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April 3, 2020

BY E-MAIL

The Honourable Carla Qualtrough Minister of Employment, Workforce Development and Disability Inclusion House of Common

– and –

The Honourable Bill Morneau Minister of Finance House of Common

Dear Ministers:

As Canada's largest union, representing 700,000 workers across this country, the Canadian Union of Public Employees recognizes the significant measures that your government is putting in place to support workers during this pandemic. These measures, in combination with the measures we are all taking to limit the spread of the disease, will go a long way to support Canadians impacted by COVID-19.

Now that we have more details regarding the Canada Emergency Response Benefit (CERB) and the Canada Emergency Wage Subsidy (CEWS), CUPE has some concerns in addition to the ones we presented in our letter to Minister Qualtrough on March 27, 2020.

We are concerned, first and foremost, that these benefits are accessible and equitable to all workers whose employment status and earnings have been impacted by COVID-19. We know there are countless situations where a worker's income has fallen substantially, and yet they will not qualify to receive benefits under either CERB or CEWS.

For example, students and seasonal workers who were unemployed prior to March 15 and would normally be looking for spring and summer work have seen their employment prospects disappear due to COVID-19. They are not, at present, covered by either of these programs. Hundreds of thousands of public sector workers have seen their hours drastically reduced, but not eliminated. Far too many Canadians work multiple jobs just to make ends meet, and have lost one of their jobs, but are still working at another. Selfemployed contract workers in the "gig economy" will not qualify for CEWS unless they are incorporated and will only qualify for CERB if they have lost 100% of their income.

Of particular concern to CUPE are the workers employed by municipalities, school boards, and post-secondary institutions. Their employers will lose revenue, but do not qualify for the wage subsidy. Some of these workers will qualify for CERB, but the supplemental top-ups negotiated with their employer that apply to EI benefits are not accessible to them under the current terms of CERB. Allowing employer top-ups to CERB would ensure these workers continue to have access to their benefits, including pensions and prescription drug coverage. Losing access to their pension and extended health benefits will have dire impacts on these workers' health, well-being, and retirement security.

The gaps between the benefits available through CEWS and CERB mean that these public sector workers will be significantly disadvantaged compared to their private sector counterparts and compared to what they would have access to under Employment Insurance.

CUPE is asking for the following changes to the current CERB structure, which would ensure many more workers receive the necessary government support at this critical time:

- Allow workers to certify a substantial loss of income, rather than zero income. The resulting income could be smoothed via progressive taxation next year.
- Allow workers to receive negotiated top-ups from employers in addition to CERB support, respecting the collective bargaining process and ensuring the maintenance of an employment relationship and access to benefits for public sector workers.
- Amend the definition of "ceased employment due to COVID-19" to include workers who have lost seasonal employment opportunities.

Your government has called on businesses to do the right thing and keep workers on payroll wherever possible. We ask that you extend that call to all levels of government and public institutions. And we ask that your government support them to do so, just as you are supporting private sector employers.

In the alternative, in order to ensure equitable supports for all workers, we ask that eligibility to CEWS be expanded to include "public body" employers.

Thank you for your consideration of the above. As always, we are available to provide additional information and answer any questions or concerns that may arise. We welcome every opportunity to work with you to ensure workers across Canada receive the support they need and deserve, as soon as possible.

Sincerely,

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MARK HANCOCK National President

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- cc: D. Albas, Conservative Critic, Employment, Workforce Development and Disability Inclusion;
 - D. Blakie, NDP Critic, Employment, Workforce Development and Disability Inclusion;
 - L. Chabot, Bloc Québécois Critic, Employment, Workforce Development and Disability Inclusion;
 - P. Poilievre, Conservative Critic, Finance
 - P. Julian, NDP Critic, Finance
 - G. St-Marie, BQ Critic, Finance
 - E. May, Leader, Green Party of Canada