

# COVID-19 Work-Sharing Program

## What is the Work-Sharing Program?

Work-Sharing (WS) is an Employment Insurance adjustment program designed to help eligible employers and employees avoid layoffs when there is a temporary reduction in the normal level of business activity that is beyond the control of the employer.

The program allows employers to temporarily reduce its employees work schedule, by providing the employee with a portion of their reduced income. The measure provides income support to employees eligible for Employment Insurance benefits who work a temporarily reduced workweek while their employer recovers.

## What is the COVID-19 Work-Sharing Program?

In response to the COVID-19, **for those already using the Work-Sharing Program**, (with an agreement that ended between June 23, 2019 and March 14, 2020) the Federal Government waived the mandatory waiting period and extended the extension period from 12 to 38 weeks.

**For those not already on Work-Sharing**, (WS agreements that began, or ended between March 15, 2020 and March 14, 2021) the Government of Canada is introducing the following temporary special measures effective March 15, 2020 to March 14, 2021:

- extend the maximum duration of WS agreements from the current 38 weeks to 76 weeks
- waive the mandatory waiting period between agreements, and
- ease recovery plan requirements for the duration of the WS agreement

WS temporary special measures are only available to employers either directly or indirectly experiencing a downturn in business due to COVID-19.

## Measures Available to Employers

If an employer's agreement is signed between March 15, 2020 and March 14, 2021 (with an agreement start date no later than March 14, 2021) or begins or ends between March 15, 2020 and March 14, 2021, then they may be eligible for a 38-week extension for a total of 76 weeks.

If an employer's agreement ended between June 23, 2019 and March 13, 2020 and are currently in their mandatory cooling-off period, then they may be eligible to waive the mandatory waiting period, and apply for a new agreement with a maximum possible duration of 76 weeks.

## Which employers can apply?

To be eligible to apply, you must:

- be experiencing a recent decline in business activity of at least 10%
- be experiencing a recent decline in business activity directly or indirectly related to the impact of COVID-19
- demonstrate that the shortage of work is temporary, beyond your control and not a cyclical/recurring slowdown

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- be a year-round business in Canada for at least two years
- be a private business, a publicly held company or a **not-for-profit** organization
- have at least two employees in the Work-Sharing Unit (a group of eligible employees who have agreed to participate in the WS program)
- be willing to implement a recovery plan to support the on-going operations and viability of the business

For a not-for-profit employer to be eligible, the shortage of work must be directly associated with a reduction in the organizations normal level of business activity. A reduction in revenue levels alone (for example, grants, donations, memberships, etc.) would not meet the Work-Sharing eligibility criteria. Business activity is defined as the selling of goods or services with an objective to earning profit.

### Which employees can apply?

Employees being proposed for a Work-Sharing agreement must:

- be "core employees" (permanent full-time or part-time employees who are required to carry out the everyday functions of normal business activity)
- be eligible to receive Employment Insurance benefits; and
- agree to a reduction of their normal working hours in order to share the available work.

### How to Apply

The employer and the employees (and the union, if applicable) must agree to participate in a Work-Sharing agreement and must apply together. An application for a Work-Sharing agreement must be submitted a minimum of 30 days prior to the requested start date.

To apply for Work-Sharing an employer must provide:

- a completed application form (including attachments and signatures of both employer representative(s) and employee representative(s))
- a recovery plan, and
- a list of employees included in the Work-Sharing unit.

Once a Work-Sharing application is approved, the agreement must be signed within 60 calendar days following the approval date.

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## More information about the Work-Sharing Program:

Work-Sharing Program: Temporary special measures for the downturn in business due to COVID-19

<https://www.canada.ca/en/employment-social-development/services/work-sharing/temporary-measures-forestry-sector.html>

<https://www.canada.ca/en/employment-social-development/services/work-sharing/guide-applicant.html#ha>

Apply at:

<https://www.canada.ca/en/employment-social-development/services/work-sharing/apply.html>

Western Canada and Territories must submit their applications to

[EDSC.WT.WS-TP.ESDC@servicecanada.gc.ca](mailto:EDSC.WT.WS-TP.ESDC@servicecanada.gc.ca)

Contact Information:

Employers across Canada may call toll-free 1-800-367-5693 (TTY: 1-855-881-9874)

Employees across Canada may call toll-free:

English: 1-800-206-7218 (TTY: 1-800-529-3742)

French: 1-800-808-6352 (ATS: 1-800-529-3742)

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