

# What's New in HR Law

# **UPDATE: Canada Emergency Student Benefit Act Receives Royal Assent**

May 5, 2020

#### COVID-19 Update

Since our update on <u>April 24, 2020</u>, Parliament passed *An Act respecting Canada emergency student benefit (coronavirus disease 2019)* (CESB Act). The CESB Act finalizes the details of the CESB available to eligible students who are otherwise ineligible for the Canada Emergency Response Benefit (CERB) or Employment Insurance (EI) and are unable to work due to COVID-19.

# **Canada Emergency Student Benefit**

When the CESB was first announced, the Federal Government indicated eligible students would be entitled to receive \$1,250 a month, or \$1,750 a month if the student had a dependent or a disability. However, on May 1, 2020 the Senate agreed that the amount available to eligible students with a dependent or a disability should be increased to \$2,000.

The CESB Act does not specify the amount of the CESB. Instead, the quantum of the benefit will be established by way of regulation. While regulations have yet to be enacted under the CESB Act, it is clear from Senate's discussion and subsequent updates to the Government's website

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

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1 King Street West, Suite 1201, Box 57030 Hamilton, Ontario L8P 4W9 tel 905.526.8904 | fax 905.577.0805 hamilton@filion.on.ca that the amount of the CESB will now be \$1,250, or \$2,000 for students with a dependent or a disability.

The CESB has been criticized because the benefit available to students is less than the benefit available to non-students under the CERB program. It remains to be seen whether the Government will make further adjustment to the amount of the monthly benefit eligible students will be able to receive.

# Eligibility

Post-secondary students and graduates will be eligible to receive the CESB if they:

- Are a Canadian citizen, registered as an Indian under the *Indian Act*, or a permanent resident;
- Are enrolled, at any time between December 1, 2019 and August 31, 2020, in a post-secondary education program that leads to a degree, diploma or certificate;
- Have graduated from secondary school in 2020, or have applied for and plan to enroll in a post-secondary education program that is scheduled to begin before February 1, 2021; and
- Are seeking work, either as an employee or in self-employment, but are unable to find it
  as a result of COVID-19, or are working but receive less than \$1,000 a month (or as may
  otherwise be prescribed).

Students are not eligible for the CESB if, in any four-week period for which they have applied for the CESB, they have:

- Received income support under the CERB, EI, or any EI emergency benefit;
- Received money or other benefits under a provincial plan because of pregnancy or caring for a new-born/adopted child; and/or
- Received any other income (including, but not limited to, employment or selfemployment) as prescribed by regulation.

Students can apply for the CESB for any four-week period between May and August of 2020. The latest a student can apply for the CESB is September 30, 2020.

As part of the application process, students will be required to attest that they are seeking work. The Government is also working on a Government-managed job posting system in order to assist eligible students find employment opportunities.

#### **Future Updates**

More information with respect to the amount of the CESB and how eligible students can apply will be available once the Government has enacted regulations. We will continue to monitor announcements with respect to the CESB and will provide further updates as they become available.

### **Need more information?**

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





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