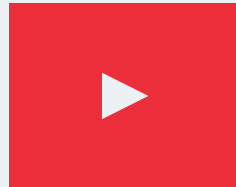




Navigating benefits during the pandemic

What benefits should your client be applying for?

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NAVIGATING BENEFITS DURING THE PANDEMIC:

Choosing the right ones and avoiding problems

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Community Legal Assistance Society
October 5, 2020



What We Will Do

- Overview of EI changes.
- Overview of other pandemic related benefits.
- Figure out what your client should be applying for.
- Look at how the benefits interact and intersect.
- Identify potential problems.

So Many Different Benefits!

List of Short-Forms

- Canada Recovery Benefit (CRB)
- Canada Recovery Sickness Benefit (CRSB)
- Canada Recovery Caregiving Benefit (CRCB)
- Canada Emergency Response Benefit (CERB)
- Income Assistance (IA) and Hardship Assistance (HA)
- Disability Assistance (DA) for Persons with Disability (PWD)
- Canada Pension Plan (CPP)
- Old Age Security (OAS) / Guaranteed Income Supplement (GIS)
- Employment Insurance (EI)
- Workers' Compensation Board (WCB)

Employment Insurance

- Most employment automatically covered by EI.
- Regular EI benefits for people out of work for reasons beyond their control.
- Special EI benefits for people who need time-off for specific reasons.
- Requires an “interruption of earnings”:
 - Regular benefits: 7 days no work, no pay.
 - Special benefits: 40% reduction in average weekly earnings.
- Should apply within four weeks of interruption of earnings.

Employment Insurance: Qualifying And What You Get

- 420 hours of insurable employment to qualify for all benefits in all places (until September 24, 2022).
- Regular benefits: Disqualifications for quitting without justice cause or getting fired for misconduct.
- Regular benefits: Must be available and capable of working; demonstrate job search and accept suitable employment.
- Claims starting between September 26 and November 20, 2021, minimum \$300.
- After, the usual 55% of pre-injury earnings applies.
- Between 14 and 45 weeks depending on region and hours.

Canada Recovery Benefits

- CRB for people who have lost earnings because of COVID (up to 54 weeks).
- CRCB for people who have to provide care to child or dependent for reasons related to COVID (up to 42 weeks).
- CRSB for people who cannot work because they are sick with covid or must isolate (up to 4 weeks).
- Ending October 23, 2021 unless extended.

Canada Recovery Benefits

- Qualify based on earnings (\$5,000).
- New: Money from EI claims beginning on or after September 27, 2020 counts. Pregnancy or parental benefits count even before this date.
- At least a 50% reduction in average weekly earnings.
- CRB: Can be disqualified for unreasonably quitting.
- CRB: Obligation to seek work and accept reasonable work offers.
- CRB rate down to \$300 per week. CRSB and CRCB still \$500.
- Must apply within 60 days of last day in benefit period.

EI or CRB?

- EI generally for employees.
- CRB generally for self-employed people not covered by EI.
- If out of work, must apply for EI if eligible.
- If sick or quarantining for covid, can apply for EI or CRSB.
- Cannot get more than one benefit at the same time.

El or CRB?

Problems

- Very hard to undue if people apply for wrong benefit.
- 60 day time limit makes it hard to go back and apply for the right one.
- Communication between El and the CRA is brutal.
- People who have an active El benefit period are being denied CRBs even if they are not entitled to El.

Angie

Angie is a carpenter. She was working a contract that ended in early September. Now she's having trouble finding work and is worried about paying the bills. What questions would you ask Angie?

Angie

Angie said she was working full time for about four months. Her employer never gave her a record of employment but she says EI premiums were deducted from each pay-cheque. What would you tell Angie?

EI and Welfare:

Standard rules

BENEFIT	TREATMENT
EI pregnancy, parental, compassionate care for critically ill child	Exempt
All other EI	Unearned income, deducted
CPP orphan and disabled contributor child benefit	Exempt
All other CPP	Unearned income, deducted
CPP lump sum retro	Unearned income only in month received (unless assigned to MSDPR)
WCB – temporary disability benefits	IA – Unearned income, deducted DA – Qualifying income
WCB – permanent disability benefits	Unearned income, deducted
WCB – lump sum “commuted pensions”.	Unearned income only in month received. Maybe exempt as an “other award”?

EI \ CRB and Welfare:

Current rules

BENEFIT	TREATMENT
All EI (until end of 2021)	Exempt if on assistance or PWD before April 2, 2020
CRBs (until end of 2021)	Exempt if on assistance or PWD before April 2, 2020

El \ CRB and PwD: Problems

- El requires a job search.
- El often requires that people look for full-time work.
- Many PwD cannot work full-time.
- However, may not meet the El sickness standard of being unable to work because of injury, illness, or quarantine.

Ronaldo

Ronaldo has been on DA consistently for about 5 years. He worked part-time at a grocery store to supplement his benefits. He was laid-off last week. He has never dealt with EI before but hears that its now easier for people to get. What questions would you ask Ronaldo to help him decide if he can \ should apply for EI?

Ronaldo

Ronaldo tells you he worked about 10 hours a week for the last few years. He said the store could have given him more hours but he doesn't feel physically able to do more. He says he would like to work part-time again as long as it's a good fit and he can limit his hours. What would you tell Ronaldo about applying for EI?

EI / CRB and CPP

- CPP retirement is **not** deducted from EI if qualifying hours were worked after pension started.
- CPP-D is not deducted from EI or CRB (or vice versa).
- You can have the capacity to do *some* work and remain eligible for CPP-D.

EI / CRB and CPP: Problems

- Tests for EI \ CRB and CPP-D do conflict.
- EI requires capacity to work and job search.
- CPP-D requires that claimant be incapable regularity of pursuing substantially gainful employment.
- There is risk trying to access EI / CRB and CPP-D at same time.

Patricia

Patricia has been on CPP-D for about 5 years following a very serious car crash. She supplemented her income by walking a dog once a day for an acquaintance. Recently, the dog owner canceled the dog walking arrangement. Patricia is wondering if she is eligible for any pandemic benefits. What questions would you ask Patricia?

Patricia

Patricia says the dog owner cancelled the arrangement because she was working from home again and wanted to limit her contacts because of covid. Patricia never declared the money she earned on her taxes. She might consider another dog walking job but has no intention of looking for other work. What would you tell Patricia?

EI \ CRB and GIS:

- People getting GIS can still qualify for EI \ CRB. Could also qualify for CERB last year.
- GIS is not deducted from EI \ CRB.
- But...

EI \ CRB \ CERB And GIS: Problems

- EI, the CRBs, and CERB are taxable income that reduce GIS.
- GIS payment cycle starts in July and is based on income in previous calendar year.
- Generally, 50% of income other than OAS is deducted.
- EI, CRB, and CERB payments are now impacting GIS payment.

EI \ CRB \ CERB And GIS: Solutions? Or More Problems?

- Can sometimes use an estimate of the current year's income to calculate a GIS rate instead of using prior year's tax return.
- Form 3041 – Statement of Estimated Income.
- Not publicly available. Must call Service Canada.
- Very little in the way of consistent information about CERB \ CRA.
- Appears Service Canada may use estimated income for people who got the EI Emergency Response Benefit, but not CERB through CRA?
- Hope for change now that election is over.

Terrance

Terrance is retired. In 2020 he collected CERB. Now, his GIS has been substantially reduced and he is worried how he will get by. What questions would you ask Terrance?

Terrance

Terrance says he has only ever worked as an employee, so he's pretty sure he got CERB through Service Canada, not CRA. He has no other income right now (outside of his CPP and OAS). What would you tell Terrance?

QUESTIONS?