

Canada Emergency Wage Subsidy (CEWS) tool introduced

On April 21, 2020, the federal government has released the Canada Emergency Wage Subsidy calculator to support employers as they prepare to apply for the CEWS.

The CEWS calculator and other information can be found on the CRA's Canada Emergency Wage Subsidy page. [<https://www.canada.ca/en/revenue-agency/services/subsidy/emergency-wage-subsidy.html>].

The web page outlines who can apply for the subsidy, how eligibility is assessed, and how the subsidy is calculated.

The calculator also includes a printable statement feature that employers can use to view their claim at a glance and, as of April 27, 2020, enter required information into the CEWS application form.

One issue addressed by the CRA is whether employees who have been laid off or furloughed can be rehired retroactively. In the commentary for the calculator, the CRA states this is possible, as long as the employer rehires them and their retroactive pay and status meet the eligibility criteria for the claim period. The CRA adds that employers must rehire and pay such employees before they include them in their calculation for the subsidy. The CRA also provides additional information on returning Canada Emergency Response Benefit amounts where the employee no longer qualifies for that program due to the change in employment status.