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IMPORTANT UPDATES

Canada Emergency Wage Subsidy: For Employers

On March 3, 2021, the Department of Finance released additional details and legislation regarding periods 14 – 16 of the Canada Emergency Wage Subsidy ("CEWS") program covering from March 14, 2021 to June 5, 2021.

The information contained in this post is current as of March 8, 2021 and includes our interpretations of publicly available information that is subject to change during this rapidly evolving pandemic. Please ensure you are relying on the most current information possible for any government assistance plans relating to the COVID-19 pandemic. Not all government legislation relating to these programs has been finalized and enacted, we continue to monitor these matters and can assist you with applying the information available to your circumstances. Contact your Ford Keast advisor if you are unsure about any items contained in these updates or if you wish to discuss how these items relate to your specific situation or if you would like assistance in completing your applications.

Changes of Note

Eligible periods

❖ Period 14: March 14th – April 10th
❖ Period 15: April 11th – May 8th
❖ Period 16: May 9th – June 5th

Subsidy Rate

The baseline subsidy rate of the base CEWS will continue to vary as it remains a function of the revenue decline percentage, however, the government has extended the current rate structure for periods 14-16 meaning the maximum base subsidy will be as follows:

	Maximum weekly benefit per employee	Subsidy if Revenue drop 50% and over	Subsidy if Revenue drop 0% to 49%
Period 8- 16	Up to $452	40%	0.8 x revenue drop

The additional top-up subsidy of up to 35% for eligible employers with a revenue decline exceeding 50% also remains the same for periods 11-16 with the total up subsidy being: 1.75 x (Revenue decline percentage used for base subsidy – 50%)

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[Revenue Decline Reference Periods](#)

In recognition that we are now approaching a full year of business being impacted by the Covid-19 pandemic the new legislation confirms that the revenue decline will continue to be measured against a pre-pandemic month. Thus, the prior reference periods will continue to be based on a calendar month from 2019. The revenue decline calculation is summarized as follows:

	Claiming period	Reference period for eligibility for BASE CEWS
Period 14	March 14 – April 10, 2021	March 2021 over March 2019 or February 2021 over February 2020; or March 2021 or February 2021 over average of January and February 2020
Period 15	April 11 – May 8, 2021	April 2021 over April 2019 or March 2021 over March 2019; or April 2021 or March 2021 over average of January and February 2020
Period 16	May 9 – June 5, 2021	May 2021 over May 2019 or April 2021 over April 2019; or May 2021 or April 2021 over average of January and February 2020

[Baseline Remuneration Periods](#)

Baseline remuneration means the average weekly eligible remuneration paid to an eligible employee by an eligible employer during the period beginning January 1, 2020 and ending March 15, 2020 and excludes any period of seven or more consecutive days for which the employee was not remunerated.

An additional election for an alternative baseline remuneration can be made for periods 14-16 allowing an employer to elect to use the period from March 1 to June 30, 2019, or July 1 to December 31, 2019 (the current alternative period), to calculate baseline remuneration.

[Previous Periods](#)

Applications for periods 1-6 have now been closed. While applications for periods 7 onwards are still open, deadlines are quickly approaching with due dates of 180 days after the end of the qualifying period.

For additional information regarding these periods, please see our previous articles and updates as follows:

[Click here for CEWS Update related to Periods 11- 13](#)

[Click here for CEWS Adjustments & Extensions related to Periods 8 - 10](#)

[Click for here CEWS Updates & Program Changes related to Periods 5-9](#)