



Canadian Fluid
Power Association

Association canadienne
d'énergie des fluides

COVID-19: Status Update

FEDERAL GOVERNMENT ANNOUNCES \$82B SUPPORT PACKAGE

CME has been working aggressively on behalf of members throughout the COVID-19 outbreak to limit the impact on businesses. The Federal Government announced further emergency measures to support workers and businesses. The response largely follows CME [asks](#). More details available [here](#).

CANADA-US BORDER

- Will remain open for trade and for the movement of goods and essential people. Manufacturing supplies and manufacturing workers can continue to cross the border. The closure is only for non-essential travel.

SUPPORT FOR BUSINESSES

- **Payroll tax reductions:** Helping business keep employees on payroll through a subsidy equal to 10% of remuneration paid during that period, up to a maximum subsidy of \$1,375 per employee and \$25,000 per employer
- **Delay in tax filing and payments:** The CRA will allow all businesses to defer, until after August 31, 2020, the payment of any income tax amounts that become owing on or after today and before September 2020. No interest or penalties will accumulate on these amounts during this period.
- **Delay in tax audits:** The Canada Revenue Agency will not contact any SME to initiate any post assessment GST/HST or Income Tax audits for the next four weeks
- **Direct financial support:** Creation of the Canada Account, administered by Export Development Canada (EDC), to provide additional support to Canadian companies through loans, guarantees or insurance policies

SUPPORT FOR WORKERS

- **Emergency Care Benefit** (new) providing up to \$900 bi-weekly, for up to 15 weeks to support:
 - Self-employed, who are quarantined or sick with COVID-19, but do not qualify for EI sickness benefits.
 - Workers, including the self-employed, who are taking care of a family member who is sick with COVID-19, such as an elderly parent, but do not qualify for EI sickness benefits.
 - Parents with children who require care or supervision due to school closures, and are unable to earn employment income, irrespective of whether they qualify for EI or not.

- **Emergency Support Benefit** (new) \$5.0 billion in support to workers who are not eligible for EI and who are facing unemployment.
- **Deferred tax filing:** CRA will defer the filing due date for the 2019 tax returns of individuals
- **Flexible mortgages and loans:** Banks in Canada have affirmed their commitment to working with customers to provide flexible solutions, on a case-by-case basis, for managing through hardship
- CMHC to offer payment deferral, loan re-amortization, capitalization of outstanding interest arrears and other eligible expenses, and special payment arrangements.

CME remains in constant contact with officials at the provincial and federal level to stress the importance of an open Canada-USA border, support for manufacturers, and support for their workers. We understand that these measures may not be enough. We will continue to take feedback from members on necessary supportive actions needed and advocate on your behalf.

CME AND PARTNERS ISSUE LETTERS TO GOVERNMENT

- [Letter to the Prime Minister](#): Canadian Manufacturing Coalition
- [Letter to the Minister of Finance](#): Along with Canada's leading business associations