

## Human Resources Legislative Update

# Federal Government Releases Additional Details on Expanded Wage Subsidy Program

**Date:** March 30, 2020

On March 30, 2020, Prime Minister Trudeau provided further information about the 75% wage subsidy being made available to businesses, which he first announced last week.

Details are to follow from the Department of Finance, but this is what we know so far:

- the wage subsidy will be 75% up to the first \$58,750 earned by an employee (or up to \$847 per week)
- the subsidy will be available to businesses whose revenues have decreased by at least 30% as a result of COVID-19, whether they are operating or not
- large and small businesses, the non-profit sector and charities can all apply
- the number of employees a business employs will not determine whether or not the subsidy is available
- the expectation is that the money available through the wage subsidy will go to employees
- the Prime Minister has stated that where employers are able to, they should top-up the wage subsidy 25%
- the wage subsidy will be retroactive to March 15, 2020
- there will be severe consequences should a party abuse the availability of the wage subsidy
- future announcements will explain how the wage subsidy will be paid to employers, suggesting that it will not be shared via adjustments to source deductions as was the case with the first announced iteration of the wage subsidy.

Once more details are released, we will issue a further communication.