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BILL C-24:
AN ACT TO AMEND
THE EMPLOYMENT INSURANCE ACT
(ADDITIONAL REGULAR BENEFITS),
THE CANADA RECOVERY BENEFITS ACT
(RESTRICTION ON ELIGIBILITY)
AND ANOTHER ACT IN RESPONSE TO COVID-19

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For clarity of exposition, the legislative proposals set out in the bill described in this Legislative Summary are stated as if they had already been adopted or were in force. It is important to note, however, that bills may be amended during their consideration by the House of Commons and Senate, and have no force or effect unless and until they are passed by both houses of Parliament, receive Royal Assent, and come into force.

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Legislative Summary of Bill C-24 (Legislative Summary)

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LEGISLATIVE SUMMARY OF BILL C-24:
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BACKGROUND

Bill C-24, An Act to amend the Employment Insurance Act (additional regular benefits), the Canada Recovery Benefits Act (restriction on eligibility) and another Act in response to COVID-19,¹ was introduced in the House of Commons on 25 February 2021 by the Honourable Carla Qualtrough, Minister of Employment, Workforce Development and Disability Inclusion. Bill C-24 received first reading that same day.

As indicated by its title, Bill C-24 amends three pieces of legislation:

- First, it amends the *Employment Insurance Act*² (EIA) to temporarily increase the maximum number of weeks for which Employment Insurance (EI) regular benefits may be paid to 50 weeks. It also amends the EIA to allow self-employed workers who have opted into the EI program to temporarily use an earnings threshold of \$5,000 to access EI special benefits.
- Second, it amends the *Canada Recovery Benefits Act* ³ (CRBA) to add a new eligibility condition specifying that individuals are only eligible for benefits if, during the benefit period, they were not required to quarantine or self-isolate as a result of entering Canada. This new eligibility condition is subject to certain exceptions. The bill also amends the CRBA to authorize the disclosure of personal information obtained under the *Quarantine Act* for the purpose of verifying whether the person meets the new eligibility condition.
- Third, it amends the *Customs Act* ⁴ to authorize the disclosure of information relating to the movement of people into and out of Canada for the purpose of administering or enforcing the CRBA.

The bill received second reading and was referred to the House of Commons Standing Committee on Human Resources, Skills and Social Development and the Status of Persons with Disabilities (HUMA) on 11 March 2021. HUMA reported the bill without amendment on that same day and the House concurred in that report on 12 March 2021. The bill passed the Senate without amendment on 17 March 2021, and it received Royal Assent the same day.

2 DESCRIPTION AND ANALYSIS

2.1 AMENDMENTS TO THE *EMPLOYMENT INSURANCE ACT* (CLAUSES 1 TO 3)

2.1.1 Employment Insurance Regular Benefits

Under section 12(2) of the EIA, the maximum number of weeks that a claimant may receive EI regular benefits is based on the regional unemployment rate and the number of hours of insurable employment accumulated during the qualifying period (see Schedule I of the EIA). Accordingly, a claimant may be paid 14 to 45 weeks of EI regular benefits.⁵

Clause 1 of the bill introduces new section 12(2.1) of the EIA to provide that, despite section 12(2), the maximum number of weeks of EI regular benefits that may be paid to a claimant in a benefit period is 50. This new maximum applies to a claimant whose benefit period is established between 27 September 2020 and 25 September 2021.

The new maximum applicable to EI regular benefits also applies to a claimant included in Pilot Project No. 21 whose benefit period is established during the above-noted period (new section 12(2.3)). However, it does not apply to EI claims by self-employed persons engaged in fishing (new section 12(2.2)). The total combined weeks of EI regular and special benefits in a benefit period remains at 50 weeks (amended section 12(6)).

2.1.2 Earnings Threshold for Self-Employed Persons

Section 152.07(1) of the EIA sets out the requirements for a self-employed person to qualify for EI special benefits. Among other aspects, a self-employed person must have made at least \$6,000 in self-employed earnings during the qualifying period, or an amount fixed or determined by regulation, to be eligible for benefits (see section 152.07(1)(d)(i) of the EIA). To be eligible for benefits in 2021, self-employed persons must have earned at least \$7,555 in 2020.

Clause 2 of the bill amends and renumbers section 152.07(1)(d)(i) of the EIA. Provided that no violation has been accumulated (which would increase the threshold, depending on the seriousness of the violation) in the last 260 weeks,

- self-employed persons can use an earnings threshold of \$5,000 if their benefit periods are established between 3 January 2021 and 25 September 2021 (new section 152.07(1)(d)(i)(A)); or
- self-employed persons whose benefit periods are established outside of these dates are subject to the current threshold rules: \$6,000 in earnings or an amount fixed or determined by regulation (new section 152.07(1)(d)(i)(B)).

Clause 3 of the bill adds new section 152.11(5.1) to the EIA to allow late claims for individuals who would not have qualified for benefits but for the introduction of new section 152.07(1)(d)(i)(A).

2.2 AMENDMENTS TO THE CANADA RECOVERY BENEFITS ACT (CLAUSES 4 TO 10 AND 12)

2.2.1 Recovery Benefits

Sections 3(1), 10(1) and 17(1) of the CRBA set out the eligibility criteria for the Canada recovery benefit, the Canada recovery sickness benefit and the Canada recovery caregiving benefit, respectively.

Clauses 4, 6 and 8 of the bill introduce new sections 3(1)(m), 10(1)(i) and 17(1)(i) of the CRBA to add a new eligibility condition to the existing criteria. Specifically, under the new provisions, a person is only eligible for benefits under the CRBA if, at any time during the benefit period, they were not required to quarantine or self-isolate under the *Quarantine Act* as a result of entering Canada.⁸

This restriction on eligibility, however, does not apply to the following persons who are required to quarantine or self-isolate:

- those who travel outside Canada to receive a medical treatment that a medical practitioner has certified as being necessary (new sections 3(1)(m)(i)(A), 10(1)(i)(i)(A) and 17(1)(i)(i)(A));
- those who accompany a person travelling outside Canada to receive medical treatment that a medical practitioner has certified as being necessary, provided that the person has also been certified by a medical practitioner as being incapable of travelling without the assistance of an attendant (new sections 3(1)(m)(i)(B), 10(1)(i)(i)(B) and 17(1)(i)(i)(B)); or
- those who would normally be exempt from the mandatory quarantine requirements under the *Quarantine Act* (new sections 3(1)(m)(ii), 10(1)(i)(ii) and 17(1)(i)(ii)).

Clauses 5, 7 and 9 of the bill make consequential amendments to the attestation requirement provisions under the CRBA to incorporate new sections 3(1)(m), 10(1)(i) and 17(1)(i) of the CRBA. Thus, when making an application for benefits under the CRBA, a person must now also attest to not having been required to quarantine or self-isolate as a result of entering Canada (amended sections 5(1), 12(1) and 19(1)). Persons applying before 11 January 2021, however, are not required to make this attestation (new sections 5(5), 12(3) and 19(3)).

Amendments regarding the new restriction on eligibility provisions are deemed to have come into force on 2 October 2020, pursuant to clause 12 of the bill.

2.2.2 Disclosure of Information

Section 26 of the CRBA allows the Minister of Employment and Social Development to request information or documents from individuals for the purpose of verifying compliance or preventing non-compliance with the Act.

Clause 10 of the bill introduces new section 26.1 of the CRBA to authorize the Minister of Health to disclose personal information obtained under the *Quarantine Act* to the Minister of Employment and Social Development. This disclosure of information is for the purpose of verifying whether a person meets the new eligibility condition referred to in new sections 3(1)(m), 10(1)(i) and 17(1)(i) of the CRBA. Personal information that may be disclosed in this regard includes the following:

- a person's name and date of birth (new section 26.1(a));
- the date the person entered into Canada (new section 26.1(b)); and
- the last day on which the person is or was required to quarantine or self-isolate under the *Quarantine Act* (new section 26.1(c)).

2.3 AMENDMENTS TO THE CUSTOMS ACT (CLAUSE 11)

Section 107 of the *Customs Act* provides exceptions to the general rule that customs information cannot be disclosed to other government departments. Clause 11 of the bill amends section 107(5)(i) of the *Customs Act* to add another exception to this general rule. It authorizes officials to share customs information (that relates to the movement of people into and out of Canada) with the Department of Employment and Social Development for the purpose of administering or enforcing the CRBA. Prior to Bill C-24, information sharing of this nature was only allowed in relation to the EIA and the *Old Age Security Act*.

NOTES

 Bill C-24, An Act to amend the Employment Insurance Act (additional regular benefits), the Canada Recovery Benefits Act (restriction on eligibility) and another Act in response to COVID-19, 43rd Parliament, 2nd Session (S.C. 2021, c. 3).

^{2.} Employment Insurance Act, S.C. 1996, c. 23.

 <u>Canada Recovery Benefits Act</u> (CRBA), S.C. 2020, c. 12, s. 2. The CRBA was introduced by the
 <u>COVID-19 Response Measures Act</u>, S.C. 2020, c. 12 (the former Bill C-4). For additional information,
 see Eleni Kachulis, Mayra Perez-Leclerc and Alex Smith, <u>Legislative Summary of Bill C-4: An Act</u>
 <u>relating to certain measures in response to COVID-19</u>, Publication no. 43-2-C4-E, Library of Parliament,
 2 October 2020.

^{4.} Customs Act, R.S.C. 1985, c. 1 (2nd Supp.).

- 5. The qualifying period is, in most cases, the 52-week period preceding the start of the benefit period. During the qualifying period, the claimant must have worked a prescribed number of hours in insurable employment to qualify for benefits. If another benefit period started during the 52 previous weeks, the qualifying period is shorter and begins at the start of the last benefit period. See Employment Insurance Act, S.C. 1996, c. 23, s. 8(1).
- 6. Pilot Project No. 21 offers up to five additional weeks of Employment Insurance (EI) regular benefits to eligible seasonal workers in 13 targeted EI economic regions. It runs from 5 August 2018 to 30 October 2021. See <u>Employment Insurance Regulations</u>, SOR/96-332, Schedule II.92; and Government of Canada, <u>Additional Employment Insurance regular benefits for seasonal workers in affected regions.</u>
- 7. <u>Employment Insurance Regulations</u>, SOR/96-332, s. 11.1. See also Government of Canada, <u>El benefits</u> for self-employed people: What this program offers.
- 8. Peter Mazereeuw, "<u>Liberals introduce bills to close sickness benefit loophole, allow pandemic-friendly court proceedings,</u>" *The Hill Times*, 1 March 2021.