



COVID-19 FEDERAL RESOURCES UPDATE

March 30, 2020 -- To date, COVID-19 has been characterized as a pandemic worldwide, and as such, is impacting employment for many. Over the last several weeks, the Government of Canada has announced Phase One of their relief plan to address the devastating impact of COVID-19 on Canadians. Information relating to the Building Trades members is included below. Check out www.buildingtrades.ca for updated and additional information.

CANADA EMERGENCY RESPONSE BENEFIT

For Workers

Those who qualify

- If you have lost your job due to COVID-19, and even if you don't qualify for EI
- Have a job, but are not being paid and asked to work
- Are taking care of someone who is sick with COVID-19
- Must stay home without pay to take care of children
- Are sick, quarantined or in self-isolation

Steps to Apply

- Application is available as of April 6
- You can apply by:
 - o Accessing it on your CRA MyAccount secure portal
 - o Accessing it from your My Service Canada account
 - o By calling a "soon-to-be-available" toll-free number

CERB Information

- Pays \$2000/month for up to 4 months, backdated to March 15.
- Benefits should be available 10 days after you submit your application.
- If you've already applied for EI, your claim will be moved to the CERB automatically and benefits will be paid from this program first.
- If you're currently on EI, you will continue to receive your EI benefits, and if those benefits end before October 3, you can apply for the CERB.
- If you are sick or unemployed after CERB coverage ends, and you have EI insurable hours, you can apply for normal EI benefits at that time.

Employment Insurance Sick Benefits

- First, apply for CERB as noted above.
- After completing the online form, call 1-833-381-2725 to have the one-week waiting period waived.
- Have your SIN number, first and last day worked, pay stub with highest two-week pay from the last year, as well as payment information ready.
- If you apply after quarantine, benefits will be backdated.
- No sick note will be required.



For Businesses

To further support small businesses, on March 27, the Government of Canada announced the following:

- A 75 per cent wage subsidy for qualifying businesses, for up to three months, retroactive to March 15th, 2020. This will help businesses to keep and return workers on payroll;
- Allow businesses, including self-employed individuals, to defer all Goods and Services Tax/Harmonized Sales Tax (GST/HST) payments until June, as well as customs duties owed for imports. This measure is the equivalent of providing up to \$30 billion in interest-free loans to Canadian businesses.

Further details of the 75 per cent wage subsidy were released on March 30. Below are some of the details:

- Businesses, including non-profit organizations and charities, whose revenue has decreased by 30 per cent since the start of the pandemic will qualify for the 75 per cent wage subsidy;
- There is no minimum or maximum number of employees a business must have to qualify;
- This wage subsidy is backdated to March 15th, 2020;
- It will apply to the first \$58,700 in income per employee (max \$847 per week, per employee);
- Employers are encouraged to top-up employees' remaining 25 per cent of wages, if possible;
- Employers were also encouraged to "do the right thing" and only apply if they meet the requirements and need the assistance to keep workers. Employers were sternly warned "NOT to game the system" as there will be serious consequences to those that do.

If your Local Union or Training Centre is a non-profit organization or a Canadian-controlled private corporation (CCPC), you could qualify for this wage subsidy. A CCPC is essentially a private corporation whose shares are not listed on a stock exchange, and that is owned and controlled by Canadian residents. If you have employers who qualify, please consider sharing this information so as to avoid layoffs or reduced work.

How does the subsidy work? The subsidy is calculated manually and the employer can choose to reduce its payroll income tax remittances to the CRA by the amount of the subsidy. The reduction of tax remittances can begin on the employer's next remittance date (April 15th if the employer is a quarterly or monthly filer). Although the wage subsidy is based on remuneration paid to employees between March 15th and June 16th, there is no deadline for claiming the subsidy.

Employers must continue to deduct all source deductions, including income taxes,



CPP/QPP contributions and EI premiums from employees' pay. The employer can only reduce remittances of federal, provincial (other than Quebec) or territorial income taxes and cannot reduce any remittances of CPP/QPP contributions or EI premiums. Remittances to Revenu Quebec may not be reduced.

While the CRA is currently working on the reporting requirements for the wage subsidy program, the employer should keep all information necessary to support its manual calculation of the subsidy. This will include records of all remuneration for the relevant period, as well as tax deductions and the number of employees.

Additional Resources

Additionally, with COVID-19 impacting your employment, below are other changes the federal government has made to offer support.

- Income tax filing deadline extended to June 1.
- Deadline to make income tax payments extended until September 1.
- Many banks allow deferral of mortgage payments for up to six months. Contact your bank to determine what is available for you.
- Federal student loan payments are deferred until September 30. This moratorium is interest-free and no interest will accrue during this time.
- The Canada Child Benefit will have a top-up.
 - An extra \$300 per child.
 - Those who already received this benefit do not need to reapply.
 - It will be delivered with the scheduled payment in May.
- There will be a one-time special top-up on GST payments for low- and modest-income households.
 - An extra \$400 for single individuals and up to \$600 for couples.
 - No need to apply. If eligible, you will get it automatically.
 - It will be delivered with the scheduled payment in May.

The federal government will be making more funds available for people who need to borrow money to pay bills. Details to come.

Please review the federal government's resource page dedicated to all things related to COVID-19 including Employment Insurance information, other support for workers, supports for business and more information on these and other measures [here](#).

We will continue to monitor this situation and do our best to keep you up to date.

Stay up-to-date by following Health Canada here:
[Health Canada COVID-19 Updates](#)