

**13 April 2020**

***via Vancouver Board of Trade***

### **Canada Emergency Wage Subsidy**

- On Saturday, the Federal Government's Canada Emergency Wage Subsidy (CEWS) legislation was passed in Parliament, a \$73-billion wage subsidy covering up to 75 per cent of employee wages that have been impacted for reasons related to COVID-19. The CEWS will cover up to a maximum benefit of \$847 per week for each employee and is available from March 15 to June 6.
- Companies can now qualify by showing a 15% decline in revenues in March and can compare their revenues to previous months or year over year. A 30% decline is required to qualify in April and May, although once you are eligible in one month, you are automatically qualified for the next period.
- Applications will be open in the near term, with funds expected to be received in around two-to-four weeks.
- While many changes have been made, we know that many organizations deeply impacted still will not qualify. We will continue to advocate to ensure all impacted businesses, such as pre-revenue startups, can receive support.
- More information on the [Canada Emergency Wage Subsidy](#).

### **Other Policy Updates**

- Last week, we saw the **launch of Canada's Emergency Response Benefit** portal – a program that provides \$2,000 a month to those who have stopped working due to COVID-19. This support has come online just as we learn of the staggering loss of more than 1.01 million jobs in March – Canada's worst recorded single-month change.
- The government is considering relaxing benefit eligibility requirements to avoid unintended consequences that would incent workers to roll off the workforce and collect CERB instead.

- The Federal Government announced changes to the Canada Summer Jobs program. The changes increase the federal wage subsidy to 100% to all employers to hire summer staff and provide employment opportunities for young Canadians (between 15-30 years of age).
- The [Parliamentary Budget Office published its first scenario analysis](#) of COVID-19 pandemic and oil price shocks. The model, which takes into account the announced federal measures, predicted that the budget deficit would increase to \$27.4 billion in 2019-20 (1.2% of GDP), and then 184.2 billion in 2020-21 (8.5% of GDP).
- The [Canadian Emergency Business Account](#) is now available. It provides eligible businesses an interest free loan of up to \$40,000 of which up to \$10,000 will be forgiven. Contact your financial institution for more details.