

Government of Canada Announces Plan To Help Support Canadians Through The Next Phase Of The Recovery

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Since the beginning of the COVID-19 pandemic, the Government of Canada has put Canadians first, providing the support they need to continue to make ends meet while staying safe and healthy. As we gradually and safely restart our economy, the government is continuing to support Canadians through the next phase of the recovery.

Deputy Prime Minister and Minister of Finance, Chrystia Freeland, and the Minister of Employment, Workforce Development and Disability Inclusion, Carla Qualtrough, today announced changes to the Employment Insurance (EI) program and new income support benefits that will better support all Canadians. They also announced that in preparation for this transition and to ensure support continues for Canadians whose employment has been impacted by the pandemic, the Canada Emergency Response Benefit (CERB) will be extended by an additional four weeks to a maximum of 28 weeks. This means that for the many Canadians expecting to exhaust their CERB benefits at the end of August, they will now be able to access an additional month of support.

When Canadians needed support the most, the government introduced the CERB, which helped more than 8.5 million people pay their bills during this challenging time. As we safely restart our economy, many of those Canadians will still need support while they continue to look for work. That is why the government will transition people who have been receiving the CERB to a more flexible and generous EI program for those who qualify, which will provide them additional features and tools to get back into the workforce.

The COVID-19 pandemic may have had a negative impact on a worker's

weekly earnings, either because they lost their job or saw their hours of work reduced. To give Canadians seeking employment the support they need to get back on their feet, the government is making changes to the EI program. EI will now be available to more Canadians, including those who would not have qualified for EI in the past, adding more than 400,000 people into the program. Those receiving EI will be eligible for a taxable benefit rate of at least \$400 per week, or \$240 per week for extended parental benefits, and regular benefits will be accessible for a minimum duration of 26 weeks. The government will continue to work with provinces and territories to ensure Canadians receiving EI benefits have access to skills training and employment supports, to help them get back to work.

The government will also freeze the EI insurance premium rates for two years, so Canadian workers and businesses will not face immediate increases to costs and payroll deductions due to the additional expenses resulting from the pandemic.

Additionally, to ensure Canadians receive the support they need during these challenging times, we are proposing implement three new benefits:

- The Canada Recovery Benefit (CRB) will provide \$400 per week for up to 26 weeks, to workers who are self-employed or are not eligible for EI and who still require income support and who are available and looking for work. This benefit will support Canadians whose income has dropped or not returned due to COVID-19. The benefit will allow Canadians to earn more income while on claim as well as include links to Job Bank, Canada's national employment service, with career planning tools for those seeking employment. In addition, the government will be working with provinces and territories to share information to ensure that Canadians have access to tools and training opportunities to successfully return to the workforce.
- The Canada Recovery Sickness Benefit (CRSB) will provide \$500 per week for up to two weeks, for workers who are sick or must self-isolate for reasons related to COVID-19.
- The Canada Recovery Caregiving Benefit (CRCB) will provide \$500 per week for up to 26 weeks per household, for eligible Canadians unable to work because they must care for:
 - a child under age 12 due to the closures of schools or daycares because of COVID-19.

- o a family member with a disability or a dependent because their day program or care facility is closed due to COVID-19.
- o a child, a family member with a disability, or a dependent who is not attending school, daycare, or other care facilities under the advice of a medical professional due to being at high-risk if they contract COVID-19.

The Government intends to introduce new legislation to support the implementation of the new benefits.

By returning to the EI program, and introducing new complementary recovery benefits, we are ensuring Canadians have access to better supports that will help them through the next phase of our recovery. As we gradually and safely restart our economy, the Government of Canada will continue to put Canadians first, so we can move forward and build a Canada that works for everyone.

Quotes

Canadians have shown tremendous strength in the face of the COVID-19 pandemic. As we begin to safely reopen our economies and businesses, our government is committed to supporting Canadians. We are helping businesses and workers get back on their feet, while making sure Canadians have the income supports they need. Together, we will get through this, and build a stronger Canada.”

— The Honourable Chrystia Freeland, Deputy Prime Minister and Minister of Finance

“At a time of great uncertainty, the Canada Emergency Response Benefit has provided millions of Canadians with the financial support they needed to get by. As we carefully and gradually reopen parts of our economy, we are transitioning to more nimble and flexible programs that will help get Canadians back to work, while ensuring we are able to quickly respond to any further labour market impacts due to the ongoing pandemic. We will get through these challenging times together and will not leave anyone behind in the process.”

— The Honourable Carla Qualtrough, Minister of Employment, Workforce Development and Disability Inclusion

“Canadians have had to show incredible resiliency in the face of a global pandemic and the worst economic crisis of our generation. Today’s

announcement demonstrates our government's commitment to supporting the health and safety of Canadians while the economy rebuilds. Since the earliest days of this crisis, the Canada Revenue Agency has made serving Canadians our priority. The CRA stands ready to help Canadians through this next phase by delivering the new Canada Recovery benefits."

—The Honourable Diane LeBouthillier, Minister of National Revenue

Quick facts

- On April 6, the CERB was launched to help Canadians who had to stop working for reasons related to COVID-19, or who were eligible for EI regular or sickness benefits.
- On June 15, the CERB was extended by eight weeks, providing up to 24 weeks of benefits for those who still could not go back to work safely.
- As of early August, 8.5 million individuals have benefitted from the CERB, and more than 4 million individuals have transitioned off the CERB and returned to work.
- Effective August 9, the government has established a minimum unemployment rate for the EI program of 13.1 per cent across Canada.
- The program will allow Canadians with 120 hours of insurable work or more to meet these new requirements by providing a temporary, one-time credit of 300 insurable hours for those claiming EI regular and work-sharing benefits. Canadians claiming EI special benefits – including maternity, parental, sickness, compassionate care, and family caregiver – they will be provided with a temporary, one-time credit of 480 insurable hours.
- The CRB, CRSB, and CRCB will be in effect for one year, following the end of CERB payments. Canadians will be able to apply for these benefits through the Canada Revenue Agency. More details on how Canadians can get ready to apply will be available in the coming weeks at www.canada.ca/coronavirus.
- Canadians should note that CERB payments are made in advance for pay periods, while EI and the new benefits are paid in arrears. More details will be communicated to Canadians shortly.

- The government is also implementing temporary measures to support self-employed fish harvesters who rely on EI fishing benefits in the off-season. These measures will allow EI fishing benefits for these workers to be calculated using either their fishing earnings for their current claim, or their fishing earnings from their claim for the same season from the previous year, whichever is higher.
- As the Province of Quebec delivers maternity, paternity, parental, and adoption benefits through the Quebec Parental Insurance Plan, Quebec residents are not eligible for the measures relating to maternity and parental benefits.
- Quebec residents would be eligible for the new measures relating to EI regular, fishing, sickness, family caregiver, or compassionate care benefits. They would also be eligible for the three new recovery benefits.