



CANADA EMERGENCY WAGE SUBSIDY ("CEWS") – UPDATE

On **April 21, 2020**, additional tools were provided **by the federal government** in order to clarify certain questions and facilitate the CEWS application process.

A summary of the CEWS program is fully **detailed in our bulletin issued on April 14, 2020**. Due to the complex nature of these rules, readers are urged to seek out their Richter professionals so that their impact can be properly interpreted.

WHAT'S NEW

- On April 27, 2020, employers can begin to apply for the subsidy through the Canada Revenue Agency ("CRA") *My Business Account* or through a web-based application.
- A representative can also apply on behalf of their client through *Represent a Client*.
- An online CEWS Calculator has been launched that enables employers to determine their subsidy amount.
- It is expected that 90% of applications will be processed by May 5, 2020 with disbursements occurring shortly thereafter.
- Employers will have until September 30, 2020 to make a claim.
- We recommend signing up for direct deposit through CRA's *My Business Account* or *Represent a Client*, if you have not already done so.
- It is possible to re-hire employees, retroactive to March 15th. However, backpay must be paid to employees directly prior to claiming the CEWS.
- The Canada Emergency Response Benefit ("CERB") (\$2,000/month) and the CEWS cannot be claimed at the same time in relation to the same employee. If re-hired employees received the CERB, such employees are expected to cancel prior CERB claims and are responsible to repay amounts received thereunder. We encourage you to point this out to your employees and potentially document same in your re-hiring discussions. Additional details regarding this process will be provided when known.

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