



Benefit from the CEWS for Alberta Employers

The Canada Emergency Wage Subsidy (CEWS) is a program that provides a subsidy of 75% of the pre-crisis employee’s eligible remuneration, up to \$847 per week from March 15 to June 6, 2020. On May 8, 2020 Prime Minister Justin Trudeau announced that the program will be extended with more details to be released soon.

Eligible employers include employers who suffer a drop of gross revenues of at least 15% in March, 30% in April or 30% in May, when compared to the same month in 2019 or the average of January and February 2020. There is no overall limit on the subsidy amount and the claim must be filed no later than September 30, 2020.

Outlined below is a table that illustrates the after-tax benefit of the wage subsidy for an eligible employer:

Eligible Employees	Basic Canada Emergency Wage Subsidy			After Tax Benefit	
	1 Claim period (4 weeks)	2 Claim periods (8 weeks)	3 Claim periods (12 weeks)	Small Business rate (12 weeks)	General rates (12 weeks)
1	\$ 3,388	\$ 6,776	\$ 10,164	\$ 9,046	\$ 7,623
2	6,776	13,552	20,328	18,092	15,246
5	16,940	33,880	50,820	45,230	38,115
10	33,880	67,760	101,640	90,460	76,230
15	50,820	101,640	152,460	135,689	114,345
25	84,700	169,400	254,100	226,149	190,575
50	169,400	338,800	508,200	452,298	381,150

* Note - the above calculation is an estimate of the maximum basic wage subsidy that an employer could be eligible for under the CEWS program. This calculation assumes all eligible employees are paid a minimum annual salary of \$58,700. The above Basic CEWS would be reduced by the amounts that an employer is eligible to claim under the 10% Temporary Wage Subsidy (TWSE) and amounts eligible employees have received under the ESDC’s Work-Sharing benefit program. The Basic CEWS would be increased by the employer-paid EI premiums and CPP contributions made by the employer for eligible employees who are furloughed (on leave with full or partial pay) any full week in the claim period.

KMSS Services

At KMSS we understand the importance of providing our clients with the assistance they need to determine their eligibility and subsidy amounts under the CEWS program. KMSS has a CEWS team of professionals who are committed to interpreting the details of the program. We are able to provide a range of services:

- Review or prepare, and submit your application
- Determine your eligibility for the subsidy
- Analyze various alternatives (Cash vs. Accrual, Prior year vs. Jan-Feb average, etc.)
- Calculate the amount of the subsidy for 1 or more claim periods

Note - CEWS applications cannot currently be amended and methods of calculation must be consistently applied to all claim periods. Therefore, consider obtaining professional advice before filing your first CEWS Claim.

Contact your KMSS professional advisor at 403.233.7750
To learn more about COVID-19 Support for Alberta Small Businesses and Residents visit www.kmss.ca