

April 2nd, 2020

Federal & Provincial Updates and Details for NEW Business Aid Programs

Federal Government

Canada Emergency Wage Subsidy

What is it?

- The Canada Emergency Wage Subsidy is a key measure to ensure that workers can count on a source of income through this difficult time. It is designed to help employers hardest hit by the COVID-19 pandemic to keep and retain workers. It will enable employers to re-hire workers previously laid off, and to keep those who are already on payroll, so that Canada's workforce and supply chains are able to return from this crisis in a strong position. Eligible employers would be able to access the Canada Emergency Wage Subsidy by applying through a Canada Revenue Agency online portal.

What is the Subsidy?

- The Subsidy would apply at a rate of 75% of the first \$58,700 normally earned by employees – representing a benefit of up to \$847 per week.

Timeline

- The program would be in place for a 12-week period, from March 15 to June 6, 2020.

Who is Eligible?

- Eligible employers who suffer a drop in gross revenues of at least 30% in March, April or May, when compared to the same month in 2019, would be able to access the subsidy.
- Eligible employers would include employers of all sizes and across all sectors of the economy, except for public sector entities.
- For non-profit organizations and registered charities similarly affected by a loss of revenue, the government will continue to work with the sector to ensure the definition of revenue is appropriate to their circumstances. The government is also considering additional support for non-profits and charities, particularly those involved in the front-line response to COVID-19.

Note: An eligible employer's entitlement to this wage subsidy will be based entirely on the salary or wages actually paid to employees. All employers would be expected to at least make best efforts to top up salaries to 100% of the maximum wages covered.

Important Information for the 10% Subsidy: Those organizations that do not qualify for the Canada Emergency Wage Subsidy may continue to qualify for the previously announced wage subsidy of 10 per cent of remuneration paid from March 18 to before June 20, up to a maximum subsidy of \$1,375 per employee and \$25,000 per employer.

Canada Emergency Response Benefit (CERB)

The CERB supports Canadians by providing urgently needed financial support to employed and self-employed Canadians who have been directly affected by COVID-19. It provides a payment of \$2,000 for a 4-week period (equivalent to \$500 a week) for up to 16 weeks.

Who can apply?

The CERB will be available to workers:

- Residing in Canada, who are at least 15 years old;
- Who have stopped working because of COVID-19 or are eligible for Employment Insurance regular or sickness benefits;
- Who had income of at least \$5,000 in 2019 or in the 12 months prior to the date of their application; and
- Who are or expect to be without employment or self-employment income for at least 14 consecutive days in the initial four-week period.

The income of at least \$5,000 may be from any or a combination of the following sources: employment; self-employment; maternity and parental benefits under the Employment Insurance program and/or similar benefits paid in Quebec under the Quebec Parental Insurance Plan. The Benefit is only available to individuals who stopped work and are not earning employment or self-employment income as a result of reasons related to COVID-19. If you have not stopped working because of COVID-19, you are not eligible for the Benefit. Once you apply, you can expect to get your payment in 3 business days if you have signed up for direct deposit, and approximately 10 business days if you haven't signed up for direct deposit. If your situation continues, you can re-apply for a payment for multiple 4-week periods, to a maximum of 16 weeks (4 periods).

Timeline

Applications for the CERB will begin the week of **Monday, April 6, 2020**.

When to expect payment?

- If you are getting your payment by direct deposit, expect your payment within 3 business days from the day you submitted your application
- If you are getting your payment by cheque, expect to get the cheque within 10 business days from the day you submitted your application.

Apply again every 4 weeks

- You will need to apply and confirm your eligibility for the Canada Emergency Response Benefit every 4 weeks (to a maximum of 16 weeks) if your situation continues.

Note: For more information on how to apply, please see the government webpage:

<https://www.canada.ca/en/revenue-agency/services/benefits/apply-for-cerb-with-cra.html>

Canada Emergency Business Account

To ensure that small businesses have access to the capital they need to see them through the current challenges, the Government of Canada is announcing the launch of the new Canada Emergency Business Account, which will be implemented by eligible financial institutions in cooperation with Export Development Canada (EDC).

What is the amount?

- This \$25 billion program will provide interest-free loans of up to \$40,000 to small businesses and not-for-profits, to help cover their operating costs during a period where their revenues have been temporarily reduced, due to the economic impacts of the COVID-19 virus.
- This will better position them to quickly return to providing services to their communities and creating employment.
- Small businesses and not-for-profits should contact their financial institution to apply for these loans.

Who is Eligible?

- To qualify, these organizations will need to demonstrate they paid between \$50,000 to \$1 million in total payroll in 2019. Repaying the balance of the loan on or before December 31, 2022 will result in loan forgiveness of 25 percent (up to \$10,000).

Note: Please contact your financial institution for more information

Provincial Government

Commercial Rent Deferral

- The requirement of tenant businesses to have 5 or more employees to be eligible for the program has been removed. The revised guidelines are online and there is no employee minimum to be eligible <https://novascotia.ca/coronavirus/#support>. Rental deferral agreements must be in place by April 1 and you must register your intent with the Department of Business by 5 p.m. on Friday, April 3, by emailing NSRentDeferral@novascotia.ca.
- By April 30, 2020, the landlord must submit an application to the Department of Business which will include an application form and a copy of the deferral agreement. Each landlord will be contacted directly by the Department. The government continues to ask landlords and retail and commercial tenants to work together to find a solution that works for both sides. This is not a stand-alone program; the provincial government will be announcing more supports for businesses in the coming days that complement federal programming.
- For more information read the COVID-19 Rent Deferral Support Program guidelines (PDF 188 kB).
- You can use one of these forms to document the deferral agreement with your tenant.
 - Rent Deferral Agreement – Gross Lease (PDF 206 kB)
 - Rent Deferral Agreement – Net Lease (PDF 206 kB)

COVID-19 Employer Assessment Tool

- Some businesses must close under the Health Protection Act order. Others can remain open if they meet certain requirements. Use the [COVID-19 employer assessment tool](#) to see what your business needs to do.

Funding for high-speed internet

- We're providing \$15 million as an incentive to providers to speed up projects under the Internet for Nova Scotia Initiative and complete them as soon as possible.