



SCHWAB & CO UPDATE

A lot has changed over the last couple of weeks. Schwab & Co. is striving to do our part by maintaining social distancing. Our doors may be closed, but we are still hard at work providing you with timely sound advice. With this in mind we recommend everyone apply to CRA for access to “My account”. Click [here](#) for the link. We recommend you watch the video on how to register for “My Account” (on the right hand side of the screen). CRA will give you the option to receive your individualized access code by phone or mail. Once you have the access code, please enter it. This will give you access to “My Account or “My Business Account” and will enable you to apply for some of the recently released government programs.

As it can be hard to navigate all the new programs we have listed some of them below, which we feel, may be of use to businesses.

HELPING BUSINESSES KEEP THEIR WORKERS

EMPLOYERS – CANADA PROVIDES 75% WAGE SUBSIDY

April 1, 2020 Canada has announced details of the Canada Emergency Wage Subsidy to help businesses retain employees during the COVID-19 situation. This temporary subsidy will generally provide an amount to employers equal to 75% of employees’ remuneration paid, up to a maximum of \$847 per week per employee. This will apply retroactively from March 15, 2020 to June 6, 2020. We understand the measure is only applicable to businesses who have noticed a 30% reduction in gross sales in comparison to the previous year’s same month. If for example your revenue for the month of March 2020 was \$69,000 while your March 2019 revenue was \$100,000 you should qualify for this subsidy. Businesses that qualify for the subsidy need to apply through an online CRA portal that is expected to be launched in the coming weeks. The legislation to enact the Canada Emergency Wage Subsidy is expected soon. For further information, [here](#) is the link to the Government of Canada web page.

TEMPORARY WAGE SUBSIDY

In addition to the 75% wage subsidy, the Government of Canada also enacted a temporary wage subsidy to help prevent layoffs. This subsidy is available immediately to companies eligible for the small business deduction as well as charities and non-profit organizations. It is

for a period of three months and can be accessed whether or not you qualify for the 75% wage subsidy. The subsidy equates to 10% of remuneration paid during that period, up to a maximum subsidy of \$1,375 per employee and \$25,000 per employer. This will benefit companies by reducing their remittance of income tax withheld on their employees' remuneration. For further information, [here](#) is the link to the Government of Canada web page – please scroll down to the title “Interaction with 10 per cent Wage Subsidy”

CANADA EMERGENCY RESPONSE BENEFIT

If you had to close your doors due to COVID-19 and are not eligible for Employment Insurance benefits, you may qualify for the Canada Emergency Response Benefit. This benefit will provide you with up to \$500 per week for 16 weeks. Eligibility for this benefit is as follows:

- a) Residing in Canada, who are at least 15 years old
- b) People who have stopped working because of COVID and have not voluntarily quit their job
- c) People who had income of at least \$5000 in 2019 or in the previous 12 months prior to the COVID outbreak
- d) People who are or expect to be without employment or self-employment income for at least 14 consecutive days in the initial 4-week period.

For further information, [here](#) is the link to the Government of Canada web page.

CANADA WORK-SHARING PROGRAM

The Work-Sharing Program has been in place to help employers and employees avoid layoffs when there is a temporary reduction in business activity that is beyond the employer's control. The measure provides income support to employees eligible for EI benefits who are required to reduce their workweek.

Temporary changes to the Work-Sharing Program were put in place and are generally effective from March 15, 2020 to March 14, 2021. These measures apply to employers affected by the current situation (as well as those employers affected by the downturn in the agriculture, and oil and gas sector) and include the extension of the duration of work-sharing agreements. The previous limit of 38 weeks has now been extended to 76 weeks. The waiting period between agreements has also been waived.

For further information, [here](#) is the link to the Government of Canada website.

IMPROVED ACCESS TO CREDIT

The Business Credit Availability Program is now available to allow the Business Development Bank of Canada and Export Development Canada (EDC) to provide \$65 billion in lending and financial support to approved businesses. Farm Credit Canada is also increasing the near-term credit available to farmers and other businesses in the agri-food sector. For more information, please click [here](#).

CANADA EMERGENCY BUSINESS ACCOUNT

The Government of Canada announced a new credit facility for businesses who need additional financing. The new facility is guaranteed by the Government of Canada, and is available to businesses who had payroll costs of \$50,000 to \$1 million in 2019 and require additional funds to cover operating costs during the period for which their revenues have been reduced. The loan is interest free and is limited to \$40,000. For further information, click [here](#), and scroll down to the paragraph “New Loan Programs for Business.”

As policies are changing daily (sometimes hourly), we recommend you read the most up to date policies by clicking [here](#) to see the latest Government of Canada announcements.

Still have questions? Feel free to contact one of us to discuss your specific situation.