



# Critical Worker Benefit Phase two

Application guidelines for the private sector

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## Phase two of the Critical Worker Benefit

Phase two of the Critical Worker Benefit is intended to recognize the service of select workers who supported the delivery of critical services to Albertans in response to the COVID-19 pandemic. The Critical Worker Benefit provides a one-time payment to eligible workers.

**Phase one of the Critical Worker Benefit is now closed. Employers may not apply for workers that were eligible in phase one<sup>1</sup>.** Employers who had a draft application from phase one will be able to complete applications for their eligible employees.

This is the application guideline for phase two of the Critical Worker Benefit for the **private sector** administered by Labour and Immigration. If you are an employer in the **social services sector**, please return to the [Critical Worker Benefit website](#) to locate program information for the social services sector.

As this funding is provided from government to workers, this benefit is not intended to affect any employment agreement, including a collective agreement, or alter any terms and conditions of workers' employment. In administering the benefit, employers are required to comply with phase two of the Critical Worker Benefit application guidelines and the applicable grant agreement, and employers do not have discretion with respect to the amount of the benefit or a worker's eligibility for the benefit. Employers are administering funds on behalf of government.

Applications will be assessed on a first completed application, first approved basis. Should the Government of Alberta require information on your application to complete the assessment, a request for information will be issued through the portal and your application will not be considered complete. If the information is not received within seven business days of the request for information, the application will be declined. Please ensure you are monitoring your application in the Critical Worker Benefit portal.

Exhaustion of program funding may result in an employer's application not being approved.

Before you apply, please ensure that you have read and understand the Critical Worker Benefit – phase two: Application Guidelines.

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<sup>1</sup> Employers of Physicians, Dentists, and Other Health Practitioners Offices who incorrectly applied to Alberta Health and may have eligible employees under the private sector of the Critical Worker Benefit in phase one, are also eligible to apply for phase two of the Critical Worker Benefit. These employers will be contacted directly by the Critical Worker Benefit to apply.

# Grant Payment, Delivery and Employer Responsibilities

## Grant Payment

The Grant Payment consists of two parts:

1. Each eligible worker will receive a one-time payment of \$1,200 for a minimum of 300 paid hours during the defined eligibility period. The payment does not impact eligibility for Employment Insurance (EI). The Critical Worker Benefit – phase two one-time payment:
  - is not part of an employee's base salary
  - has no impact on benefits paid by employers
  - is non-pensionable earnings
  - is subject to the following federal payroll deductions - Income Tax, Canada Pension Plan (CPP) and Employment Insurance (EI)

An eligible worker is subject to the same tax rules as other Canadian residents unless the worker's income is eligible for the tax exemption under the *Indian Act*.

2. Employers will also receive 7.66 per cent of the total funds approved for the eligible workers as additional funding, over and above the \$1,200 per approved worker as it is recognized the employer's responsibility for applying and distributing these funds may result in administrative and related costs.

## Delivery of Payment

Individual workers do not apply directly for the benefit. **Applications must be submitted by employers on behalf of their eligible workers.** The Government of Alberta will provide workers' payments to their employers. Employers are responsible for distributing the payments to their workers. **If an eligible worker meets all the criteria, the employer is expected to apply to the program.** There is no limit on the number of eligible workers an eligible employer can apply for under phase two of the Critical Worker Benefit; however, an employer can receive funding for each worker one time only. If a worker has already received the Critical Worker Benefit they are not eligible for the benefit under phase two.

All applications will be assessed according to the eligibility criteria in effect at the time of application. Applications will be carefully audited by the Government of Alberta, or their authorized representatives, to ensure accuracy of the information provided and integrity of the program.

Employers will be notified through the online application portal when they have been approved. Names of employers receiving funding from the program will be published on the Government of Alberta website. Sharing this information publicly will ensure that all eligible workers are aware of their employers receiving funding for phase two of the Critical Worker Benefit.

Eligible employers will receive direct payments from the Government of Alberta. Employers will then distribute funding to their eligible workers. Eligible workers will receive the payment through their employer's existing payroll systems, with appropriate accountability requirements to the government in place to ensure the employer provides the payment to workers.

Employers that receive funding under phase two of the Critical Worker Benefit must commit to:

- Ensure the funds are accurately and reliably distributed to their eligible workers as soon as they are received from the provincial government. As the Critical Worker Benefit is considered employment income, the full \$1,200 payment should be added onto the regular paycheck of each eligible worker. As with other employment income, this payment is subject to federal payroll deductions – CPP, EI and income tax. The Critical Worker Benefit is unable to respond to inquiries regarding payroll deductions.
- Confirm with the Government of Alberta that the workers they applied for received the benefit no later than four weeks, subject to any extension granted by the Minister, from the employer receiving their funding by submitting a Certificate of Grant Recipient. Refer to the Certificate of Grant Recipient section below.

- Make best efforts to provide the pay to eligible workers who worked during the eligibility period and are no longer employed with the organization. Employers should ensure they have the ability to distribute the funds to these eligible workers.
- Provide T4 slips to all workers that receive the benefit which identifies that the worker has received this payment as income.
- Make sure funds are not used to reimburse the employer for any regular paid wages, top-up pay that they independently committed to their workers prior to the announcement of phase two of the Critical Worker Benefit, or any other forms of COVID-19 related payments to workers, or to provide payment to ineligible workers. The Critical Worker Benefit is not a wage subsidy for employers.

Employers will be responsible for resolving any worker issues, such as eligible hours worked to count towards program eligibility.

**The Critical Worker Benefit does not provide dispute resolution services, including in relation to eligibility disputes, an employer's failure to apply on behalf of a particular worker, or the employer's administration of the grant.**

The Critical Worker Benefit may audit employers to ensure that the grant is provided in accordance with the grant agreement, which includes these guidelines.

## Eligibility Criteria

### Eligibility Period

The 16-week period from October 12, 2020 to January 31, 2021.

### Employer Eligibility

An employer must meet all of the following criteria:

- A private sector for profit employer, including sole proprietors, general and limited partnerships and corporations
- Business has a location and is operating in Alberta

### Ineligible Employers

- Private sector businesses not included in the list of eligible sectors or occupations
- Municipal and federal governments. The Provincial government is generally not eligible with limited exceptions.
- Political parties
- Provincial or federal Crown agencies, boards, and commissions or corporations
- Non-profit organizations
- Business activities related to cannabis

### Worker Eligibility

From October 12, 2020 to January 31, 2021:

- Worked in Alberta and is legally authorized to work in Canada
- Worked for an eligible employer and performed work in Alberta in one of the eligible sectors or occupations
- Accumulated 300 paid hours with an eligible employer
- Earned a regular wage of \$25 per hour (gross) or less for the 300 paid hours

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- Hours accumulated before October 12, 2020 or after January 31, 2021 cannot be counted towards the 300 hours
- Shift premiums, commission, tips, bonuses or other wage top-ups for the purpose of this program are not included in an employee's regular wage
- The 300 hours must be accumulated from a single employer (the same employer applying for the grant on behalf of the worker)
- The 300 hours may include overtime and paid leaves during the eligibility period. Overtime and hours worked during statutory holidays should be treated as straight-time. Employer paid leave can be counted in the 300 hours, including vacation, sick or bereavement. Income received from WCB as well as paternity and maternity leaves are not considered employer paid leave and cannot be counted in the 300 hours.

Workers that are no longer employed with the employer (e.g. retired or resigned) are eligible for the program should they meet program eligibility requirements. In this circumstance, the former employer should make best efforts to provide the pay to eligible workers who worked during the eligibility period and are no longer employed with the organization.

Some workers may perform diverse tasks at their workplaces and some workers may have been re-assigned to work in an eligible occupation. Employers will decide if a worker can be included on their application.

An eligible worker can receive this funding one time only and cannot be on more than one employer's application.

Eligibility for taxi drivers are noted below.

## Ineligible Workers

- Business owners, contractors, self-employed persons and sole proprietors cannot receive a payment under phase two of the Critical Worker Benefit for themselves, with the exception of taxi drivers who are owner-operators
- Workers who do not meet the eligibility criteria

## Eligible Sectors and Occupations

If your sector or occupation is not listed, you are not eligible for the Critical Worker Benefit. Any business activities related to cannabis are not eligible. Alberta Labour and Immigration reserves the right to set priorities in these guidelines for phase two of the Critical Worker Benefit.

### 1. **Workers in truck transportation, primarily engaged in the transportation of goods, in the following occupations:**

- Transport truck drivers
- Light duty cleaners
- Janitors, caretakers and building superintendents
- Security guards and related security services
- Material handlers
- Delivery and courier services drivers
- Other trades helpers and labourers

### 2. **Workers in crop production, animal production or aquaculture**

Workers must be directly involved in the production of food for human consumption. This includes farms, orchards, groves, greenhouses and nurseries that are growing crops, as well as ranches, feedlots and farms that are producing animal products, including aquaculture.

### 3. **Workers in funeral homes, cemeteries and crematoria**

NOT ELIGIBLE – Municipally-run funeral homes, cemeteries and crematoria

### 4. **Workers in full-service restaurants and limited services eating places**

NOT ELIGIBLE – Drinking places that do not serve food onsite.

Full service and limited service eating places are establishments that are accessible by the general public and are primarily engaged in providing food services to patrons who order and are served while seated and pay after eating or who order or select items curbside, drive-through, at a counter or cafeteria line (or by telephone) and pay before eating.

Workers must be primarily involved in the preparation, cooking or service delivery in an eligible establishment.

**5. Workers that are security guards**

NOT ELIGIBLE – Private investigators, armoured car guards, house detectives, personal bodyguards and security

**6. Workers that are light duty cleaners, janitors and specialized cleaners for commercial, institution and industrial locations**

NOT ELIGIBLE – private residence cleaners

**7. Workers that are taxi and limousine drivers**

Taxi and limousine drivers can be employees or self-employed (owner-operators).

NOT ELIGIBLE – Chauffeurs, and drivers of ride-share companies such as Uber and Lyft

The above examples of NOT ELIGIBLE business activities or occupations are not exhaustive. There may be other business activities or occupations ineligible for the Critical Worker Benefit, which are not specifically identified above, based on a full review of an application.

## Certificate of Grant Recipient

Once the employer receives the grant for which their workers were approved, the employer must certify that each worker received the grant within four weeks from the date the grant was received by submitting a Certificate of Grant Recipient to the Critical Worker Benefit Program. The employer will receive a notification on when this certificate must be submitted, which attests the grant was used for the purposes established by the application guidelines, overview, declaration and agreement.

## How to Apply

All applications must be submitted through the online application portal. Employers can access the online application portal through the program webpage at [www.alberta.ca/workerbenefit](http://www.alberta.ca/workerbenefit).

**1. Create a user account**

In order to access the online application portal, employers must have a My Alberta Digital ID for Business (MADI-B) user account with a secure login name and password. If you already have a MADI-B, please log in with your existing credentials.

Employers who do not have a MADI-B, please visit the MADI-B webpage at <https://business.account.alberta.ca/#/> to set up an account prior to accessing the program's online application portal.

Once the account has been created, employers can use their new credentials to log in to the online application portal.

**2. Fill out and submit an application through the online application portal**

Applications must be submitted through the online application portal before the application intake closure deadline.

The online application will include:

- A completed application form with information to establish eligibility, including a declaration that the information provided to assess eligibility is true, complete and correct and any false or misleading information may result, at a minimum, in government action to collect reimbursement if funds were distributed to ineligible workers
- Accurate banking information to facilitate direct deposit of funds to employer's account (for employer to distribute to eligible workers)
- A grant agreement to comply with the program's terms and conditions, including audit and compliance controls

Information regarding each worker who may be eligible for payment must be provided:

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- Full name
- Date of birth
- Social Insurance Number
- Occupation title
- Wage (during eligibility period October 12, 2020 to January 31, 2021)
- Start date
- Two or more pay stubs from the eligibility period (October 12, 2020 to January 31, 2021)

## Requirements for self-employed taxi and limousine drivers

Self-employed taxi and limousine drivers are eligible to apply for the Critical Worker Benefit for themselves. Self-employed taxi and limousine drivers must also provide the following:

- Municipal taxi permit
- Workers Compensation Board (WCB) clearance letter/proof of insurance
- Self-attest to working at least 300 hours from October 12, 2020 to January 31, 2021 (included in the Employee Information section of the application portal)
- Values reported in the following lines of their 2020 Federal Income Tax and Benefit Return: 1) business income and 2) total business expenses. Visit the [Critical Worker Benefit website](#) to locate the document needed to demonstrate these values to be attached to your online application.

Alberta Labour and Immigration reserves the right to request additional documentation to meet program requirements and process Critical Worker Benefit applications.

## Application and Grant Agreement

Employers are required to submit documentation to validate their business, the occupation, employment status, wage and hours paid of each worker they apply for during the eligibility period of the program by providing:

- Alberta Corporate Access Number (ACAN)
- Legal business name and address
- Paystubs or payroll records illustrating each worker was a paid worker and showing hours paid for the eligibility period
- A Workers' Compensation Board (WCB-Alberta) clearance letter may be needed for sole proprietors with coverage under the Workers' Compensation Act who do not have an ACAN
- Sole proprietors in a WCB-Alberta exempt industry under the Workers' Compensation Act may need to submit the following:
  - A WCB-Alberta exempt industry letter
  - A copy of their federal payroll deductions or GST Registration

## Grant Agreement

This is a legally binding agreement, which outlines the obligations of the Government of Alberta and the employer, and must be digitally signed by an authorized signing official for the employer.

The agreement is not in force until it has been approved and signed by the minister or the minister's delegate, which will not occur unless the application has been approved.

## Reconsideration of Applications

If an employer disagrees with Labour and Immigration's decision to decline the application, the employer may request a review of the application in the online application portal. The request for a review must include all supporting documents, and be submitted within 10 days of the date of the original decision. Reconsideration is only available if an employer's application has been declined.

## Audit and Compliance

Applications and corresponding grants will be carefully audited by the Government of Alberta, or their authorized representatives, upon reasonable notice to the recipient to ensure accuracy of the information provided and integrity of the program. If the minister or minister's delegate is of the opinion that any false or misleading information has been provided or the funds are not paid to the workers, the minister or minister's delegate may decline the employer's application or may require the employer to repay any grant funds received. The employer may also be ineligible from applying for future grants.

## Information Collection and Program Evaluation

The Government of Alberta requires the collection of certain information from employers and workers to administer this program and audit its outcomes. By participating in this program, employers and workers agree to provide relevant personal information for the purpose of the program. Employers must comply with relevant privacy legislation and also inform workers of the disclosure of their personal information.

## Freedom of Information and Protection of Privacy Statement

The personal information collected through phase two of the Critical Worker Benefit is collected for the purpose of administering phase two of the Critical Worker Benefit by Alberta Labour and Immigration. Part of this administration includes conducting an audit, which may be conducted by an external party, after phase two of the Critical Worker Benefit has concluded, to ensure applicants met their obligations and phase two of the Critical Worker Benefit met its objectives. The personal information collection is authorized by section 33(c) of the Freedom of Information and Protection of Privacy Act. If you have any questions about the collection of personal information, you may contact the Director, Employment Programs at 780-427-6496 or by email at [cwb@gov.ab.ca](mailto:cwb@gov.ab.ca).

## Federal reporting requirements

Phase two of the Critical Worker Benefit is partly funded by the Government of Canada. The province is required to report to the federal government on the cost of the program.

## Provincial reporting requirements

The Government of Alberta is committed to maintaining an accountable, open and transparent environment to the public. In accordance with this commitment, information on awarded grants may be publicly disclosed online.

**For more information please contact [cwb@gov.ab.ca](mailto:cwb@gov.ab.ca)**

## Appendix: Definitions for phase two of the Critical Worker Benefit

**Contractor:** A person that operates a separate business and who enters into a contract for service. The relationship is temporary and the length of the relationship is often defined in the terms of the contract.

**Regular Paid Wage:** Includes base salary/wage, paid by an employer for a payroll period either at an hourly rate or in a predetermined fixed amount. Shift premiums, commissions, tips, bonuses or other wage top-ups for the purpose of this program are not included in an employee's regular wage.

**Self-employed:** An individual that operates their own business and generates revenue through selling products or services instead of working for an employer that pays a salary or a wage. A self-employed individual earns income through conducting profitable operations from a trade or business they operate directly.

**Sole Proprietor:** Sole proprietorship exists when an individual is the sole owner of a business and assumes all debts and obligations incurred by the enterprise. A sole proprietorship is an unincorporated business and has unlimited liability.

**Worker:** An employed person who works at a job or business and who is paid to work in the context of an employer-employee relationship. Under the Critical Worker Benefit, the worker is the paid employee. A worker does not include being a volunteer.