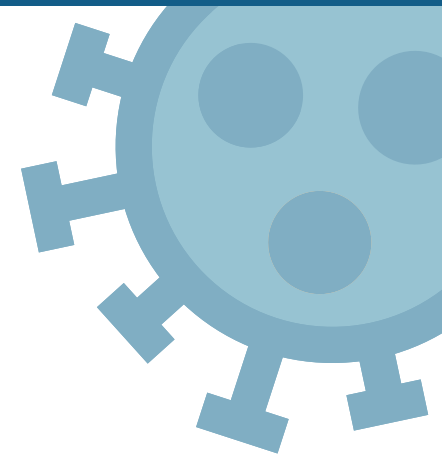


CANADIAN FEDERAL GOVERNMENT COVID-19 FINANCIAL RELIEF MEASURES

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Temporary Wage Subsidy

- ▶ This subsidy is equal to 10% of the remuneration paid by qualifying employers between March 18, 2020 and June 20, 2020 up to \$1,375 per employee and to a maximum of \$25,000 total per employer.
- ▶ Eligible employers are those who have a pre-existing payroll account with CRA and who are non-profit organizations, registered charities and Canadian-controlled private corporations (with a taxable capital under \$15 million on an associated group basis).
- ▶ The subsidy is received by reducing payroll income tax remittances to CRA.
- ▶ Visit this link for more information: <https://www.canada.ca/en/revenue-agency/campaigns/covid-19-update/frequently-asked-questions-wage-subsidy-small-businesses.html#h2>

Canada Emergency Wage Subsidy

- ▶ A wage subsidy of 75%, up to \$847 per employee per week, for up to 3 months, retroactive to March 15.
- ▶ Qualifying businesses are those whose monthly revenues have decreased at least 30% as compared to the same month last year (i.e., March to March, April to April).
- ▶ The employer needs to prove that they are doing everything they can to pay the 25% of wages and that they need to apply this subsidy on a monthly basis.
- ▶ To facilitate payment, direct deposit set up with CRA is recommended.
- ▶ Visit this link for more information: <https://www.canada.ca/en/department-finance/economic-response-plan/wage-subsidy.html>



Business Credit Availability Programs

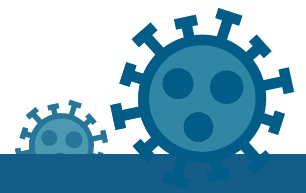
- ▶ This program includes the Canadian Emergency Business Account, which will provide interest-free loans of up to \$40,000 for small businesses and not-for-profits who had a total payroll of between \$50,000 and \$1 million in 2019. Up to \$10,000 (25%) of the loan is eligible for forgiveness under certain conditions.
- ▶ Export Development Canada will provide guarantees on new operating credit and cash flow term loans up to \$6.25 million for small and medium-sized enterprises.
- ▶ Businesses seeking support through these programs should contact their existing financial institution, who will then work with Export Development Canada and the Business Development Bank of Canada.
- ▶ Visit this link for more information: <https://www.canada.ca/en/department-finance/programs/financial-sector-policy/business-credit-availability-program.html>

Tax measures

- ▶ The filing deadline for T3010 Charity Information Returns due March 18 – December 31, 2020 are extended to December 31, 2020.
- ▶ Payroll remittances deadlines remain unchanged.
- ▶ Visit this link for more information: <https://www.canada.ca/en/revenue-agency/campaigns/covid-19-update.html>

Employer “Top-up” of Employment Insurance Benefits

- ▶ Employers can use a “Supplemental Unemployment Benefit Program” to increase their employees’ earnings while they are claiming Employment Insurance.
- ▶ The plan needs to be registered with Service Canada so that the top-up payments do not reduce the EI benefits paid to the employees.
- ▶ Visit this link for more information: <https://www.canada.ca/en/employment-social-development/programs/ei/ei-list/ei-employers-supplemental-unemployment-benefit.html>



Temporary Layoffs

- ▶ There are legal considerations when dealing with temporary layoffs, so we recommend you seek legal advice.
- ▶ There is a concern that a layoff, even if intended to be temporary, may result in constructive dismissal with the employee entitled to receive termination pay.
- ▶ Visit this link for more information: <https://www.ontario.ca/document/your-guide-employment-standards-act-0/termination-employment>

Employment Insurance Sickness Benefits

- ▶ EI sickness benefits provide financial support to eligible workers who are unable to work for a medical reason, including being required to self-isolate.
- ▶ The employee must have accumulated 600 insurable hours in the past 52 weeks.
- ▶ The EI sickness benefits pay 55% of the employee's insurable earnings, up to a maximum of \$573, less applicable taxes, and can be claimed for up to 15 weeks.
- ▶ The government has waived the one week waiting period, along with waiving the requirement for a note from a doctor, for those people required to self-isolate.
- ▶ Visit this link for more information: <https://www.canada.ca/en/services/benefits/ei/ei-sickness.html>

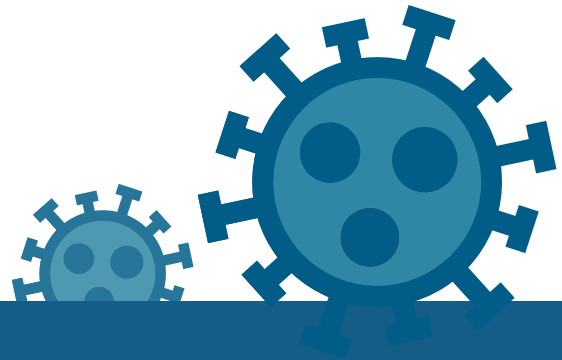
Work-Sharing

- ▶ Work-Sharing is an EI program designed to help employers and employees avoid layoffs when there is a temporary reduction in the normal level of business activity that is beyond the control of the employer. The program provides EI income support to eligible employees.
- ▶ Employees must agree to a temporarily reduced schedule of work and to share the available work over a specified period of time.
- ▶ This program requires the employer and employees to apply together, and requires approval through Service Canada.
- ▶ As a result of the COVID-19 crisis, the government has extended the program from a maximum of 38 weeks to 76 weeks.
- ▶ Visit this link for more information: <https://www.canada.ca/en/employment-social-development/services/work-sharing.html>



Canada Emergency Response Benefit

- ▶ The CERB provides a taxable benefit of \$2,000 per month, up to four months, to employees and self-employed people who lose their source of income as a result of the COVID-19 and who would not otherwise be eligible for Employment Insurance.
- ▶ This includes workers who are sick, quarantined or taking care of someone who is sick with COVID-19, along with working parents who must stay home without pay to care for children because of school and daycare closures.
- ▶ Online applications began on April 6.
- ▶ Visit this link for more information: <https://www.canada.ca/en/services/benefits/ei/cerb-application.html>



**FOR AN OVERVIEW OF THE FEDERAL GOVERNMENT'S COVID-19
ECONOMIC RESPONSE PLAN, PLEASE SEE:**

[HTTPS://WWW.CANADA.CA/EN/DEPARTMENT-FINANCE/ECONOMIC-RESPONSE-PLAN.HTML](https://www.canada.ca/en/department-finance/economic-response-plan.html)



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