



# USW Guide to Federal Support Programs

(as of April 6, 2020) Updates at [usw.ca/covid19](https://usw.ca/covid19)

## Clarifying the Confusing World of New Government Programs

If you are like the rest of us, you're likely confused by daily announcements and changes to job supports during this pandemic. This is because things have not been finalized nor fully explained yet. We realize this can be frustrating and make it hard for you to receive important supports you and your family need.

To help, below we outline as clearly as possible the federal support programs: who is eligible, what each covers and how you apply for each. *This information is up-to-date as of April 6, 2020.*

- **Regular (basic) Employment Insurance (EI)** becoming the **Emergency Employment Insurance (EI) Benefit**

- **Emergency EI Benefit and Canada Emergency Response Benefit (CERB)**
- **Canada Emergency Wage Subsidy (CEWS)**
- **Temporary Small Business Wage Subsidy**

The lack of announced details should not stop you from applying if you need the support.

The following information, like all USW COVID-19 information, is **updated regularly online at [usw.ca/covid19](https://usw.ca/covid19)**. Visit our site regularly.

## Regular (basic) Employment Insurance (EI) becoming Emergency EI Benefit

Applications for regular (basic) EI benefits or EI sickness benefits that were established **before March 15** will continue as before.

All EI claims established **after March 15** will be treated as an Emergency EI Benefit claim.

The Emergency EI Benefit is somewhat more accessible

and provides a higher benefit than regular (basic) EI benefits for most applicants (see comparison below.)

Note: **Maternity, parental and compassionate care leaves** are not affected by the March 15 change.

**You now apply online at [Canada.ca/coronavirus](https://Canada.ca/coronavirus) (in "Financial and economic support" section).**

## *Six of one, half a dozen of the other:* Emergency EI Benefit and Canada Emergency Response Benefit (CERB)

The Emergency EI Benefit and the Canada Emergency Response Benefit (CERB) are similar in most ways.

- Both programs are irrespective of EI credit.
- Both programs are designed to support residents of Canada that have stopped working because of COVID-19.
- Both programs provide a benefit of \$2,000 a month.

You apply for either program from a single online portal ([Canada.ca/coronavirus](https://Canada.ca/coronavirus)) which will stream you into the right program.

The slight differences can be found in the chart below.

NOTE: unfortunately, there are currently limitations to both programs:

- **Recipients cannot have any employment income** during their benefit period. This includes employer-sponsored supplemental plans (top-ups).
- Workers with **significantly reduced hours yet still working are not eligible** for either benefit.

USW and others in the labour movement are fighting these limitations. Get updates on our progress at [usw.ca/covid.ca](https://usw.ca/covid.ca).

You apply for both programs online at [Canada.ca/coronavirus](https://Canada.ca/coronavirus)

## The Minor Differences Between Emergency EI Benefit and CERB

	Emergency EI Benefit	CERB
<b>Eligibility (same)</b>	<ul style="list-style-type: none"> <li>• Must have stopped working because of COVID-19.               <ul style="list-style-type: none"> <li>• Laid-off or zero hours. No voluntary separation (quitting).</li> <li>• Are sick, in quarantine or are in self-isolation.</li> <li>• Caring for someone with COVID-19.</li> <li>• Working parents who must stay home because children’s school or daycare is closed.</li> </ul> </li> <li>• Must have earned at least \$5,000 of insurable earnings in 2019 or previous 12 months.               <ul style="list-style-type: none"> <li>• Income from maternity/parental EI benefits will count.</li> </ul> </li> <li>• Must be a resident of Canada.               <ul style="list-style-type: none"> <li>* Federal (ESDC) officials indicated on April 2, 2020, that temporary foreign workers who are in Canada and had to stop working due to COVID-19 will be eligible.</li> </ul> </li> <li>• No job search requirement.</li> </ul>	
<b>Eligibility (different)</b>	<ul style="list-style-type: none"> <li>• Without work for 7 of last 14 days</li> </ul>	<ul style="list-style-type: none"> <li>• Without work for 14 days</li> </ul>
<b>Other Income (same)</b>	<ul style="list-style-type: none"> <li>• No employment income permitted</li> <li>• No employer supplemental plans (top-ups)</li> <li>• EI and CERB cannot be combined</li> <li>• Pension income, scholarships or provincial transfers permitted</li> </ul>	
<b>Benefit (different)</b>	<ul style="list-style-type: none"> <li>• \$500 a week regardless of previous income (total \$2,000/month)</li> <li>• Paid bi-weekly</li> </ul>	<ul style="list-style-type: none"> <li>• \$2,000/month.</li> <li>• Paid monthly.</li> </ul>
<b>Duration (different)</b>	<ul style="list-style-type: none"> <li>• Up to 16 weeks</li> <li>• At the expiry of the 16-week period, if you are eligible for EI regular (basic) benefits you can begin a new claim without a reduction in entitlement period.</li> </ul>	<ul style="list-style-type: none"> <li>• Up to 16 weeks</li> </ul>
<b>Apply (same)</b>	<ul style="list-style-type: none"> <li>• Apply at <a href="https://Canada.ca/coronavirus">Canada.ca/coronavirus</a></li> <li>• Days you can apply will be based on your birthday. <a href="#">More info here.</a></li> </ul>	
<b>Admin (different)</b>	<ul style="list-style-type: none"> <li>• Administered by Service Canada</li> <li>• Will need to regularly attest that you are without income and do not expect income during the benefit period (bi-weekly)</li> </ul>	<ul style="list-style-type: none"> <li>• Administered by CRA</li> <li>• Will need to regularly attest that you are without income and do not expect income during the benefit period (monthly)</li> </ul>

## Canada Emergency Wage Subsidy (CEWS)

In an attempt to avoid layoffs and to return laid-off employees to work, the federal government has implemented a wage subsidy to employers hit hard by COVID-19.

Generally speaking, it is a 75% subsidy paid to employers that have a 30% reduction in revenue. (Details announced to date are described below.) For the month of March only, the revenue loss threshold is only 15%

rather than 30%. There will be a time lag before this program is operationalized, both to get it up-and-running and to get it passed by Parliament.

The 75% wage subsidy is a program created in addition to the still existing but insufficient 10% subsidy announced earlier (details below.)

**Your employer** needs to apply to the CRA for this subsidy.

Eligible Employers	Period of Benefit		Subsidy Amount	Other
<ul style="list-style-type: none"> <li>Employers of all sizes and all sectors, except public sector</li> <li>Excludes municipalities, local governments, Crown corporations, public universities, colleges, schools and hospitals</li> <li>Includes: individuals, taxable corporations, partnerships, non-profit organizations and registered charities</li> <li>Must demonstrate 30% decline in revenue (15% for the month of March only) in each claiming period</li> <li>Determined by monthly revenues, on a year-over-year basis</li> <li>Must be eligible/apply for each claiming period</li> </ul>	<p>Claiming Period</p> <ol style="list-style-type: none"> <li>March 15-April 11</li> <li>April 12-May 9</li> <li>May 10-June 6</li> </ol>	<p>Reference Period</p> <ol style="list-style-type: none"> <li>March 2020 over March 2019</li> <li>April 2020-April 2019</li> <li>May 2020-May 2019</li> </ol>	<ul style="list-style-type: none"> <li>75% of first \$58,700 remuneration paid, to max of \$847/week; or 75% of pre-crisis weekly remuneration</li> <li>No per employer maximum limit</li> <li>Also applicable to new employees</li> <li>Remuneration includes salary, wages and other remuneration. Does not include severance pay, stock options, use of corporate vehicle</li> </ul>	<ul style="list-style-type: none"> <li>Definition of pre-crisis weekly remuneration to follow</li> <li>Definition of revenue tbd with regards to NFP and charities</li> <li>Employer not eligible to claim CEWS for an employee in a week that falls within 4-week period for which employee is eligible for CERB</li> <li>Non-eligible employers able to furlough employees on CERB</li> </ul>

## Temporary Small Business Wage Subsidy

The Temporary Small Business Wage Subsidy is the inadequate subsidy program announced earlier by the Liberal government, before the 75% wage subsidy program (CEWS) was announced.

It provides a 10% subsidy to small and medium businesses of salaries from March 18 to June 19, via deduc-

tion from payroll remittances.

It excludes trusts, partnerships, non-profits, registered charities and Canadian-controlled private corporations.

Those employers not eligible for the Canada Emergency Wage Subsidy can apply for this subsidy if they are eligible.

## Work-Sharing Program Extended

While not a new program, the Work-Sharing Program has been extended from 38 to 76 weeks.

The mandatory cooling off period is waived for employers who previously used the Work-Sharing Program.

Work-Sharing is an Employment Insurance program that helps employers and employees avoid layoffs. The program allows employers to retain skilled employees when there is a temporary decrease in business activity beyond the control of the employer.

Stay Informed and Get Updates at [usw.ca/covid19](https://usw.ca/covid19).

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