El Temporary Measures FAQ

Updated January 19, 2022

On August 20, 2020, the federal government <u>announced</u> temporary changes to Canada's Employment Insurance (EI) program and EI-eligible workers filing jobless claims on or after September 27, 2020.

The Minister of Employment, Workforce Development and Disability Inclusion proclaimed these changes through Interim Orders Nos. 8 and 9 under the Employment Insurance Act on August 29, 2020. On March 17, 2021, legislation introducing special temporary EI measures, <u>Bill C-24</u>, received Royal Assent.

More recently, on October 21, 2021 the federal government announced an extension to the Canada Recovery Caregiving and Sickness Benefits. They further announced an end to the Canada Recovery Benefit (CRB), to be replaced by a new Canada Worker Lockdown benefit. Below is important information on these recent program changes as well as EI rules by date of claim.

For claims made between September 27, 2020 to September 25, 2021:

- Maximum EI Regular benefit duration extended to 50 weeks in all regions.
- Duration calculated at 13.1% unemployment rate (or higher, if applicable).
- Minimum \$500 weekly (\$450 after taxes) and paid bi-weekly.
- Workers receive benefits equivalent to 55% of normal earnings up to a maximum of \$573 in 2020 and \$595 in 2021.
- Fixed 14 Best weeks of earnings used for benefit calculation (not variable 14 to 22 weeks).
- Waiver of 1 week waiting period.
- Separation payment allocation is suspended.
- Qualifying in all regions is a universal 420 insured hours for EI Regular and EI Special Benefits.
- A special "Hours Credit" is given of 300 hours for regular EI Benefits and 480 hours for Special Benefits to lower the overall qualifying threshold to a universal 120 hours is given.
- Normal 52-week period to accumulate hours extended for CERB claimants.
- Medical certificate waived for sickness benefits.
- Fishers' earnings look-back extended.
- Multiple job holders can use all insured accumulated hours provided last separation is valid and ROE is issued.

For claims between September 26, 2021 to September 25, 2022:

- Duration of benefits is based upon worker's accumulated hours and regional unemployment rate.
- Benefit rate is 55% of normal earnings up to a maximum of \$595 in 2021.
- Separation payment allocation is suspended.
- A minimum benefit rate of \$300 applies to claims made between September 26, 2021 and November 20, 2021.
- Qualifying in all regions is a universal 420 insured hours for both El Regular Benefits and El Special Benefits.
- Multiple job holders can use all insured accumulated hours provided last separation is valid and ROE is issued.

For new claims after September 25, 2022:

- All EI temporary measurers highlighted above revert back to pre-covid EI Regulations & EI Act provisions (unless further extended or amended)
- The EI premium freeze ends in December 2022
- El Sickness benefits increase to a 26-week maximum benefit duration from the current 15-week maximum in Summer of 2022

How do I apply for El benefits?

• For information on how to apply for EI, read the <u>Unifor "how-to" guide</u>.

Once I start receiving EI benefits, how do I continue to receive them?

• All EI claimants must submit bi-weekly reports to Service Canada in order to demonstrate ongoing eligibility, as per traditional EI rules.

Will I have to serve an EI waiting period?

- El eligible workers who begin a claim between September 27, 2020 and October 25, 2020, or are transitioning to El from CERB, will have their waiting period waived.
- Every person who establishes an initial claim for EI benefits between January 31, 2021 and September 25, 2021 will have their one-week waiting period waived.
- Claims submitted after September 25, 2021 will have a one-week waiting period apply.

Can I work while collecting El regular benefits?

- Workers may work and earn income while on an EI claim. However, weekly EI benefit payments for these individuals will adjust according to existing "*Working While on Claim*" rules under the EI program.
- Under these rules, EI benefit payments will reduce by 50¢ for every dollar earned **up to 90 percent of your previous weekly earnings** (roughly four and a half days of work). Above this cap, your EI benefits are deducted dollar-for-dollar.

Will my severance or vacation pay affect my El benefits?

 New, temporary EI measures will suspend the so-called "allocation of payment" provision for severance and vacation pay. In other words, workers who receive severance and vacation pay will not have those payments deducted from EI regular benefits. This suspension will end and revert back to pre-COVID language as of September 25, 2022 unless a further extension happens or reform deems this measure permanent.

Are El benefits taxed?

• Federal, provincial and territorial taxes are deducted from EI benefit payments. This is unlike the CERB, which was taxed at the end of the year (i.e. paid back to the government at tax time) and not taxed on payment.

What happens if I am ineligible for EI benefits?

- The federal government established the <u>Canada Recovery Benefit (CRB)</u> for claims between September 27, 2020 and October 23, 2021. This federal government support benefit was for workers whose income had dropped or who had not returned to work due to COVID-19. The benefit provided \$500 per week for up to 21 periods (42 weeks), to workers who were self-employed or were not eligible for EI and who still required income support and who were available and looking for work. Note: Payment amounts changed to \$600 (\$540 after taxes withheld) for each 2-week period if either: you had already applied for 21 periods or you were reapplying for your first period on or after period 22 (July 18 to 31, 2021). You were able to re-apply up to a total of 27 eligibility periods (54 weeks) between September 27, 2020 and October 23, 2021. The Canada Revenue Agency administered the Canada Recovery Benefit. More information is available here. The CRB has now come to an end as of October 23, 2021.
- The federal government has instead established the new <u>Canada Worker</u> <u>Lockdown Benefit</u> which provides \$300 a week in income support to eligible workers who are unable to work due to a local lockdown anytime between October 24, 2021 and May 7, 2022. This benefit will be accessible for the entire duration of a governmentimposed public health lockdown (retroactive to October 24 should the situation warrant and until May 2, 2022).

What other temporary benefits has the government announced?

- The federal government announced two additional recovery benefits: the **Canada Recovery Sickness Benefit** and the **Canada Recovery Caregiving Benefit**.
- The Canada Recovery Sickness Benefit will provide \$500 per week, for up to 6 weeks, effective September 27, 2020 to May 7, 2022, for workers who are unable to work because they are sick or must self-isolate due to COVID-19.
- The Canada Recovery Caregiver Benefit, would be effective from September 27, 2020 to May 7, 2022, and provide \$500 per week, for up to 44 weeks per household to eligible Canadians. This benefit intends to assist individuals unable to work because they are provide care to children or support to other dependents who had to stay home due to COVID-19.
- Additional information and eligibility criteria for the Recovery Sickness Benefit and Recovery Caregiver Benefit is available <u>online</u>.
- Additional benefits related specifically to COVID-19 relief could also be available through provincial support programs.

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