

Benefit Guidelines for Employees

If you have lost your job or been laid off due to COVID-19, you have options:

Canada Emergency Response Benefit (CERB)

- The CERB provides \$2,000 a month for up to four months directly to workers who lose their income as a result of COVID-19.
- The portal for accessing the CERB will be available the week of April 6, 2020. Canadians will begin to receive their CERB payments within 10 days of application. The CERB will be paid every four weeks and covers March 15, 2020, until October 3, 2020.

Are You Eligible?

The CERB will cover Canadians who:

- Have lost their job
- Are sick, quarantined, or taking care of someone who is sick with COVID-19
- Are working parents who must stay home without pay to care for children who are sick or at home because of school and daycare closures

The CERB applies to wage earners, contract workers and those who are self-employed. Workers who are still employed but are not receiving income because of disruptions to their work as a result of COVID-19 will also qualify for the CERB.

Employment Insurance (EI) & CERB

All Canadians who have stopped working due to COVID-19, whether they are eligible for EI or not, will be able to receive the CERB.

Those already regularly receiving EI and/or Sickness Benefits will continue to receive their benefits and should not apply for the CERB. If their EI benefits end before October 3, 2020, they could apply for the CERB if they are unable to return to work due to COVID-19.

Canadians who have already applied for EI and whose application has not yet been processed will not need to reapply. Those who are eligible for EI and Sickness Benefits will be able to access their normal benefits, if still unemployed, after the 16 weeks covered by the CERB.

INFORMATION FOR INDIVIDUALS

Tax Return Due Date Deferral: The personal tax filing due date will be deferred until **June 1, 2020**. However, those expecting refunds or benefits (such as the GST/HST credit, Guaranteed Income Supplement and Canada Child Benefit) should file as early as possible. The government release encourages Canadians not to delay their filings to ensure their income-tested benefits are accurately computed.

Tax Payment Deferral: Taxpayers may defer, until after **August 31, 2020**, the **payment** of income tax amounts that become owing on or after March 18, 2020 (also including installments) and before September 2020. The government documents indicate that payment will be deferred "until after August 31, 2020", which seems to imply payment will be due on September 1. No interest or penalties will accumulate on these amounts during this period.

Individuals Without Paid Sick Leave: 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 in imposed quarantine that claim Employment Insurance (EI) sickness benefits, effective March 15, 2020.
- Waiving the requirement to provide a **medical certificate** to access EI sickness benefits.

Longer-Term Income Support

- An **Emergency Support Benefit** will provide up to \$5.0 billion in support to workers who are not eligible for EI and who are facing unemployment. The individual amounts and process will be disclosed shortly.
- **Implementing changes to 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.

Low/Modest Income Individuals

- One-time special payment by early May 2020 through the **Goods and Services Tax credit (GSTC)** will be made. This will double the maximum annual GSTC payment amounts and result in an average boost to income for those benefiting by close to \$400 for single individuals and close to \$600 for couples.
- The maximum annual **Canada Child Benefit** payment amounts would be increased by \$300 per child for the 2019-20 benefit year. This will be added to the May 2020 benefit cheque.

Canadians Abroad: The **Emergency Loan Program for Canadians Abroad** will provide the option of an emergency loan to Canadians in need of immediate financial assistance to return home or to temporarily cover their life-sustaining needs while they work toward their return. Each application will be assessed according to their specific situation and needs. This emergency assistance is a repayable loan. Eligible Canadians currently outside Canada and needing help to return home can contact the nearest Government of Canada office (<https://travel.gc.ca/assistance/embassies-consulates>) or Global Affairs Canada's 24/7 Emergency Watch and Response Centre in Ottawa at +1 613-996-8885 (collect calls are accepted where available) or email sos@international.gc.ca.

- **Students:** A **six-month interest-free moratorium** on the repayment of Canada Student Loans for all individuals currently in the process of repaying these loans will be provided.
- **Minimum RRIF Withdrawals:** The required minimum withdrawals from Registered Retirement Income Funds (RRIFs) will be **reduced by 25%** for 2020. Similar rules would apply to individuals receiving variable benefit payments under a defined contribution Registered Pension Plan.

REFERENCES:

- **General:** <https://www.canada.ca/en/public-health/services/diseases/2019-novel-coronavirus-infection/canadas-reponse.html>
- **CRA:** <https://www.canada.ca/en/revenue-agency/campaigns/covid-19-update.html>
- **Travel:** <https://travel.gc.ca/assistance/emergency-info/financial-assistance/covid-19-financial-help>
- **Employment and Social Development Canada:** <https://www.canada.ca/en/employment-social-development/corporate/notices/coronavirus.html>

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