

## COVID-19 BULLETIN – OCTOBER 6, 2020

By James D. Kondopulos

On Friday, October 2, 2020, [Bill C-4](#), *An Act relating to certain measures in response to COVID-19*, received royal assent.

The new legislation includes three income support programs: the Canada Recovery Benefit, the Canada Recovery Sickness Benefit and the Canada Recovery Caregiving Benefit (the “Recovery Benefits”).

The new Recovery Benefits are intended to replace the Canada Emergency Response Benefit (the “CERB”) which ended on September 26, 2020. Canadians who are eligible for Employment Insurance (EI) regular benefits will be able to transition to EI or apply for one of the three Recovery Benefits.

The legislation went through several revisions between the time it was introduced on August 20, 2020 (summarized in our August 24, 2020 [bulletin](#)) and the time it received royal assent. This bulletin highlights the changes made to the Recovery Benefits since our previous bulletin.

### Overview of the New Recovery Benefits

The criteria for each of the three Recovery Benefits are set out below. Additions or changes made since our bulletin of August 24, 2020 appear in **bold font**. For more information on the Recovery Benefits, please see the October 2, 2020 [backgrounder](#) published by the federal government.

#### *Canada Recovery Sickness Benefit (the “CRSB”)*

The CRSB will provide \$500 per week, for up to two weeks, effective September 27, 2020 until September 25, 2021 for workers who are unable to work because they contracted COVID-19, self-isolated for reasons related to COVID-19, or have underlying conditions, are undergoing treatments or have contracted other sicknesses that will make them more susceptible to COVID-19.

The benefit will be available to residents in Canada who were present for the period in which they were unable to work and:

- are at least 15 years of age on the first day of the period for which they are applying for the benefit;
- have a valid Social Insurance Number (SIN);
- are employed or self-employed at the time of the application;



- earned at least \$5,000 in 2019 or 2020, or in the 12 months preceding the day of their application;
- are not in receipt of paid leave during the period claimed; and
- are unable to work for at least 50 percent of the time that they would have otherwise worked or devoted to their work in the week for which they claim the benefit because:
  - they are sick with or may have contracted COVID-19; or
  - they have isolated themselves on the advice of their employer, a medical practitioner, a nurse practitioner, a person in authority, a government or a public health authority for reasons related to COVID-19; or
  - **they have underlying conditions, are undergoing treatments or have contracted other sicknesses that, in the opinion of a medical practitioner, a nurse practitioner, a person in authority, a government or a public health authority, would make them more susceptible to COVID-19.**

Note:

- Workers will not be required to have a medical certificate to qualify for the benefit.
- Workers cannot claim the CRSB and receive other paid sick leave for the same benefit period.

*Canada Recovery Caregiving Benefit (the “CRCB”)*

The CRCB will be effective from September 27, 2020 to September 25, 2021, and will provide \$500 per week, for eligible workers.

The benefit will be available to residents in Canada who were present for the period in which they were unable to work and:

- are at least 15 years of age on the first day of the period for which they are applying for the benefit;
- have a valid Social Insurance Number (SIN);
- are employed or self-employed at the time of the application;
- earned at least \$5,000 in 2019 or 2020, or in the 12 months preceding the day of their application;
- are not in receipt of paid leave during the one-week period claimed; and

- are unable to work for at least 50 percent of the time that they would have otherwise worked or devoted to their work in the week for which they claim the benefit because they had to care for a child under the age of 12 or another family member who requires supervised care and:
  - the school, daycare, day program or facility that they normally attend is unavailable, closed or open only at certain times or for certain individuals; or
  - the care services or the person that usually cares for the child or family member is not available due to COVID-19; or
  - they are sick and/or have been directed to quarantine for reasons related to COVID-19; or
  - they are at high risk of serious health complications if they contracted COVID-19.

Note:

- If two or more persons reside in the same household, the benefit can be shared among eligible workers but only one of them may be paid the CRCB for any particular week.

*Canada Recovery Benefit (the “CRB”)*

The new CRB will be effective from September 27, 2020 to September 25, 2021. It will provide a benefit amount of **\$500 per week** (available in two-week periods) for up to 26 weeks for those who have stopped working and are not eligible for EI, or had their employment/self-employment income reduced by at least 50 percent due to COVID-19.

The benefit will be available to residents in Canada who were present for the period in which they were unable to work and:

- are at least 15 years of age on the first day of the period for which they are applying for the benefit;
- have a valid Social Insurance Number (SIN);
- have stopped working due to the COVID-19 pandemic and are not eligible for EI or are working and have had a reduction of at least 50 percent in their employment/self-employment income for reasons related to COVID-19;
- are available and looking for work, and who must accept work where it is reasonable to do so;
- had employment and/or self-employment income of at least \$5,000 in 2019 or in 2020, or in the 12-month period prior to their first application for the CRB;



- have not quit their job voluntarily unless it was reasonable to do so; and
- have not rejected a reasonable job offer, rejected a request to resume work or failed to resume work if self-employed where reasonable to do so.

Note:

- Claimants will be able to earn income from employment and/or self-employment while receiving the benefit as long as they continue to meet the other requirements.
- However, claimants will need to repay some or all of the benefit through their income tax return if their annual net income, excluding the CRB payment, is over \$38,000.

### Applying for the new Recovery Benefits

The three new Recovery Benefits will be delivered by the Canada Revenue Agency (CRA). Applications for two of the Recovery Benefits – the CRSB and the CRCB – opened yesterday, October 5, 2020. Applications for the CRB will open on October 12, 2020.

- More information on applying for the CRSB can be found [here](#).
- More information on applying for the CRCB can be found [here](#).

For all Recovery Benefits, workers will apply after the one-week period in which they are seeking income support and attest that they meet the requirements. The benefits are taxable, with taxes deducted or withheld at source to reduce the amount of tax owed at the end of the year.

### **Navigating COVID-19 in the Workplace**

For further information regarding the COVID-19 pandemic and how it may impact your workplace, please look to our previous bulletins. They can be found on the [Roper Greyell COVID-19 resource page](#).

This bulletin is current to the morning of **October 6, 2020**, but the pandemic and the responses of the federal and provincial governments continue to evolve, and this may impact the accuracy of the information set out here. If in doubt about whether anything in this document is still current, please do not hesitate to [contact us](#).

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*While every effort has been made to ensure accuracy in this bulletin, you are urged to seek specific advice on matters of concern and not to rely solely on what is contained herein. The document is for general information purposes only and does not constitute legal advice.*