



Canadian Association of University Teachers
Association canadienne des professeures et professeurs d'université

Memorandum 20:15

Date: March 25, 2020

To: Presidents and Administrative Staff
Local and Federated Associations

From: David Robinson, Executive Director

Re: **Temporary Wage Subsidy for Employers**

Academic staff associations with paid staff may be eligible for the Temporary Wage Subsidy for Employers, announced March 18 by the Government of Canada as part of a series of measures to address the COVID-19 pandemic. This subsidy allows employers to reduce the amount of payroll reductions required for remittance to the Canada Revenue Agency (CRA).

An employer is eligible for this subsidy if it:

- is a non-profit organization, registered charity, or a Canadian-controlled private corporation (CCPC);
- has an existing business number and payroll program account with the CRA on March 18, 2020; and,
- pays salary, wages, bonuses, or other remuneration to an employee.

The subsidy is equal to 10% of the remuneration of income tax deductions paid between March 18, 2020 and June 20, 2020, up to \$1,375 per employee and to a maximum of \$25,000 total per employer. For example, if an association has a total monthly payroll of \$20,500, the subsidy would be 10%, or \$2,050.

You can reduce this amount from your current remittance of federal, provincial, or territorial income tax that you send to the CRA.

For further information on the temporary wage subsidy for employers please visit:

<https://www.canada.ca/en/revenue-agency/campaigns/covid-19-update/frequently-asked-questions-wage-subsidy-small-businesses.html#h1>