

Canadian Emergency Wage Subsidy

Eligible Employers

- Eligible employers would include individuals, taxable corporations, and partnerships consisting of eligible employers as well as non-profit organizations and registered charities.
- This subsidy would be available to eligible employers that see a drop of at least 15 per cent of their revenue from March 2019 or from January or February 2020. For subsidies for April or May the revenue drop will be required to be 30 per cent.
- In applying for the subsidy, employers would be required to attest to the decline in revenue.

Calculating Revenues

- An employer's revenue for this purpose would be its revenue from its business carried on in Canada earned from arm's-length sources.
- Revenue would be calculated using the employer's normal accounting method, and would exclude revenues from extraordinary items and amounts on account of capital.

Amount of Subsidy

- The subsidy amount for a given employee on eligible remuneration paid between March 15 and June 6, 2020 would be the greater of:
 - 75 per cent of the amount of remuneration paid, up to a maximum benefit of \$847 per week; and
 - the amount of remuneration paid, up to a maximum benefit of \$847 per week or 75 per cent of the employee's pre-crisis weekly remuneration, whichever is less.
- Employers will also be eligible for a subsidy of up to 75 per cent of salaries and wages paid to new employees.
- The CEWS will also include a 100% refund for certain employer-paid contributions to Employment Insurance, the Canada Pension Plan, the Quebec Pension Plan, and the Quebec Parental Insurance Plan, for each week for which the employer is eligible to claim for the CEWS for those employees.
- There would be no overall limit on the subsidy amount that an eligible employer may claim.

Eligible Periods

- The subsidy covers three eligibility periods:
 - Period 1: March 15 to April 11
 - Period 2: April 12 to May 9
 - Period 3: May 10 to June 6
- Eligibility for the CEWS is determined by:
 - The change in monthly revenues, year-over-year, for the calendar month in which the period began (e.g. Claim Period 1: March 15 to April 11 is based on change in revenue March 2020 over March 2019); or
 - A comparison of revenue using an average of revenue earned in January and February 2020 (e.g. Claim Period 1: March 15 to April 11 is based on change in revenue March 2020 over average of January and February 2020).
 - For Period 1, eligibility is based on a 15% revenue reduction. For Periods 2 and 3, eligibility is based on a 30% revenue reduction.

How to Apply

- Eligible employers would be able to apply for the Canada Emergency Wage Subsidy through the Canada Revenue Agency's *My Business Account* portal as well as a web-based application.
- Employers would have to keep records demonstrating their reduction in arm's-length revenues and remuneration paid to employees.
- Subsidy payments are expected to be available in 2 to 5 weeks