

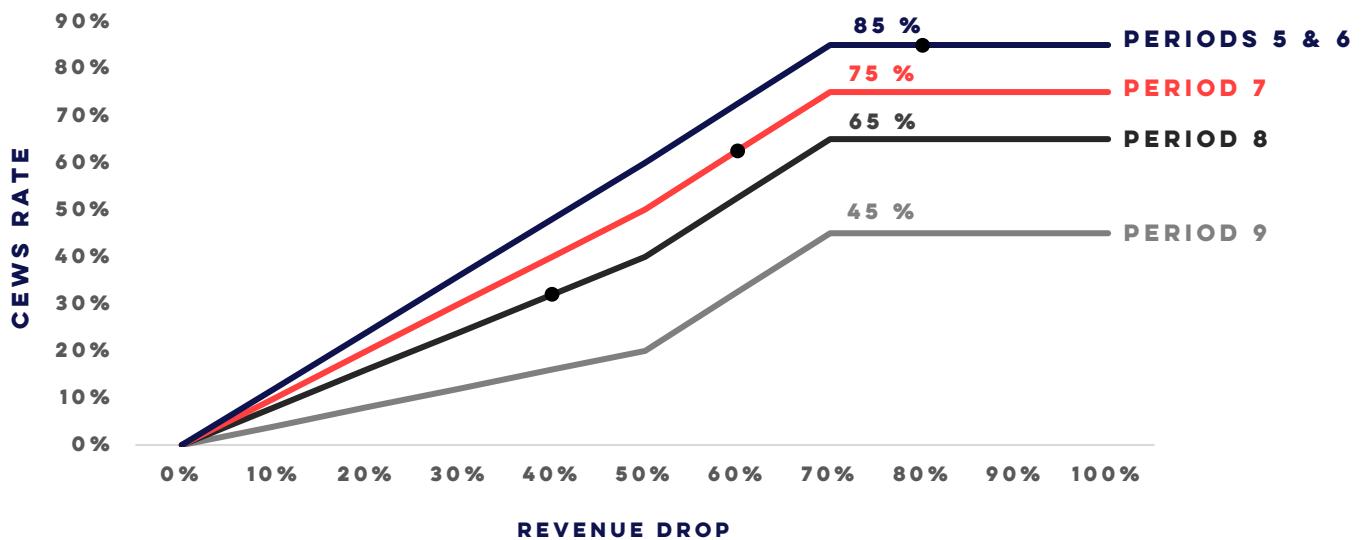
BACKGROUND

- The Canada Emergency Wage Subsidy was introduced for wages paid in ten 4-week periods from 15 March 2020 to 19 December 2020.
- For Periods 1 to 4, employers were eligible for the subsidy if they have an effective qualifying revenue decline of 30 per cent with a subsidy rate of 75% of qualifying wages subject to a cap of \$847 per week.
- On July 17, CEWS was amended making the program available to employers with any decline in revenue. For Periods 5 to 10, the subsidy rate depends on the extent of the employer's revenue losses on a sliding scale.
- Also announced on July 17 was a top up subsidy for the hardest hit businesses. Those who had a revenue drop of 70% or more would be eligible for a 25% top up with those between a 70% and 50% drop eligible for a portion of the top up.
- The level of subsidy declines rapidly after period 6, even for the hardest hit businesses.
- Not including the top-up, the maximum base subsidy rate will begin to decline in claim period 7, gradually reducing to 20% in period 9.

As noted below, the CEWS will step down in periods 7, 8 and 9 to a maximum of 45% for the hardest hit businesses in period 9, then an amount yet to be determined for period 10.

PERIOD	DATES	MAXIMUM CEWS PAYMENT PER EMPLOYEE PER WEEK (BASE PLUS HARDEST HIT TOP UP)	MAXIMUM BASE SUBSIDY RATE FOR EMPLOYERS WITH UP TO 50% REVENUE LOSS	MAXIMUM SUBSIDY RATE WITH TOP UP FOR EMPLOYERS WITH A 70% REVENUE LOSS
PERIOD 6	Aug 2 to Aug 29	\$959.65	60	85
PERIOD 7	Aug 30 to Sep 26	\$846.75	50	75
PERIOD 8	Sept 27 to Oct 24	\$733.85	40	65
PERIOD 9	Oct 25 to Nov 21	\$508.05	20	45
"PRESCRIBED PERIOD"	Nov 22 to "no later than" Dec 31	"currently there is no percentage determined by regulation"	?	?
POST-CEWS	After Pre-scribed Period	\$0		

(Source: Question 20-4 <https://www.canada.ca/en/revenue-agency/services/subsidy/emergency-wage-subsidy/cews-frequently-asked-questions.html>)



OUR PROPOSAL

The Coalition of Hardest Hit Businesses (CHHB) proposes two amendments that would support employment and avoid permanent layoffs:

1. Extend the Canada Emergency Wage Subsidy (CEWS) program at the full 75% rate for hardest hit businesses facing an ongoing revenue decline of 50% or higher to a maximum of \$847 per employee per week for the balance of 2020. This is the same amount available to hardest hit businesses in March 15 to July 4 and during the current period of August 30 to September 26.
2. Extend the CEWS program to Spring/Summer 2021 for the hardest hit businesses. Currently the CEWS program is mandated to end “no later than December 31, 2020.” Extending the program will support our diverse and disproportionately vulnerable workforce during the crisis and maintain businesses to preserve employment after the crisis passes.