

Employee Annex Work-Sharing Program

Information and instructions for employees

This document contains important information employees need regarding the Work-Sharing program and their responsibilities when they participate in a Work-Sharing agreement.

Please read all the information provided and discuss it with your employer. Please keep this document, as you may need it throughout the term of the agreement.

Work-Sharing program

Work-Sharing is an adjustment program designed to help employers and employees avoid layoffs when there is a temporary reduction in the normal level of business activity resulting from factors beyond the employer's control. Work-Sharing is a 3-party agreement between employers, employees and Service Canada.

The employer, employees and union (if applicable) must agree to participate in a Work-Sharing agreement. Then the employer applies to the Work-Sharing program to participate in a Work-Sharing agreement.

Work-Sharing provides income support to employees eligible for Employment Insurance benefits who work a temporarily reduced workweek while their employer's business recovers. Work-Sharing employees must be "core staff" (year-round, permanent, full or part time employees needed to carry out daily business functions), be eligible to receive Employment Insurance benefits, and agree to reduce their normal working hours by the same percentage and to share the available work equitably.

Employers must show that the work shortage is temporary and beyond their control. The Work-Sharing program is not intended to support companies during an expected seasonal slowdown or for employers undergoing restructuring. Work-sharing agreements cannot be put in place in instances where the reduction of work is related to a labour dispute. The employer must have a reduction of business activity of at least 10% to warrant the support of the Work-Sharing program. The average reduction in working time must be between 10% and 60% of the employees' normal working hours for the duration of the agreement.

Each party to the agreement has their own role and responsibilities to ensure success of the Work-Sharing agreement. This document will focus on the role and responsibilities of the employees participating in Work-Sharing.

For more information about the Work-Sharing program, please review the Work-Sharing [overview page](#) (note: information is presented in seven sections by menu).

Applying for Employment Insurance Work-Sharing benefits

[Employment Insurance](#) pays Work-Sharing benefits. Each individual employee must apply and qualify for Employment Insurance to be payable for Work-Sharing benefits.

When you apply for Employment Insurance, you will be asked to enter a **reference code** to identify that you are a participant of a Work-Sharing agreement. Your **reference code** will be on the “Applying for Employment Insurance Work-Sharing Benefits” document you receive from your Work-Sharing employer or employee/union representative. This document includes important information to be included in your application in order to apply for these benefits.

The reference code is time sensitive and is only valid during the dates listed on the “Applying for Employment Insurance Work-Sharing Benefits” document. Therefore, it is important that you submit your Employment Insurance application within this timeframe.

Ensure you apply with your **reference code** and provide accurate information to avoid processing delays.

Note: Employees participating in Work-Sharing must qualify to receive Employment Insurance benefits. Service Canada cannot determine eligibility until after individual employees have filed an application for Employment Insurance benefits. Therefore, all employees participating in Work-Sharing may be eligible for benefits unless Employment Insurance advises them otherwise. The employee does not have to inform their employer of the status of their eligibility for Employment Insurance benefits. Employees who do not wish to be part of a Work-Sharing agreement or who are not eligible to receive Employment Insurance benefits are still required to reduce their hours of work equitably with Employment Insurance eligible participating employees.

Key employee responsibilities / considerations

- An employee participating in Work-Sharing must be a core employee. Meaning full-time or part-time year-round permanent employee of the company required to carry out day-to-day functions of the business
- Employees must be available for work up to their normal weekly hours as determined by their Work-Sharing employer for the duration of the Work-Sharing agreement
- Employees who wish to be paid Employment Insurance benefits during Work-Sharing must apply for Employment Insurance using the **reference code** provided to them on the “Applying for Employment Insurance Work-Sharing Benefits” document to be received from their employer or employee/union representative
- Information about when employees will receive their first payment of Employment Insurance benefits is available in the section [“When payments start”](#).
- Employees who do not wish to be part of a Work-Sharing agreement or who are not eligible to receive Employment Insurance benefits are still required to reduce their hours of work equitably with Employment Insurance eligible participating employees
- Employees participating in Work-Sharing must contact Employment Insurance to report work and earnings from non-Work-Sharing employment and any other situation that affects their entitlement to benefits (for example; vacation, second job, separation from employment, etc.)
- Employees participating in Work-Sharing may request to be [exempt from completing bi-weekly claimant’s reports](#).
- The employer pays wages for the hours employees work and Employment Insurance pays the employee directly the percentage of their benefit rate that corresponds with the hours missed due to Work-Sharing
- Monies received from sources other than the Work-Sharing employer deemed as earnings by Employment Insurance will be deducted from the employee’s weekly Work-Sharing benefits, as per [working while on a claim](#)

- The Employment Insurance waiting period is deferred for Work-Sharing participants. The Employment Insurance waiting period will be served once a non-Work-Sharing week is processed as a week of regular or special Employment Insurance benefits
- Employees will have their Employment Insurance claim established in the province where their employer is located. Employees whose claim is set up outside the province in which they reside must use the employer's postal code when accessing [My Service Canada Account](#). In the event employees contact the Employment Insurance Telephone Information Service, they must identify in which province they work
- Statutory holidays occurring within a Work-Sharing period are not compensated by Employment Insurance and are the responsibility of the employer
- If the business does not recover as expected and an employee is laid off during or at the end of a Work-Sharing agreement, the employee can apply to convert their claim to Employment Insurance regular benefits. The employee is to contact Employment Insurance to discuss their claim conversion request
- Family financial support orders, when unpaid, can be deducted from Work-Sharing benefits according to the [Family Orders and Agreements Enforcement Assistance Act](#) and its Regulations. For further information, consult [Family law](#) website.
- Employment Insurance benefits are [taxable income](#).

Bi-weekly claimant's report

Normally you are required to complete a report every 2 weeks to receive your Employment Insurance payment. Each completed claimant's report becomes a claim for Employment Insurance benefits. As an employee participating in Work-Sharing, you may choose to be exempt from completing bi-weekly claimant's reports or you may complete paper claimant's report.

When you apply for Employment Insurance Work-Sharing benefits online, you are presented with an [Exemption Declaration](#) for Work-Sharing benefits.

Employees who are **not** exempt from reporting are required to complete bi-weekly paper claimant's report by mail.

Employees who complete paper claimant's report

For instructions on how to complete your paper claimant's report, please refer to the table below.

Claimant's report

Block	Description
1a	Answer No , unless you were out of Canada between Monday and Friday. If so, you must answer Yes and indicate if the absence from Canada was for less than 24 hours, excluding weekends, as well as provide the reason, date and time of departure and arrival for the absence from Canada in blocks 1b and 1c .
2a	Answer No , unless you worked for another employer than the Work-Sharing employer. If so, you must answer Yes and provide the dates and total hours worked as well as gross earnings received from the non-Work-Sharing employer in blocks 2b and 2d .
2c	<ul style="list-style-type: none"> • If No, indicate the name of the Work-Sharing employer. • If Yes, indicate the name and address of the employer (must be different than the Work-Sharing employer).
2e	If you stopped working for any employer during that week, the reason must be provided regardless of if you worked for that employer during that week.
3a	Answer No , unless you started a full-time job with an employer other than a Work-Sharing employer. If so, you must answer Yes and provide the date they started the full-time job.
4a	Answer No , unless you are physically attending a course of instruction. If so, you must answer Yes and declare the total hours attended, any amount of training allowances you received and who you received that allowance from, if necessary, in blocks 4b and 4c .
5a	Answer Yes , unless you are on vacation, sick or unavailable for any days covered by the claimant's report. If so, you must answer No and provide dates and the reason of non-availability in blocks 5b and 5c . You must also indicate any sickness or maternity insurance amounts received, if necessary, in block 5d .

Claimant's report

Block	Description
6a	Answer No , unless you received monies other than already declared in blocks 2d , 4b and 5d and other than monies received from the Work-Sharing employer. If so, you must answer Yes and indicate who you received the monies from, the reason you received this payment for and the amount of these monies in blocks 6b , 6c and 6d .

After you complete the report, read the “I declare” statement at the bottom of each page. Sign and date each side of your report and mail it back in the return envelope.

Key employer responsibilities

- Ensures information about the Work-Sharing agreement is available and accessible to all employees
- Identifies the individual employees included in the Work-Sharing unit(s). A Work-Sharing unit must consist of a minimum of 2 or more “core staff” employees and generally includes all employees in a single job description or all employees who perform similar work
- Informs each participating employee of their determined normal weekly hours at the start of a Work-Sharing agreement
- Ensures all employees participating in Work-Sharing have a minimum 10% reduction in their normal weekly earnings required to implement the Work-Sharing agreement
- Issues a record of employment for each employee participant of the Work-Sharing unit. The record of employment should be issued after the employee has completed their last shift prior to starting their participation in the Work-Sharing unit
- Ensures employees participating in Work-Sharing are provided the “Applying for Employment Insurance Work-Sharing Benefits” document which includes the **reference code** valid for the week the employee has started participation on the Work-Sharing agreement
- Ensures that the employee or union representative distributes a copy of the **Employee annex** to all members of the Work-Sharing unit
- Must submit to Employment Insurance an enrolment sheet that lists the participants in the Work-Sharing unit, their Social Insurance Numbers and their normal weekly hours of work based on the regular pattern of work for each individual (over the previous 2 years) prior to any reduction in work hours
- Submits to Employment Insurance a weekly utilization report including each employee in the Work-Sharing unit for every week of the agreement, including weeks in which no hours are missed due to Work-Sharing. Utilization reports are used to track the percentage of reduction in work hours each week
- Pays wages for the hours worked as per usual
- Employers are not authorized to add, remove or replace employees from the Work-Sharing unit without prior consent from Service Canada (this constitutes an amendment to the Work-Sharing unit), and
- The employer must maintain all existing employee benefits (for example, health/dental insurance, pension benefits, vacation, group disability, etc.) for the duration of the Work-Sharing agreement. **However, benefits (including any subsequent payout of benefits, for**

example, disability benefits) may be reduced due to participation in a Work-Sharing agreement if calculated based on earnings or hours of work

Contact us

Employers

Employers across Canada may contact the [Employer Contact Centre](#).

Toll-free: 1-800-367-5693

TTY: 1-855-881-9874

Employees

Employees across Canada may contact [Employment Insurance for individuals](#).

Toll-free:

- 1-800-206-7218 (English)
- 1-800-808-6352 (French)

TTY: 1-800-529-3742