



e2r Alert!

Special Measures Announced to the EI Work-Sharing Program in Response to U.S. Tariffs

In an effort to assist employers navigate the current and possible future U.S. tariffs, the federal government announced on March 7, 2025 special measures to the Employment Insurance (EI) Work-Sharing Program. Special measures for the Work-Sharing Program are in effect from March 7, 2025 until March 6, 2026.

As a reminder, 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.

Employers experiencing a decline in business activity attributable to the threat or potential realization of U.S. tariffs may be eligible for Work-Sharing special measures if they are operating in Canada for a minimum of 1 year and have a minimum of 2 EI eligible employees who agree to a reduction in hours and to share any available work.

Affected businesses may benefit from the Work-Sharing special measures if they are new to the Work-Sharing program, have an existing Work-Sharing agreement or are serving a mandatory cooling-off period.

Work-Sharing agreements approved under U.S. tariffs special measures must have a minimum duration of 6 weeks, and may be extended, to a maximum total of 76 weeks, if required. In addition, the required cooling-off period is waived between successive Work-Sharing agreements while special measures are in place.

Eligible employers under the special measures will 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
- Employers experiencing a decrease in work activity over the past 6 months of less than 10% and allowing utilization of Work-Sharing to exceed 60%

Eligible employees under the special measures will include:

- Seasonal or cyclical employees
- Employees assisting the employer recovery efforts

If you would like to discuss any of the above with regard to your business in greater detail, we recommend reaching out to speak to an e2r™ Advisor.