

COVID-19 HELP FOR SMALL BUSINESS

Canada Emergency Response Benefit (CERB)

In our last email we informed you about this unprecedented government program. This is probably the most significant COVID assistant program to date. Yesterday the government released some guidelines that will affect the way you use this program.

A worker can apply for the CERB for any four-week period beginning March 15, 2020 and ending October 3, 2020. A worker will be entitled to receive the CERB for a maximum of 16 weeks. The monthly CERB entitlement is \$2,000.

In order to be eligible, a worker must:

- * be at least 15 years of age and a resident of Canada
- * have had a total income of at least \$5,000 in the 12-months preceding the worker's application from employment, self-employment, maternity or parental EI benefits, or other maternity or parental-related allowances, money or other benefits paid under a provincial plan,
- * have ceased working for reasons related to COVID-19 for at least 14 consecutive days within the four-week period in respect of which they apply for the CERB.

A worker will not be eligible for the CERB if, they have quit employment voluntarily or, if during the period when the worker is not working, the worker is in receipt of:

- * income from employment or self-employment
- * EI benefits
- * maternity or parental-related allowances, money or other benefits paid under a provincial plan.

The Federal Government has indicated there will be an online portal available by early April 2020 to process CERB applications and that workers will begin to receive payments within 10 days of application.

This benefit will work well for employees that are under contract and not eligible for EI, however this has opened the door for some creative work planning for employees who are employed and eligible for EI.

Hypothetically, a worker could split up work with their employer like this:

- * worker not working 14 days in a row in the month because of COVID-19 business slowdowns;
- * worker then works 14 days after that 14-day break and gets employer pay for these 14 workdays.

This will help those of you who may not need all your staff as business resumes. Half of your staff can work for 14 days and then have the other half work the next 14 days.