

Updated April 21, 2020

Canada Emergency Response Benefit (CERB)

On March 25, the Prime Minister announced a new taxable benefit that provides \$2,000/month (\$500/week) for up to 16 weeks for workers who lose their income as a result of the COVID-19 pandemic. The program is run by the Canada Revenue Agency (CRA) instead of Service Canada.

On April 15th, PM Trudeau announced changes to the eligibility rules for CERB to expand access to seasonal and part-time workers and those who recently exhausted their EI regular benefits. Some key points below:

- A separate [CRA application portal](#) handles CERB applications.
- All Canadians not working due to COVID-19 are eligible to receive CERB (whether EI eligible or not).
- Canadians should begin to receive CERB payments within 10 days of application. It will be paid every four weeks and be available from March 15, 2020 until October 3, 2020.
- Those already receiving EI regular and sickness benefits do not need to apply to the CERB and will continue to receive benefits. If EI benefits end before October 3, 2020, they could apply for the CERB once their EI benefits cease, if they are unable to return to work due to COVID-19.
- Canadians who have already applied for EI and whose application has not yet been processed do not need to reapply.
- Canadians eligible for EI regular and sickness benefits would still be able to access their normal EI benefits, if still unemployed, after the 16-week period covered by the CERB.

As of April 15, the CERB is available to:

- Workers who earned \$1,000 (before taxes) or less during an eligibility period. If this applies to your situation, you may be eligible to apply for a previous period, starting March 15, 2020.
- Seasonal workers who have exhausted their EI regular benefits and are unable to undertake their usual seasonal work as a result of the COVID-19 outbreak.
- Workers who recently exhausted their EI regular benefits and are unable to find a job or return to work because of COVID-19

More information on the [Canada Emergency Response Benefit](#).

Extending the Work-Sharing Program

For Canadians who face reduced hours as a result of COVID's impact, the government has introduced temporary special measures, effective March 15, 2020 to March 14, 2021:

- Extending the maximum duration of the Work-Sharing (WS) program from 38 to 76 weeks for employers affected by COVID-19. Employees eligible for EI who agree to reduce their normal working hours because of developments beyond the control of their employers.
- Mandatory cooling off period has been waived for employers who have already used the WS program so that eligible employers may immediately enter into a new agreement.
- Reduce the previous requirements for a Recovery Plan to a single line of text in the application form.
- Expand eligibility for staff who are essential to recovery, Government Business Enterprises (GBEs) and non-for-profit organization employers.
- More information on [Extending Work-Sharing program](#)

Canada Emergency Wage Subsidy

The Canada Emergency Wage Subsidy (CEWS) is intended to enable employers to re-hire workers laid off as a result of COVID-19, as well as help prevent further job losses, and better position employers to resume normal operations following the crisis. Eligible employers can receive 75% of employee wages for up to 12 weeks, retroactive from March 15, 2020, to June 6, 2020. Key details include:

- Eligible employers include both for profit and non-profit corporations.
- This is a 3-month program allowing eligible employers to reduce payroll deductions they are required to remit to Revenue Canada.
- The subsidy generally covers 75% of an employee's wages – up to \$847 per week - for employers of all sizes and across all sectors who have incurred a drop in gross revenues of at least 15% in March, and 30% in April and May.
- The program will be in place for a 12-week period, from March 15 to June 6, 2020.
- Eligible employers are entitled to receive a 100% refund for certain employer contributions to EI, CPP, QPP, and the Quebec Parental Insurance Plan (for employees on leave with pay)
- Applications for the CEWS will be open on April 27.
- An [CEWS Calculator](#) is available on the CRA website to help you preview your subsidy and learn more about how the CEWS is calculated.
- More information on the [Canada Emergency Wage Subsidy](#).

Temporary 10% Wage Subsidy for Employers

For employers not eligible for the CEWS, they may still benefit from the Temporary 10% Wage Subsidy. This is a three-month measure to allow eligible employers to reduce the amount of payroll deduction required to be remitted to Revenue Canada. Key details include:

- Eligible employers must be non-profit organizations, registered charities, or Canadian-controlled private corporations (CCPC), including a cooperative corporation.
- Employers must have an existing business number and payroll program account with the CRA on March 18, 2020, and pay salary, wages, bonuses, or other remuneration to an employee.
- The subsidy is equal to 10% of the remuneration you pay from March 18, 2020 to June 19, 2020, up to \$1,375 for each eligible employee to a maximum of \$25,000 total per employer.
- More information on the [Temporary 10% Wage Subsidy](#)

Additional Measures for Families, Low Income Canadians, and Student Loan Holders

- The federal government is proposing to provide a one-time special payment by early May 2020 through the Goods and Services Tax Credit (GSTC) for low income Canadians. This will double the maximum annual GSTC payment amounts for the 2019-20 benefit year. The average boost to income for those benefitting from this measure will be close to \$400 for single individuals and close to \$600 for couples.
- For families with children who may also require additional support the Government is proposing to increase the maximum annual Canada Child Benefit (CCB) payment amounts, only for the 2019-20 benefit year, by \$300 per child. The overall increase for families receiving CCB will be approximately \$550 on average; these families will receive an extra \$300 per child as part of their May payment. [Increasing the Canada Child Benefit this year](#)
- The Government is placing a six-month interest-free moratorium on the repayment of Canada Student Loans for all individuals currently in the process of repaying these loans. [A moratorium on the repayment of Canada Student Loans](#)

Flexibility for Taxpayers

The Canada Revenue Agency is deferring the filing due date for the 2019 tax returns of individuals until June 1, 2020.

The Canada Revenue Agency will allow all taxpayers to defer, until after August 31, 2020, the payment of any income tax amounts that become owing on or after today and before September 2020. This relief would apply to tax balances due, as well as instalments. No interest or penalties will accumulate on these amounts during this period.

The Canada Revenue Agency's Outreach Program, which offers help to individuals to better understand their tax obligations and to obtain the benefits and credits to which they are entitled, will now be available over the phone, and through webinar, where possible.

Find more information [on tax measures](#)

Find more information on [Increased goods and services tax credit this year](#)

Banking and Mortgage Flexibility

The Minister of Finance has pressured the major banks in Canada to work with customers to provide flexible solutions for managing through hardships caused by recent developments. This may include situations such as pay disruption, childcare disruption, or illness. Canada's large banks have committed to offering up to a 6-month payment deferral for mortgages, and the opportunity for relief on other credit products.

The Government is providing increased flexibility for homeowners facing financial difficulties by allowing lenders to defer mortgage payments on homeowners that have Canada Mortgage and Housing Corporation-insured mortgage loans. CMHC will permit lenders to allow payment deferral beginning immediately.

Find more information on [mortgage payment deferrals](#)

You are also encouraged to contact **Revenue Canada at 1-800-959-2019** or **Service Canada at 1-800-OCanada (1-800-622-6232)** for more information on additional government support available to you.