

What's New in HR Law

Canada Emergency Student Benefit and other Assistance for Post-Secondary Students

April 24, 2020

COVID-19 Update

On April 22, 2020 the Federal Government announced new measures, including the <u>Canada</u> <u>Emergency Student Benefit</u>, to assist post-secondary students and recent graduates who are unable to obtain work over the summer due to the COVID-19 pandemic.

This announcement comes after students voiced concerns that many of them were ineligible to receive the Canada Emergency Response Benefit (the "CERB") because they had not earned at least \$5,000 in the past year.

These new measures are expected to cost the Federal Government approximately \$9 billion dollars.

This update is for general discussion purposes and does not constitute legal advice or an opinion.

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Canada Emergency Student Benefit

Post-secondary students and graduates who are not entitled to the CERB or Employment Insurance may be eligible to receive the Canada Emergency Student Benefit (the "CESB") if they are unable to find work due to COVID-19. Eligible students will receive \$1,250 a month or \$1,750 a month if the students have dependents or a disability. The CESB will be available between May and August, 2020.

Based on the limited information currently available, it appears that to be eligible for the CESB an individual must:

- Be a post-secondary student in either college or university;
- Be currently enrolled in school, planning to start school in September 2020, or have graduated from school in December 2019; and
- Have lost work or be unable to obtain work as a result of COVID-19.

Students who are working, but earning less than \$1,000 a month, will also be eligible to receive the CESB.

Before implementing the CESB, Parliament must first pass legislation. Similar to previous emergency response legislation, we expect the government will pass this legislation on an expedited basis so that assistance is available to students as soon as possible

Additional Measures to Assist Students

Recognizing that failure to obtain summer employment will greatly affect some students' ability to continue their education, the Federal Government has proposed additional measures in order to assist students pay for their education. These measures include an increase to the Canada Student Grants in 2020-2021 and a broadening of eligibility for Canada student loan programs.

The Federal Government has also recognized the importance of volunteerism and is encouraging students who are unable to find employment to participate in national service activities and other community service. This will help support local communities and provide students with valuable skills and experiences. Students who volunteer to help with the COVID-19 response will receive between \$1,000 and \$5,000 towards their post-secondary education costs in the fall.

Prime Minister Trudeau also promised to create 76,000 new jobs for young people in sectors that have been managing the frontlines of this pandemic and need extra assistance. To create these jobs the Federal Government will invest more than \$291 million in extending scholarships, fellowships, and grants for three to four months.

Canada Summer Jobs Program

The Canada Summer Jobs Program provides youth with quality work experience and improves access to the labour market for youth who face barriers. Under this program, eligible not-for-profit-organizations and public and private sector organizations with 50 or fewer full-time

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employees may receive wage subsidies for youth workers who are between the ages of 15 and 30.

Under normal circumstances, eligible not-for-profit employers can receive funding up to 100% of the province's minimum hourly wage, and eligible public and private employers can receive up to 50% of the province's minimum hourly wage. However, due to COVID-19 the Federal Government has expanded this program so that all eligible employers may receive up to 100% of the province's minimum hourly wage. Additionally, the program will now also apply to part-time placements. These changes are expected to create 70,000 jobs for young Canadians.

International Students

The Federal Government has also announced that it will remove the restriction that permits international students to work a maximum of only 20 hours per week while classes are in session, so long as the students work in an essential service function. According to the Government's announcement, an essential service function will include health care, critical infrastructure, as well as the supply of food and other critical goods. This temporary rule change is expected to be in place until August 31, 2020.

Future Updates

More information on these programs for students are expected to be released in the coming days. The Federal Government is expected to pass legislation on these new emergency response measures as quickly as possible. We will provide further updates as they become available.

Need more information?

For more information regarding workplace management amidst the COVID-19 outbreak, contact <u>Natalie Garvin</u> at 416-408-5512, or your regular lawyer at the firm.



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