

# **COVID – 19 UPDATE: March 19, 2020**

## **FORCE MAJEURE AND SEVERANCE:**

Most film contracts contain a 'Force Majeure' clause. This is present in the CMPA-BC – ACFC West, Local 2020 Unifor Collective Agreement. It states the following:

### **16.03 Act of God or Force Majeure**

(a) The Producer or the Technician may terminate a Deal Memorandum without any penalty or liability in any case where the contract cannot be performed because of an Act of God or Force Majeure.

(b) The Producer, Technician or the Union may grieve the termination of a Technician's Deal Memorandum because of an Act of God or Force Majeure under Article 16.03(a) through the procedures set out in this Agreement and the burden of proving that the termination was because of an alleged Act of God or Force Majeure shall be on the person terminating the Deal Memorandum.

Force majeure refers to a clause that is included in contracts to remove liability for natural and unavoidable catastrophes that interrupt the expected course of events and restrict participants from fulfilling obligations. As such, severance obligations are removed from the employer's responsibility due to the extraordinary events surrounding COVID-19.

## **ACFC MEMBERS ENROLLED IN OUR BLUE CROSS PLAN:**

Our Pacific Blue Cross medical plan daybank is structured on a quarterly basis. In simple terms, days worked in a quarter fund a worker's coverage during the next quarter. The current quarter ends on midnight, March 31<sup>st</sup>, 2020. The next daybank quarter commences April 1<sup>st</sup>, 2020. Given the very challenging circumstances facing workers, we have allocated resources such that anyone currently on the plan will remain on the plan, at least through the end of April (regardless of the number of days in an individual's daybank). This policy will be in effect for the month of April and reviewed thereafter on a monthly basis.

## **GOVERNMENT MEASURES FOR WORKERS:**

**The anticipated Canadian government economic measures which form this stage of its COVID-19 Economic Response Plan have been announced. This is welcome news for so many who are facing economic uncertainty. Please click [here to access the Department of Finance's Announcement.](#)**

**The following information is a summary of the federal government’s plan:**

Temporary Income Support:

- As previously announced; effective March 15, the one-week waiting period for Employment Insurance (EI) sickness benefits will be waived for all qualifying individuals in imposed quarantine due to COVID-19. A medical certificate to access EI sickness benefits will NOT be required.
- Two New Income Support Programs Announced. These programs are designed to support individuals who are not eligible for EI benefits, such as independent contractors and self-employed individuals; Emergency Care Benefit and Emergency Support Benefit.

EMERGENCY CARE BENEFIT	EMERGENCY SUPPORT BENEFIT
Amount?: Individuals may access up to \$900.00 bi-weekly	The Emergency Support Benefit announcement commits up to \$5 billion in support to workers who are not eligible for EI and are facing unemployment.
Who Qualifies?: Individuals and self-employed who are not entitled to sickness benefits who are either: a) quarantined or sick with COVID-19, OR b) taking care of a family member who is sick with COVID-19.	There are a number of details that haven't been defined as of this date. However, we do know that the government intends the benefit to be implemented in early April and further information will be available shortly.
Anyone else? <b>Yes</b> ; This benefit may also be accessed by parents unable to earn employment income due to a requirement to provide care or supervision to their children because of school closures (regardless of whether they qualify for EI or not).	
Process?: Applications will be available in April and may be accessed through various channels, including the CRA <i>MyAccount</i> portal.	

Other Federal Assistance:

<b>TAX DEFERRAL</b>
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<p>The Canada Revenue Agency will defer the filing due date for the 2019 tax returns of individuals. The return filing due date will be deferred until June 1, 2020. However, the Agency encourages individuals who expect to receive benefits under the GSTC or the Canada Child Benefit not to delay the filing of their return to ensure their entitlements for the 2020-21 benefit year are properly determined.</p>
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<p>The Canada Revenue Agency will allow all taxpayers 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. This relief would apply to tax balances due, as well as instalments, under Part I of the Income Tax Act. No interest or penalties will accumulate on these amounts during this period.</p>
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Please continue to check back regularly for updates as more information becomes available.