

CLIENT ALERT

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UPDATED: CERB REPLACEMENT BILL IS APPROVED BY HOUSE OF COMMONS

by Jennifer C. Leve and Carly J. Walter

Early morning on September 30, 2020, the House of Commons unanimously passed legislation authorizing new benefits for Canadian workers impacted by the COVID-19 pandemic. The federal government's latest COVID-19 legislation (Bill C-4) will expand paid benefits for Canadians who are vulnerable due to the COVID-19 pandemic. The bill will now need to be passed by the Senate.

The legislation is comprised of three new COVID-19 benefits which are designed to replace the now-defunct Canadian Emergency Response Benefit (CERB): (1) the Canadian Recovery Benefit (CRB); (2) the Canada Recovery Sickness Benefit (CRSB); and (3) the Canada Recovery Caregiving Benefit (CRCB).

CANADIAN RECOVERY BENEFIT (CRB)

The \$500 per week CRB is intended for CERB recipients who do not qualify for employment insurance, among them the self-employed, gig, or contract workers. Eligible recipients for this CRB must be looking for work and have stopped working or had their income reduced by 50 percent due to COVID-19. In addition, an applicant must have earned a minimum of \$5,000 in 2019, in 2020, or in the 12 months preceding their first application for the CRB; either from employment, EI, maternity, or parental benefits or from Quebec Parental Insurance Plan (QPIP) benefits.

CANADA RECOVERY SICKNESS BENEFIT (CRSB)

The CRSB provides \$500 per week for up to two weeks. The paid sick leave benefit will be available to Canadians who have or might have contracted COVID-19, but also to Canadians who have underlying conditions or other illnesses such as respiratory conditions, the flu, or the common cold, which may make them more susceptible to COVID-19. Canadians who have isolated themselves due to COVID-19 at the advice of their employer or a medical professional will also be eligible.

CANADA RECOVERY CAREGIVING BENEFIT (CRCB)

The CRCB is intended to help Canadians who must stay home to care for someone because of the closure of care facilities, schools, or daycares. This benefit provides \$500 per week for up to 26 weeks per household; with only one adult per household able to make a claim under the program at a time.

TRANSITION FROM CERB

While the majority of CERB recipients are transitioned onto an employment insurance program, the government determined that expediency was necessary when setting up the benefits provided for in Bill C-4. These new benefits will ensure that there will be no time period where eligible Canadians will be left without financial support. The bill must be passed by the Senate before the programs can be implemented.

UPDATE - 10/5/20

The Senate approved the bill C-4 on Friday, October 2 and the bill received royal assent shortly thereafter. After the House of Commons unanimously passed the bill last week, it was briefly blocked on the Senate floor when certain senators voiced complaints about the lack of time to review the bill due to the necessity for a speedy approval due to the impending end of CERB benefits.

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