

An Act Respecting further COVID-19 Measures Receives Royal Assent: What This Means for the CEWS

Date : August 5, 2020

On July 27, 2020, *An Act Respecting further COVID-19 Measures* (also referred to as Bill C-20, or the “Act”) received Royal Assent. Bill C-20, which we reviewed briefly while it was before the House of Commons in an earlier [Focus Alert](#), passed the Senate without amendment and the Act has now come into effect. Since some of the most important legislative changes brought about by the Act relate to the Canada Emergency Wage Subsidy (or “CEWS”) which many employers have relied on throughout the COVID-19 pandemic, this article is intended to provide a more detailed review of the CEWS program, and in particular the changes brought about by this new legislation.

The CEWS and Bill C-20

As part of Canada’s COVID-19 Economic Response Plan, the CEWS was designed to assist employers in continuing to pay their employees and avoiding lay-offs during the COVID-19 pandemic. It was initially put in place to provide eligible employers with a wage subsidy of up to 75% for a 12-week period from March 15 to June 6, 2020, subject to a maximum of \$847 per week per eligible employee.

On May 15, 2020, the Federal government announced that the CEWS would be extended for an additional 12 weeks to August 29, 2020. Shortly thereafter, on May 25, 2020, the Federal government launched a public consultation in order to obtain input from stakeholders on potential changes to the CEWS program. As a result of the CEWS consultation, the Federal government subsequently announced a further extension of the program to November 21, 2020.

Bill C-20 not only allows for the implementation of the extension through November 21 as well as for other substantive changes to the CEWS program, but also allows for further extension of the CEWS by way of regulation through December 19, 2020.

- **The Claim Periods**

Despite Bill C-20, one thing that has not changed about the CEWS program is the reference to claim periods. Entitlement to the CEWS was always designed to be calculated with respect to individual 4-week claim periods. Under the new legislation, this continues to be the case going forward, as is detailed in the chart below:

Period	Period	Period	Period	Period	Period 6	Period 7	Period 8
1	2	3	4	5			