

Multiple Choice: Canada to Replace CERB with New and Revised Income Support Programs for Employees

August 21, 2020

By Daniel Wong, Megan Mah, Max Skrow

As Canadian businesses and workers continue to feel the effects of the COVID-19 pandemic, the Canadian government has announced several income support measures.

The Canada Emergency Response Benefit (“**CERB**”) program, which was set to expire at the end of August, will be extended by one additional month to provide individuals with a maximum of 28 weeks of benefits. The Canadian government also introduced three new programs for unemployed workers and revised the Employment Insurance program.

Once we reach the new CERB expiry date at the end of September, workers that remain unemployed beyond that point may be eligible for the following income support programs:

1. **Revised Employment Insurance:** The existing EI program has been revised in response to COVID-19. The minimum number of hours worked in the last year in order to be eligible for EI will be reduced from 420-700 to 120, at which point the applicant is entitled to a minimum benefit of \$400 per week for a period of 26 weeks.
2. **Canada Recovery Benefit:** This program will be available to workers who are self-employed or ineligible for EI and are unable to resume work. Under this program, eligible applicants will receive \$400 per week for up to 26 weeks but will need to repay 50% of amounts paid above an annual net income of \$38,000.
3. **Canada Recovery Sickness Benefit:** This program will be available for workers who are sick or who are required to self-isolate due to COVID-19. This program will provide eligible applicants with taxable payments of \$500 per week for a maximum of two weeks between September 27, 2020 and September 27, 2021. In order to be eligible, the applicant: must be a resident of Canada aged 15 years or above; must be employed or self employed at the time of application; must have earned at least \$5,000 in 2019 or in 2020; and must have missed a minimum of 60% of their scheduled work in the week for which they claim the benefit
4. **Canada Recovering Caregiving Benefit:** This program will be for workers who are unable to work because they are caring for a child, dependent and/or family member due to COVID-19 school or daycare closures. This program will provide eligible applicants with \$500 per week for up to 26 weeks per household. In order to be eligible, the applicant: must reside in Canada and be at least 15 years of age with a valid SIN number; must be employed or self employed on the date before the period in which the application is made; must have earned at least \$5,000 in 2019 or 2020; must not be in receipt of paid leave; must not be receipt of any other emergency program; and must be unable to work for at least 60% of their normally scheduled work in a given week because they are caring for a child or dependent due to partial or complete school/daycare closures, inability of the child/dependent to attend school due to being at a high risk if they contract COVID-19, or because the child/dependent's usual caregiver is unavailable due to COVID-19.

WeirFoulds' employment law group is monitoring these developments and will be providing updates as the COVID-19 situation progresses. For more information on how to respond to COVID-19 in your workplace or organization, please contact Daniel, Megan or Max.

The information and comments herein are for the general information of the reader and are not intended as advice or opinion to be relied upon in relation to any particular circumstances. For particular application of the law to specific situations, the reader should seek professional advice.

For more information or inquiries:



Daniel Wong

Toronto
416.947.5042

Email:
dwong@weirfoulds.com

Daniel Wong is Chair of the Firm's Employment & Labour Practice Group with a practice that is focused on employment and labour relations.



Megan Mah

Toronto
416.947.5098

Email:
mmah@weirfoulds.com

Megan Mah has a diverse practice that focuses on human rights, employment, civil litigation, administrative and constitutional law.



Max Skrow

Toronto
416.947.5063

Email:
mskrow@weirfoulds.com

Max Skrow is an associate in the Commercial Litigation and Employment Law Practice Groups at WeirFoulds. His practice is focused on a broad range of commercial disputes and employment law issues.

WeirFoulds^{LLP}

www.weirfoulds.com

Toronto Office

4100 – 66 Wellington Street West
PO Box 35, TD Bank Tower
Toronto, ON M5K 1B7

Tel: 416.365.1110
Fax: 416.365.1876

Oakville Office

1320 Cornwall Rd., Suite 201
Oakville, ON L6J 7W5

Tel: 416.365.1110
Fax: 905.829.2035