

COVID-19 RESOURCE CENTER

Federal & Provincial Support Programs for Employers & Employees

April 9, 2020

A. Federal Programs

The Government of Canada announced a set of programs and measures to support individuals affected by COVID-19. A link to the Government of Canada website listing these programs and measures is here: <https://www.canada.ca/en/department-finance/economic-response-plan.html>. Programs and measures available to individuals at this time include the following.

For employers:

Canada Emergency Wage Subsidy (CEWS)

- The proposed CEWS will give all eligible businesses a wage subsidy of 75 per cent on remuneration paid between March 15 and June 6, 2020 (up to a maximum of \$58,700 or \$847 per week per employee), retroactive to March 15. There is no overall limit on the subsidy amount that an eligible employer may claim.
- In addition, the government is proposing to expand CEWS to include a 100% refund on employer-paid contributions EI and CPP for each week eligible employees are on leave with pay.
- The subsidy would be available to eligible employers that see a drop of at least 15% of their revenue in March 2020 and 30% for following months.
- Employers would be allowed to calculate their revenues under the accrual method or cash method, but not a combination of both.
- Eligible employers will be able to apply through the CRA's *My Business Account* and submit a web-based application, and re-apply each month. To apply, employers will need records demonstrating their reduction in revenues and remuneration paid to employees. More details on the application process are being released shortly.

- For further information see: <https://www.canada.ca/en/department-finance/economic-response-plan/wage-subsidy.html>.

Work-Sharing

- Work-Sharing (WS) is an adjustment program designed to help employers and employees avoid layoffs when there is a temporary reduction in the normal level of business activity beyond the employer's control. It provides income support from the government to employees eligible for Employment Insurance benefits who work a temporarily reduced work week while their employer recovers.
- It requires the execution of a Work Sharing Agreement (WSA), which is a three-party agreement involving employers, employees (and their Unions if applicable), and Service Canada.
- To be eligible, there must have been "a recent decrease in business activity of approximately 10%." In addition, the employees seeking to be covered by the WS must be "core employees" (i.e. year round permanent full-time or part-time employees) who are EI eligible.
- The government recently announced that the expected waiting time for a WSA to take effect is now 10 calendar days (as opposed to 30).
- For further information see: <https://www.canada.ca/en/employment-social-development/services/work-sharing.html>.

Supplemental Unemployment Benefit Program

- Employers can use a Supplemental Unemployment Benefit (SUB) plan to increase their employees' weekly earnings when they are unemployed due to a temporary stoppage of work, training, illness, injury or quarantine. The employee must be in receipt of EI benefits and the employer tops-up those benefits by providing supplemental payments (up to 95% of the employees normal weekly earnings).
- The main requirements of an acceptable plan are:
 - It must identify a group of employees covered by the plan and the duration of the plan, and be with respect to unemployment caused by temporary stoppage of work, training, illness, injury or quarantine.
 - Employees must apply for and be in receipt of EI benefits.
- For further information see: <https://www.canada.ca/en/employment-social-development/programs/ei/ei-list/ei-employers-supplemental-unemployment-benefit.html>.

Deferred Tax Filings: Businesses may [defer payment of any income tax amounts until August 31, 2020](#).

Increased access to Credit: Businesses are being offered increased access to credit through the [Business Credit Availability Program](#).

Support for export business through the Canada Account: The government has announced [additional support for Canadian companies in the export industry](#), through loans, guarantees or insurance policies.

For workers:

Canada Emergency Response Benefit (CERB)

- CERB provides a payment of \$2,000/month for up to 4 months. Applicants can now apply online through CRA *My Account* or over the phone and receive payment in about 3 business days if they have direct deposit, or 10 days if they do not.
- To be eligible for the first application, the person must have stopped working or will stop working due to reasons related to COVID-19 and for at least 14 days in a row, will not receive employment income or self-employment income, or maternity or paternity leave benefits.
- For subsequent CERB applications, the person must continue to not work due to reasons related to COVID-19 and for the 4-week period they are applying for, they must not receive employment or self-employment income, or benefits related to maternity or paternity leave.
- The government is considering implementing an approach to limit duplication between CEWS and CERB, which may include a process for individuals to be rehired by their employer during the same eligibility period, and to cancel their CERB claim and repay that amount.
- For further information see: <https://www.canada.ca/en/services/benefits/ei/cerb-application/questions.html>.

Other measures:

- [Extra time to file income taxes](#).
- [Mortgage support](#) to assist homeowners experiencing financial difficulty.
- [Increased Goods and Services Tax credit](#) for qualifying individuals / families.
- Increases to the [Canada Child Benefit](#) for this year.
- [Six-month pause on the repayment of Canada Student Loans](#), with no accrual of interest.
- Government of Canada [support for the Canada Summer Jobs program](#).

B. Provincial Programs (BC)

The BC Provincial Government website also lists a number of programs and measures to provide COVID-19 support and resources to BC residents and businesses. A link to the Government of BC website is here: <https://www2.gov.bc.ca/gov/content/safety/emergency-preparedness-response-recovery/covid-19-provincial-support>.

Programs and measures that have been announced include:

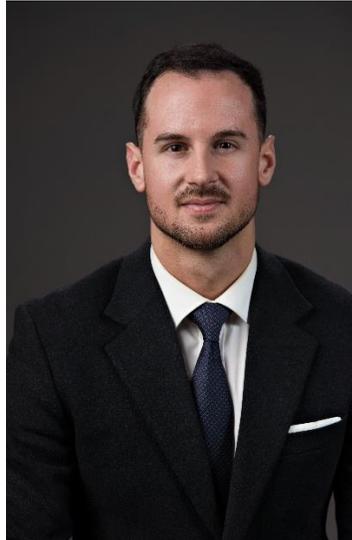
- The [BC Emergency Benefit for Workers](#) – which is a tax-free one-time payment of \$1,000 to workers who lose income because of COVID-19. BC residents receiving EI or CERB are eligible (the BC government has advised that applications for the one-time payment will open soon).
- British Columbians will be able to request [flexible payment plans or payment deferrals from BC Hydro](#), at no charge.
- Employees may take [unpaid, job-protected leave](#) due to COVID-19.
- [BC student loan payments will be frozen for six months](#) until September 30, 2020 no accrual of interest.
- The [Climate Action Tax Credit](#) will be expanded for moderate and low income families.
- ICBC customers can now [defer monthly payments](#) for up to 90 days.
- BC Transit [fares and passes are not required](#) in certain communities.
- BC Housing has [temporarily suspended evictions of tenants](#) in subsidized and affordable housing due to non-payment of rent.
- Essential services workers can be matched with [temporary emergency child care](#) in their community.
- [Emergency supports](#) may be available for people on income assistance, disability assistance, and low-income seniors.

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- The BC Government has also implemented a [deferral, delay, or reduction](#) in some provincial taxes for individuals and businesses (including deferred tax payments until September 30, 2020 for employer health tax, and provincial sales tax).



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