



Overview of the Work-Sharing Program

April 2020



Work-Sharing – Overview

- Work-Sharing (WS) is a program that helps employers and employees avoid layoffs when there is a temporary decrease in business activity beyond the control of the employer. The program provides employment insurance (EI) benefits to eligible employees who agree to reduce their normal working hours and share the available work while their employer recovers.
- Work-Sharing is an agreement between employers, employees and the Government of Canada.

The program allows employers to:

- retain qualified and experienced workers; and,
- avoid recruiting and training new employees.

The program allows employees to:

- keep their jobs; and,
- maintain their work skills.



Key Program Features

- **Work-Sharing unit:** A WS unit is a group of employees with similar job duties who agree to reduce their hours of work over a specific period of time.
- **Equal sharing of work:** All members of a WS unit agree to reduce their hours of work by the same percentage and to share the available work.
- **Expected work reduction:** A WS unit must reduce its hours of work by at least 10% to 60%. The reduction of hours can vary from week to week, as long as the average reduction over the course of the agreement is from 10% to 60%.
- **Agreement length and extension:** A WS agreement has to be at least 6 consecutive weeks long and can last up to 26 consecutive weeks. Employers may be able to extend their agreements up to a total of 76 weeks.



Work-Sharing Temporary Special Measures

Support for employers and workers affected by COVID-19:

Effective March 15, 2020 to March 14, 2021, the Government of Canada is introducing temporary special measures:

- ✓ Extension of the maximum possible duration of an agreement from 38 weeks to 76 weeks;
- ✓ Mandatory cooling off period has been waived for employers who have already used the Work-Sharing program so that eligible employers may immediately enter into a new agreement;
- ✓ Reduce the previous requirements for a Recovery Plan to a single line of text in the application form;
- ✓ Reduce the requirement and expand eligibility to employers affected by accepting business who have been in business for only 1 year rather than 2, and eliminate the burden of having to provide sales/production figures at the same time;
- ✓ Expand eligibility for staff who are essential to recovery, Government Business Enterprises (GBEs) and non-for-profit organization employers.



Eligible Employers

To be eligible for a WS agreement, your business must:

- be a year-round business in Canada for at least 1 year
- be a private business or a publicly held company; and
- have at least 2 employees in the WS unit.

Eligibility was also extended to:

- Government Business Enterprises (GBEs), also referred to as public corporations; and
- not-for-profit employers experiencing a shortage of work due to a reduction of business activity **and/or** a reduction in revenue levels due to COVID-19.

Ineligible Employers

Your business is not eligible for WS if it is experiencing a reduction in business activity due to:

- a labour dispute;
- a seasonal shortage of work;
- the decrease in business activity is due to a recent increase in the size of the workforce.

You are also ineligible if you are a:

- shareholder who is responsible for the direction of the company and who holds 40% and more of the voting shares;
- employer who operates solely for the purpose of carrying out the administration of a government program/activity that is purely government in nature (i.e. municipalities, Government Agencies etc.).



Eligible Employees

Ineligible Employees

To be eligible for WS, your employees must:

- be year-round, permanent, full-time or part-time employees needed to carry out the day-to-day functions of the business (your "core staff");
- be eligible to receive EI benefits; and
- agree to reduce their normal working hours by the same percentage and to share the available work.

Eligibility was also extended to:

- employees considered essential to the recovery and viability of the business can now be eligible to participate in Work-Sharing (i.e. technical employees engaged in product development, outside sales agents, marketing agents etc.).

Employees that are not eligible for WS include:

- seasonal employees and students hired for the summer or a co-op term;
- employees hired on a casual or on-call basis, or through a temporary help agency;
- employees responsible for the direction of the company and who hold more than 40% of the voting shares in the business; and
- self-employed.



How to Apply for Work-Sharing

- Employers are now requested to submit their applications 10 calendar days prior to the requested start date. The streamlined measures undertaken by Service Canada will aim to reduce the processing time to 10 calendar days.
- Prior to COVID-19, employers were requested to send their Work-Sharing application (and supporting documentation) 30 calendar days prior to their requested start date.

To apply for the Work-Sharing program, employers must submit:

- [Applications for a Work-Sharing Agreement form \(EMP5100\)](#)
- [Attachment A: Work-Sharing Unit form \(EMP5101\)](#) (Note: if the employer does not have enough room on one EMP5101 they can start another EMP5101 and use as many as they need.)

Please send your application to one of the following email addresses, based on the area your business is located or where the maximum of participants are located:

- Atlantic Provinces
Email: ESDC.TP-ATL-WS-TP.EDSC@servicecanada.gc.ca
- Quebec
Email: QC-DPMTDS-LMSDPB-TP-WS-GD@servicecanada.gc.ca
- Ontario
Email: ESDC.ON.WS-TP.ON.EDSC@servicecanada.gc.ca
- Western Canada and Territories
Email: EDSC.WT.WS-TP.EDSC@servicecanada.gc.ca



QUESTIONS?

- For more information on the Work-Sharing program, employers across Canada may call toll-free:
 - **Canada and the United States:**
 - Toll-free: 1-800-367-5693
 - TTY: 1-855-881-9874
 - **Outside Canada and the United States:** 506-546-7569 (collect calls accepted)
- Hours of operation: 7:00 am to 8:00 pm, Eastern Time, Monday to Friday.

- Service Canada has also created an enquiry unit for clients affected by COVID-19 that are seeking information related to the Work-Sharing Program. Enquiries can be sent to EDSC.DGOP.TP.REP.RES.WS.POB.ESDC@servicecanada.gc.ca for specific Work-Sharing information or to request general information about the Program.
- Visit the following Website for more information about the programs and services ESDC is offering to supporting employers and individuals:
<https://www.canada.ca/en/employment-social-evelopment/corporate/notices/coronavirus.html>

