



Providing business with
wage subsidies (75%)

COVID-19 • MARCH 31ST, 2020



#itwillbeok

Help for businesses to keep employees

Canada Emergency Wage Subsidy

WHO QUALIFIES FOR THE SUBSIDY?

Eligible employers include businesses of all sectors regardless of the number of employees or size, including self-employed and contractors, non-profit and charities.

Public sector organizations are excluded.

The business gross revenues must have decreased by at least 30% due to COVID-19 in order to be eligible for the wage subsidy

- 30% or more decline in revenues will be determined by comparing revenues of this year (i.e. 2020) to the same month last year (i.e. 2019), for the months of March, April and May.
- Businesses will have to apply for the subsidy every month for the months of March, April and May.

For start-up or companies with no comparable prior year revenues (including start-up companies), information will be announced shortly as to how these businesses can qualify for the wage subsidy.

DETAILS ON THE SUBSIDY?

- The subsidy is 75% of annual employee salary, up to an annual salary of \$58,700 (i.e. up to \$847 per week per eligible employee).
- An eligible employer's entitlement to this wage subsidy will be based entirely on the salary or wages actually paid to employees.
- The program would be in place for a 12-week period, from March 15 to June 6, 2020.

HOW TO ACCESS THE WAGE SUBSIDY?

Businesses can apply online through the CRA portal, which will be up and running shortly

- Funds will be available in 3 to 6 weeks and transferred directly to the business
 - Direct deposit will allow businesses to get money more quickly
- Businesses will have to apply for the subsidy every month
- Businesses should register on "[My Business Account](#)"

OTHER COMMENTS

Details on the maximum amount per eligible business/employer remains unanswered, however, it appears so far that there will be no maximum per employer.

Bill Morneau stated that employers should do everything they can to pay for the remaining 25% of the employees' salaries. The Minister of Finance further stated that during the crisis anyone that tries to use these funds for fraudulent purposes will face severe consequences.

Additional support for non-profit and charities, especially those involved in the primary care intervention are being considered, more information will be announced shortly.

Per CRA's site "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."

The Minister of Finance stated that the measure will be reassessed as needed and as the pandemic crisis develops.

For more information, visit the CRA website:

[L'ARC – Détails sur la Subvention salariale d'urgence du Canada](#)

[CRA – Details of the Canada Emergency Wage Subsidy](#)

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