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Calculation of the Canada Emergency Wage Subsidy (CEWS)

Today, the government announced that the application process will start for the CEWS on April 27th, 2020. If you are not already signed up for “My Business Account”, register now ensuring that your business details and direct deposit information for your payroll account (RP) is accurate and up to date.

Once you have completed the calculation of your CEWS as outlined below, submit your claim on-line through “My Business Account” or by phone at 1-800-959-5525 Monday to Friday between 9am and 6pm local time. Refer to this link for further details:

<https://www.canada.ca/en/revenue-agency/services/subsidy/emergency-wage-subsidy.html>

To summarize:

- This program is available to eligible employers providing a subsidy of up to 75% of employee wages for 12 weeks between March 15, 2020 and June 6, 2020.
- To be an eligible employer you must have experienced the required revenue decline (see previous April 14th Bulletin) and have had a CRA payroll account on March 15, 2020.
- Eligible employers include individuals, taxable corporations, non-profit organizations, registered charities and partnerships.
- An eligible employee is an individual employed in Canada by you (the eligible employer) during the claim period EXCEPT if there was a period of 14 or more consecutive days in that period where the employee did not receive any pay.
- Employees who have been laid off can become eligible retroactively as long as they have been rehired and their retroactive pay and status meet the eligibility criteria for the claim period.

The subsidy is calculated using the baseline remuneration which is the average weekly eligible remuneration paid to an employee during the period January 1, 2020 to March 15, 2020. The subsidy is the least of the following:

- 75% of weekly eligible remuneration or
- \$847

You must **deduct** from this amount any subsidy claimed under the previously announced 10% wage subsidy and any amounts received by employees through the work sharing program for any weeks in the qualifying period.