



November 10, 2020

Dealer Alert

RENT RELIEF and WAGE SUBSIDY

On November 2nd, the Federal Government tabled legislation to create a more targeted response to lease and rental costs for businesses, a new Canada Emergency Rent Subsidy (CERS), in addition to extending the Canada Emergency Wage Subsidy (CEWS).

Although not passed into law yet and light on details as to eligibility, The Government says the goal is to create a:

- New CERS, which would provide direct and easy-to-access rent and mortgage interest support to tenants and property owners until June 2021 for qualifying organizations affected by COVID-19. The new rent subsidy would support businesses, charities, and non-profits that have suffered a revenue drop by providing support *up to a maximum of 65 per cent of eligible expenses until December 19, 2020. The government is proposing to allow claims retroactively for the period that began September 27 and ended October 24, 2020.*
- New Lockdown Support, which would provide an additional 25 per cent through CERS for qualifying organizations that are subject to a lockdown and must shut their doors or significantly limit their activities under a public health order issued under the laws of Canada, a province or territory (including orders made by a municipality or regional health authority under one of those laws). *Combined, this would mean that hard-hit businesses subject to a lockdown could receive rent support of up to 90 per cent.*
- An extension of CEWS until June 2021, which would continue to protect jobs by helping employers keep employees on the payroll and re-hire their workers. *The wage subsidy would remain at the current rate of up to 65 per cent of eligible wages until December 19, 2020.*

We will provide more details when they become available.