

# Work-Sharing - Information for Employers

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## Facing Difficult Times?

When employers face difficulties beyond their control and are temporarily reducing their company's activities, they may be eligible to participate in a Work-Sharing agreement to help avoid laying off employees.

## How Can Work-Sharing Help?

The Work-Sharing program enables employers to deal with a temporary shortage of work without laying off employees. Under a Work-Sharing agreement, employers can reduce the employees' working hours by between 10% and 60%. To help compensate for the days or time not worked, eligible employees may receive Employment Insurance (EI) benefits.

By participating in Work-Sharing, employers benefit from: retaining skilled employees and avoiding the expense of hiring and training new employees when work activity returns to normal.

Employees benefit from: avoiding the hardship of being laid off; maintaining their work skills and connection to the labour market; and receiving EI benefits for the days not worked.

## Who Can Participate in Work-Sharing?

To be eligible for a Work-Sharing agreement, employers must:

- be a publicly held company, a private business or a not-for-profit organization (that generates revenue through business activity)
- have been in business in Canada year-round for at least two years
- demonstrate a recent decrease in business activity of approximately 10%
- demonstrate that the work shortage is temporary and beyond their control, and not a cyclical or recurring slowdown
- not be experiencing a reduction in business activity related to a labour dispute
- have the agreement of the union (if applicable) and employees; and,

To be eligible for a Work-Sharing agreement, a minimum of two employees is required. **Employees** must:

- be year-round "core employees" (i.e., permanent full-time or part-time employees who are required to carry out the everyday functions of normal business activity)
- be eligible to receive EI benefits; and,
- agree to a reduction of their normal working hours in order to share the available work

## How Long Can Work-Sharing Help?

The initial duration of a Work-Sharing agreement is between a minimum of six consecutive weeks and a maximum of 26 consecutive weeks. Employers may request an extension of up to 12 weeks bringing the total to a maximum of 38 weeks. Extensions are not automatic; all requests for an extension must be assessed and approved by Service Canada.

Employers who previously had a Work-Sharing agreement in place are subject to a mandatory cooling off period (i.e., equal to the number of weeks of their previous agreement, up to a maximum of 38 weeks) before entering into a new agreement with the same group of employees.

An employer may enter into a new Work-Sharing agreement involving a different group of employees without having to serve the mandatory cooling off period, provided all the eligibility criteria are met.

## Special measures

The Work-Sharing Program may introduce temporary special measures at any time to provide additional support for affected businesses during a period of economic downturn, natural disaster or if a national emergency is declared. The special measures provide targeted support for businesses impacted to recover and avoid layoffs for a specific period of time.

### **Wildfires – Jasper, Alberta and Bunibonibee, Manitoba**

Work-Sharing Special Measures to support businesses affected by the 2024 Jasper, Alberta and Bunibonibee, Manitoba wildfires are effective December 1, 2024, to August 3, 2025.

Work-Sharing Special Measures flexibilities include:

- allowing the decrease in business activity to be attributable to the 2024 wildfires in Jasper, Alberta or Bunibonibee, Manitoba
- waiving the mandatory cooling-off period between Work-Sharing agreements
- not requiring employers to demonstrate a recent decrease in business activity of at least 10%
- allowing a reduction of work and business activities greater than 60%
- focusing recovery measures on supporting the business' ability to maintain its viability in the face of impacts related to the 2024 wildfires in Jasper, Alberta or Bunibonibee, Manitoba
- allowing cyclical or seasonal employers to apply and seasonal employees to participate

If you have any questions regarding the Work-Sharing Jasper, Alberta and Bunibonibee, Manitoba 2024 Special Measures, please contact our Work-Sharing Employer Inquiry Unit at [edsc.dgop.tp.rep-res.ws.pob.esdc@servicecanada.gc.ca](mailto:edsc.dgop.tp.rep-res.ws.pob.esdc@servicecanada.gc.ca).

## How are Benefits Calculated?

Employees are eligible to receive 55% of their wage for the hours they do not work during the Work-Sharing agreement. For example, an employee earning \$625 a week, working 20% fewer hours will receive \$68.75 as EI benefits while in a Work-Sharing agreement.

**Example:**

$(\$625 \times 55\%) \times 20\% = \$68.75$

Participants do not have to serve a waiting period to receive Work-Sharing benefits; however, it may take a few weeks for the first payment to be received.

Work-Sharing agreements generally do not affect employees' entitlement to regular EI benefits if they happen to be laid off after the agreement ends.

## Applying for the Work-Sharing Program

The employer and the employees (and the union, if applicable) must agree to participate in a Work-Sharing agreement and must apply together. Applications must be submitted a minimum of 30 days prior to the requested start date.

Before applying, please visit [Work-Sharing agreement - How to apply - Canada.ca](http://Canada.ca/en/employment-social-development/services/work-sharing/apply.html) and discuss it with your employees.

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### For more information:

**Click** - [Work-Sharing Program Canada.ca/en/employment-social-development/services/work-sharing](http://Canada.ca/en/employment-social-development/services/work-sharing)

**Call** - 1-800-367-5693 (TTY: 1-855-881-9874)

**Visit** - your local [Service Canada Centre Servicecanada.gc.ca/tbsc-fsco/sc-hme.jsp?lang=eng](http://Servicecanada.gc.ca/tbsc-fsco/sc-hme.jsp?lang=eng)