

Expanded Access to Canada Emergency Response Benefit and Support for Essential Workers

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April 20, 2020

On April 15, 2020, the Prime Minister announced that the government will be expanding access to the Canada Emergency Response Benefit (CERB) and will be offering wage support to low-income essential workers. These measures, which expand upon previously announced changes to the CERB, are aimed at both helping more Canadians benefit from the CERB and ensuring that essential workers earn at least as much from their employment as they would from the CERB.

Overview of the CERB

The government established the CERB to support workers impacted by the COVID-19 pandemic. The CERB is a taxable benefit that provides \$2,000 every four weeks for up to 16 weeks to eligible workers who cease working and lose their income for a variety of reasons relating to the COVID-19 pandemic, including those who would otherwise be ineligible for regular employment insurance (EI) benefits, such as contractors and self-employed individuals.

To be eligible for the CERB prior to this announcement, a worker must reside in Canada, be at least 15 years of age, have earned income of at least \$5,000 (before taxes) in 2019 or in the 12-month period prior to the date of the application, and be expected to be without employment income for at least 14 consecutive days in the initial four-week period.

New CERB Eligibility Rules

To help more Canadians benefit from the CERB, the government is changing the eligibility rules to:

- allow people to earn up to \$1,000 (before taxes) per month while collecting the CERB;
- extend the CERB to seasonal workers who have exhausted their EI regular benefits and are unable to undertake their usual seasonal work as a result of the COVID-19 outbreak;
- extend the CERB to workers who recently exhausted their EI regular benefits and are unable to find a job or return to work because of COVID-19; and
- allow artists to receive royalty payments from copyrighted works produced before March 1st while collecting the CERB.

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Now, to be eligible for the CERB, a worker must reside in Canada, be at least 15 years of age, have earned income of at least \$5,000 (before taxes) in 2019 or in the 12-month period prior to the date of the application, and have earned no more than \$1,000 (before taxes) in employment income for 14 or more consecutive days within the four-week benefit period of the claim. These changes will be retroactive to March 15, 2020.

New Top-Up Payment for Essential Workers

To assist essential workers who are earning wages that are less than or similar to what they would receive from the CERB, the government will be working with the provinces and territories through a new transfer to cost-share a temporary top-up for the salaries of workers deemed essential in the fight against COVID-19 and who make less than \$2,500 a month.

Details as to the application and delivery of this measure have yet to be released. While the government has not yet confirmed which employees will be deemed essential for the purposes of this wage boost, the government's backgrounder specifically mentions workers who are "front-line in hospitals and nursing homes, those ensuring the integrity of the food supply, or providing essential retail services to Canadians."

The Employment & Labour Group at Cassels will provide further updates on governmental initiatives to support Canadian employers and their employees in the wake of the COVID-19 pandemic as they become available.

This publication is a general summary of the law. It does not replace legal advice tailored to your specific circumstances.