

## Main benefit programs in COVID-19 context

Last update: 18 mars 2020

Here are the key benefit programs available due to the COVID-19 crisis. Those aim at helping employers and employees following a quarantine (whether it is mandatory or voluntary), a layoff or a dismissal. This document is up-to-dated as of March 18, 2020. Note that future updates will be provided following additional notices from governmental authorities.

Do not hesitate to contact our team of experts for further information.

### 1. Programs Announced as of March 18, 2020 <sup>1</sup>

#### 1.1 Emergency Support Benefit

##### ELIGIBILITY REQUIREMENTS:

- Canadians who lose their jobs or face reduced hours as a result of the impact of COVID-19;
- Workers who are not eligible for Employment Insurance (EI) and who are facing unemployment.

##### DETAILS :

- Will be provided in the upcoming days by the Canadian Government.

#### 1.2 Emergency Care Benefit<sup>2</sup>

##### ELIGIBILITY REQUIREMENTS:

- Workers, including the self-employed, who are quarantined or sick with COVID-19 but do not qualify for EI sickness benefits;
- Workers, including the self-employed, who are taking care of a family member who is sick with COVID-19, such as an elderly parent, but do not qualify for EI sickness benefits;
- Parents with children who require care or supervision due to school closures, and are unable to earn employment income, irrespective of whether they qualify for EI or not.

##### DETAILS:

- Up to \$900 biweekly, for up to 15 weeks;
- Application for the benefit can be made in April 2020;
- Canadians must attest that they meet the eligibility requirements. They will need to reconfirm their eligibility every two weeks. Canadians can use one of three means to apply for the benefit:
  - accessing via their CRA MyAccount secure portal;
  - accessing via their secure My Service Canada Account; or
  - calling a toll-free number equipped with an automated application process.

#### 1.3 Temporary Wage Subsidy for Eligible Small Employers

The subsidy will be equal to 10% of remuneration paid during a period of three months, up to a maximum subsidy of \$1,375 per employee and \$25,000 per employer

<sup>1</sup> <https://www.lapresse.ca/covid-19/202003/18/01-5265250-trudeau-annonce-un-plan-daide-de-27-milliards.php>

<sup>2</sup> <https://www.journaldemontreal.com/2020/03/18/covid-19--ottawa-annonce-plusieurs-mesures-totalisant-82-milliards>

## 2. Employer-Sponsored Group Insurance - Short-term disability insurance (including SUBP)<sup>3</sup>

WHAT: Every disability plan is unique. Please consult the relevant information.

ELIGIBILITY REQUIREMENTS: Insurance companies usually consider an employee as being invalid if the employee has COVID-19 symptoms, receives a clinically performed positive diagnostic or has been ordered to being in quarantine . If the employee cannot work from home, the employee may be eligible for short-term disability pursuant to the employee's personal or group insurance.

## 3. EI Sickness Benefit – Temporary Income Support for Workers and Parents

WHAT: Benefits when an employee is unable to work for medical reasons. Medical reasons include illness, injury, quarantine or any medical condition that prevents you from working.

ELIGIBILITY REQUIREMENTS:

- Canadians without paid sick leave (or similar workplace protection) who are sick, quarantined or forced to stay home to care for children;<sup>4</sup>
- Employee has accumulated 600 insured hours of work in the 52 weeks before commencement of the claim or from the commencement of a previous claim, whichever is shorter.

DETAILS:

- Recipient receives 55% of insurable earnings up to a maximum of \$573 per week during a maximum of 15 weeks;
- One-week waiting period is waived for individuals in imposed quarantine. This temporary measure will be in effect as of March 15, 2020;<sup>5</sup>
- Requirement to provide a medical certificate to access EI sickness benefits is waived.<sup>4</sup>

## 4. Benefits and services offered under the Act respecting Industrial Accidents and Occupational Diseases

WHAT: Workers who have been infected by COVID-19 due to their employment may be eligible for usual benefits and services offered under the Act respecting Industrial Accidents and Occupational Diseases.

DETAILS:

- The Worker must receive a medical assessment from a doctor, notify his employer and provide the completed Form Réclamation du travailleur (RTR) to the CNESST along with the medical assessment;
- The worker must prove that he was infected by the virus due to his employment. There must be sufficient evidence linking the infection to the workplace;
- As in other accidents or professional illness, a worker is entitled to receive an income replacement indemnity (IRR). The IRR is equal to 90% of the net income that the worker derives from his employment. The maximum insured salary is \$78,500.00.

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<sup>3</sup> Supplemental Unemployment Benefit Program.

<sup>4</sup> <http://www.portailrh.org/communique/2019-2020/pdf/GUIDE-CORONAVIRUS.pdf>

<sup>5</sup> <https://www.canada.ca/fr/ministere-finances/plan-intervention-economique.html#individual>

## 5. Temporary Aid for Workers Program

WHAT: Individuals who do not receive compensation from their employers, do not have private insurance and are not covered by another government program, such as employment insurance (including visa workers or self-employed individuals).

DETAILS: Tax-free lump sum of \$573 per week for a 14-day period. Assistance can be extended to a month, if necessary.<sup>6</sup>

## 6. Work-Sharing

WHAT:

- Work-Sharing (WS) is an adjustment program designed to help employers and employees avoid layoffs when there is a temporary reduction in the normal level of business activity that is beyond the control of the employer;
- Provides support to employees eligible for Employment Insurance benefits, who work a temporarily reduced work week while their employer recovers;
- Work sharing requires a three-party agreement involving employers, employees and Service Canada. Employees on a work-sharing agreement must agree to a reduced schedule of work and to share the available work over a specified period of time.

ELIGIBILITY REQUIREMENTS:

- Year round permanent full-time or part-time employees who are required to carry out the everyday functions of normal business activity (i.e. core staff);
- Be eligible to receive Employment Insurance benefits; and
- Agree to a reduction of their normal working hours in order to share the available work.

DETAILS:

- Work-Sharing agreements must include a reduction in work activity of the employees' regular work schedule between a minimum of 10% (one half day) and a maximum of 60% (three days);
- In any given week, the work reduction can vary depending on available work, as long as the work reduction on average over the life of the agreement is between 10% and 60%;
- Work-Sharing agreements must have a minimum duration of 6 weeks and can be extended up to a maximum of 76 weeks (usually limited to a maximum of 38 weeks).

## Typical scenarios

1. **Employee has been infected by COVID-19**  
Employment Insurance, Temporary Aid for Workers Program or short-term disability group insurance.
2. **Employee has been infected by COVID-19 due to his work**  
Eligible to benefits and to usual services under the Act respecting Industrial Accidents and Occupational Diseases.
3. **Employee is placed in quarantine by his employer**  
Employment Insurance.

<sup>6</sup> <https://www.quebec.ca/famille-et-soutien-aux-personnes/aide-financiere/programme-aide-temporaire-aux-travailleurs/>

4. **Employee places himself or herself in quarantine**

If a salaried worker does not provide labour input (e.g. via teleworking), the employer is not required to pay him. However, the employer and the employee can come to a mutual agreement and receive payment in exchange of future labour input.<sup>7</sup> Employment Insurance may also apply to this situation.

5. **Employee Ceases to Work Due to Family Duties**

The Act respecting Labour Standards provides up to 10 days per year to fulfil obligations relating to the care, health or education of an employee's child or a child of the employee's spouse. If the employee has three months of uninterrupted service, the first two days taken annually shall be remunerated. Employment Insurance may also apply to this situation.

## Useful links

- Questions-réponses CNESST : <https://www.cnesst.gouv.qc.ca/salle-de-presse/Pages/coronavirus.aspx>
- Federal Programs: <https://www.canada.ca/en/department-finance/economic-response-plan.html>
  - Employment Insurance: <https://www.canada.ca/en/services/benefits/ei/ei-sickness.html>
  - Work-Sharing: <https://www.canada.ca/en/employment-social-development/services/work-sharing.html>
- Temporary Aid for Workers Program: <https://www.quebec.ca/en/family-and-support-for-individuals/financial-assistance/temporary-aid-for-workers-program/>
- Employment Insurance related to COVID-19 toll-free number: 1-833-381-2725

<sup>7</sup> <https://www.cnesst.gouv.qc.ca/salle-de-presse/Pages/coronavirus.aspx>