

BUSINESS DISRUPTION FOR EMPLOYEES AND EMPLOYERS

CANADA’S COVID-19 ECONOMIC RESPONSE PLAN

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CANADA'S COVID-19 ECONOMIC RESPONSE PLAN

The Government of Canada announced on March 18, 2020 a set of economic measures to help assist individuals and business facing financial hardships as a result of COVID-19. Some of the highlights of this plan are as follows.

SUPPORT FOR INDIVIDUALS

Temporary Income Support for Workers and Parents

Replaced by the CERB

Longer-Term Income Support for Workers

Replaced by the CERB

CANADA EMERGENCY RESPONSE BENEFIT (CERB)

Summary

What is it?

The CERB is a benefit for individuals who have lost income as a result of COVID-19. The benefit will provide up to \$2,000 per month to individuals for a period of up to 4 months.

Who will qualify?

The CERB would cover Canadians who

- a) have lost their job,
- b) are sick,
- c) are quarantined,
- d) must stay home without pay to care for children who are sick or at home because of school or daycare closures, or
- e) are still employed but not receiving income because of disruptions to their work situation due to COVID-19

This program is available to

- a) Wage earners (employees)
- b) Contract workers, and
- c) Self employed individuals

Who would not otherwise be eligible for EI.

How do you Apply?

Applications will be available on **April 9, 2020**. Applications will be available online or over the phone. Anyone that has already applied for EI **does not need to apply** for this program.

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When will you receive money?

Canadians can expect to receive money within 3-5 days of applying if they have direct deposit, or 10 days if receiving funds by mail.

What do you need to do after you apply?

After you have applied, you do not need to do anything other than confirm monthly that you are still losing income.

HOW DO CANADIANS APPLY?

Canadians can apply for these benefits, once the applications are available, through their CRA MyAccount, or their Service Canada Account online. Alternatively, there will also be a toll-free number, and an automated telephone line that Canadians can call to apply. The number of these lines are not yet available.

WHEN WILL CANADIANS RECEIVE BENEFITS?

Canadians who have applied and are eligible will receive their CERB payments within 10 days of application. The CERB will be paid every four weeks. The benefit program will cover the period from March 15, 2020 to October 3, 2020. Each eligible individual will be able to receive these benefits for a period of 4 months.

Full News Release Available at:

<https://www.canada.ca/en/department-finance/news/2020/03/introduces-canada-emergency-response-benefit-to-help-workers-and-businesses.html>

Full List of Support Programs for Individuals:

https://www.canada.ca/en/department-finance/economic-response-plan/covid19-individuals.html#new_canada_emergency_response_benefit

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Increased Credits and Benefits

- Increase in Goods and Services Tax Credit for individuals who qualify – one-time special payment in **May 2020** for **up to** \$400 for individuals and \$600 for families
- Increased Canada Child Benefit payment by **up to** \$300 per child

Additional Targeted Assistance

- Canada Student Loans will be interest-free for six months
- Reduced minimum withdrawals from RRIFs
- Additional funding for Indigenous communities, those experiencing homelessness, and women and children fleeing violence

Tax Filings and Tax Owing

- Tax filing deadline for individuals extended to **June 1, 2020**
- Tax filing deadline for trusts extended to **May 1, 2020**
- Deferral of income tax payments until **August 31, 2020**. This includes any amounts that became due from March 18, 2020 to September 2020.

Financial Institutions

- Large banks will help customers on a case-by-case basis for personal or business finances that are affected by COVID-19. ○ This may include payment deferral for mortgages and other credit products.

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SUPPORT FOR BUSINESSES

CANADA EMERGENCY WAGE SUBSIDY

On April 8 the Prime Minister, Justin Trudeau provided a much-anticipated update on some of the details surrounding the Canada Emergency Wage Subsidy ("CEWS") In addition to expanding the criteria for qualifying for this wage subsidy, he also provided some additional benefits, information on calculating the subsidy, and information on how this program interacts with other benefit programs.

As of Monday April 27, companies can now apply for the Canada Emergency Wage Subsidy ("**CEWS**") online. This can be done via My Business Account, or by authorized representatives.

WHO WILL QUALIFY FOR THE SUBSIDY?

The wage subsidy will be available to eligible employers who see a drop of 15% of their revenues in March 2020 and 30% in subsequent months. Eligible employers are defined as individuals, taxable corporations, non-profit organizations, registered charities, and partnerships consisting of eligible employers. Publicly funded bodies are not eligible.

STEP 1 – CALCULATING REVENUE

In order to determine if your revenues have declined, you must first calculate your revenues. Revenues are calculated as revenue earned from **arm's length sources**, and do not include extraordinary items or items on account of capital. Therefore, income earned from items such as insurance proceeds or gains on the sale of assets would not be included in Revenues. Therefore, you must only use revenues earned in the regular course of business from third parties.

STEP 2 – COMPARING REVENUES

The government recognizes that there are limitations under their previous requirement to compare monthly revenues from 2019 to 2020 and so has added an alternative benchmark that can be used to determine eligibility.

Employers will be allowed to compare their revenues to the same month in the previous year, **or** to the average monthly revenues earned in January and February 2020. This allows for new and growing businesses to qualify.

Employers will be required to use the same approach for the duration of the program. Therefore, if they elect to use March 2019 to compare to March 2020, they cannot elect to use January and February 2020 to compare to April or May 2020.

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For example. If a new company was started in 2019, it will likely elect to use the average of January and February as their benchmark period.

If they had January 2020 sales of \$100,000 and February 2020 sales of \$140,000; then their average for this period is \$120,000. Therefore, if they have sales in March 2020 of \$90,000 then they are down 25%. As this is greater than the 15% threshold for **March**, they will qualify. In order to qualify for April, their sales would need to be 30% lower than the January and February average (Sales of \$84,000 or lower).

The following table breaks down the eligible periods, required reduction in revenues, and periods in which are to be compared: Period	Claiming Period	Required Decline in Revenue	Periods to Compare:
Period 1	March 15 – April 11, 2020	15%	March 2020 vs. March 2019 or Jan/Feb 2020 Average
Period 2	April 12 – May 9, 2020	30%	April 2020 vs. April 2019 or Jan/Feb 2020 Average
Period 3	May 10 – June 6, 2020	30%	May 2020 vs. May 2019 or Jan/Feb 2020 Average

It is very important to remember that if using the January and February 2020 Average for the March period, this must be used for all future periods. It is very important to review all revenue numbers prior to selecting the comparative period.

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STEP 3 – CALCULATING THE SUBSIDY

The subsidy will be calculated on **eligible remuneration** paid for the period from March 15 – June 6, 2020.

Eligible remuneration is defined as salary, wages, and other remuneration such as taxable benefits. This does **not** include severance pay or personal use of company vehicle.

The subsidy is calculated as the **greater of:**

- a) 75% of remuneration paid to each employee, to a maximum of benefit of \$847 per week
- b) **The lesser of** i. The **total amount paid** to each employee, up to a maximum benefit of \$847 per week, and
ii. 75% of the employee's pre-crisis weekly remuneration

Therefore, it is possible to receive a wage subsidy of 100% of the wages paid. For example, if an employee had a pre-crisis salary of \$1,000, if they are continued to be paid this amount, the wage subsidy would be \$750 per week.

If the employee's wages were decreased to \$800 per week, the subsidy would be \$750. If the employee's wages were decreased to \$700 per week, the subsidy would be \$700. The government has stated that they expect employers to continue to pay the full salary whenever possible.

Employee's pre-crisis salary is calculated as the **average weekly remuneration paid** between January 1 and March 15 (excluding any 7-day periods where they did not receive any remuneration.)

The subsidy will also be available to any new employees; however, their subsidy will simply be 75% of their remuneration, up to a maximum benefit of \$847.

Rules for Non-Arms Length Employees

This includes any owners, directors or their family members.

The subsidy for these employees will be limited to 75% of their pre-crisis salary, up to a maximum benefit of \$847. Therefore, if an owner had a pre-crisis salary for January 1 – March 15 of \$1,000 per week, they will be limited to a subsidy of \$750 per week. Therefore, they cannot increase their salary to \$1,200 per week to take advantage of the full \$847 subsidy.

Also note – the subsidy will not be available to **new** employees who are non-arms length. Therefore, you cannot add a family member to payroll subsequent to March 15 and receive the subsidy.

ADDITIONAL REFUNDS FOR PAYROLL CONTRIBUTIONS

The government announced that they are going to expand the Canada Emergency Wage Subsidy to include a 100% refund of certain **employer paid contributions to EI, CPP, QPP, or QPIP.**

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The refund will cover 100% of the **employer paid** contributions for **eligible employees** for each week in which those employees are **on leave with pay** and for which the employer is eligible to claim the Canada Emergency Wage Subsidy.

Eligible employees are defined as an employee who is employed in Canada. Their eligibility as "eligible employees" will be limited to employees who have been without remuneration for more than 14 consecutive days in that claiming period (i.e March 15 – April 11).

For example, if an employee is without remuneration from March 15 to April 2 (18 days), but then began to receive pay **while on leave** for April 3 – April 11. Then for the first claiming period, they would have been without pay for **at least** 14 consecutive days. Therefore, if the employer meets all the other criteria to claim the CEWS, they will also be able to receive a refund for the employer portion of the EI and CPP.

INTERACTION WITH 10% WAGE SUBSIDY

For employers who are eligible for the 10% wage subsidy, any benefit received by way of reduced remittances will reduce the amount of subsidy available to be claimed under the CEWS in that period.

Therefore, if a company is eligible for the 10% wage subsidy, and they reduced their income tax remittances by \$3,000 for April 2020, then their calculated CEWS will be reduced by \$3,000 for that period.

INTERACTION WITH WORK-SHARING PROGRAM

For employers and employees that are participating in a Work-Sharing Program, any EI benefits received by employees through the Work-Sharing program will reduce the benefit that the employer will be entitled to receive.

For example, if employees agree to work 4 of 5 days under a work-sharing program, they will receive EI Work-Sharing benefits. If this benefit is \$114 per week per employee, the maximum CEWS benefit per employee is reduced by \$114. If they would have otherwise been eligible for \$847; they are now able to receive a maximum benefit of \$733 per employee per week.

OTHER NOTABLE ITEMS

When applying for the subsidy, employers must attest that their revenues have decreased by the required amount for that period, and that they meet all other criteria. Due to the increased number of claims, the CRA will be reviewing all supporting documents and conduction audits after paying out the benefits.

In the case where they determine that a company does not meet the criteria for the subsidy or there has been miscalculations, the employers will be required to repay all amounts that they are deemed to have been not entitled to.

Additionally, there will be penalties applied to any companies who have submitted fraudulent claims. In the cases where employers engage in transactions to artificially reduce their revenues, there will be penalties of 25% in addition to being required to repay all of the subsidy received.

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All subsidies received will be considered government assistance and will therefore be taxable to the employer. These amounts will be applied directly against the amount of remuneration expenses for the employer. This may have consequences on other tax credits such as apprenticeship training tax credits (ATTC).

Source

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

TEMPORARY WAGE SUBSIDY – FAQ

1. When can I start reducing remittances?

You can start reducing remittances of federal, provincial, or territorial income tax in the first remittance period that includes remuneration paid between March 18, 2020, and June 20, 2020. For example, if you are a regular remitter, you can reduce your remittance that is due to the CRA on April 15, 2020.

2. What if subsidies exceed the remittances?

If the income taxes you deduct are not sufficient to offset the value of the subsidy in a specific period, you can reduce future remittances to benefit from the subsidy. This includes reducing remittances that may fall outside of the application period for the wage subsidy (after June 20, 2020).

For example: If you calculated a subsidy of \$2,050 on remuneration paid between March 18, 2020, and June 20, 2020, but only deducted \$1,050 of federal, provincial, or territorial income tax from your employees, you can reduce a future income tax remittance by \$1,000, even if that remittance is in respect to remuneration paid after June 20, 2020.

3. Will the subsidy affect deductions from my employees?

No. You will continue deducting income tax, Canada Pension Plan contributions, and Employment Insurance premiums from salary, wages, bonuses, or other remuneration paid to your employees, as you currently do. The subsidy is only calculated when you remit these amounts to the CRA.

4. What if I don't reduce remittances during the year?

If you are an eligible employer but choose not to reduce your payroll remittances during the year, calculate the temporary wage subsidy on remuneration paid between March 18, 2020, and June 20, 2020. You can then ask for the subsidy to be paid to you at the end of the year or transferred to the next year's remittance.

5. What books and records do I need to support the subsidy?

You will need to keep information to support your subsidy calculation. This includes:

- the total remuneration paid between March 18, 2020, and June 20, 2020.
- the federal, provincial, or territorial income tax that was deducted from that remuneration; and

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- the number of employees paid in that period.

The CRA is currently updating reporting requirements. More information on how to report this subsidy will be released soon.

6. Is the subsidy considered taxable income?

Yes. If you receive the subsidy, you must report the total amount as income in the year in which the subsidy is received.

7. What if my business is closed?

If you did not pay salary, wages, bonuses, or other remuneration to an employee between March 18, 2020, and June 20, 2020, you cannot receive the subsidy, even if you are an eligible employer.

DEFERRAL OF GST/HST AND CUSTOMS DUTIES ON IMPORTS

What is it?

Businesses as well as self-employed individuals will be allowed to defer all GST/HST payments until June 2020, as well as any customs duties for imports.

Who will qualify?

Businesses and self-employed individuals. No information available on possible restrictions.

Do you still need to file your GST/HST Returns?

There has been no announcement regarding changing filing deadlines or on waiving penalties on late filing. At this time, it is assumed all returns must still be filed on or before their original filing deadlines in order to avoid any late filing penalties, however there will be no interest accrued between now and June 2020. As such, businesses that file annually and have a December 31 year end are still required to file by March 31 to avoid any late filing penalties.

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CANADA EMERGENCY BUSINESS ACCOUNT

What is it?

This program will provide up to \$25 billion to eligible financial institutions so they can provide interest-free loans to small businesses. These loans will be guaranteed, and are funded by, the Government of Canada. These loans will be provided in the form of a line of credit up to \$40,000. Up to 25% will be eligible for forgiveness (\$10,000). These loans along with the wage subsidy are designed to help businesses pay employees and other obligations.

Who will qualify for a loan?

These loans will be available to small businesses with payroll in 2019 between \$50,000 and \$1 million. These loans are provided through financial institutions.

How do you receive a loan?

Businesses that meet the qualifications are encouraged to reach out to their banking account managers to enquire on these loans.

SMALL AND MEDIUM-SIZED BUSINESS ENTERPRISE LOAN AND GUARANTEE PROGRAM

What is it?

Export Development Canada will provide guarantees to financial institutions so they can provide new lines of credit and term loans to small and medium-sized businesses. These loans will be 80% guaranteed by Export Development Canada and are for one year in length.

Business Development Bank of Canada will also be co-lending term loans with financial institutions to businesses for operational cash flow requirements.

What does this mean?

The purpose of this program is to encourage banks and financial institutions to provide loans and lines of credit to businesses by reducing their level of risk by guaranteeing part of the loan.

Who will qualify for this?

This program is done between the government agencies and the financial institution. Businesses looking for a loan will still need to apply at their financial institution; however, it may be easier to access credit.

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Is there interest on these loans?

This program is simply to help encourage financial institutions to extend credit, and so there will still be interest payable at the terms set out by the financial institution.

Source:

https://pm.gc.ca/en/news/news-releases/2020/03/27/prime-minister-announces-support-small-businesses-facing-impacts?fbclid=IwAR1hGEyI9Ruueta_yVZyEXHID-onkhuQxewapuuUNvcrPjad40nKCMAtImc

For more details or to read the full Economic Response Plan, please visit

<https://www.canada.ca/en/department-finance/economic-response-plan.html>

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APPLYING FOR EI REGULAR BENEFITS

Do you Qualify?

- You were employed in insurable employment
- You lost your job through no fault on your own
- You have been without work and pay for at least 7 consecutive days in the last year
- You meet the minimum insurable hours worked in the last 52 weeks or since your last EI claim
- You are ready, willing, and capable of working and are actively looking for work

What do you need to Apply?

- You need all your records of employment (ROEs) from your employers.
- Your Social Insurance Number (SIN)
- Your mother's maiden name
- Your address
- Your banking information for direct deposit
- Names, address, dates of employment, and reason for separation for all employers in the past year
- Weekly insurable earnings in the last 52 weeks or since your last claim.

How do you Apply?

- You can apply online at:
<https://srv270.hrdc-drhc.gc.ca/AW/introduction?GoCTemplateCulture=en-CA>
- You do not need to submit electronic ROEs.
- You will need to mail or drop off paper ROEs at a Service Canada

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APPLYING FOR EI SICKNESS BENEFITS

Do you Qualify?

- You cannot work for medical reasons
- Your regular earnings have decreased by more than 40% for at least one week
- You have worked at least 600 insurable hours in the past 52 weeks, or since your last claim

What do you need to Apply?

- You need all your records of employment (ROEs) from your employers.

How do you Apply?

- You can apply online at:

<https://srv270.hrdc-drhc.gc.ca/AW/introduction?GoCTemplateCulture=en-CA>

- You will need; name and addresses of employers in past year, dates of employment, explanation for leave, your address, your social insurance number (SIN), your mother's maiden name, and your banking information
- You do not need to submit electronic ROEs.
- You will need to mail or drop off paper ROEs at a Service Canada Centre

NEW CHANGES

- No longer need a medical certificate to apply
- No one week waiting period which will not be paid.

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APPLYING FOR EI WORK SHARING BENEFITS

Do you Qualify?

- Must be eligible to receive EI Benefits
- Must be a year-round, permanent, full-time or part-time employee needed to carry on day-to-day functions of a business
- Must be part of a Work-Sharing Unit
- All employees in this group will share similar duties, and all must agree to reduce hours by the same percentage
- Must have hours reduced by between 10% and 60%

What do you need to Apply?

- Employer must apply to Service Canada
- In order to apply, employees a copy of the "Employee Guide" relating to the Work-Sharing Unit
- You will need all your records of employment (ROEs) from your employers

How do you Apply?

- You can apply online at:
<https://srv270.hrdc-drhc.gc.ca/AW/introduction?GoCTemplateCulture=en-CA>
- You will need the Work-Sharing reference code
- You will need; name and addresses of employers in past year, dates of employment, explanation for leave, your address, your social insurance number (SIN), your mother's maiden name, and your banking information
- You do not need to submit electronic ROEs.
- You will need to mail or drop off paper ROEs at a Service Canada Centre

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APPLYING FOR EMERGENCY CARE BENEFITS

Do you Qualify?

- Workers and self-employed individuals who are quarantined or sick with COVID-19, but do not qualify for EI, or.
- Workers and self-employed individuals who are taking care of family members sick with COVID-19, but do not qualify for EI, or.
- Parents with children who require care or supervision due to school closures and cannot earn employment income.

What do you need to Apply?

- Must attest that you meet the eligibility requirements.
- Must re-attest every two weeks to confirm your eligibility

When and how do you Apply?

- Application for Benefits will be available in **April 2020**
- Can apply on CRA MyAccount
- Can apply on My Service Canada Account
- Can apply by calling a toll-free number with an automated application process

RECOMENDATIONS

- All individuals interested in applying for these benefits are encouraged to set up their CRA MyAccount as soon as possible, as the process could take up to two weeks. This will ensure an easier application process in April 2020.

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EMPLOYER INFORMATION: LAYOFFS

Definition of Termination of Employment

- An employer stops employing an employee can layoff employees temporarily for 60 days (within a 120-day period)
- Includes a "Constructive Dismissal"
- This occurs when an employer makes changes to their salary, work location, hours of work, authority, or position
- Does **not** include temporary layoffs

What do you need to do?

- Must provide written notice of termination to any employee who has been employed for more than 3 months, and the notice period has ended
- Must pay termination pay to the employee if their employment is being terminated without written notice or with less notice than is required
- The amount of written notice required depends on the length of their employment. 1 week for every year of employment, up to 8 weeks.
- Termination pay would be equal to the notice period

Additional information

- Exceptions for mass terminations
- Important to review employment contracts and Employment Standards Act, or seek legal advice with regards to layoffs

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EMPLOYER INFORMATION: TEMPORARY LAYOFFS

What is a Temporary Layoff?

- An employer can layoff employees temporarily for 60 days (within a 120-day period)
- The right to temporarily layoff an employee **must be contractually stated** in an employment contract.
- If the employment contract does not provide guidelines on temporary layoffs, an employer may provide a written proposal to an employee for the temporary layoff

What do you need to do?

- Must provide the employee a notice in writing
- one week before if the employee has worked less than 2 years
- two weeks before if the employee has worked more than 2 years
- as soon as possible if there are unforeseen circumstances
- Written notice for the temporary layoff must.
 - State this is a temporary layoff
 - State the start date of the temporary layoff
 - State the section of employment contract that allows for a temporary layoff
- Must provide a record of employment

Additional information

- Must provide a written recall notice to employees 7 days prior to them returning to work.
- If employees do not return to work within 7 days, employers can terminate employment without notice or termination pay
- Employers may terminate your employment while on a temporary layoff and would be required to pay termination pay.

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EMPLOYER INFORMATION: WORK SHARING PROGRAMS

What is a Work Sharing Agreement?

- An agreement between employers and employees to avoid layoffs
- Agreement to reduce hours for all employees when there is a reduction in the normal level of business activity that is outside the control of the employer
- Employees must equally share the available work
- Allows employees to apply for EI Work Sharing Program

Who is eligible to apply?

- Must have a decline in business activity of at least 10%
- Must demonstrate the shortage of work is temporary
- Must be a year-round business in Canada for at least 2 years
- Must have at least 2 employees in the Work Sharing Unit
- Must be willing to implement a recovery plan

What do you need to apply?

- Application for Work-Sharing Agreement (EMP 5100)•This must be signed by employer, employee, and union representative if applicable
- Work-Sharing Unit Attachment (EMP 5101 -Attachment A)
- Recovery Plan (EMP 5104 -Attachment B)
- Sales figures for the last 24 Months
- See Employer Responsibilities for full list of employer responsibilities

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EMPLOYER RESPONSIBILITIES: WORK SHARING PROGRAMS

What are employer responsibilities once an agreement is in place?

- Make information about the Work-Sharing agreement available to all employees and ensure that the Employee Representative distributes a copy of this Employee Guide to all members of the Work-Sharing unit.
- Submit weekly Utilization Reports to Service Canada, reporting the total hours worked, the hours of work missed for employees due to their participation in Work-Sharing.
- Advise employees that benefits such as pensions, vacation pay and, in some circumstances, subsequent claims for Employment Insurance benefits, may be affected by participation in Work-Sharing, usually due to employees having lower gross (insurable) earnings and/or fewer hours of work;
- Make such records available, upon request, to Service Canada for inspection and audit.
- Report the progress of the recovery plan.
- Notify Service Canada prior to any requested changes to the agreement, including changes to the work schedule.
- Maintain a schedule of work and track any hours of overtime worked by Work-Sharing employees.
- Maintain proper records of each employee on Work-Sharing during the agreement including wages and any other remuneration paid to those employees each week.
- Schedule at least one-half hour of work per week for employees for them to qualify for Work-Sharing Employment Insurance benefits; and,
- Maintain all existing benefits. However, benefits (including any subsequent payout of benefits, e.g. disability benefits) may be reduced due to participation in a WS agreement if calculated based on earnings or hours of work

<https://www.canada.ca/en/employment-social-development/services/work-sharing/guide-employee.html>

CANADA'S COVID-19 ECONOMIC RESPONSE PLAN

CANADA EMERGENCY COMMERCIAL RENT ASSISTANCE

The Canada Emergency Commercial Rent Assistance (CECRA) has been announced to help assist small businesses that are facing significant financial hardships as a result of COVID-19. The program will help reduce rent for eligible small business tenants by 75%.

HOW WILL THE PROGRAM WORK?

The government will provide a forgivable loan to commercial property owners (landlords) in the amount of 50% of three months rent that are payable by **eligible small business tenants** who are experiencing financial hardships in April, May, and June.

The landlords must enter a written agreement with eligible small business tenants to decrease their rent by 75%, which must include a provision that they will not be evicted while the agreement is in place. The tenant must still pay the remaining 25% of the rent. Therefore, in order to receive a benefit for this, you must.

1. Determine if you are an eligible small business tenant
2. Reach an agreement with your landlord to pay 25% rent for April, May and June.

WHO ARE ELIGIBLE SMALL BUSINESS TENANTS?

Those eligible must be impacted small business tenants that are paying less than \$50,000 per month in rent, and must have temporarily ceased operations, or have experienced at least a 70% decline in pre-COVID revenues.

HOW DO LANDLORDS RECEIVE FUNDING?

Landlords must ensure that their tenants will qualify as an eligible small business tenant, and if so, they will need to come up with a written agreement with their tenants to reduce their rent by 75% for three months (April, May and June).

Landlords will then apply for a forgivable loan with the government, for 50% of the original monthly rent.