



Work-Sharing - Information for Employers

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 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,

- submit and implement recovery measures designed to return the Work-Sharing unit(s) to normal working hours by the end of the Work-Sharing agreement.

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 regular 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 at any time, provided it is involving a different group of employees affected by a new set of circumstances that are beyond the control of the employer.

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.

U.S. tariffs: Special measures

Special measures for the Work-Sharing Program in response to the continued threat and introduction of tariffs affecting businesses and workers in Canada are in effect from March 7, 2025 until March 6, 2026.



With these special measures, employer eligibility under the Program is expanded to include:

- businesses that have been in operation in Canada for 1 year;
- non-profit and charitable organizations experiencing a reduction in revenue levels as a direct or indirect result of the tariffs;
- cyclical or seasonal employers; and,
- 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%.

In addition, employee eligibility has also been expanded to include workers who are:

- not year-round, permanent, full-time or part-time employees, specifically seasonal or cyclical employees; and
- assisting the employer recovery efforts.

Under the new temporary Work-Sharing special measures, the maximum duration of a Work-Sharing agreement is also extended from 38 weeks to up to 76 weeks. Additionally, while temporary special measures are in place, the requirement to serve a cooling-off period between successive Work Sharing agreements is being waived. As well, recovery measures can focus on maintaining business viability in the face of tariffs (rather than a return to normal business).

Wildfires – Jasper, Alberta and Bunibonibee Cree Nation, Manitoba

Work-Sharing Special Measures to support businesses affected by the 2024 Jasper, Alberta and Bunibonibee Cree Nation, 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 Cree Nation, 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 Cree Nation, Manitoba;
- allowing cyclical or seasonal employers to apply and seasonal employees to participate.

If you have any questions regarding the Work-Sharing special measures, please contact our Work-Sharing Employer Inquiry Unit at edsc.dgop.tp.rep-res.ws.pob.esdc@servicecanada.gc.ca.

How are Work-Sharing 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, if a company has 100 workers and experiences a 20 percent downturn in business that is beyond its control, the employer could choose to lay off 20 workers – or to reduce the normal working week from 5 days to 4 for all 100 workers.

Under the Work-Sharing Program, participating workers who are eligible for EI regular benefits would have some of their lost income recovered through Work-Sharing benefits – up to 55%.

Example:

If each worker normally earns \$500 per week, participating employees would earn \$400 from their employer, plus \$55 from EI (55% of \$100), making their weekly pay \$455.

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 EI regular or special benefits if they happen to be laid off after the agreement ends. The waiting period in effect at time of application would need to be served before they could receive EI regular or special benefits.

Applying for the Work-Sharing Program

The affected employer and their 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 10 business days prior to the requested start date.

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



For more information:

Click - [Work-Sharing Program](#)

www.canada.ca/en/employment-social-development/services/work-sharing.html

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

Visit - your local [Service Canada Centre](#)

offices.service.canada.ca/en

