

## MEMO: COVID-19 EMPLOYMENT INSURANCE AND INCOME SUPPORT

Current as of March 19, 2020 17:00 MST

### Income Support Measures

For Canadians without paid sick leave (or similar workplace accommodation) who are sick, quarantined or forced to stay home to care for children, the Government is:

- Waiving the one-week waiting period for those individuals in imposed quarantine that claim Employment Insurance (EI) sickness benefits. This temporary measure is in effect as of March 15, 2020.
- Waiving the requirement to provide a medical certificate to access EI sickness benefits.

Further, the Emergency Care Benefit providing up to \$900 bi-weekly, for up to 15 weeks. This flat-payment Benefit would be administered through the Canada Revenue Agency (CRA) and provide income support to:

- 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 or daycare closures, and are unable to earn employment income, irrespective of whether they qualify for EI or not.

Application for the Benefit will be available in April 2020 and require Canadians to attest that they meet the eligibility requirements. They will need to re-attest every two weeks to reconfirm their eligibility. Canadians will select one of three channels to apply for the Benefit:

- by accessing it on their CRA MyAccount secure portal;
- by accessing it from their secure My Service Canada Account; or
- by calling the toll-free number equipped with an automated application process.

For Canadians who lose their jobs or face reduced hours as a result of COVID's impact, the Government is:

- Introducing an Emergency Support Benefit delivered through the CRA to provide up to \$5.0 billion in support to workers who are not eligible for EI and who are facing unemployment.
- Implementing the EI Work Sharing Program, which provides EI benefits to workers who agree to reduce their normal working hour as a result of developments beyond the control of their employers, by extending the eligibility of such agreements to 76 weeks, easing eligibility requirements, and streamlining the application process. This was announced by the Prime Minister on March 11, 2020.

## Additional Income Support

For low- and modest-income families, who may require additional help with their finances, the Government is proposing to provide a one-time special payment by early May 2020 through the Goods and Services Tax credit (GSTC). This will double the maximum annual GSTC payment amounts for the 2019-20 benefit year. The average boost to income for those benefitting from this measure will be close to \$400 for single individuals and close to \$600 for couples.

The Government is proposing to increase the maximum annual Canada Child Benefit (CCB) payment amounts, only for the 2019-20 benefit year, by \$300 per child. The overall increase for families receiving CCB will be approximately \$550 on average; these families will receive an extra \$300 per child as part of their May payment.

Together, the proposed enhancements of the GSTC and CCB will give a single parent with two children and low to modest income nearly \$1,500 in additional short-term support.

## Other Measures

The Federal Government is placing a six-month interest-free moratorium on the repayment of Canada Student Loans for all individuals currently in the process of repaying these loans.

Reducing required minimum withdrawals from Registered Retirement Income Funds (RRIFs) by 25% for 2020, in recognition of volatile market conditions and their impact on many seniors' retirement savings. This will provide flexibility to seniors that are concerned that they may be required to liquidate their RRIF assets to meet minimum withdrawal requirements. Similar rules would apply to individuals receiving variable benefit payments under a defined contribution Registered Pension Plan.

In order to provide greater flexibility to Canadians who may be experiencing hardships during the COVID-19 outbreak, the Canada Revenue Agency will defer the filing due date for the 2019 tax returns of individuals, including certain trusts.

For individuals (other than trusts), the return filing due date will be deferred until June 1, 2020. However, the Agency encourages individuals who expect to receive benefits under the GSTC or the Canada Child Benefit not to delay the filing of their return to ensure their entitlements for the 2020-21 benefit year are properly determined.

For trusts having a taxation year ending on December 31, 2019, the return filing due date will be deferred until May 1, 2020.

The Canada Revenue Agency will allow all taxpayers to defer, until after August 31, 2020, the payment of any income tax amounts that become owing on or after today and before September 2020. This relief would apply to tax balances due, as well as instalments, under Part I of the Income Tax Act. No interest or penalties will accumulate on these amounts during this period.

In order to reduce the necessity for taxpayers and tax preparers to meet in person during this time, effective immediately the Canada Revenue Agency will recognize electronic signatures as having met the signature requirements of the Income Tax Act, as a temporary administrative measure. This provision applies to authorization forms T183 or T183CORP, which are forms that are signed in person by millions of Canadians every year to authorize tax preparers to file taxes.

## How to Apply for EI

**Apply for EI here:** <https://www.canada.ca/en/services/benefits/ei/ei-sickness/apply.html>

Starting in early April, the Government of Canada will introduce the **Emergency Care Benefit** by providing up to \$450 per week to self-isolate / quarantine yourself / take care of loved ones, even if you don't qualify for EI. This will be up to 15 weeks.

*Those who qualify include:*

- Self-employed individuals who are in quarantine or sick with COVID-19.
- Workers who are in quarantine or sick with COVID-19.
- Those taking care of a family member with COVID-19.
- Parents with children who require supervision who are unable to earn employment income.

Benefits available starting early April.

### **Apply for Emergency Care Benefits:**

*Three different ways to apply:*

1. On your CRA MyAccount: <https://www.canada.ca/en/revenue-agency/services/e-services/cra-login-services.html>
2. On your My Service Canada Account: <https://www.canada.ca/en/employment-social-development/services/my-account.html>
3. Calling toll-free number: 1-833-381-2725

## Provincial Financial Support

### Ontario

#### *Passed Legislation*

On March 19th Ontario government during an emergency sitting passed a piece of legislation that will protect the jobs of employees who self-isolate or quarantine.

- *Employment Standards Amendment Act (Infectious Disease Emergencies), 2020* provides job-protected leave for employees who are in isolation or quarantine due to COVID-19, or those who need to be away from work to care for children because of school or day care closures or to care for other relatives. These measures are retroactive to January 25, 2020, the date the first presumptive COVID-19 case was confirmed in Ontario. The legislation will also make it clear employees cannot be required to show sick notes.

Full news release: [https://news.ontario.ca/opo/en/2020/03/ontario-supporting-workers-municipalities-and-retailers-in-response-to-covid-19.html?utm\\_source=ondemand&utm\\_medium=email&utm\\_campaign=p](https://news.ontario.ca/opo/en/2020/03/ontario-supporting-workers-municipalities-and-retailers-in-response-to-covid-19.html?utm_source=ondemand&utm_medium=email&utm_campaign=p)

#### *Proposed Legislation*

The Province of Ontario announced March 16<sup>th</sup> new legislation aimed at “Job Protection for Workers,” that will “provide job-protected leave to employees in isolation or quarantine due to COVID-19, or those who need to be away from work to care for children because of school or day care closures.”

The proposed legislation would, if passed, provide job protection for employees unable to work for the following reasons:

- The employee is under medical investigation, supervision or treatment for COVID-19.
- The employee is acting in accordance with an order under the Health Protection and Promotion Act.
- The employee is in isolation or quarantine.
- The employee is acting in accordance with public health information or direction.
- The employer directs the employee not to work.
- The employee needs to provide care to a person for a reason related to COVID-19 such as a school or day-care closure.

Package will be released March 25<sup>th</sup> instead of a Provincial Budget. Full budget now expected in the fall.

Full release: [https://news.ontario.ca/opo/en/2020/03/premier-ford-announces-job-protection-for-workers-during-the-covid-19-situation.html?utm\\_source=ondemand&utm\\_medium=email&utm\\_campaign=p](https://news.ontario.ca/opo/en/2020/03/premier-ford-announces-job-protection-for-workers-during-the-covid-19-situation.html?utm_source=ondemand&utm_medium=email&utm_campaign=p)

## Alberta

The Government of Alberta announced financial supports for Albertans including Emergency Isolation Support, with funding of \$50 million

- This will be a temporary program for working adult Albertans who must self-isolate because they meet the Government of Alberta's published criteria for self-isolation, including persons who are the sole caregiver for a dependent who must self-isolate because they meet the public health criteria, and who will not have another source of pay or compensation while they are self-isolated.
- It will be distributed in one payment instalment and will bridge the gap until the federal emergency payments begin in April.
- The program is planned by the government to be accessible by a simple online application through alberta.ca next week and that funds will be deposited in the accounts of eligible recipients beginning at that time.

Full release: <https://www.alberta.ca/release.cfm?xID=698455D70096B-DF57-A62A-778266237F3241C8>

## Government of Saskatchewan

Today, the Government of Saskatchewan introduced amendments to The Saskatchewan Employment Act ensuring employees have access to job protected leaves during a public health emergency.

The proposed amendments to the Act are:

- to remove the requirement of 13 consecutive weeks of employment with the employer prior to accessing sick leave;
- to remove the provision requiring a doctor's note or certificate; and
- introduction of a new unpaid public health emergency leave that can be accessed:
  - when the World Health Organization has determined that there is a public health emergency and the province's chief medical health officer has also issued an order that measures be taken to reduce the spread of a disease; or
  - the province's chief medical health officer has independently issued an order that measures be taken provincially to reduce the spread of a disease where it is believed there is sufficient risk of harm to citizens of the province. The orders would also be made public to ensure everyone is aware of the direction.

The amendments to the Act would come into force retroactive to March 6, 2020.

Full release: <https://www.saskatchewan.ca/government/news-and-media/2020/march/17/labour-changes-for-employees-during-covid-19>

### Government of Prince Edward Island

Province of Prince Edward Island announced a temporary allowance of \$200 per week for anyone who has experienced a significant drop in their working hours.

Full release: <https://www.princeedwardisland.ca/en/news/province-announces-more-financial-support-islanders>

Minister of Economic Growth and Tourism Matthew MacKay provided further details related to supports for businesses and the economy. They include Emergency Income Relief for the self-employed, which will provide \$500 per week lump sum for self-employed Islanders, delivered through Innovation PEI

Full release: <https://www.princeedwardisland.ca/en/news/province-announces-initial-supports-islands-most-vulnerable>