

Frequently Asked Questions COVID-19: Accessing Federal Income Support September 25, 2020

# Update on accessing Federal Income supports

This FAQ document provides additional information on the current process for accessing federal income supports for employees whose income has been impacted by the response to COVID-19:

- Canada Emergency Response Benefit (CERB)
  - The Canada Emergency Response Benefit (CERB) was available to eligible individuals and was in effect until September 26, 2020
- Employment Insurance (EI) Benefits
  - Employment Insurance (EI) benefits are available to eligible individuals who remain unable to work effective September 27, 2020

#### UPDATED - CERB Information for March to September 26, 2020

The CERB program had distinct and separate eligibility requirements and re-application processes. An eligibility period was a fixed 4-week payment period. Each period had a pre-set start and end date. This meant when you applied for the CERB, you received a payment for a specific four-week period. The <u>CERB</u> <u>eligibility periods</u> were as follows:

Eligibility period	Start and end date
1	March 15, 2020 to April 11, 2020
2	April 12, 2020 to May 9, 2020
3	May 10, 2020 to June 6, 2020
4	June 7, 2020 to July 4, 2020
5	July 5, 2020 to August 1, 2020
6	August 2, 2020 to August 29, 2020
7	August 30, 2020 to September 26, 2020

If your layoff situation continued, you could re-apply for another four-week CERB period, up to a maximum of seven periods (or 28 weeks in total).

Employees who continued on layoff were required to provide proof of each CERB payment they received during each eligibility period until the program ended on September 26, 2020.

# **UPDATED - EI Information from September 27, 2020 Onward**

The Government will be transitioning to a simplified Employment Insurance (EI) program, effective September 27, 2020, to provide income support to those who remain unable to work and are eligible.

The EI frequently asked questions in this document have been answered based on the information provided by the Government at the time of publishing. Please note that the EI program rules govern and are subject to change.

## **UPDATED - City "Top Up" Allowance**

City employees on layoff are entitled to also receive City Top Up payments in addition to the federal CERB/El benefits. The City "top up" will be paid for 16 weeks for permanent employees and 8 weeks for temporary and provisional employees in all cases. The top-up is a one time entitlement provided over the applicable number of weeks (8 or 16), even where the layoff may have been interrupted by a period of return to work or redeployment. That is, if laid off a second time, the employee may receive the balance of a one-time maximum entitlement of 8 or 16 weeks, depending on the employee's status. This continues to apply to **only** those employees who have not yet received their maximum top up benefits while on CERB.

City "Top Up" Rules evolved as the duration of the pandemic became more prolonged:

- 1. <u>CERB plus "Top Up" Rules for employees temporarily laid off on or **before July 31 2020**:</u>
- The federal government allows the City to 'top up' your CERB payment by a maximum of \$1000 per month.
- For these employees, the 'top up' payment, combined with CERB, was intended to provide employees with approximately 75% of their average weekly earnings (insurable), before deductions. At this time, the City and the civic unions are working towards a resolution to the problem created by the maximum allowable income rules concerning CERB.
- <u>CERB plus "Top Up" Rules for employees temporarily laid off after July 31 and before September 27</u> 2020:
- CERB plus up to \$1,000 per month in an attempt to bring the employee's layoff income to 75% of their normal earnings before deductions with <u>no guarantee</u> that the maximum allowance under CERB rules will get all employees to 75% of average weekly (insurable) earnings.
- 3. <u>Employment Insurance plus "Top up" Rules for employees temporarily laid off **on or after September** <u>27, 2020</u>:</u>
- THE LOU between the City and the Unions is not yet signed but if agreed to: Combined with the employee's Employment Insurance (EI), the top up payment will provide employees with up to \$1,000 per month in an attempt to bring their layoff income to approximately 75% of their normal income (before deductions), understanding that for some employees this will be possible but, for others, the \$1,000 allowance will not be enough to reach 75% of salary.

In order to receive the City "top up" payment (for the maximum weeks outlined), employees must provide proof of El benefits for every 4 week period that they are eligible for.

To ensure continuity of the City's "top up" plan please email CERB and El benefit payment confirmation to the City's payroll team (along with your employee #) to: <u>employeeservicecentre@edmonton.ca</u>.

### **Records of Employment**

Records of Employment (ROEs) provide information on employment history and are an important document used by Service Canada to provide eligible employees with Employment Insurance (EI) benefits. Service Canada uses the information on the ROE to determine whether a person is eligible to receive EI benefits, what the benefit amount will be, for how long the benefits will be paid and to ensure that no one misuses EI funds or receives benefits in error.

# FAQS

#### I've been temporarily laid off. What can I expect?

To support workers whose income has been significantly affected by COVID-19 the federal government passed legislation in March 2020 to establish the <u>Canada Emergency Response Benefit (CERB</u>). The CERB taxable benefit was the initial and primary federal support plan that provided up to \$2,000 a month for up to seven months for eligible workers, until September 26, 2020.

Workers may be eligible for <u>normal El benefits</u> as of September 27, 2020, after the CERB program was ended.

As CERB and EI benefits are taxable income, employees should note that they could be assessed with the income tax attributable to the CERB benefit payments when they file their 2020 Federal Income Tax Return. For more information please access the Government of Canada's <u>website</u>.

#### What is the usual process for issuing an ROE and has one been submitted for my layoff?

ROEs cannot be generated until an absence of pay occurs, or that pay has dropped significantly below 60% of normal wages. Once confirmed, the Employee Service Centre (ESC) will receive notice of the temporary layoff to create and submit the ROE directly online using Service Canada's secure website. This way, Service Canada has immediate access to the ROEs and can match them to the Social Insurance Number that the employee has stated on their online EI or CERB benefits application.

ROE's were submitted online to Service Canada's secure website when your temporary lay off was processed. That ROE will be used by those who are currently receiving CERB from the CRA, when applying for EI.

#### What do I need to do in order to transition from CERB to EI?

Individuals already receiving benefits through Service Canada will be transitioned to the EI program once they have received the maximum CERB benefits for which they are entitled, if they are EI eligible and continue to need income support. Individuals who are currently receiving the CERB from the Canada Revenue Agency (CRA) who believe they are entitled to EI will need to apply through <u>Service Canada</u> after September 26, 2020.

#### How long will I be able to stay on EI?

The simplified EI program provides a minimum of 26 weeks of regular benefits for those who remain laid off. Anyone returning from layoff will cease to receive benefits as of their return effective date.

#### How much will I earn on EI?

On August 20, 2020, the Government of Canada announced that new El claimants as of September 27, 2020 will receive a minimum benefit rate of \$400 per week (or \$240 for extended parental benefits), if this is higher than what their benefits would otherwise be. The maximum El benefit rate is \$573 per week. The El benefit rate is typically based on a worker's average weekly earnings before their El claim. However, the COVID-19 pandemic may have had a negative impact on a worker's weekly earnings either because they lost their job or saw their hours of work reduced. The minimum benefit rate of \$400 will reduce the negative impact on El benefit rates for these workers and align with the weekly benefit rate for the new <u>Canada Recovery Benefit (CRB)</u>.

On September 24, 2020, the Government of Canada announced the introduction of Bill C-2. Part of the changes is to establish a minimum weekly benefit rate of \$500 for new El and CRB recipients, subject to the legislation receiving Royal Assent.

#### Do I need to submit eligibility reports to receive El benefits?

While you are receiving Employment Insurance (EI) benefits, you must complete reports to show that you are eligible. The Internet Reporting Service is a simple, fast, convenient and secure way to submit your EI reports online.

To make it easier to check when your next report is due, register for <u>My Service Canada Account</u> (MSCA). Once you're registered, log in and select "Employment Insurance (EI)", then click "Latest claim" or "Payment information".

#### El is less than I was making on CERB. Will the City "top up" my salary?

The City will provide a "top up" payment of up to \$1,000 per month which, when combined with your federal EI benefits, may provide up to a maximum 75% of your average weekly insurable earnings before deductions. For some employees, EI plus the City top-up will reach the maximum of 75% of salary; for others, the \$1,000 allowance will not be enough to reach 75% of salary. The City "top up" will be paid for a maximum period of 16 weeks for permanent employees and 8 weeks for temporary and provisional employees. Please note that this continues to apply to **only** those employees who have not yet received their maximum "top up" benefits. If you received 8 or 16 weeks of "top up" while collecting CERB you will **not** receive additional "top up" benefits while on EI.

#### Why is proof of EI benefits required to continue receiving the City "top up"?

Proof of El benefits is required to confirm that you are still in receipt of those benefits. In addition, the amount you receive within the weekly range of \$400 to \$573 (or potentially \$500 to \$573 if Bill C-2 announced on September 24, 2020 receives Royal Assent) is individual based on your insurable employment, earnings and hours preceding your lay off date. As such, the amount will need to be provided in order to calculate your "top up".

#### How often will I need to submit proof of my EI benefits?

Consistent with when you were in receipt of CERB, proof of El benefits is required every four weeks until you are no longer entitled to El benefits. If at any time you are no longer eligible for El benefits, please advise the City's payroll team (include your employee #) at: <u>employeeservicecentre@edmonton.ca</u>.

# I am currently in receipt of City "top up". Will there be a delay in receiving the top up as a result of that change?

There may be a delay in receiving your first El related "top up" if there is a delay in the City receiving proof of El benefits. To reduce this risk, those who have to apply for El benefits because they were previously receiving CERB through CRA are encouraged to <u>apply as soon as possible after September 26, 2020</u>.

#### How can I stay up to date on El program changes?

Service Canada will be communicating more details in the coming weeks. Follow <u>Canada.ca</u> to obtain the latest information.