



COVID-19 ASSISTANCE FOR ALBERTA SMALL BUSINESSES

CANADA EMERGENCY WAGE SUBSIDY (CEWS)

The CEWS program provides a subsidy of up to 75% of employee's wages, up to **\$847** per week from March 15, 2020 to October 23, 2021. Eligible employers include businesses who have suffered a drop of gross revenues during the COVID-19 pandemic. The base CEWS subsidy is calculated based on the actual revenue decline % in excess of the minimum required (max. 50%) x base rate factor. A revenue decline of **at least 10%** for the periods 18 to 21 is required. Where the current period revenue decline percentage is less than the preceding month, you are deemed to have a revenue decline % equal to the preceding month. For more info on CEWS click [here](#).

CANADA EMERGENCY RENT SUBSIDY (CERS)

The CERS is a program that replaced the Canada Emergency Commercial Rent Assistance ("CECRA") program. This rent subsidy provides direct support of up to 65% of eligible expenses to qualifying renters and property owners that have experienced a decrease in revenue from Sept 27, 2020 until Oct 23, 2021. The calculation of revenues, base subsidy rate and qualifying reference periods will be determined in the same manner as the CEWS. Click [here](#) for more information.

Eligible expenses include commercial rent, property taxes, property insurance, and mortgage interest paid to arm's length parties under agreements entered into before Oct 9, 2020, up to **\$75,000** per location and subject to an overall cap of **\$300,000** (\$1m for THRP or HHBRP programs) that would be shared among affiliated entities.

Lockdown Support - A top-up of 25% is available for entities that temporarily shut-down or significantly limit their activities due to a mandatory health order.

Eligible (4-week) Claim Periods

	Claim Period	Reference Month	Base Rate	Top-up Factor	Application Deadline
1-4	Mar 15 to July 4, 2020	Mar to June	75%		Jan 31, 2021
5	July 5 to Aug 1, 2020	July	1.2 or 75%	1.25	Jan 31, 2021
6	Aug 2 to Aug 29, 2020	August	1.2 or 75%	1.25	Feb 25, 2021
7	Aug 30 to Sept 26, 2020	September	1.0	1.25	Mar 25, 2021
8	Sept 27 to Oct 24, 2020	October	0.8	1.25	Apr 22, 2021
9	Oct 25 to Nov 21, 2020	November	0.8	1.25	May 20, 2021
10	Nov 22 to Dec 19, 2020	December	0.8	1.25	Jun 17, 2021
11	Dec 20 to Jan 16, 2021	December	0.8	1.75/ 1.25	July 15, 2021
12	Jan 17 to Feb 13, 2021	January	0.8	1.75/ 1.25	Aug 12, 2021
13	Feb 14 to Mar 13, 2021	February	0.8	1.75/ 1.25	Sept 9, 2021
14	Mar 14 to Apr 10, 2021	March**	0.8	1.75/ 1.25	Oct 7, 2021
15	Apr 11 to May 8, 2021	April**	0.8	1.75/ 1.25	Nov 4, 2021
16	May 9 to June 5, 2021	May**	0.8	1.75/ 1.25	Dec 2, 2021
17	June 6 to July 3, 2021	June**	0.8	1.75/ 1.25	Dec 30, 2021
18	July 4, to July 31, 2021	July**	0.875	1.25	Jan 27, 2022
19	Aug 1 to Aug 28, 2021	August**	0.625	0.75	Feb 24, 2022
20	Aug 29 to Sept 25, 2021	September**	0.625	0.75	Mar 24, 2022
21	Sept 26 to Oct 23, 2021	October**	0.25	0.5	April 21, 2022
	Extension Programs			THRP	HHBRP
22	Oct 24 to Nov 20, 2021	November**	1.0	10% + 1.6	May 19, 2022
23	Nov 21 to Dec 18, 2021	December**	1.0	10% + 1.6	June 16, 2022
24	Dec 18 to Jan 15, 2022	January**	1.0	10% + 1.6	July 14, 2022
25	Jan 16 to Feb 12, 2022	February**	1.0	10% + 1.6	Aug 11, 2022
26	Feb 13 to Mar 12, 2022	March**	1.0	10% + 1.6	Sept 8, 2022
27	Mar 13 to Apr 9, 2022	April**	0.5	5% + 0.8	Oct 6, 2022
28	Apr 10 to May 7, 2022	May**	0.5	5% + 0.8	Nov 3, 2022

**Under the general method, periods 14 onwards the prior period reference month is in 2019 (pre-pandemic).

CANADA RECOVERY HIRING PROGRAM (CRHP)

The CRHP is a hiring subsidy program that provides eligible employers with a subsidy of up to 50% of the **incremental** remuneration paid to eligible employees in respect of claim periods June 6, 2021 to May 7, 2022. The calculation of revenues, eligible employers/employees, qualifying reference periods, and application deadlines will be determined in a similar manner as the CEWS. However, a for-profit corporation would only be eligible for CRHP if it is a CCPC and furloughed employees are not eligible. The higher of the CEWS or CRHP may be claimed for a period, but not both. A revenue decline of **at least 10%** for the period is required. For more info click [here](#).

The subsidy is calculated based on the incremental remuneration x hiring subsidy rate for that 4-week period. Incremental remuneration is determined by comparing remuneration paid with respect to the qualifying period to the base period (March 14 to April 10, 2021). The hiring subsidy rates for the following periods are as follows:

June 6 to August 28	50%	September 26 to October 23	30%
August 29 to September 25	40%	October 24 to May 7, 2022	50%

Tourism and Hospitality Recovery Program (THRP)

This is an extension of CEWS and CERS up to May 7, 2022 for hotels, restaurants, bars, festivals, travel agencies, tour operators, convention centres, convention and trade show organizers, and others. To qualify the business has to have had an average revenue decline of **at least 40%** for the first 13 CEWS periods (excluding period 10 or 11 which were based on the same month) and 40% for the claim period month. For period 22 to 26 the subsidy rate is equal to the revenue decline to a maximum of 75% (i.e. a 60% revenue decline in period 22 would result in a 60% subsidy rate). For periods 27 to 28 the rates drop in half. Click [here](#) for more information.

Hardest-Hit Business Recovery Program (HHBRP)

This is an extension of the CEWS and CERS up to May 7, 2022 for hard hit businesses that do not qualify for the THRP. Eligible businesses are those that have experienced **at least 50%** revenue decline over the first 13 CEWS periods (excluding period 10 or 11 which were based on the same month) and a 50% decline for the claim period month. The subsidy rates will be much lower under this program. It is formula based and the formula is 10% + (revenue decline - 50%) x 1.6 for claim periods 22 to 26. Under this formula for period 22 a 60% revenue decline results in a 26% subsidy and a 75% decline results in the maximum 50% subsidy. Rates drop in half for periods 27 & 28. Click [here](#) for more information.

Local Lockdown Program (LLP)

Eligible organizations subject to a qualifying public health restriction would be eligible for subsidy rates as calculated under the THRP regardless of sector and would only require a current-month decline. *The government has proposed to expand this program to include entities subject to 50% capacity restriction and reduce the revenue decline threshold to 25% for claim periods 24 and 25.* Click [here](#) for more information.

OTHER PROGRAMS

Canada Emergency Business Account (CEBA) - Closed on June 30, 2021 Interest-free loans up to **\$60,000** to eligible borrowers, of which up to \$20,000 of the loan could be forgiven where the loan is repaid by Dec 31, 2023. Click [here](#).

Highly Affected Sectors Credit Availability Program (HASCAP) - BDC guaranteed loans up to **\$1m** to eligible borrowers available until March 31, 2022. Click [here](#).

Tourism Levy Abatement - operators with a 40% net revenue decline may qualify for abatement for the period Oct 1, 2021 to Mar 31, 2022. Click [here](#).

Restrictions Exemption Program Implementation Grant - \$2,000 for Alberta organizations participating in the Restrictions exemption Program. Click [here](#).

KMSS IS HERE TO HELP Contact us at 403-233-7750

Please contact your KMSS advisor if you need assistance with:

- ⇒ Determining whether your business qualifies for any relief programs
- ⇒ Calculation of and submission of wage and rent subsidies
- ⇒ Interim financial statements required for financing, CEWS or CERS
- ⇒ Accounting for your business using Cloud-based Solutions to allow remote access when working from home

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