

Dear Client,

Earlier today, the Government of Canada announced more details on the Canada Emergency Wage Subsidy (CEWS) they are putting in place to assist Employers with the economic impact of the COVID-19 Pandemic.

Legislation is currently not available and many questions still remain. It is hopeful this legislation will be drafted and released soon in order to provide additional details.

We have summarized our understanding of the program as follows:

Canada Emergency Wage Subsidy:

The federal government will provide a 75% wage subsidy to eligible small businesses.

Who is eligible?

- Businesses (regardless of the number of employees),
- Not for profit organizations
- Charities

that experienced a 30% reduction of their revenue in March, April or May, when compared to the same month in 2019. More details to come on how to calculate reduction in revenue for businesses created less than a year ago.

Eligible period?

For salaries paid between March 15 and June 6

How much can I receive?

The subsidy will cover 75% of the wage of the employee up to a maximum weekly subsidy per employee of \$847. The subsidy will be based entirely on the salary or wages actually paid to employees. More details to come.

Do I have to pay the remaining 25%?

All employers would be expected to at least make best efforts to top up salaries to 100%.

How can I apply?

Details to come.

What if I am not eligible?

Those organizations that do not qualify for the Canada Emergency Wage Subsidy may continue to qualify for the previously announced wage subsidy of 10 per cent of remuneration paid from March 18 to before June 20, up to a maximum subsidy of \$1,375 per employee and \$25,000 per employer.