Study: Workers receiving payments from the Canada Emergency Response Benefit program, 2020

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Receiving financial support in the wake of COVID-19

In 2020, the federal government implemented several programs aimed at providing financial support to students, Canadian workers and businesses affected by the economic lockdowns triggered by the COVID-19 pandemic.

The Canada Emergency Response Benefit (CERB) was one of these programs. It provided financial support to employees and self-employed Canadians who had lost their job or were working fewer hours as a result of the pandemic.

Canadian workers had to satisfy a number of criteria in order to be eligible for CERB. For example, they were required—among other things—to have had annual earnings of at least $5,000 in 2019 or in the 12 months prior to the date of their application.

Applicants received $2,000 for an initial four week period and could subsequently reapply for additional periods, eventually extending to 28 weeks, for a maximum benefit of $14,000. The program covered the period ranging from March 15 to September 26, 2020.

Today, Statistics Canada provides a demographic and labour market profile of those Canadians who received CERB from March to September 2020. A more detailed analysis can be found in the StatCan COVID-19 study "Workers receiving payments from the Canada Emergency Response Benefit program in 2020." The focus is on workers who had significant earnings in the year prior to the onset of COVID-19, i.e., who earned at least $5,000 in 2019.

Additional analyses of CERB and of other emergency government programs will be profiled in the coming months.

Of all workers who earned at least $5,000 in 2019, about one-third received CERB payments in 2020

Of all Canadian workers who earned at least $5,000 in 2019, 35.2% received CERB payments for the period between March 15 and September 26, 2020.

Women (36.3%) were more likely than men (34.2%) to receive CERB, reflecting the fact that they were more affected by the lockdowns than their male counterparts.

Labour Force Survey data show that from March to September 2020, the total actual hours worked by women fell 16.3% from the same period a year earlier, compared with a 13.1% decline for men.

Workers in industries hardest hit by the economic lockdowns and low-wage workers most likely to receive CERB payments

In every province and territory, the percentage of workers receiving CERB payments was relatively high among low-wage workers and in industries that were severely affected by the economic lockdowns implemented in 2020.

For example, roughly two-thirds (66.6%) of workers employed in accommodation and food services in 2019 received CERB payments in 2020, the highest rate among all sectors. The corresponding percentage for their counterparts employed in arts, entertainment, and recreation was 62.7%.

By contrast, relatively few workers employed in utilities (7.0%) or public administration (11.7%) received CERB payments in 2020.

These patterns are consistent with the changes in total actual work hours observed from the March-to-September 2019 period to the March-to-September 2020 period. During that time, the total actual work hours of workers employed in accommodation and food services or in arts, entertainment and recreation fell by 41.2% and 44.8%, respectively.

At the other end of the spectrum, the total actual work hours of workers employed in utilities fell by 0.2% during that period, while those of workers employed in public administration fell by 1.7%.

In line with the fact that the labour market downturn of 2020 disproportionately affected low-paid employees, workers with relatively low annual earnings were more likely to receive CERB than other workers.

Of all workers who earned at least $5,000 in 2019 and who were in the bottom 10% of the employment income distribution that year, more than half (55.3%) received CERB payments in 2020. By contrast, about 1 in 10 workers (11.3%) in the top 10% of the 2019 employment income distribution received CERB payments in 2020.

Relatively high percentages of CERB recipients among young workers and in provinces hit hardest by the economic lockdowns

As the COVID-19 pandemic substantially reduced employment in accommodation and food services and in arts, entertainment and recreation, young workers saw their total actual work hours drop significantly from the March-to-September 2019 period to the March-to-September 2020 period.

During that period, the total hours actually worked by men aged 15 to 24 fell by 22.6%, while those worked by women in the same age group dropped by 27.7%. Meanwhile, the total work hours of men and women aged 35 to 44 fell by 10.1% and 13.6%, respectively.

The percentages of CERB recipients observed across age groups reflect these employment patterns. Of all men aged 15 to 24, 50.4% received CERB payments in 2020, compared with 53.9% of women aged 15 to 24. By contrast, in the 35 to 44 age group, roughly one-third of men (31.2%) and of women (34.0%) received CERB payments in 2020.

Likewise, workers living in regions most affected by the labour market downturn in 2020 were more likely to receive CERB.

For example, the percentage of CERB recipients amounted to 37.7% in Quebec, 35.8% in Ontario, 34.8% in Alberta and 34.3% in British Columbia. In Manitoba and Saskatchewan — two provinces where total actual hours worked fell to a lesser extent — the percentage of CERB recipients amounted to 28.8% and 28.6%, respectively. The percentage of CERB recipients was even lower in Yukon (25.9%).

In the Atlantic provinces, the percentage of workers receiving CERB varied between 31.5% (in New Brunswick) and 33.7% (in Newfoundland and Labrador).

Visible minority workers were more likely to receive CERB

Workers who belong to population groups designated as visible minorities were more vulnerable to the economic and health repercussions of the COVID-19 pandemic than non-visible minorities for a variety of reasons.

Canadians who belong to these population groups played a vital role on the front lines during the pandemic, with Black (12%) or Filipino (11%) workers alone accounting for almost one-quarter of all nurse aides, orderlies and patient service associates nationally at the time of the 2016 Census. Two-fifths of all workers in meat processing plants belonged to a group designated as a visible minority in 2016, an industry that experienced repeated COVID-19 outbreaks and shutdowns in 2020.

Visible minority workers were also overrepresented in accommodation and food services, one of the sectors hit hardest by the pandemic. In 2016, 30.1% of workers in this sector were visible minority workers, whereas in all economic sectors, they represented 20.8% of workers.

Among workers who earned at least $5,000 in 2019, approximately two-fifths of those designated as visible minorities (41.4%) received CERB from March to September 2020, compared with about one-third of those who were not a visible minority (32.0%).

West Asian (50.8%), Southeast Asian (48.3%) and Arab (45.4%) workers were the most likely to receive CERB payments from March to September 2020, followed by Korean (43.3%), Black (43.0%) and Latino (41.8%) workers.

Canadians who belong to population groups designated as a visible minorities were also more vulnerable than other Canadians to the economic shock of the lockdowns because they had lower median employment income before the pandemic.

In 2015, the most recent year for which detailed disaggregated data by population group are available, West Asians ($21,516), Koreans ($22,913), Arabs ($23,253), Blacks ($26,807) and Latinos ($28,638) all had significantly lower median income than non-visible minority Canadians ($35,299) and they were also more likely to live in poverty.

Indigenous workers more likely to receive CERB than non-Indigenous workers

Previous research has highlighted the disproportionate social and economic impact of the COVID-19 pandemic on Indigenous people, including a greater impact on their ability to meet financial obligations or essential needs and a slower labour market recovery.

First Nations (41.5%), Inuit (40.3%) and Métis (36.2%) workers who earned at least $5,000 in 2019 were more likely to receive CERB from March to September 2020 than non-Indigenous people (33.9%).

The higher percentage of CERB recipients among Indigenous workers reflect, in part, their overrepresentation in jobs that provide relatively low annual earnings. According to the 2016 Census, the median employment income of Inuit ($20,984), First Nations ($23,345) and Métis ($31,423) was less than that of non-Indigenous people ($34,013).

The Indigenous population is also significantly younger than the non-Indigenous population which, given the greater percentage of CERB recipients among youth across Canada, also helps to explain the greater proportion of Indigenous workers who received CERB payments in 2020.

Note to readers

In March 2020, the federal government introduced emergency measures to provide temporary financial support to workers, students and businesses affected by the economic lockdowns triggered by COVID-19.

These measures included the Canada Emergency Response Benefit (CERB), available to Canadians who had lost their job or were working reduced hours, the Canada Emergency Wage Subsidy, to assist businesses, including the self-employed, and the Canada Emergency Student Benefit, to provide financial support to students.

CERB was available to: individuals residing in Canada who were at least 15 years old; who had stopped working or had been working reduced hours because of COVID-19; who did not expect to earn over $1,000 in employment or self-employment income for at least 14 days in a row during a four week period; who had employment and/or self-employment income of at least $5,000 in 2019 or in the 12 months prior to the date of their application; and who had not quit their job voluntarily.

Because information on employment income in the 12 months prior to the date of application is not available and because information on employees who quit their job has yet to be integrated in the data, the focus of the analysis is on workers who earned at least $5,000 in 2019. For the same reasons, the proportion of workers receiving the benefit shown in this release equal the percentage of workers who received CERB payments in 2020 among those who earned at least $5,000 in 2019. This percentage should be interpreted as a baseline statistic for workers in a given industry or group. It is not intended to represent workers who could have been eligible for CERB in the case of a job interruption.

The CERB data highlighted in this release come from Employment and Social Development Canada (ESDC) and contain information on initial payments from both streams of the program, one administered by ESDC and the other by the Canada Revenue Agency on its behalf.

Earnings in 2019 were gleaned from employee T4 slips and net self-employment income and eligible dividends reported on T1 Income Tax and Benefit Return forms. Main industry of employment was determined from the industry of activity of the business responsible for the most earnings in 2019.

The immigrant status and period of immigration characteristics were obtained from the Longitudinal Immigration Database, which contains data on immigrants who landed in Canada from January 1, 1980, to December 31, 2019.

Other characteristics, such as Indigenous identity and visible minority status, were integrated from responses to the 2016 Census of Population. Information on CERB payments by Indigenous identity and visible minority status are therefore only available for respondents to the 2016 Census. So, the proportions presented for those groups do not include persons who were not in Canada at the time, nor those living on incompletely or partially enumerated reserves in 2016.

In this release, "Indigenous people" refers to First Nations people, Métis and Inuit. The term "First Nations people" includes those living on and off reserve, and include both Status and non-Status Indians.

Definitions, data sources and methods: survey number 5356.

The paper "Workers receiving payments from the Canada Emergency Response Benefit program in 2020", is now available.

For more information, or to enquire about the concepts, methods or data quality of this release, contact us (toll-free 1-800-263-1136; 514-283-8300; **STATCAN.infostats-infostats.STATCAN@canada.ca**) or Media Relations (613-951-4636; **STATCAN.mediahotline-ligneinfomedias.STATCAN@canada.ca**).