



What's New in HR Law

Federal Government Provides Benefits to Workers and Employers During COVID-19 Outbreak

March 19, 2020

COVID-19 Update

On March 18, 2020, the federal government announced its [COVID-19 Economic Response Plan](#) which includes significant measures to assist both workers and businesses affected by the COVID-19 outbreak.

In total, the federal government intends to spend \$27 billion directly towards Canadian workers and businesses and \$55 billion to meet the liquidity needs of businesses and households. The purpose of these funds is to stabilize the economy by combatting financial hardship experienced by both workers and employers during the COVID-19 pandemic.

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

Filion Wakely Thorup Angeletti LLP www.filion.on.ca

Toronto

Bay Adelaide Centre
333 Bay Street, Suite 2500, PO Box 44
Toronto, Ontario M5H 2R2
tel 416.408.3221 | fax 416.408.4814
toronto@filion.on.ca

London

620A Richmond Street, 2nd Floor
London, Ontario N6A 5J9
tel 519.433.7270 | fax 519.433.4453
london@filion.on.ca

Hamilton

1 King Street West, Suite 1201, Box 57030
Hamilton, Ontario L8P 4W9
tel 905.526.8904 | fax 905.577.0805
hamilton@filion.on.ca

Benefits for Workers

Sickness Benefits

As announced on [March 11, 2020](#), the federal government will waive, for a minimum of six months, the mandatory one-week waiting period for Employment Insurance (EI) sickness benefits for workers who have been forced to quarantine or directed to self-isolate. This temporary measure came into effect on March 15, 2020. The federal government has now also waived the requirement to provide a medical certificate in order to access EI sickness benefits.

NEW Emergency Care Benefit

The federal government has introduced a new Emergency Care Benefit of up to \$900 bi-weekly for up to 15 weeks for workers required to stay home and who do not have access to paid sick leave. Workers eligible for this benefit include those who are:

- sick, quarantined, or who have been directed to self-isolate but do not qualify for EI sickness benefits;
- taking care of a family member who is sick with COVID-19, such as an elderly parent or other dependents who are sick, but do not qualify for EI sickness benefits; and
- EI-eligible and non EI-eligible working parents who must stay home without pay because of children who are sick or who need additional care because of school closures.

Applications for the Emergency Care Benefit are expected to be available in April 2020 after the enabling legislation receives Royal Assent. Workers applying for this benefit will be required to re-attest every two weeks as to their eligibility.

EI Work Sharing Program

EI benefits will also be available through the EI Work Sharing Program to workers who agree to reduce their normal working hours as a result of circumstances outside their employer's control. This benefit allows workers to share available work equally, but at reduced hours. In order to be eligible for this program both the workers and employer must agree. The federal government has extended the time period during which a work share arrangement can operate from 38 weeks to 76 weeks. It has also announced that eligibility and application requirements for the Work Share Program will be relaxed. Further information has yet to be provided on what the new requirements will be.

NEW Emergency Support Benefit

These benefits will be supplemented with a new Emergency Support Benefit to be delivered through the Canada Revenue Agency. Under this initiative, the federal government has committed to allocating \$5 billion towards supporting workers who are **not** eligible for EI sickness benefits but are facing unemployment. As of today's date, the federal government has not specified how these benefits will be provided to workers. However, we suspect more information will become available as the Economic Response Plan is put forward to receive Royal Assent in April 2020.

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

Benefits for Small Business

Many of the benefits provided to businesses are in the form of tax deferrals and an increased access to credit. By providing these benefits the federal government hopes to stimulate the economy by helping businesses continue to operate and to retain workers.

Eligible small businesses may also receive a 10% wage subsidy during the next 90 days up to a maximum of \$1,375 per employee and \$25,000 per employer. Eligible small businesses include those who are already eligible for the small business deduction, not-for-profit organizations and charities. The intent of this subsidy is to lower a small business' overhead costs and continue to operate. Qualifying businesses will be able to access this benefit immediately by reducing the source deductions they would ordinarily be required to remit to the Canada Revenue Agency.

Future Updates

Our firm continues to closely monitor the developments surrounding the novel coronavirus (COVID-19) outbreak and will continue to provide further updates as new information becomes 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.



Toronto

Bay Adelaide Centre
333 Bay Street, Suite 2500,
PO Box 44
Toronto, Ontario M5H 2R2
tel: 416.408.3221
fax: 416.408.4814
toronto@filion.on.ca

London

620A Richmond Street, 2nd Floor
London, Ontario N6A 5J9
tel: 519.433.7270
fax: 519.433.4453
london@filion.on.ca

Hamilton

1 King Street West, Suite 1201
Box 57030
Hamilton, Ontario L8P 4W9
tel: 905.526.8904
fax: 905.577.0805
hamilton@filion.on.ca