

ECONOMIC CRISIS LOOMING FOR HUNDREDS OF THOUSANDS OF WORKERS AS CRB AND EI INCOME SUPPORTS SET TO RUN OUT

Hundreds of thousands of workers in Canada are stressed out as they face a looming financial crisis. The special COVID-19 Employment Insurance and Recovery Benefits will soon run out for many.

There are only three payments left for many workers and the government has failed to tell us what will happen next.

Many of the 844,190 workers on the **Canada Recovery Benefit (CRB)**¹ will see their benefits end March 26th. That's because there's a maximum entitlement of 26 weeks and most people applied in September. Many of the 130,000 people receiving **Canada Recovery Caregiving Benefit (CRCB)**² are in the same boat, with the same 26 week maximum. With 2.3 million on **Employment Insurance (EI)**, many will face the same fate. Those on EI that transferred from CERB to EI in September with 490 or fewer hours will see their EI benefits also end March 26th.

Even with the \$500 per week (taxable) benefits, people are already having a hard time paying the rent and putting food on the table. It's also a big problem for the whole economy. These benefits have sustained consumer spending in our communities and kept local businesses going during COVID-19.

The evidence is clear. **It will be women and low wage, racialized workers in precarious employment that are the hardest hit.** January's Labour Force Survey shows where the burden of unemployment lies. While white workers faced 9% unemployment in January, the unemployment rate of Black, Indigenous and racialized workers was much higher: 20% of Southeast Asian, 17% of Latinx, 16% of Black, and 11% for Chinese workers. The employment rate for Indigenous people fell 5.4% year-over-year but only 2.6% for non-indigenous workers.³ Mothers with young kids are still working less than their usual hours a year ago.⁴ The government must extend CRB, CRCB and EI weeks to prevent further inequalities. COVID-19 and its impacts are far from over.

1 [applications](#) as of January 30, 2021

2 [applications](#) as of January 30, 2021

3 <https://www150.statcan.gc.ca/n1/daily-quotidien/210205/dq210205a-eng.htm?HPA=1>

4 Kathreine Scott and David Macdonald, [Looking at covid-19 through an LFS lens](#), ccpa.

The labour market is dismal. January saw a 1.2% decline in all jobs with a 12.2% decline in part-time jobs which hit women and young workers the most.⁵

Essential income supports are running out while we're still in the midst of the second wave of the pandemic. We face new waves of coronavirus and new variants that still pose risks as vaccine roll-outs lag behind. Experts are cautious in their estimates about a full reopening by year end.⁶

The federal government must extend income supports until at least December 31, 2021 or until the pandemic is officially over.

- Increase the number of CRB and CRCB benefit weeks.
- Increase the number of Employment Insurance benefits weeks for all claimants.
- Expand all benefits coverage to migrant and undocumented workers as well as international students.
- Increase the number of EI Sickness Benefits weeks to 50.
- Provide debt forgiveness on CERB repayments for low-income workers.

The scars in the Canadian economy will last well beyond 2021. As Deputy Governor of the Bank of Canada, Carolyn Wilkins said, “the economic recovery will likely be uneven and it must be recognized that some people and jobs will be left behind.” We need an employment insurance system that leaves no one behind.⁷

An Employment Insurance system for the 21st Century must include reforms such as:

Improved Access to EI

- Set a new universal qualifying rule of 360 hours or 12 weeks for all EI benefits
- Remove unfair disqualifications rules (e.g., ‘quit-fire’ rule)
- Expand access to all migrant workers and those misclassified as independent contractors.

Decent Benefits

- Set an adequate benefit floor of \$500 per week

5 <https://www150.statcan.gc.ca/n1/daily-quotidien/210205/dq210205a-eng.htm?HPA=1>

6 Sherina Harris, [Wondering When The Pandemic Will End? Here's The Expected Timeline For Canadians](https://www.huffpost.com/entry/wondering-when-the-pandemic-will-end). Huffpost. January 6, 2021.

7 <https://globalnews.ca/news/7459238/coronavirus-economy-canada-scars/>