

THE CANADA WORK-SHARING PROGRAM



What is the Canada Work-Sharing Program?

- A program to support workers and employers and avoid layoffs during periods of economic instability
- The Work-Sharing Program provides Employment Insurance (EI) benefits to eligible employees who:
 - agree to reduce their normal working hours, and
 - share the available work while their employer recovers
- The Program allows employers to:
 - retain qualified and experienced workers, and
 - avoid recruiting and training new employees
- The Program allows employees to:
 - keep their jobs, and
 - maintain their work skills
 - receive economic support for reducing working hours

How does the Canada Work-Sharing Program work?

- Workplaces that face a decline in business activity can sign an agreement with the government to reduce their working hours.
- Employers must seek agreement from the relevant local union prior to making a request to government.
- The government will provide EI benefits to affected workers who agree to reduce their hours.

Special measures as a response to U.S. tariffs

In response to the tariffs imposed by the US, and those imposed by Canada in response, the government has temporarily reformed the Program to make it easier to access. These special measures are in effect from March 7, 2025 until March 6, 2026.

Eligible employers in the new Program:

- must have been operating in Canada for a minimum of 1 year
- must have minimum of 2 eligible employees
- may include non-profit and charitable organizations experiencing a reduction in revenue levels as a direct or indirect result of the tariffs
- may include cyclical or seasonal employers¹
- extends employers experiencing a decrease in work activity over the past six months of less than 10% and allowing utilization of Work-Sharing to exceed 60%²
- must have recovery measures in place (these will differ from business to business, and ESDC have confirmed they will be flexible when assessing them)

Work-share agreements under the new Program:

- must have a minimum duration of 6 weeks, and
- may be extended, to a maximum total of 76 weeks, if required³
- no longer require a cooling-off period between successive Work-Sharing agreements while special measures are in place⁴
- contain flexibilities that focus recovery measures on supporting the business' ability to maintain its viability related to the threat or potential realization of U.S. tariffs
- must have attestation and agreement from a representative of the local union
- Must apply to all affected employees equally. In the context of a unionized environment:
 - That means all employees covered by the agreement must agree to reduce their hours by the same percentage, including any that are not eligible for EI benefits or chose not to take them up.
 - Individual employees cannot participate in the Work-Sharing program if others who have the same job description decline.
 - There must be swaring of all available work among members of the Work-Sharing unit regardless of any seniority clauses in the collective agreement.

Eligible employees under the new Work-Sharing Program include:

- employees who are not year-round, permanent, full-time or part-time employees, specifically seasonal or cyclical employees
- employees assisting the employer recovery efforts

¹ Prior to March 2025, only permanent employees were eligible for the Work-Sharing program.

² Prior to March 2025, workplaces had to reduce working hours by between 10% and 60% to be eligible for the Program.

³ Prior to March 2025, the maximum length of an initial agreement was 26 weeks, with possibility of extension to 38 weeks.

⁴ Prior to March 2025, there was a mandatory cooling-off period equal to the length of the initial agreement before another could be put in place.

What happens when an employer makes a request for a Work-Sharing agreement?

Once an employer has determined that they:

- want a work-share agreement
- are eligible to apply for one

The employer will need to select an employer representative who is not participating in the Work-Sharing unit and has authority to sign an agreement on behalf of the business.

The union will need to:

- authorize an employee/union representative
 - the union/employee representative can be a member of the bargaining unit or a representative of the bargaining agent (i.e. a staff representative; local union president, etc.).
 - The employee/union representative should be confirmed in writing and a copy of the confirmation sent to the employer.

The employee / union representative will:

- work with the employer representative to apply the program
- address employees' needs and issues relating to work-share with the employer
- ensure and confirm that participants receive appropriate documents relating to the program
- agree to stipulations in the application, and any related documents, as well as the final agreement
- agree to any changes to the agreement prior to them being submitted to Service Canada.

Before agreeing to join a Work-Sharing agreement staff and local unions may want to ask the employer some of the following questions:

- What recovery measures are in place, or do they plan to put in place?
- What capacity is there for the local to discuss / amend those measures to ensure fairness for their members?
- How many workers do they believe will need to participate in the scheme for the workplace to remain viable?
- How large a decline in business activity do they foresee? and
- What is the basis for that estimate?
- Under what circumstances would the employer seek to withdraw from an agreement?
- Under what circumstances would the employer seek a renewal?

Once an employer and union representative have agreed to apply to the Work-Sharing Program, employers must complete:

- [Work-Sharing application form EMP5100](#), and
- [Work-Sharing unit Attachment A form EMP5101](#)

Employers must submit the completed forms to their Regional Work-Sharing Unit a minimum of 10 business days prior to the requested start date.

Information on the eligibility criteria and on work-sharing agreements is available at: canada.ca/en/employment-social-development/services/work-sharing/apply.html

Employers can request further information about work-share by emailing the Work-Share Inquiry Unit at: edsc.dgop.tp.rep-res.ws.pob.esdc@servicecanada.gc.ca

Staff representatives assisting local unions can contact the research department at the USW Canadian National Office: research@usw.ca