

UPDATE: CERB EXTENDED BY FEDERAL GOVERNMENT AND NEW EI BENEFITS

By: [Diana F. Saturno](#)

The federal government announced on Thursday, August 20, 2020 new income support measures as individuals are transitioned off of the Canada Emergency Response Benefit (the "**CERB**"). These income support measures include an extension to the CERB, adjusted eligibility for Employment Insurance benefits, and new benefit programs.

CERB

CERB eligibility has been extended for one additional month. This means that eligible individuals can collect the CERB for up to **28 weeks**. Previously, the CERB was available to eligible applicants for up to 24 weeks. Eligible workers receive gross \$2000 for each four week period. The amount is taxable.

In order to be eligible for the CERB, workers need to have:

- stopped working due to COVID-19; or
- be eligible for Employment Insurance regular or sickness benefits; or
- have exhausted their Employment Insurance regular benefits or Employment Insurance fishing benefits between December 29, 2019 and October 3, 2020.

As well, to be eligible, workers need to have had employment and/or self-employment income of at least \$5,000 in 2019 or in the 12 months prior to the date of their application. Workers who have resigned voluntarily from their job are not eligible.

How Do I Apply for the CERB?

Workers can apply for the CERB through either Service Canada or the Canada Revenue Agency. Workers cannot apply through both portals.

If they are eligible for Employment Insurance ("**EI**") and continue to require income support, Canadians will be transitioned to an EI program once they received the maximum CERB benefits, provided they are receiving benefits through Service Canada. Canadians receiving the CERB through the Canada Revenue Agency will need to apply for EI through Service Canada.

Can I Still Apply If I am Working Part-Time?

Yes. When submitting their first claim, workers cannot have earned more than \$1,000 in employment and/or self-employment income for 14 or more consecutive days within the 4-week benefit period of the claim.

When workers submit for subsequent claims, they cannot have earned more than \$1,000 in employment and/or self-employment income for the entire four-week benefit period of the new claim.



[Diana F. Saturno](#)
Associate

t: 416.864.7624

dsaturno@foglers.com

For more information about the CERB, visit [here](#).

Employment Insurance

The eligibility criteria for Employment Insurance benefits has loosened in response to the realities of the pandemic. In order to qualify for Employment Insurance benefits, applicants require 120 hours of work and can supplement the other insurable hours of employment with the credits noted below. The **minimum** benefit rate will be \$400 per week, and applicants will have access for at least 26 weeks of regular benefits. One time credits will be given to EI claimants in the amount of:

- 300 insurable hours for claims for regular benefits (job loss);
- 480 insurable hours for claims for special benefits (i.e. sickness, maternity/parental, compassionate care, or family caregiver).

The credits will be retroactive to March 15, 2020. The credits will be available for EI claims or one year.

Canada Recovery Benefit

There is a new benefit that will become effective on September 27, 2020, for one year. The Canada Recovery benefit will provide a benefit amount of \$400 per week for up to 26 weeks.

Who is Eligible for the Canada Recovery Benefit?

Workers who are not eligible for EI are eligible, namely those who are self-employed or who work in a gig economy. Eligible workers will have had to have employment and/or self-employment income of at least \$5000 in 2019 or 2020 and have not quit their job voluntarily.

How Do I Apply for the Canada Recovery Benefit?

Workers are to apply after every two week period and attest they continue to meet the requirements. The workers need to look for and accept work when it is reasonable to do so.

This is a taxable benefit.

Can I Earn Income and Collect the Canada Recovery Benefit?

Yes; however, claimants need to repay some or all of the benefit through their income tax return if their annual net income (**excluding the Canada Recovery Benefit payment**) is over \$38,000.

Legislation has not yet been introduced or passed with respect to the Canada Recovery Benefit.

The Canada Recovery Benefit will be administered by the Canada Revenue Agency.

Canada Recovery Sickness Benefit

The new benefit will provide \$500 per week for up to two weeks, effective September 27, 2020, for one year, for workers who are unable to work because they are sick or must self-isolate due to COVID-19.

Who is Eligible for the Canada Recovery Sickness Benefit?

The benefit will be available to:

- Canadian residents who are at least 15 years of age and have a valid SIN;
- workers employed or self-employed at the time of the application; and
- workers who earned at least \$5000 in 2019 or in 2020.

A medical certificate is **not** required to qualify for the benefit.

Workers cannot claim the new Canada Recovery Sickness Benefit and receive other paid sick leave for the same benefit period.

Also, workers need to have missed a minimum of 60% of their scheduled work week for which they claim the benefit.

When Do Eligible Workers Apply for the Canada Recovery Sickness Benefit?

Workers apply **after** the one-week period in which they are seeking income support. They must attest that they meet the requirements.

The benefit will be taxable.

The Canada Recovery Sickness Benefit will be administered by the Canada Revenue Agency.

Canada Recovery Caregiving Benefit

The new benefit will provide \$500 per week for up to 26 weeks per **household** to eligible Canadians. The intent is to provide support for those who are unable to work due to caregiving obligations.

Who is Eligible for the Canada Recovery Caregiving Benefit?

The benefit will be available to:

- individuals who reside in Canada who are at least 15 years of age and have a valid SIN;
- be employed or self-employed on the day immediately preceding the period for which the application is made;
- have earned at least \$5000 in 2019 or 2020;
- have been unable to work for at least 60% of their normally scheduled work within a given week because of one of the following:
 - they must care for a child under 12 years of age on the first day of the period for which the benefit is claimed:
 - because school/daycare is closed or operates under an alternative schedule due to COVID-19;
 - because they cannot attend school or daycare under the advice of a medical professional due to being high risk for COVID-19;

- because the caregiver who usually provides care is unavailable for reasons related to COVID-19; or
- they must provide care to a family member with a disability or a dependent:
 - because their day program or care facility is closed or operates under an alternative schedule for reasons related to COVID-19;
 - who cannot attend their day program/care facility under the advice of a medical professional due to being high risk if they contract COVID-19;
 - because the caregiver who usually provides care is not available for reasons related to COVID-19;
- not be in receipt of paid leave from an employer;
- not be in receipt of any other benefits, including the CERB

Workers are to apply **after** the period in which they are seeking income support. The benefit is a taxable benefit.

The Canada Recovery Caregiving Benefit will be administered by the Canada Revenue Agency.

For more information on the new benefits, click [here](#).

If you have any questions about the CERB, contact a member of the employment group at Fogler, Rubinoff LLP.

Diana F. Saturno is a member of the employment group and can be reached at dsaturno@foglers.com.