

# CANADA EMERGENCY RESPONSE BENEFIT:

More than just an income program



The Future Skills Centre (FSC) is a forward-thinking centre for research and collaboration dedicated to preparing Canadians for employment success. We believe Canadians should feel confident about the skills they have to succeed in a changing workforce. As a pan-Canadian community, we are collaborating to rigorously identify, test, measure, and share innovative approaches to assessing and developing the skills Canadians need to thrive in the days and years ahead. The Future Skills Centre was founded by a consortium whose members are Toronto Metropolitan University, Blueprint ADE, and The Conference Board of Canada, and is funded by the Government of Canada's Future Skills Program.



The Canadian Centre for Policy Alternatives (CCPA) is an independent, non-partisan research institute concerned with issues of social, economic and environmental justice. Founded in 1980, the CCPA is one of Canada's leading progressive voices in public policy debates.

The CCPA produces the research and analysis necessary for policymakers, activists, and everyday Canadians to make informed decisions and press for social change.



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The opinions and interpretations in this publication are those of the author and do not necessarily reflect those of the Government of Canada.

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# Executive summary

*Working with Abacus Data, the Canadian Centre for Policy Alternatives (CCPA) conducted original research to gain a better understanding of the impact of the Canada Emergency Response Benefit (CERB) on workers who experienced employment losses in the early phases of the COVID-19 pandemic. Between July and December 2022, we conducted focus groups and an online survey of Canadians who received CERB. The survey was conducted with 1,500 CERB recipients from November 18 to 25, 2022.*

## Key findings include:

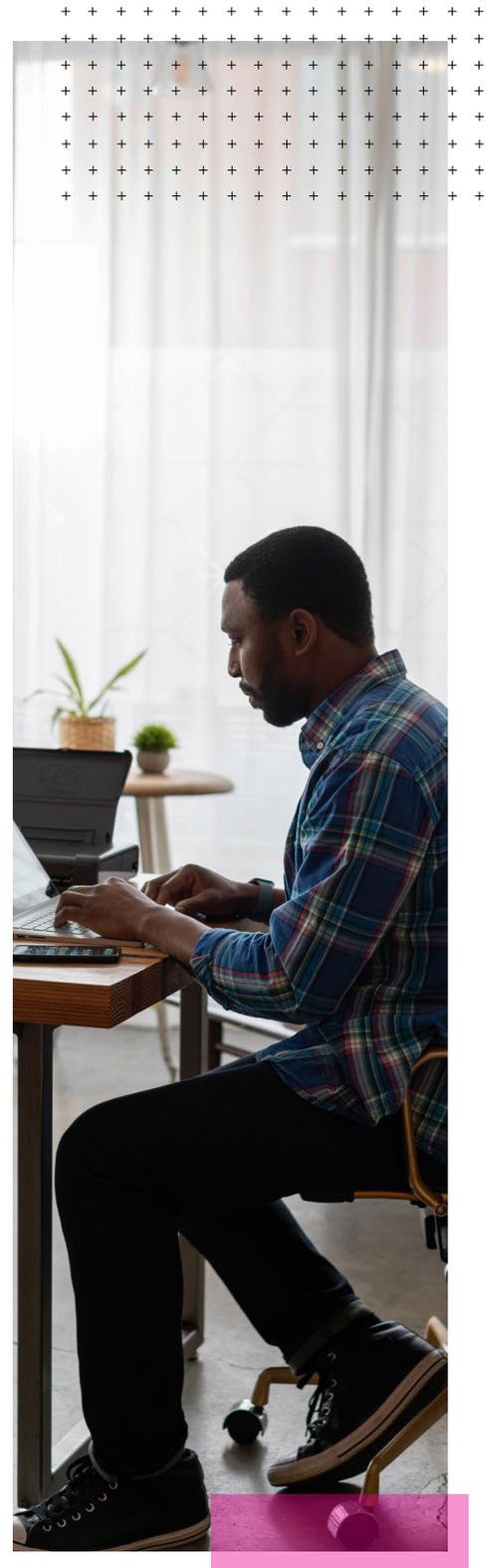
CERB was a positive experience for recipients, providing stability during a global crisis: 70 per cent of respondents said CERB had a positive impact on their household financial situation. But CERB was more than an income support:

- 67 per cent said it helped them deal with the stress of the pandemic
- 60 per cent said it allowed them to take care of ill family members
- 49 per cent said it helped them re-enter the job market

CERB provided the space and financial resources for many respondents to our survey to consider further education and skills building, as well as alternative employment opportunities.

This was especially true for people who might have otherwise struggled to undertake education, especially while working. Close to three-quarters (72 per cent) of respondents who pursued education while on CERB said they would not have pursued more skills building without that income support—indicating just how critical an adequate income support program can be to building a bridge between work and upskilling.

Racialized individuals (67 per cent), immigrants (66 per cent) and people from the 2SLGBTQIA+ community (68 per cent), for instance, all reported that it was easier to take on education during this time, compared to an average of 56 per cent among all respondents.



Overall, 37 per cent of CERB recipients pursued additional education or training explicitly in support of their career goals, including taking up a new career (41 per cent), improving their standing in an existing career (37 per cent), or securing another job or “side hustle” (36 per cent).

Of this group, 41 per cent completed at least one program and 34 per cent are still pursuing their education. Nine per cent stopped or put their education on pause when CERB transitioned to Employment Insurance (EI) in September 2020. Another nine per cent stopped or put their education on hold once they returned to work.

Our survey shows that the CERB program played a key role easing the transition back to work among those who returned to the labour force.

- 66 per cent of respondents who returned to the workforce said CERB allowed them to re-enter the job market in a way that worked best for them
- 62 per cent said it gave them time to think about the career or job they wanted
- 57 per cent said it allowed them to look for the right job, not just the first job that came along

CERB also helped create the conditions for important career changes. Altogether, 41 per cent experienced some sort of career change when re-entering the job market. For example:

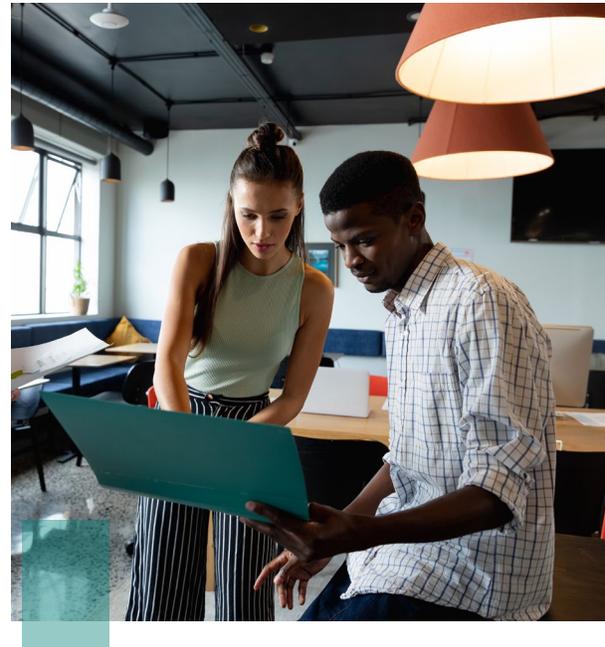
- 35 per cent of respondents changed employers
- 31 per cent changed positions or got a new job title
- 30 per cent shifted into a new industry

These figures were even higher among those who chose to pursue additional education or training to advance their careers while on CERB, by 10 or more percentage points. Forty-eight per cent of this group of respondents changed employers, 46 per cent changed positions or got a new job title, and 41 per cent shifted into a new industry.

There were clear benefits for those who made a change. Roughly half (48 per cent) said their current job is now a better skills match, 50 per cent said they have better job satisfaction, 48 per cent said they have better job security, and 46 per cent said they now have better income.

Younger recipients (those under the age of 44) were significantly more likely than older Canadians (45+) to report making more money now than before the pandemic (44 per cent compared to 30 per cent). Racialized groups and immigrants were also significantly more likely than average to have re-entered the workforce in higher paying jobs (48 per cent and 47 per cent, respectively versus 39 per cent).

Overall, one-quarter (26 per cent) of those who made \$25,000 or less before receiving CERB reported making more than \$25,000 at the time of the survey. Ten per cent indicated their income had at least doubled.



Predictably, those now making more money than in the past were much more likely to report improved job satisfaction, skills match, job security and employment income.

Young people clearly took advantage of their time on CERB to explore employment alternatives, especially by taking on additional education. Almost half (48 per cent) of young CERB recipients (aged 18 to 29 years) relied on the program for between two to four months. Fully 60 per cent took some form of formal or informal education or training during this time.

Some older recipients appear to have used CERB as an opportunity to expedite retirement. Four in 10 (38 per cent) of now retired CERB recipients used the program for longer than average (four to seven months). Among CERB recipients over age 60, 42 per cent reported they were now retired. Only 15 per cent were considered retired (working limited hours) before the pandemic.

Our survey also shows that several groups continue to face sizable barriers to upskilling. For instance, women were statistically more likely to report that caregiving responsibilities were an obstacle to the pursuit of education while on CERB. The barrier was the largest among women aged 30 to 44 years.

CERB gave many recipients time to think about their future career and inspired some to pursue further education, but among those respondents who did not enroll in some form of education or upskilling program, 80 per cent said finances were a challenge. Sixty-one per cent said lack of finances was the reason they didn't pursue further training.

This is an important finding: survey respondents viewed CERB in a positive light, but it wasn't enough to pay the bills and afford upskilling. Among those who pursued upskilling, low-income individuals were least likely to have finished. For policymakers, this suggests that adequate income supports should be combined with affordable education and training opportunities.



# Introduction: Responding to the crisis

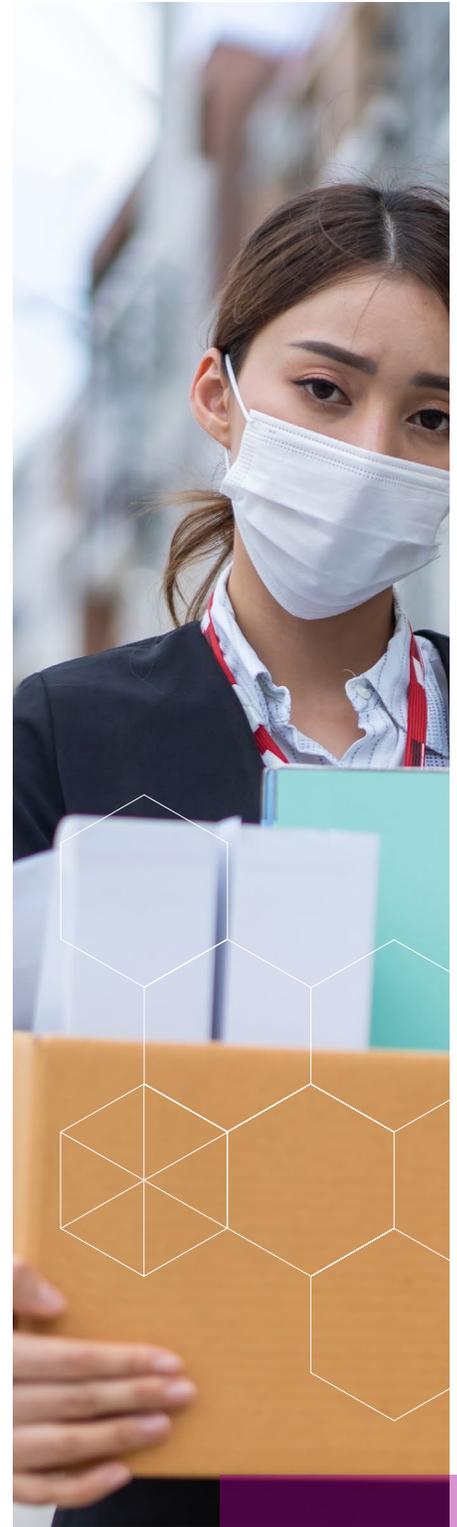
*The arrival of the COVID-19 pandemic in March 2020 triggered the introduction of public health measures that would close large sectors of the economy and send millions of workers home. In two short months, the unemployment rate reached 14.1 per cent—the highest level since 1936, in the midst of the Great Depression. In all, 2.7 million workers lost their job outright, while another 2.2 million lost all or half of their working hours.<sup>1</sup> Many more would be affected in the months ahead as the economy recovered in fits and starts.*

Canada, like countries around the world, quickly responded with a raft of income security tools and strategies to cope with the economic fallout.<sup>2</sup> Programs such as the Canada Emergency Response Benefit (CERB) and its successor programs—the Canada Recovery Benefit (CRB), Canada Recovery Caregiver Benefit (CRCB) and Canada Recovery Sickness Benefit (CRSB)—were instrumental in financially sustaining millions of households facing COVID-19-related earnings disruptions.

It was clear from the beginning of the pandemic that Employment Insurance (EI), Canada’s primary social insurance system for adults facing employment loss, would not be able to respond to the crisis. It was not administratively up to the task of delivering timely support and, by design, didn’t cover large segments of the working population<sup>3</sup>, including those coping with self-isolation and illness, reductions in paid hours of work, temporary furloughs, permanent layoffs, reduced opportunities to seek work, and heightened caregiving demands.<sup>4</sup>

Lacking an effective or appropriate income support program, the federal government created CERB to pinch hit for EI, dramatically increasing the share of workers covered, making it easier to apply, and offering more generous benefits to low-wage workers. Available between March 15 and Sept. 26, 2020, CERB provided financial support to employed and self-employed workers who were directly affected by COVID-19. Beneficiaries received \$2,000 of taxable income every four weeks for a maximum of 28 weeks.

To be eligible for CERB, a worker had to reside in Canada, be at least 15 years of age, lost work because of public health emergency, and have earned income of at least \$5,000 before taxes in 2019 or in the 12-month



period prior to the date of the application.<sup>5</sup> The program was later amended to allow people to earn up to \$1,000 before taxes per month while collecting CERB and to include seasonal and regular workers who had exhausted their regular EI benefits and were unable to find a job or return to work because of COVID-19.<sup>6</sup>

CERB was developed to serve as a financial bridge for individuals and families experiencing significant economic loss at a time of great uncertainty. Even as the first wave of the pandemic subsided, a second wave was starting as the virus mutated and spread. Businesses that had started to reopen were forced to close again. Child care services and schools were caught up in the same cycle, with many provinces mandating closures to manage the spread of COVID-19 in the days before a vaccine was available. Individuals and families had nowhere to turn as community service providers struggled to deliver supports with skeleton staff and much reduced resources.

For individuals and families, financial stress was high in 2020, as numerous polls and surveys highlighted. In March 2020, almost three in 10 (28.9 per cent) people were already reporting increased difficulty meeting their financial obligations and essential needs.<sup>7,8</sup> Levels of financial stress were particularly high among lower-income households – those most affected by employment losses and risk of illness, yet who had the fewest resources to navigate the storm.

A Statistics Canada survey in the early months of the pandemic found that Indigenous respondents, for example, were more likely than non-Indigenous respondents to report difficulty in meeting their essential needs such as paying for rent or groceries: 36 per cent compared to 25 per cent.<sup>9</sup> The same was true among racialized respondents compared to non-racialized or white respondents. The share was especially high among Arabs, West Asians and Filipinos (42 per cent or higher) compared to white participants (23 per cent), even after taking into account group differences in job loss, immigration status, pre-COVID employment status, education, and other demographic characteristics.<sup>10</sup>

Financial difficulties were not the only concerns weighing on individuals and families. People were worried about their health and the well-being of their families, the potential of violence in the home, their ability to access needed supports and services, and their connection to family and friends. All of these worries were amplified in households coping with economic losses and the pressures of providing for their families<sup>11</sup> – particularly for those who were already living in financially difficult situations going into the pandemic.

## Lessons from CERB

This context is important for understanding CERB's impact on individuals and families – what it meant for people financially and also how it supported and sustained them in a time of great uncertainty and opened doors to new opportunity for some, as is detailed below.

There are few sources of information that document people's experiences while on CERB. This research project has been designed to help fill this gap. Working with Abacus Data, the Canadian Centre for Policy Alternatives conducted focus groups and an online survey of 1,500 Canadians to help better understand the program's impact on recipients and to explore the role CERB played in shaping their decisions with respect to skills, education or training and the pursuit of new work opportunities during this period. The focus groups



The introduction of emergency pandemic benefits offers a unique opportunity to examine important questions about Canada's current income security safety net and how it works (or does not) to support individuals in their efforts to achieve greater economic security and enhanced well-being.

were hosted in mid-September 2022 and the survey was fielded between Nov. 18 and 25, 2022.<sup>12</sup> The focus groups surfaced and explored key issues for CERB recipients, information which, in turn, informed the content and design of our larger survey. (The project methodology is described in detail in Appendix 1.)

CERB and other emergency benefit programs have ended, but there is still much to learn about the experience and its impact given current economic stresses and the pressing imperative to ensure public programs are recession ready. The introduction of emergency pandemic benefits offers a unique opportunity to examine important questions about Canada's current income security safety net and how it works (or does not) to support individuals in their efforts to achieve greater economic security and enhanced well-being.

In Canada, for example, a review is underway on EI modernization and a design for a new Canada Disability Benefit. CERB has inspired advocates lobbying for a guaranteed basic income – in particular, the scale and design of the program and its sizable impact on rates of poverty. Economists are examining ways in which CERB and other emergency programming helped spur an unexpectedly speedy employment recovery and what appears to be a shift of some low-wage workers into higher-paid sectors of the labour market. Did CERB play a role in facilitating the pursuit of education and training for new employment opportunities or other endeavours? Did CERB function as an on-ramp to job change? Among those who were interested in education or training but didn't pursue it, what were the main obstacles they confronted? There is much to unpack.

*Canada Emergency Response Benefit: More than just an income program* provides a summary of the findings from the focus groups and online survey of CERB recipients, focusing on the program's overall impact and the question of education and upskilling. Key themes and population group highlights are identified throughout. The last section explores relevant lessons for current policy discussions on income security reform and labour market education and training.



# Findings

## Impressions of CERB were overwhelmingly positive

### Key points:

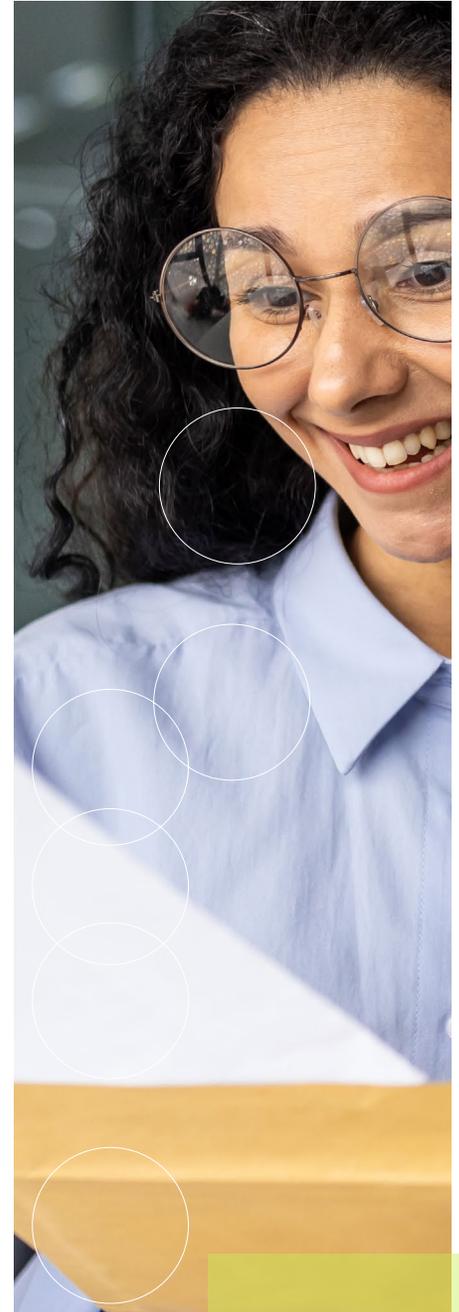
- One-quarter (24 per cent) of survey respondents gave the program top marks, with a rating of “very good.” Just six per cent rated the program as “poor” or “very poor”
- More than 70 per cent were satisfied with the process for applying and receiving the benefit, including the length of time that CERB was available to support their families

A clear majority of CERB recipients surveyed (82 per cent) rated the program positively. One-quarter (24 per cent) gave it top marks with a rating of “very good.” Just six per cent rated the program as “poor” or “very poor.”

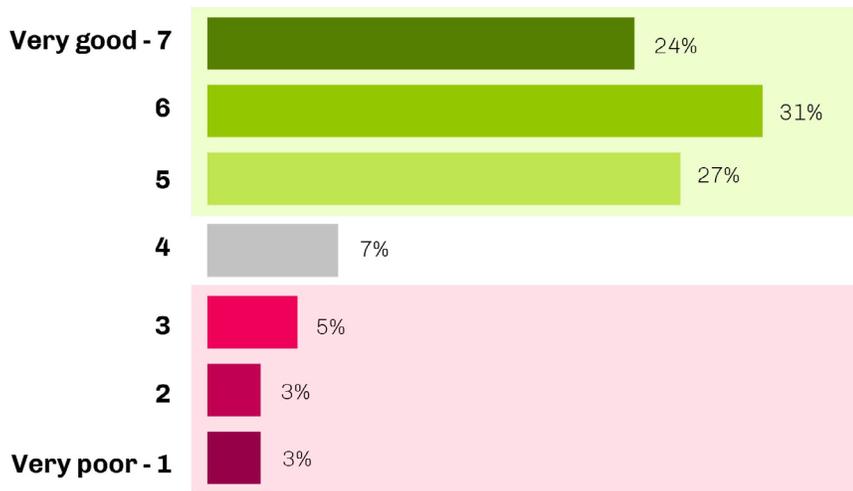
Older recipients, those over age 60, reported the most positive experience: one-third (34 per cent) gave the program a “very good” rating. More than 30 per cent of primary caregivers, the self-employed and the precariously employed also gave the program top marks, further evidence that CERB filled a significant gap in the social safety net.

Overall, more than one-half of respondents (55 per cent) rated the program as “good” or “very good” (six or seven on a seven-point scale). Two-thirds of precariously employed respondents (67 per cent) felt positively about the program, followed by older workers aged 60+ and the self-employed (both at 66 per cent) and Indigenous Peoples (65 per cent).

As one focus group participant said: “My initial reaction was relief for myself and my family. We knew that we had a bit of a back-up, and that the government was actually looking out for the people.”



**FIGURE 1**  
Overall recipients have positive impressions of the program



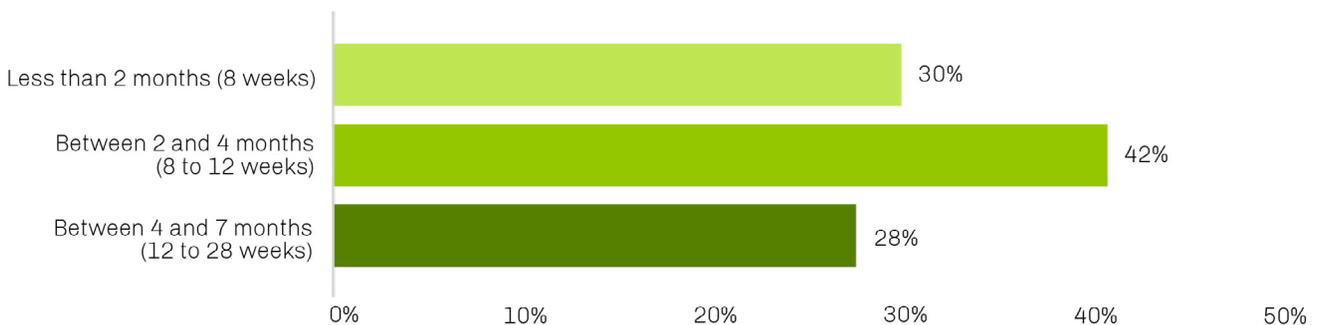
Source: Abacus Data.

## Time on CERB

More than 70 per cent of survey respondents were satisfied with the process of applying for and receiving the benefit, including the length of time CERB was available to support their families.

The largest group of respondents (42 per cent) used CERB for two to four months. Another three in 10 (30 per cent) relied on the program for less than two months, while roughly the same proportion (28 per cent) received benefits for between four to seven months.

**FIGURE 2**  
The majority of recipients spent 2 to 4 months on CERB



Source: Abacus Data.

Workers in pandemic-vulnerable sectors experienced a much longer and protracted recovery than workers in industries that experienced a sharp, time-limited shock in spring 2020. The former predictably needed financial support for a longer period of time.

Forty-four per cent of self-employed respondents, for instance, relied on CERB for between four and seven months. The same was true for one-third (33 per cent) of workers in accommodation and food services. By contrast, workers in full-time permanent jobs going into the crisis were more likely to spend less than two months on CERB compared to the self-employed (33 per cent compared to 22 per cent).

Older workers (over age 45) were also more likely to spend a longer amount of time on CERB compared to younger workers, despite the large numbers of youth who were affected by employment losses. Indeed, it appears that a significant group of older workers went on to retire after being on the CERB program, a finding consistent with the documented increase in retirements in 2021 and 2022.<sup>13</sup>

## CERB addressed financial worries and different pandemic stresses

### Key points:

- CERB was well regarded by its recipients. It was most helpful for supporting household financial situations (70 per cent), the ability to deal with pandemic stress (67 per cent), and mental health (64 per cent)
- Primary caregivers found the financial support particularly helpful while racialized respondents indicated that the mental health benefits were especially valuable, as did those who are immigrants to Canada and members of the 2SLGBTQIA+ community
- CERB recipients also noted the program helped facilitate their re-entry into the labour market, providing the opportunity to seek out more suitable employment. The program was particularly helpful for those who undertook formal education in pursuit of a new career while on the program

Individuals who received CERB describe the program as a source of stability in their lives. It offered financial certainty when other aspects of their lives were up in the air, as well as the ability to deal with the stress of the situation, take care of their loved ones, and thoughtfully consider next steps and future employment.

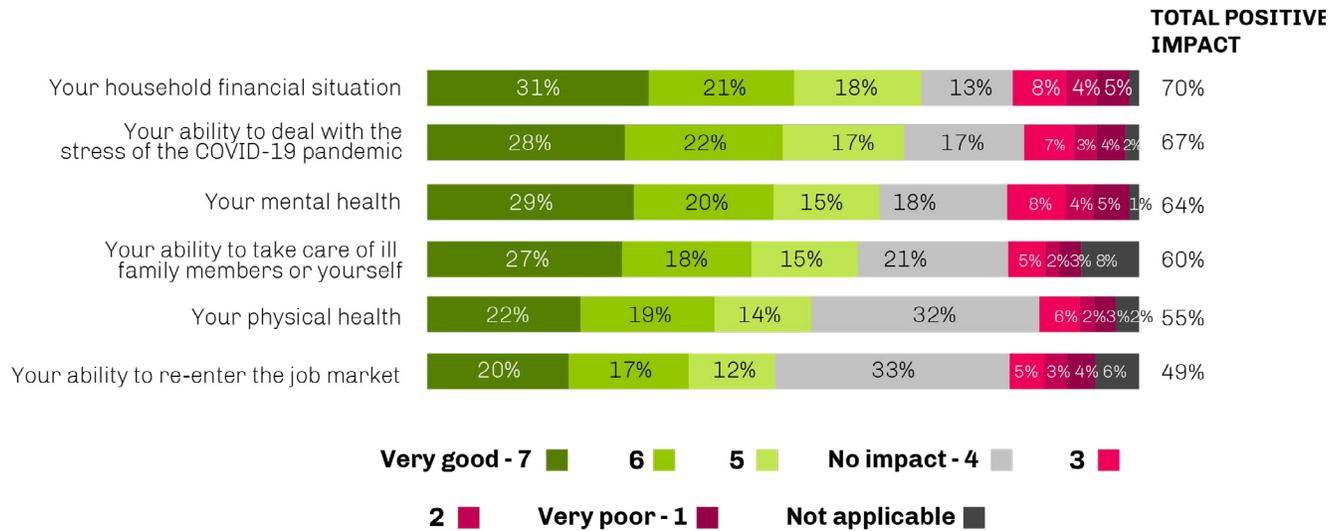
Financial stability was one of the biggest benefits of CERB. In the focus groups, no individual felt the benefit increased their standard of living. Indeed, for some it was noticeably less than they were making when employed. Still, the financial assistance allowed many to cover their basic needs; it even offered some financial freedom to spend in areas that they would not have otherwise.

A sizable majority of survey respondents (70 per cent) indicated that receipt of CERB had a positive effect on their household's financial situation; close to one third (31 per cent) indicated that CERB had a "very positive" effect. As one focus group participant said: "It helped us to stay afloat."



**FIGURE 3**

**CERB was particularly helpful for financial situations, dealing with stress/mental health, and caring for ill family members**



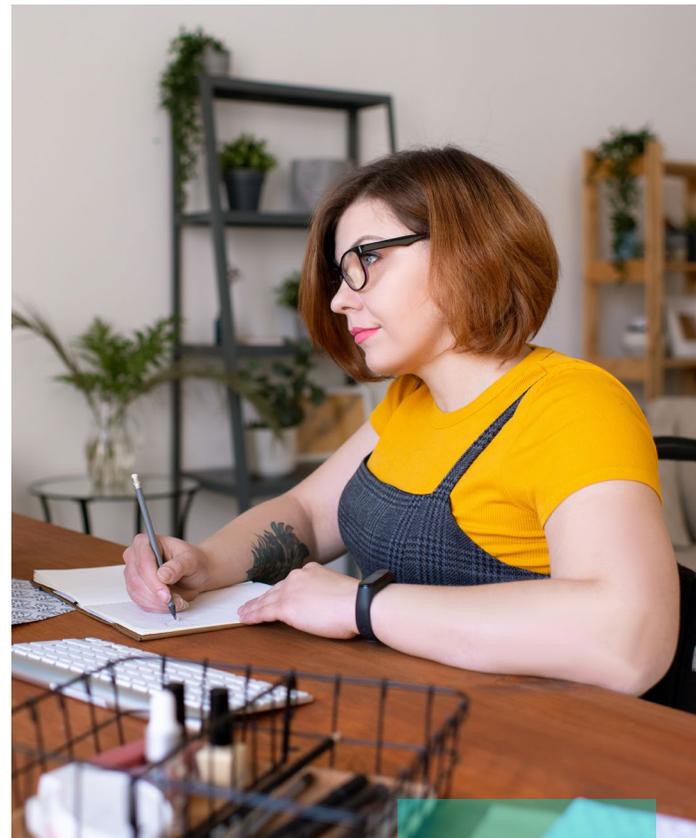
Source: Abacus Data.

CERB offered immediate stability. “I think most people just felt that relief and that you could breathe and think, OK, I’ve got some money coming in. I don’t have to worry at least for a few weeks,” said one focus group participant.

Two-thirds (67 per cent) of those surveyed reported that CERB helped them deal with the stress of the pandemic and job loss, while 64 per cent said the program had a positive impact on their mental health. The mental health benefits were especially important for recipients from racialized, immigrant and 2SLGBTQIA+ communities.

“It was great for my mental health,” one focus group participant said, “because once you’re working for so long and all of a sudden you have the shock that you just don’t work anymore, you’re scared, you’re angry. You’ve got all these feelings and unemployment’s there, but it’s only there for a short while.”

Six in 10 survey respondents (60 per cent) noted that CERB allowed them to care for ill family members. The financial support available was particularly helpful for primary caregivers. It also provided the space to spend time with family, to care for those whose access to community supports had been curtailed, and to navigate virtual learning with children and teens.



Participants also stressed the role that CERB played in helping their efforts to re-enter the labour market. Half of respondents (49 per cent) said CERB played a positive role in their transition back into employment. This was especially true among those who undertook formal education in pursuit of their career goals while on the program. Two-thirds (65 per cent) of this group said CERB facilitated their efforts to re-enter the job market. Roughly three-quarters also reported positive financial and mental impacts.

CERB provided the chance for recipients to find their footing and pursue new opportunities that were suited to their needs, including alternative employment. One focus group participant said: “I did find, ultimately, it was good for my mental health after a certain period, just because I decided to make a major life change and start the music teaching, which I’ve turned out to love.”

Another said: “Definitely, time is the big factor there. Unfortunately, I don’t have the type of schedule with my line of work where I can commit to a typical sort of course, online, or otherwise, because my schedule is constantly changing. So, having to not worry about that definitely gave me the opportunity.”

## **CERB helped families cover essential expenses and avoid falling into debt**

Individuals who received CERB describe the program as a source of stability in their lives. It offered financial certainty when other aspects of their lives were up in the air, as well as the ability to deal with the stress of the situation, take care of their loved ones, and thoughtfully consider next steps and future employment.

### Key points:

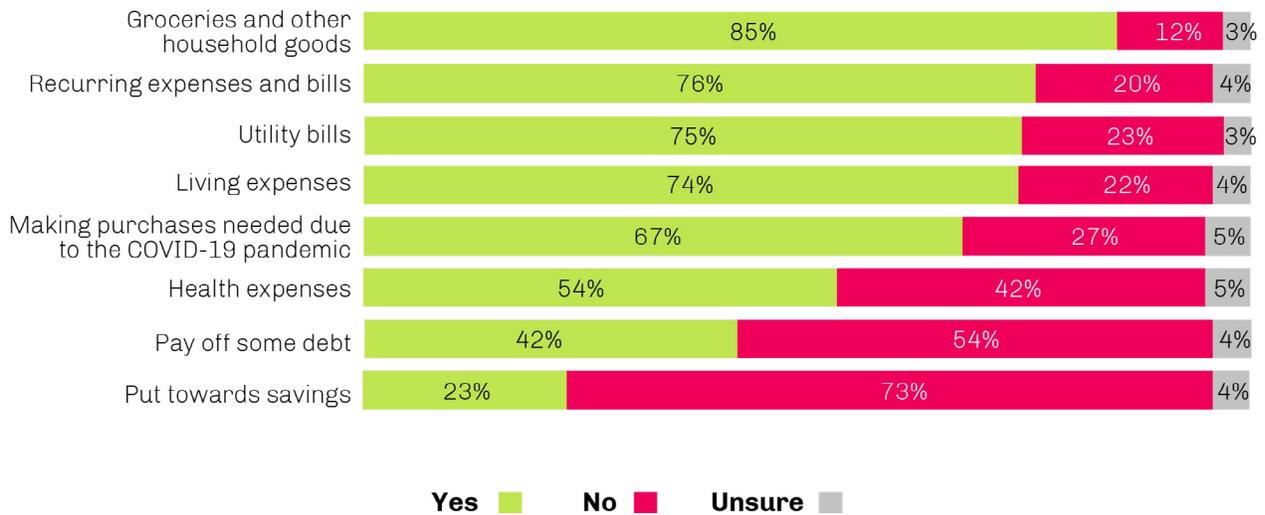
- Financially, CERB gave individuals the money they needed to cover basic expenses during a period of financial stress
- The large majority of recipients used these funds to pay for groceries and other household goods, recurring expenses such as phone bills, and shelter and utility costs
- Two-thirds also pursued other strategies to stay financially afloat, the most common being minimum credit card payments

The financial support offered by CERB was substantial. The assistance allowed recipients to pay for their basic needs and to avoid taking on excessive debt at a time of great financial uncertainty.

CERB was primarily used to cover food and shelter. Eighty-five per cent of survey respondents reported that they used CERB to buy groceries and household goods. Three-quarters (76 per cent) used CERB for recurring expenses and bills such as cell phone charges, utility bills (75 per cent), and shelter costs (74 per cent). Two-thirds (67 per cent) used CERB to help offset costs related to the pandemic while just over half (54 per cent) used CERB to pay for health expenses.

**FIGURE 4**

**CERB most commonly used to pay for groceries, other household goods**



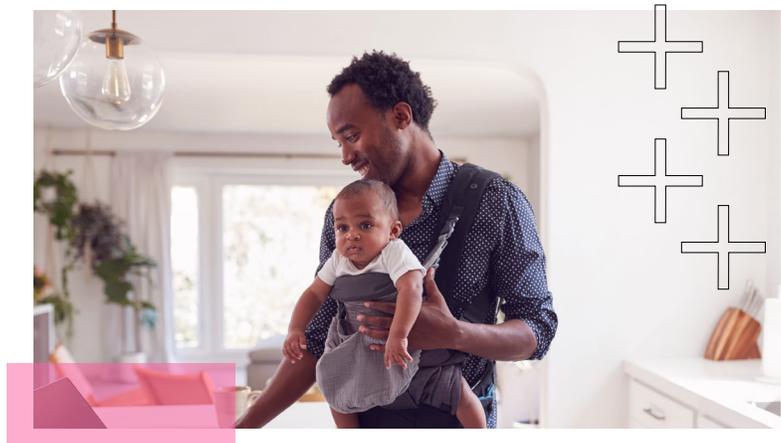
Source: Abacus Data.

Older recipients over age 45 were somewhat more likely to report having used CERB to defray essential living costs. The use of CERB support for these types of expenses was also comparatively high in Alberta and Atlantic Canada, as well as among those who were self-employed or precariously employed. People with disabilities and primary caregivers were more likely to report using CERB to help with medical expenses.

Modest income beneficiaries with total annual income of \$25,000 to \$50,000 were more likely to spend CERB on food, shelter and living expenses than those with lower annual incomes of less than \$25,000. For example, 80 per cent of modest-income recipients spent CERB on utility bills compared to 66 per cent of lower-income recipients.

This finding is not surprising in light of the significant employment losses experienced by young people, some of whom would have been living in their family home or with others.<sup>14</sup> Due to their previous employment status, CERB recipients were more likely to have total income that put them in the second- and third-income deciles than in the lowest income decile.<sup>15</sup>

CERB provided tremendous relief, according to focus group participants. “At first, I was terrified because I have a mortgage, and CERB, most of it covers the mortgage itself, but I was able to defer my mortgage and then, with the help of CERB, I had enough to pay for everything else that I needed. So, it was actually a big, huge relief.”



Another said: “It just provided me some comfort and it provided me with some security in knowing that I was at least going to be taken care of and be able to make rent payments and continue to have an apartment to live in.”

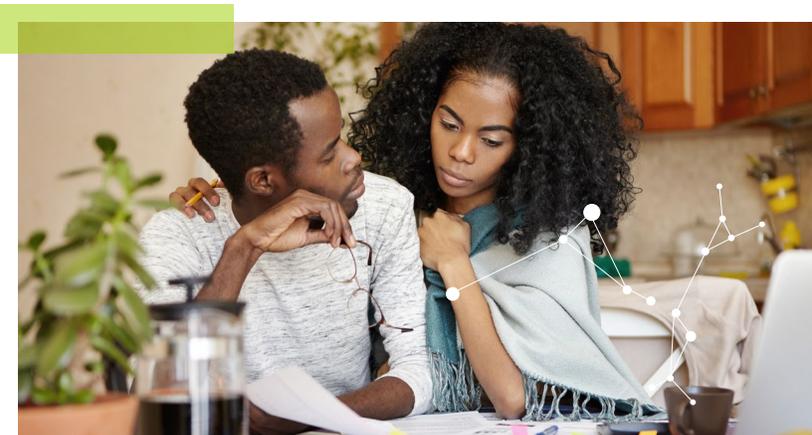
Some recipients noted that CERB support prevented them from having to incur additional debt to pay for expenses or dipping into their savings. Just under half (42 per cent) used the funds to pay off some debt; a quarter (23 per cent) put some towards savings.

CERB allowed people to stay on track with payments and not face additional consequences for missed payments. Two focus group participants stressed this point: “It allowed me not to have to go into my line of credit and not have to necessarily dip into my savings,” said one.

“It made it so I didn’t have to go into debt, spend on credit cards and stuff like that,” said another. “And I didn’t have to spend my savings. I could just use the CERB money to pay my rent and buy food while I was staying home.”

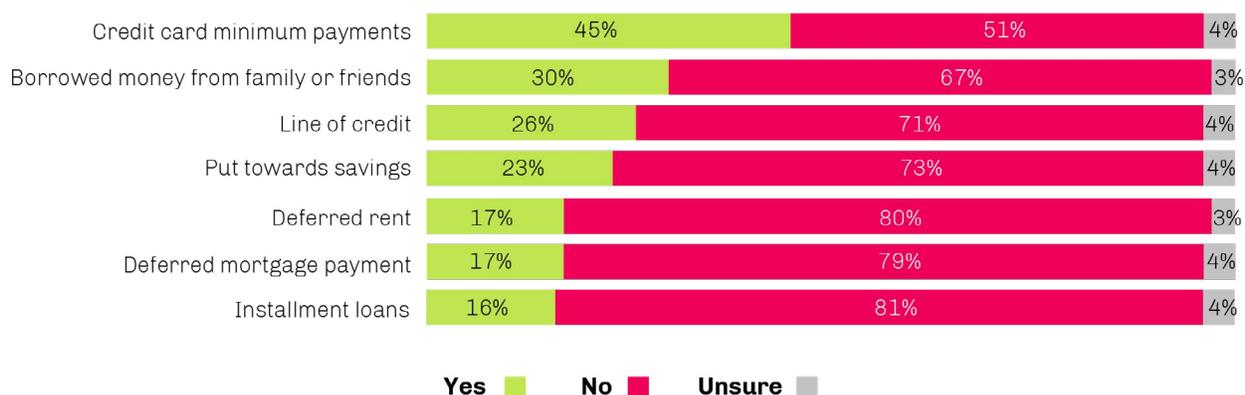
Recipients from racialized and Indigenous communities were more likely than the overall average to use CERB funds to pay down debt or to invest in savings.<sup>16</sup> For example, almost six in 10 Indigenous respondents (57 per cent) paid down existing debt while on CERB compared to the benchmark (42 per cent). The figure was 49 per cent among Indigenous respondents.

At the same time, it is important to note that while CERB provided welcome support, many still reported that they pursued other strategies to manage their precarious financial situations. Two-thirds (66 per cent) of recipients sought out alternative sources of support, such as asking for loans from friends (30 per cent), taking out payday loans (16 per cent) or extending lines of credit (26 per cent), and opting to defer rent (17 per cent) or mortgage payments (17 per cent). The most common strategy was making minimum payments on credit cards (45 per cent).



## FIGURE 5

### Two in three recipients utilized other forms of assistance while on CERB, including credit card minimum payments



Source: Abacus Data.

## CERB also provided the opportunity to pursue education & training

### Key points:

- CERB allowed for educational opportunities that wouldn't have happened otherwise, especially for those aged 18 to 29
- Four in 10 (40 per cent) of recipients took some form of formal or informal training in pursuit of employment or other life goals
- Of this group, the large majority enrolled in a formally organized program, including degree, certificate and apprenticeship programs and self-guided options. Uptake of learning was especially high among young people
- Among those who pursued training or education, 80 per cent said the program allowed them to evaluate whether they needed education and 72 per cent said they weren't sure they would have taken on training if not for CERB



One of the other crucial benefits that the CERB program provided recipients was the opportunity to reflect on their lives and aspirations for the future – including their employment situation. As our survey reveals, some took concrete action, enrolling in education and training courses to further their life goals.

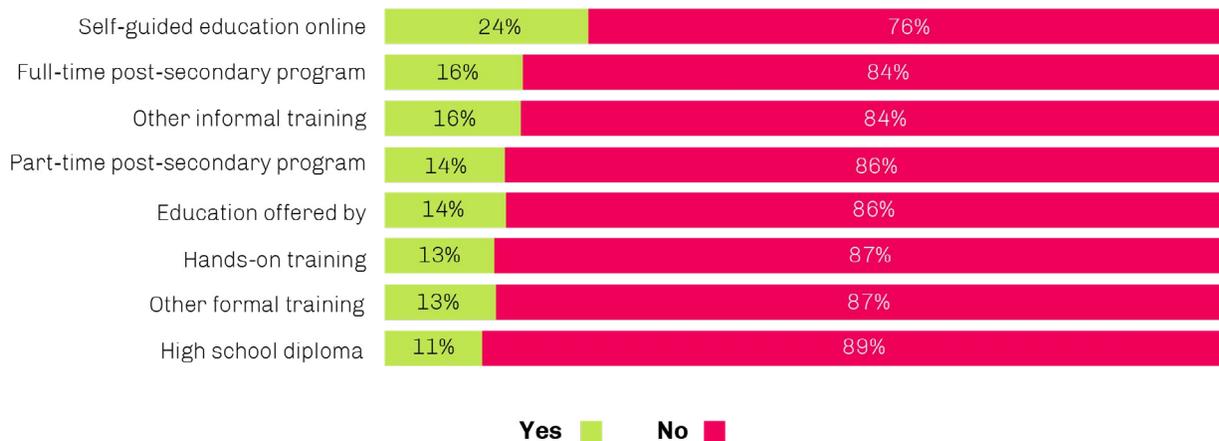
About one in three focus group participants took the opportunity to upskill or retrain while using CERB. Likewise, among online survey respondents, 32 per cent enrolled in some type of formal education or training during this time. Overall, 40 per cent of recipients took some form of formal or informal training in pursuit of employment or other life goals.

The type of upskilling varied greatly. Some took self-paced, free online lectures or watched YouTube videos on their own time to develop a skill. Others enrolled in online courses or certificate programs at college, finished their high school diploma, started university, or completed a university degree that they had previously put on hold.

Taking online courses was the most common learning activity. One-quarter of all respondents (24 per cent) indicated they took a self-guided online course, 16 per cent enrolled in full-time post-secondary studies, while 14 per cent took part-time post-secondary courses. Eleven per cent took courses to complete their high school diploma.



**FIGURE 6**  
**Self-guided online education most popular form of learning pursued while on CERB**



Source: Abacus Data.

Six in 10 (61 per cent) younger CERB recipients aged 18 to 29 years took some form of formal training or education while on CERB. The pursuit of learning was also comparatively high in the 2SLGBTQIA+ community (50 per cent) and among Indigenous Peoples (50 per cent), racialized people (48 per cent), and immigrants (46 per cent).

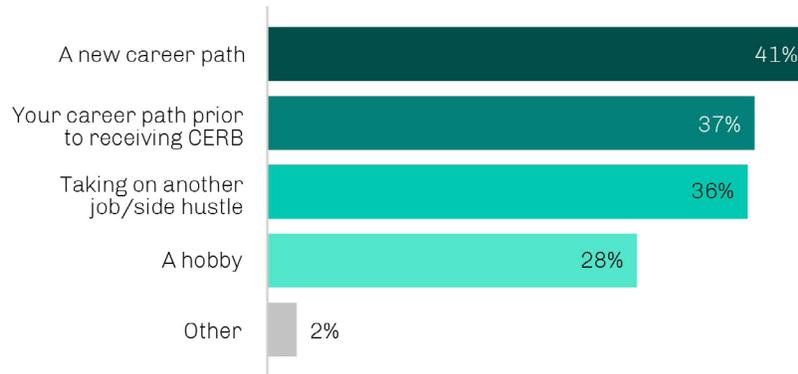
Four in 10 (41 per cent) of those who earned less than \$25,000 a year before the pandemic enrolled in formal learning. CERB recipients from Quebec were the most likely to pursue formal education compared to those living in other regions.

Of respondents who enrolled in some form of learning, the clear majority (85 per cent) did so to improve their employment and earnings situation. Overall, this group represented 37 per cent of all CERB recipients.

Among all recipients, roughly equal numbers pursued education and training to take up a new career (41 per cent), to improve their standing in an existing career (37 per cent), or to secure another job or “side hustle” (36 per cent). More than one-quarter (28 per cent) were pursuing a hobby. (These figures do not add to 100 per cent as respondents could choose more than one answer).

## FIGURE 7

### Improving employment opportunities was the most common reason for upskilling while on CERB



Source: Abacus Data.

Young people aged 18 to 29 years were the most likely to be involved in formal or informal education in pursuit of career opportunities. Sixty per cent pursued education while on CERB in order to advance their employment prospects. Involvement in career-related education and training was also high among 2SLGBTQIA+ recipients (55 per cent), immigrants (54 per cent), and members of racialized communities (54 per cent). Parents of children under 18 and primary caregivers were also more likely than average to take career-related education or training, 44 per cent and 49 per cent respectively.



# Time and financial support motivated pursuit of new career options

## Key Points

- Those who took on additional education, learning or training for their career found CERB to be particularly helpful in giving them the time and the right mindset to consider next steps
- CERB also allowed these individuals to properly evaluate whether they needed additional education and what education to undertake
- Three-quarters of those who enrolled in additional education for their career say without CERB they might not have done so

The financial support and predictability of CERB allowed recipients to pause and evaluate whether they wanted to return to their previous job or to invest in an alternative career. In the focus groups, participants noted that, while many had thought of upskilling prior to CERB, it was CERB that gave them the time to execute their plans. It also provided needed funds to pay for additional education and training.

The chart below outlines some of the reasons CERB recipients decided to pursue learning to further their career while on CERB. Spare time was an important consideration for 37 per cent of this group, including primary caregivers (43 per cent), people with disabilities (44 per cent) and those from the 2SLGBTQIA+ community (48 per cent). Time was the top reason for CERB recipients from Quebec (44 per cent), the province where interest in education, training or learning was highest.

**Figure 8**

**Time, headspace biggest motivations for undertaking education while using CERB**



**A big factor** ■ **Somewhat of a factor** ■ **Not really a factor** ■ **Not a factor at all** ■

Source: Abacus Data.

Almost half of respondents (47 per cent) who were working in front-facing positions such as customer service before the pandemic also identified spare time as a key factor in their decision to pursue education while on CERB. A large proportion of these jobs have historically been low-paid, part-time positions, where employees have little control over their working hours – the number or the timing. Access to CERB was clearly an important opportunity for these workers to pursue alternatives.

Financial support was another consideration for 31 per cent of those involved in career-related training while on CERB, particularly for men. Men were 1.5 times more likely than women to identify financial support as an incentive for taking up learning (38 per cent compared to 23 per cent).

Focus group participants talked about what spare time, financial support and the ability to focus on education meant to them.

“I’ve been wanting to do some courses or something different here and there, but never been able to completely commit to it,” said one focus group participant. “Having a lot more time on my hands gave me the opportunity for that.”

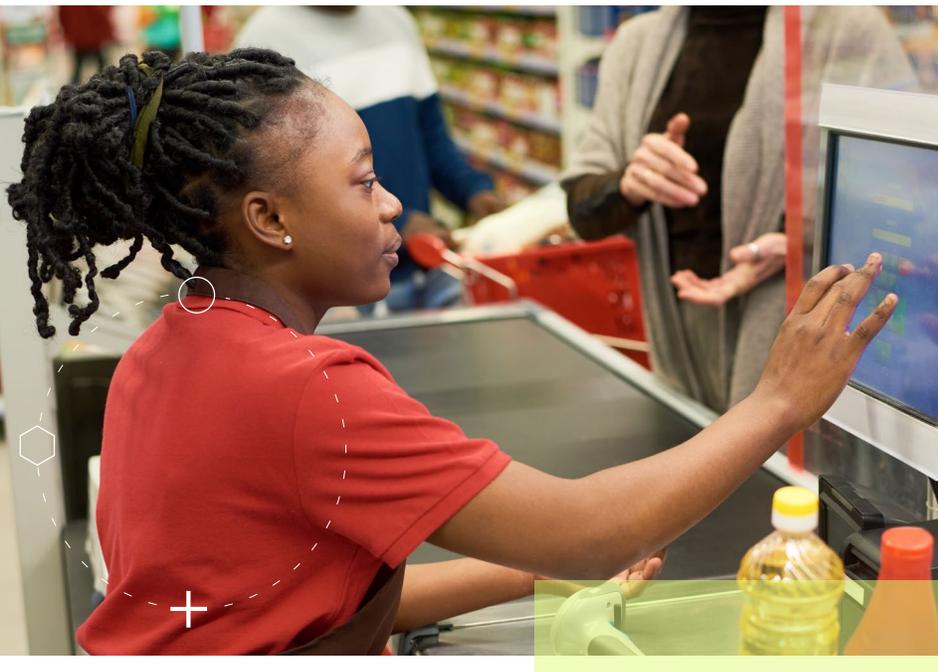
“I was going to do it anyway,” said another. “However, it just gave me a little bit of time because, again, I didn’t have the stress of having to be out in the field, running around, taking care of a teenage son at home. I could lock myself in a room because I had the time.”

Still another participant said: “I decided that coding has been something I was interested in for a while. I find that it factors into a lot of jobs, either being able to communicate with people in those roles or being able to do it yourself. So, I took a leap and invested some time and effort into learning that and enrolled in a program.”

Of those who pursued additional education or training while on CERB, more than 80 per cent agreed it allowed them time to properly assess whether more training was a good investment. Close to three quarters said that without CERB they might not have taken on this additional training for their career or job.

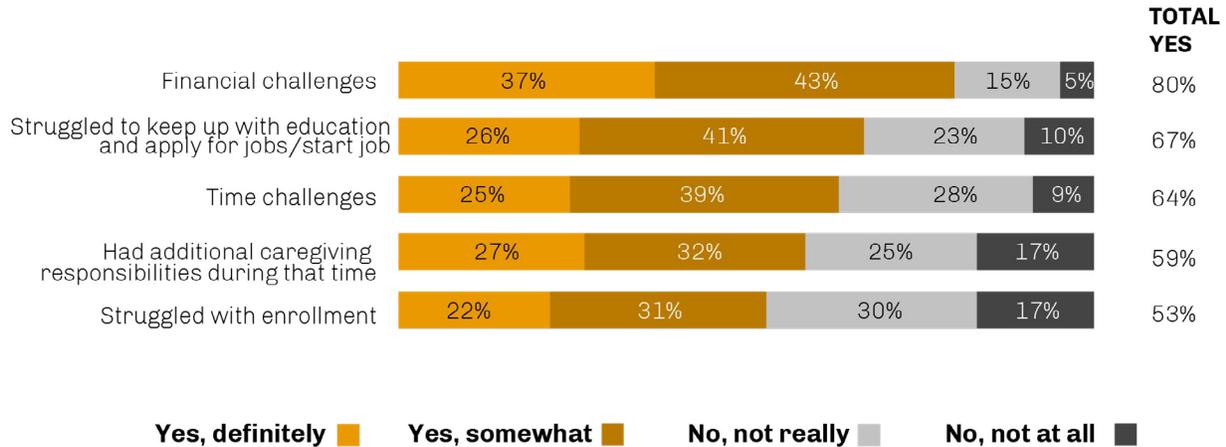
That said, those engaged in education and training still struggled with significant challenges. Eight in 10 (80 per cent) reported that ongoing financial struggles were a big challenge. Two-thirds (67 per cent) had trouble balancing classes and the job hunt while 64 per cent highlighted time challenges more generally.

Six out of 10 respondents struggled with care obligations while pursuing additional education while on CERB. Time considerations and caregiving obligations were especially difficult for parents with children under 18 years and for primary caregivers.



**FIGURE 9**

**Financial challenges the biggest ongoing struggle for those who enrolled**



Source: Abacus Data.

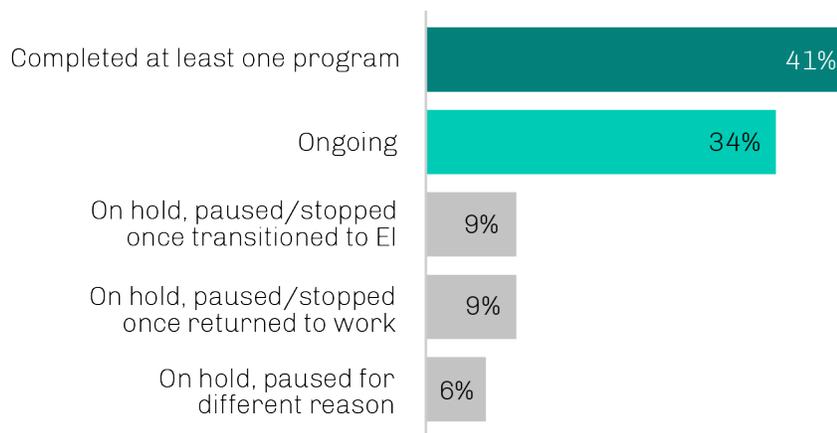
These types of difficulties also prevented recipients from pursuing education and training in the first place, according to survey respondents. Financial considerations were a barrier for 61 per cent for those who didn't pursue education or training. This was true for three-quarters of racialized respondents and those with mental health challenges. Increased caregiving obligations predictably deterred parents of young children and primary caregivers.

But the largest reason why CERB recipients didn't enrol in formal or informal education was that respondents didn't see the need (66 per cent) – half (51 per cent) were not interested.

Overall, of those who took more education and training to enhance their employment prospects, 41 per cent had completed at least one course, while another 34 per cent were still pursuing their chosen program. Young people were the most likely to have finished their training, while low-income individuals were least likely to have finished.

**FIGURE 10**

**Just under half of those who pursued learning while on CERB completed their studies**



Source: Abacus Data.

## CERB allowed some to secure new jobs and better wages

### Key points:

- Altogether, 41 per cent of survey respondents experienced some sort of change to their job when they re-entered the workforce; the most common was changing responsibilities at work. One-third changed employers and three in 10 changed industries
- For those who changed careers: close to half said their new job came with numerous benefits, namely job satisfaction, skills match and a better work life balance and job security. These benefits, however, were not universal
- For respondents who did not change jobs, they said it was easier to return to their previous position and they were happy to do so. These individuals were often older and nearing retirement
- Among all who returned to the workforce, two-thirds (66 per cent) said CERB allowed them to re-enter the job market in a way that worked for them and allowed them the time to evaluate what kind of job or career they wanted. More than half (57 per cent) said CERB allowed them to take the best job, not the first job
- Among those who didn't return to the workforce, they have not been able to find employment or a job that is a good fit. Half (51 per cent) have health and safety concerns about returning to the workforce, and half (49 per cent) have increased responsibilities at home that limit their employment options. This is more common for women than men

At the time of the survey, about 80 per cent of respondents were engaged in the paid labour market, more than two-thirds of whom were working in permanent full-time positions. A majority of these recipients agreed that the CERB program helped facilitate a smooth transition back to employment.

Sixty-six per cent of respondents agreed with the statement: “CERB allowed me to re-enter the job market in a way that worked best for me.” Sixty-two per cent agreed that: “CERB allowed me time to evaluate what kind of job or career I wanted.” These sentiments were particularly high among people with disabilities and members of racialized communities who continue to experience systemic barriers to employment.

This is a key finding: there is currently a debate about the most effective and efficient way to respond to recessions in light of the pandemic experience. In Canada and the United States, the focus was on insuring workers with programs like CERB. In Europe, policies were concentrated on saving jobs through the use of short-time work programs.<sup>17</sup>

European countries were able to quickly scale up programs that allowed businesses to hang onto their workers, even as revenues collapsed. As a result, unemployment losses were contained. These types of programs are not common in Canada; the work-sharing program of EI is only a minor component of the program.<sup>18</sup> When the pandemic hit and millions of workers were thrown out of work, EI wasn't up to the task of responding, necessitating large-scale government intervention to backfill earnings losses.

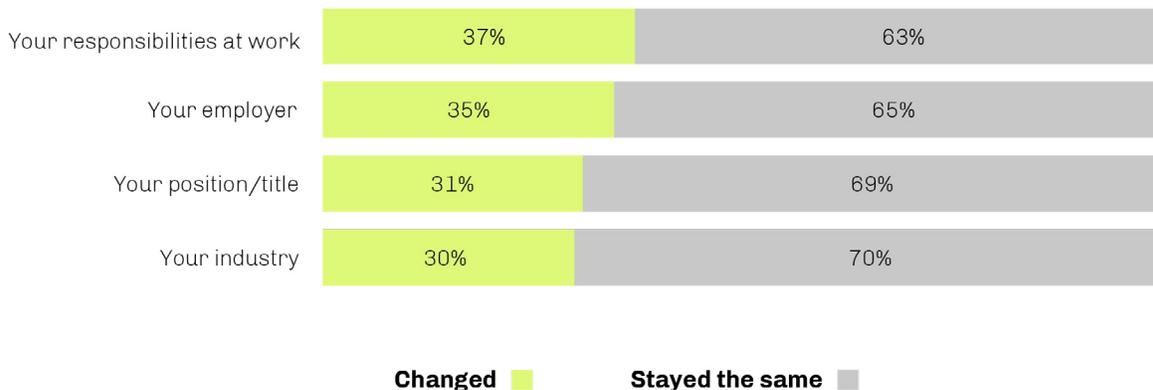
There was concern at the time that rupturing the relationship between workers and their employers would undermine a future recovery. As it turned out, sizable transfers to households helped bolster a comparatively speedy economic recovery while tight labour markets in 2021 and 2022 created opportunities, notably for low-waged workers, to move into better paid jobs.

## Making the switch

The scale and design of emergency measures, as our study shows, also played a role. The CERB program did provide space for respondents to look for employment that was better suited to their interests and needs. Altogether, 41 per cent experienced some sort of change in their employment situation when they re-entered the workforce, the most common being a change in responsibilities at work (37 per cent). One-third (35 per cent) changed employers and three in 10 (30 per cent) changed industries.<sup>19</sup>



**FIGURE 11**  
More than one third experienced a career change re-entering the workforce



Source: Abacus Data.

These figures were even higher among those who chose to pursue additional education or training to advance their careers while on CERB by ten or more percentage points. Forty-eight per cent of this group of respondents changed employers, 46 per cent changed positions or got a new job title, and 41 per cent shifted into a new industry.

For those who made a change, close to half said that their new job came with numerous benefits, namely higher job satisfaction, a better skills match, improved work life balance, and greater job security. Taking a new job in a different industry and changing employer seemed to have a similar effect on improving job satisfaction. Predictably, those now making more money than in the past were much more likely to report improved job satisfaction, skills match and job security.

**TABLE 1**

**Half of those who changed jobs or careers reported improvements in satisfaction, work-life balance and security**

	Total Better	Changed Industry	Changed Employer	Making More Money
Job satisfaction	50%	49%	51%	57%
Skills match	48%	46%	51%	52%
Work-life balance	48%	48%	50%	54%
Job security	48%	47%	47%	56%
Income	46%	46%	47%	62%
Seniority/title	43%	39%	40%	46%

Source: Abacus Data.

A significant proportion of focus group participants also experienced job change. Just over one-quarter of focus group participants took on a different job when they re-entered the job market. This included those who took on a different role in their industry and those who switched industries and type of work altogether.

One participant said: “I was doing computer support and then my job ended, and I thought it was bad, but it actually was better because I got a better job working with the government.”

According to another: “I was able to explore different career options because, obviously, the restaurant business was going downhill. So, I was able to get into construction...I had a really good boss who I was working for at the time, who gave me a call just randomly saying they needed some cash work done. So, I was doing some roofing and he was teaching me all the ins and outs of it.”

These participants highlighted CERB’s positive role in making the switch. The main benefit was the stability offered by the program. Having a set income for a set period allowed individuals to be thoughtful about selecting a new job.

Rather than re-entering the workforce into the first job they could find, participants were able to take their time, selecting a job that was a better fit in terms of income, type of work and level of satisfaction. As one participant said: “It gave me enough time where I could actually look for a better job, and take my time doing it.”

For some who pivoted to a different career entirely, CERB provided needed financial support to get set up in the new role, whether it was supplies or additional training. “I was able to pretty much buy tools, you know, just had funds to get some things that I needed,” one participant said.

By and large, the change paid off for these workers, especially low-income earners—a good number of whom landed better-paying jobs. Overall, one-quarter (26 per cent) of those who made \$25,000 or less before receiving CERB reported making more than \$25,000 at the time of the survey. Ten per cent indicated their income had at least doubled. This figure jumped to 37 per cent among those who changed industries and 48 per cent among those who changed employers.<sup>20</sup>

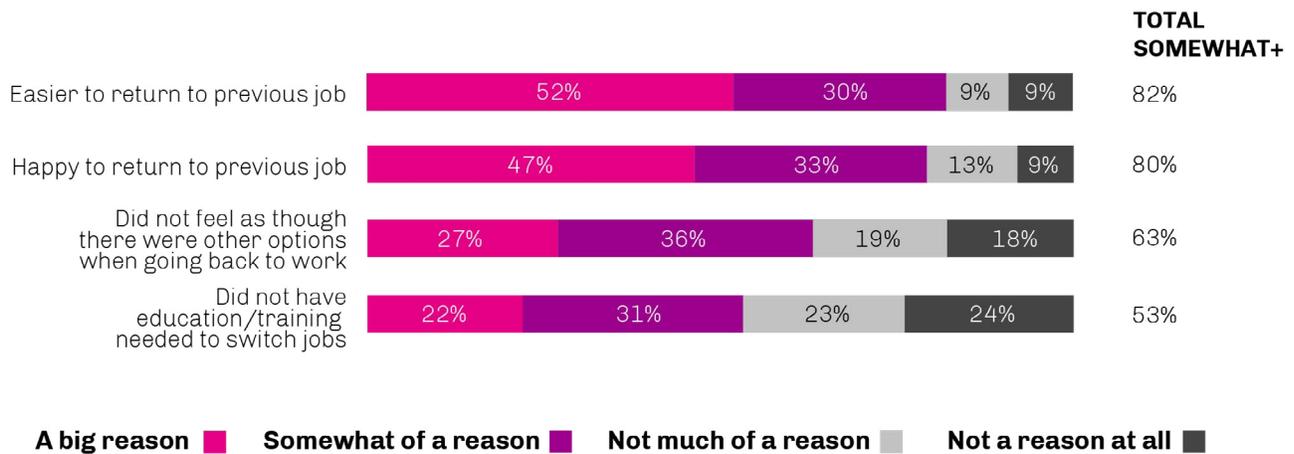
On average, 39 per cent of CERB recipients surveyed were currently earning more money than before the pandemic. Younger recipients (those under age 44) were significantly more likely than older recipients (aged 45+ years) to be making more money now than before the pandemic (44 per cent compared to 30 per cent). Racialized people and immigrants were also significantly more likely than average to have re-entered the workforce in a higher paying job, 48 per cent and 47 per cent, respectively.

## Going back to the same job

Not everyone made an employment shift. The majority, in fact, opted to go back to their same job, the large majority said it was easier to do so (82 per cent) rather than seeking out an alternative. Eight in 10 (80 per cent) mostly older CERB recipients indicated they were happy to return to their previous job. Overall, career changes were far more common for younger CERB recipients and far less common for older ones.

At the same time, almost two-thirds of the group who went back to their old job (63 per cent) indicated they did not feel as though other employment options were available. More than half (53 per cent) reported they did not have the education or training needed to switch jobs.

**FIGURE 12**  
Reasons for returning to the same job post-CERB



Source: Abacus Data.

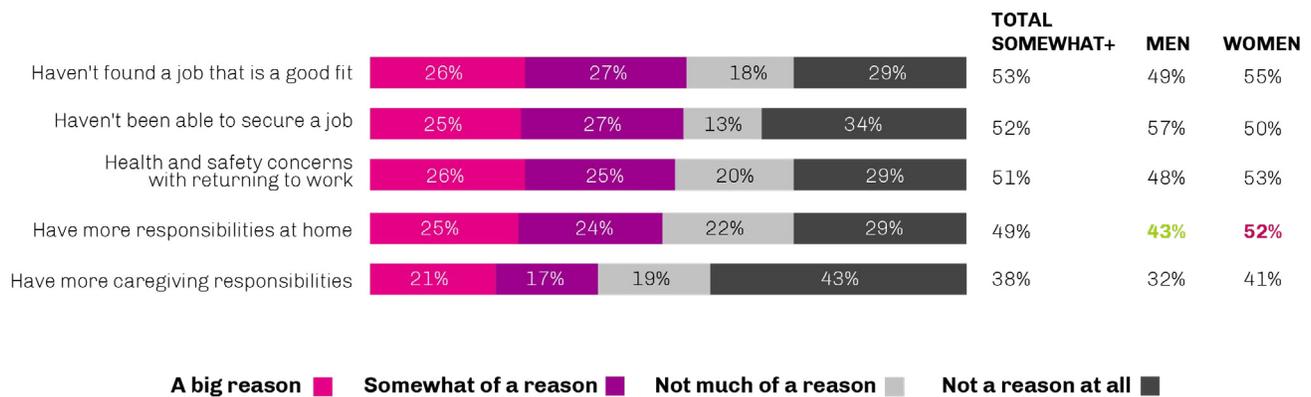
Young CERB recipients (aged 18 to 29) were more likely to return to their old job because it was easier or because they didn't have the training to go elsewhere. Low-income workers—before and after CERB—were more likely to identify lack of opportunity as the reason they went back to their old job. They were also more likely to report not having the training to pursue other employment options.

At the time of the survey, about 20 per cent of respondents indicated they had not re-entered the work force after the CERB program ended, the majority (62 per cent) of whom were women. About half (48 per cent) had looked for employment over the past two years, while the rest did not.

There were several reasons people did not to return to work, including not being able to find a job (52 per cent), not being able to find a job that was a good fit (53 per cent), health and safety concerns over the return to paid employment (51 per cent), and having more responsibilities at home (49 per cent). More responsibilities at home represented a larger barrier for women than for men.

A large group of mostly older CERB recipients elected to transition into retirement, six per cent of total respondents. Among CERB recipients over age 60, 42 per cent reported they were now retired. Only 15 per cent were considered retired (working limited hours) before the pandemic.

**FIGURE 13**  
Reasons for not returning to work post-CERB



Source: Abacus Data.

CERB’s primary objective was to deliver immediate financial relief and, on that score, it successfully met expectations. But it also provided, perhaps unexpectedly, an opportunity for recipients to consider their future, to pursue additional education and upgrading if these options were available, and for some the chance to change jobs or industries and improve their economic standing.

## Key program features set CERB apart from other income security programs

### Key points:

- CERB recipients speak highly of the program. More than 70 per cent gave all features of CERB a positive rating. They were especially positive about the time it took to receive funds and the application process
- Two-thirds of respondents reported that support services for education, learning and upskilling, as well as a supplementary top-up for those with dependents, would have made a good program even better

The participants were positive about the design of the program, both in the focus groups and the online survey – particularly those who with experience of other income support programs, such as EI.

More than eight in 10 participants (82 per cent) approved of CERB’s speedy delivery. Participants remarked at both the speed of the program’s creation and the time it took for funds to be deposited into people’s bank

accounts. “I’ve never seen the government work so fast in my life as far as applying and then payment being in your bank account,” said one focus group participant. “I found that super helpful.”

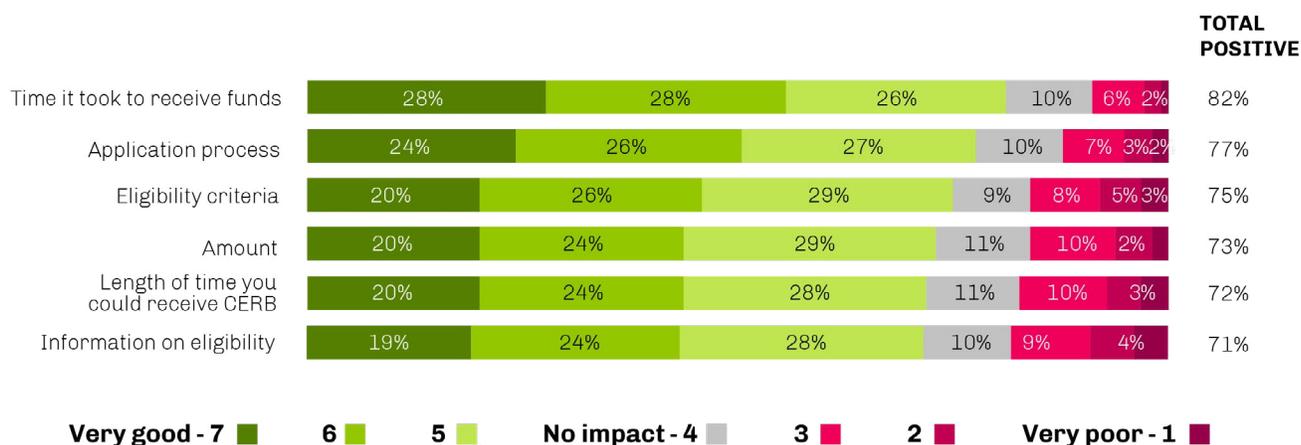
The quick delivery helped to ease financial worries at a stressful time. One participant said: “It was quite a fast process and that was a big relief because, in our family that was, I think, the main concern. If it takes too long, then what are we going to do?”

Another said: “I thought it was an amazing timeline. It was so helpful. Like it was within days, I believe. I was very thankful for that too.”

The streamlined qualifying criteria and application process removed much of the stress typically associated with applying for government support. More than three-quarters of survey respondents positively rated these dimensions of CERB. One-quarter (24 per cent) were “very positive” about the application process and one-fifth (20 per cent) felt the same about the eligibility criteria.

“The qualifying criteria was easy to understand,” said a focus group participant. “They just said, if you earned up to \$5,000 in the previous year, you qualified.”

**FIGURE 14**  
**Recipients speak highly of program structure and rollout**



Source: Abacus Data.

Seven in 10 (71 per cent) positively rated the information available about eligibility. This is an interesting finding, given the acknowledged confusion about the income criteria for accessing the program. Confusion about the definition of income – particularly among those who were self-employed and artists—led many to mistakenly apply for the benefit.

“I think they made it easy for people to actually apply for it, whether you qualified or not,” one participant said.

The Canada Revenue Agency (CRA) sent out 440,000 letters in December 2020 asking recipients to provide more information about their claim or face possible repayment. The CRA subsequently acknowledged that the agency had not been clear about eligibility criteria. In February 2021, the government announced it would not be seeking repayment from those who had in good faith applied for CERB.<sup>21</sup>

Focus group participants were also appreciative that CERB was an unconditional transfer that allowed

recipients to deploy the funds as they saw fit. This flexibility was particularly useful for people seeking different employment opportunities – and a stark contrast, people said, from EI’s complex qualifying criteria, frequent reporting requirements, and strict rules around part-time work and education.

With CERB, participants felt they were given greater freedom to take on work if needed and to explore upskilling or additional education opportunities. Overall, the program gave them an opportunity to start a new job that truly fit their needs and interests.

“Anyone whose done (EI) before knows you have to do your report every two weeks. You have to answer all those specific questions, which kind of limited whether or not you took a course and, if you took a course, you needed to get permission first, you needed to write into EI to let them know. With the CERB, there was none of that,” said one focus group participant.

“I had been on EI many, many, many years ago before and just wondering how that one works and knowing the amount of hours, if you are allowed to work a part-time job and trying to figure all that out is kind of confusing. But this program, there was a lot less confusion around that,” said another.

Participants were also appreciative of the size of the benefit: “I applied for EI and then it just transformed into CERB, and then when I saw the difference with the amount I was astounded. So, that gave me peace of mind,” said one participant.

## Suggestions for the future

Focus group participants and survey respondents made several suggestions to further improve the CERB program.

Several participants suggested it would have been helpful to integrate an education or upskilling component into the program. They would have liked more information and related supports on how to upskill, enrol in a college course, or change career paths. Some who’d stayed in the same career post-CERB said they might have taken the opportunity to try out a new career path, as others had done, if they had been given resources on how to pursue it.

“It was a little hard to take a jump,” said one participant. “So, I would’ve liked to see more programs, more into different fields of education, giving us those educational, mental supports and helping us through the system itself.”

A few participants with children, especially those with special needs, said there should have been an additional sum or supplementary benefit for people with dependents. They felt the amount of \$500 a week was enough for a single person, but was not necessarily enough to cover the needs of a whole family.

Unsurprisingly, the tax clawback was noted as a clear flaw in the program design. Participants acknowledged that paying taxes on any sum of money received was inevitable. But all agreed that more transparency with respect to taxation would have been important to the integrity of the program.



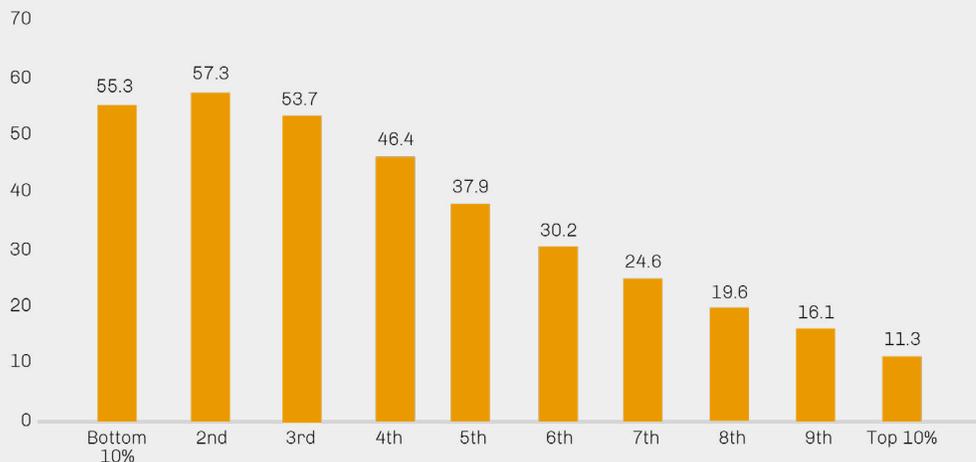
## Portrait of CERB recipients from the 2021 Census

In 2020, more than two-thirds (68 per cent) of those aged 15 and older – a total of 20.7 million people – received pandemic-relief benefits from one or more governments in Canada. Of this group, 7.6 million people received CERB, representing one-quarter (25 per cent) of all adults, roughly equal numbers of men and women. The CERB and other emergency programs played a crucial role, delivering an average of \$8,920 to workers who experienced employment losses, offsetting what would have been a dramatic rise in poverty across the country.<sup>22</sup> While the top-up to the GST/HST credit went to the largest number of people (almost 11 million), the CERB program was the largest in terms of total transfers, delivering roughly \$66 billion to applicants, an average of \$8,660 per recipient.<sup>23</sup>

Unlike other recent recessions, employment losses related to public health closures fell hardest on low-income workers, especially young people and those from marginalized communities who were employed in public-facing industries and occupations. In the first months of the pandemic, half of all those earning \$14 an hour or less were laid off or lost all their hours of employment compared to only one per cent of those in the top earning bracket. In April 2020, 43 per cent of youth had lost their job or most of their working hours.<sup>24</sup> Rates of employment loss were also high among recent immigrants, a large majority of whom are racialized.<sup>25</sup> More than one-third of recent immigrants (38 per cent) who were employed in February 2020 had lost their job or the majority of their working hours by the end of April 2020 – eight percentage points above the losses posted by Canadian-born workers (29 per cent).<sup>26</sup>

CERB was a lifeline. The government’s own estimates suggest that about half of CERB recipients would not have been covered by EI.<sup>27</sup> CERB’s adoption of a “trust but verify” approach also seems to have been important in expanding the reach of the program to groups that might not have come forward to apply or that would have been screened out altogether.<sup>28</sup> As it was, more than one-third of all workers (35 per cent) accessed CERB in 2020, including 36 per cent of women and 34 per cent of men.<sup>29</sup> Take-up was highest among low- and modest-income workers. More than half of workers in the bottom three earnings deciles received CERB payments in 2020, notably those working in accommodation and food services (67 per cent), arts, entertainment and recreation (63 per cent), and other services, such as personal care or laundry services (51 per cent).

Figure 15  
Percentage of workers who received Canada Emergency Response Benefit payments in 2020, by employment income decile in 2019, Canada



Source: Statistics Canada, *Emergency and recovery benefits, March 2020 to September 2020*.

7.6 million people received CERB, representing one-quarter (25 per cent) of all adults, roughly equal numbers of men and women.

Workers under age 35 made greater use of the program than those over age 35—reflecting the very targeted nature of the pandemic’s impacts and the more inclusive eligibility criteria the program adopted. More than half of youth aged 15 to 24 years (52 per cent) and more than one-third of those aged 25 to 34 years (38 per cent) relied on CERB benefits. Likewise, rates of take up were comparatively high among Indigenous and racialized workers. Indigenous workers, for example, were more likely to have received CERB than non-Indigenous workers (39 per cent compared to 34 per cent).<sup>30</sup> And among racialized workers, four out of 10 (41 per cent) received CERB benefits compared to a rate of 32 per cent among non-racialized or white workers.<sup>31</sup>



## Lessons from CERB

*CERB and other emergency pandemic programs played a critical role in mitigating the impact of large-scale employment losses in the spring and summer of 2020, notably for low- and modest-income workers.<sup>32</sup> Likewise, the program helped fuel a labour market recovery and economic rebound in 2021 in a variety of ways, including, as our study finds, by facilitating the smooth transition back to employment. For a key group of young and disadvantaged workers, this included time and financial support to pursue additional education and training for new career opportunities.*

In short, workers were not impoverished, and businesses were able to relatively quickly ramp up when the economy reopened. The absence of job retention programs and short-term work options did not become the obstacle it could have, given past experiences. Canada’s short-term emergency benefit programs successfully served as a financial bridge for millions to get back to employment.

Context is important in considering the lessons of CERB. Demand for labour was strong through the last half of 2021 and 2022 in the public and private sectors. Vacancies strongly rebounded as businesses moved to refill temporarily closed positions to meet pent-up demand for products and services. Governments were also on the hunt for workers to help with the delivery of pandemic programs and to respond to the growing pressures in health care and community services like child care.

At the same time, larger demographic changes are at play, affecting the size of Canada’s labour force. The pandemic has accelerated the impact of population aging on labour markets. There was a decline in retirements at the beginning of the pandemic as those who weren’t directly affected by unemployment stayed put. But, starting in 2021, retirements rose again, notably in women-majority sectors like health care, retail trade, and education or social assistance.<sup>33</sup> There was also a period in 2020 when Canada closed its borders to new immigrants, our primary source of new labour market entrants.<sup>34</sup>

Taken together, an unprecedented confluence of forces came together to expand opportunities for workers – particularly in more highly paid sectors of the economy. Faced with repeated lockdowns and lay-offs in many “high-touch” industries, workers in these sectors had the choice of pivoting to something different.<sup>35</sup> For low-waged workers, this was an opportunity to increase their pay and improve their working conditions.





What CERB and its successor emergency benefit programs did was create the space for recipients to pursue employment alternatives at a time when higher-paid alternatives beckoned. This was not the stated intent of the program, but it clearly served as a springboard for a group of recipients, particularly for those who were aged 18 to 29.

These findings are consistent with benefits identified with guaranteed basic income programs. A study of the cancelled Ontario Basic Income Pilot found that participation in the program had a “noticeable effect on human capital investments as one-quarter of the respondents started pursuing an educational training program during the pilot.” A significant number of participants, including both the employed and unemployed, were able to move to better jobs, with higher hourly wages and better working conditions that they felt were more secure.<sup>36</sup>

The success of CERB in supporting education and employment is not an argument against developing work sharing or job retention programs in Canada, since these policies serve different purposes and different groups of workers. Short-term work programs, for instance, are effective strategies for dealing with temporary shocks, while unemployment insurance is better positioned to offer support over an extended period of time. We need to insure both workers and jobs during recessions.<sup>37</sup>

Rather, our study confirms the value of a broadly targeted income security program as a tool for supporting displaced workers, coupled with tailored wraparound supports for specific communities such as new immigrants, youth and Indigenous Peoples. This includes assistance for those who are interested in pursuing additional training and skills upgrading.<sup>38</sup>

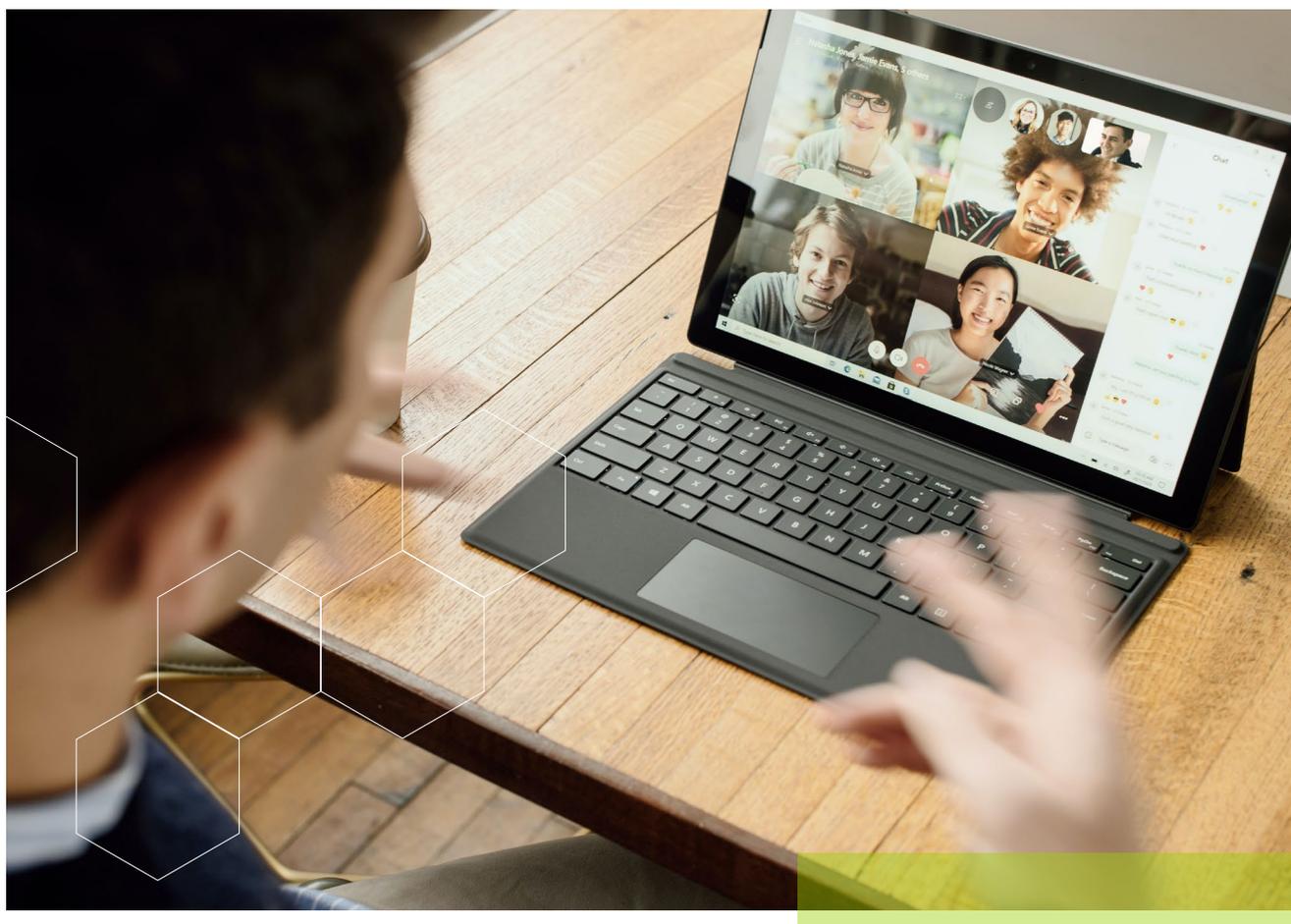
It is telling that a significant number of CERB recipients chose to pursue education and training while on CERB of their own accord – with no connection to assistance that could have facilitated the process. It is remarkable that 41 per cent of those who enrolled in a formal or informal program of some type completed their program, remembering that CERB offered only a modest stipend for a limited five-month period.

The use of labour market adjustment programs tends to be quite low. A study of permanently displaced workers following the 2008-09 recession found that only one in 20 had entered post-secondary education in the year following layoff, while no more than one per cent had begun an apprenticeship. Relatively younger and more highly educated displaced workers were much more likely to pursue adjustment strategies than other displaced workers.<sup>39</sup> This speaks to the imperative of strengthening Canada’s highly siloed system of training, especially for communities facing significant barriers accessing education and employment.<sup>40</sup>

In the United States, there was a period of tremendous job turnover in the immediate aftermath of the pandemic. Some called it the Great Resignation.<sup>41</sup> Annie Lowry, writing for The Atlantic, described it as “a giant, economy-wide game of musical chairs.”<sup>42</sup> Widespread job losses in the early months of the pandemic gave way to tight labour markets in 2021. The “quit rate” reached a 20-year high at the end of 2021,<sup>43</sup> while unemployed workers, with stimulus cash in their pockets, confronting record-high job vacancies, could take their time picking a new job. Employers were forced to step up their game to compete for workers.

There is no evidence of this scale of job churn in Canada.<sup>44</sup> Indeed, job hopping remains muted.<sup>45</sup> But there has been increased movement out of low-skilled service jobs and into professional occupations and other areas that tend to be higher paying.<sup>46</sup> Retirements are opening up opportunities for younger workers and workers with fewer educational credentials. Low unemployment rates have finally given some leverage to workers. Changing jobs pays in this labour market.<sup>47</sup>

The question is whether we are seeing a permanent change in the job market. Interest rate hikes introduced to contain inflation are already curtailing the recovery and hold out the same for recent gains in low-end wage growth. Even a mild recession will significantly harm low-wage workers and their families. Thoughtful policy-making is needed in future to ensure that we learn the lessons of COVID-19 and programs like CERB and that low-wage workers can continue to see improvements in their standard of living. Access to education, training and upskilling – in conjunction with income supports – is key to a strong and prosperous workforce in the future.



# Appendix: Methodology

The Canadian Centre for Policy Alternatives (CCPA) partnered with Abacus Data to canvas people who applied for and received the Canada Emergency Response Benefit (CERB) in 2020. A survey was designed to better understand the program's impact on recipients and to explore the role CERB played in shaping recipients' decisions to seek new work, skills, education or training. The introduction of emergency pandemic benefits offers a unique opportunity to examine important questions about Canada's current income security safety net and how it works or does not work to support people in their efforts to achieve greater economic security and enhanced well-being.

The project proceeded in three phases. Phase one brought CERB recipients together in four focus groups to explore their thoughts on applying for, and receiving, the benefit. Three English-language virtual focus groups were conducted in September 2022 with individuals in British Columbia, Alberta and Ontario. One virtual group was hosted with francophones from Quebec and Atlantic Canada. These discussions were used to inform the development of a questionnaire for the phase two online survey of 1,500 CERB recipients, conducted between Nov. 18-25, 2022.<sup>48</sup> In phase three, the results of the focus groups and survey were compiled and analyzed. Different research and communications products have been prepared to share our findings with various audiences.

The survey data were weighted according to census figures in order to ensure the sample reflected Canada's population in terms of age, gender, educational attainment and region. The survey respondents came from a variety of personal backgrounds; some had children or were the primary earner, others were from single individual households. Recipients were also at different stages of their career, some working entry-level jobs and others with 25 or more years of experience. Some selected demographic characteristics of the sample are presented below.

Our study has certain limitations. The project's goal was to examine ways in which CERB and its specific design influenced the lives of beneficiaries. In a small study of this type, it is important to acknowledge the challenge involved in isolating the impact of CERB for study participants (and researchers), particularly in the context of a massive public health emergency. Stated another way, it was difficult to separate experiences with CERB from other experiences during the pandemic. For example, participants felt the mental health benefits of CERB were immense, as they experienced numerous upheavals through these months. But there were other factors affecting their experience as well, including, for some, access to additional government supports, such as the GST/HST top-up, mortgage deferral and a ban on rental evictions in several provinces.

In short, the survey provides clear evidence of CERB's significant impact on those who experienced great financial losses during the early months of the COVID-19 pandemic, but its design precludes drawing definitive conclusions about CERB's causal impact on respondents' well-being. Our findings are an invitation for further study.

## Demographic Portrait of CERB Respondents

Abacus online survey conducted between November 18 and 25, 2022

<b>Age</b>		<b>Location</b>	
18-29	29.4%	Urban	51.6%
30-44	32.6%	Suburban	36.7%
45-59	25.7%	Rural	11.7%
60+	12.3%		
<b>Gender</b>		<b>Living situation</b>	
Male	50.0%	At home/with parents	14.4%
Female	50.0%	Alone	21.4%
		With roommates	8.3%
		With partner/spouse, no children	21.6%
		With partner/spouse, and children	28.0%
		With children, without partner/spouse	6.4%
<b>Region</b>		<b>Household Income</b>	
British Columbia	13.0%	Less than \$35,000	17.5%
Alberta	12.0%	\$35,000 to \$50,000	18.4%
Saskatchewan / Manitoba	5.0%	\$50,001 to \$75,000	22.4%
Ontario	40.0%	\$75,001 to \$100,000	19.3%
Quebec	24.0%	\$100,001 to \$150,000	13.4%
Atlantic region	6.0%	Over \$150,000	5.7%
		Rather not say	3.2%
<b>Population Group</b>			
Parent with a child under 18 years	35.4%		
Person with a disability	19.2%		
Person struggled/ing with mental health	35.1%		
Person from racialized/ minority community	21.1%		
Primary caregiver	18.1%		
Immigrant to Canada	20.7%		
Indigenous person	6.8%		
LGBTQIA2+	12.7%		

Source: Abacus Data.

# Endnotes

- 1 David Macdonald, [Canada's job losses reach Great Depression levels](#), Canadian Centre for Policy Alternatives, 2020.
- 2 OECD, [Supporting livelihoods during the COVID-19 crisis: Closing the gaps in safety nets](#), May 2020.
- 3 The EI system typically pays out benefits to only 40 per cent of workers experiencing unemployment.
- 4 Jennifer Robson, [EI failed so we made CERB: Now what should we learn?](#) Public Policy Forum, 2020a.
- 5 [Canada Emergency Response Benefit](#).
- 6 Whereas the hours-based eligibility structure of EI and strict eligibility criteria have always effectively screened out many part-time, part-year workers, the new CERB program extended vital support to this group and the self-employed. Tweaks to the benefit's rules in April 2020 also opened up the program further to workers whose hours were cut by allowing them to earn up to \$1,000 a month. With this move, an additional 550,000 women and 354,000 men were able to access CERB. David Macdonald, "[Gender impact of Canada's income supports](#)," Behind the Numbers, Canadian Centre for Policy Alternatives, 2020.
- 7 Statistics Canada, "[Impacts of COVID-19 on job security and personal finances, 2020](#)," The Daily, April 20, 2020.
- 8 In the monthly Labour Force Survey, one in five households consistently reported that it was "difficult" or "very difficult" to cover their daily expenses each month between April 2020 and June 2021. Kirk Donaldson, et.al., [The financial resilience and financial well-being of Canadians during the COVID-19 pandemic](#), Statistics Canada, Income Paper Research Series, Catalogue no. 75F0002M, 2021.
- 9 Paula Arriagada, Kristyn Frank, Tara Hahmann and Feng Hou, "[Economic impact of COVID-19 among Indigenous people](#)," StatCan COVID-19: Data to Insights for a Better Canada, Catalogue no. 45280001, 2020.
- 10 Feng Hou, Kristyn Frank and Christoph Schimmele, "[Economic impact of COVID-19 among visible minority groups](#)," StatCan COVID-19: Data to Insights for a Better Canada, Catalogue no. 45280001, 2020.
- 11 Martin Turcotte and Darcy Hango, "[Impact of economic consequences of COVID-19 on Canadians' social concerns](#)," StatCan COVID-19: Data to Insights for a Better Canada, Catalogue no. 45280001, 2020.
- 12 The margin of error for a comparable probability-based random sample of the same size is +/-2.5 per cent, 19 times out of 20.
- 13 Andrew Agopsowicz, [Will a return to pre-pandemic retirement and job quitting levels worsen emerging labour shortages in Canada?](#) RBC Economics, July 12, 2021.
- 14 Among survey respondents, 29 per cent were between the ages of 18 and 29 years and 23 per cent either lived in their parental home or on their own with roommates.
- 15 Statistics Canada, Table 98-10-0093-01 - Distribution of COVID-19 reliefs to Canadians: Canada, provinces and territories, census divisions and census subdivisions.
- 16 Among survey respondents, 21 per cent identified as being from a racialized or minority group, while 7 per cent identified as Indigenous.
- 17 Giulia Giupponi, Camille Landais and Alice Lapeyre, "Should We Insure Workers or Jobs During Recessions?" The Journal

of Economic Perspectives, Vol. 36, No. 2, Spring 2022.

- 18 Colin Busby, Stéphanie Lhuis and Brian P. McCall, [Transitioning Back to Work: How to Improve EI Working-While-on-Claim Provisions](#), Institute for Research on Public Policy, 2021.
- 19 Among survey respondents who re-entered the labour market, there was a shift away from sectors like food and accommodation, retail, professional services, financial services, and real estate, consistent with trend data from the Labour Force Survey. This coincides with a similar shift from frontline, customer-facing jobs to office or desk work.
- 20 Among those surveyed, the share of low-income recipients before and after the pandemic fell by 7.6 per cent, from 34.8 per cent to 32.5 per cent. While some recipients moved up the income ladder, others fell back, including some who moved into retirement and/or were unemployed at the time of the survey.
- 21 Christopher Nardi, [“Ineligible self-employed Canadians who received CERB due to ‘unclear’ information won’t be forced to repay,”](#) National Post, Feb. 8, 2021.
- 22 Statistics Canada, [“The contribution of pandemic relief benefits to the incomes of Canadians in 2020,”](#) Census in Brief, Catalogue number 98-200-X, Issue 2021005, 2022.
- 23 Statistics Canada, Table 98-10-0093-01 - Distribution of COVID-19 reliefs to Canadians: Canada, provinces and territories, census divisions and census subdivisions.
- 24 David Macdonald, [The unequal burden of COVID-19 joblessness](#), Canadian Centre for Policy Alternatives, 2020.
- 25 According to crowdsourced data, over 40 per cent of West Asians, Filipinos, Southeast Asians and Koreans reported job loss or reduced hours in the spring of 2020. See Feng Hou, et.al., 2020a.
- 26 Katherine Scott, et.al., [Resetting normal: Women, decent work and Canada’s fractured care economy](#), Canadian Centre for Policy Alternatives, 2020.
- 27 Department of Finance, Canada’s COVID-19 Emergency Response: Bi-Weekly Report on Parts 3, 8, and 18 of Bill C-13. Eighth Report, July 9, 2020, cited in Robson, 2020, p. 3.
- 28 Canada’s established approach to accessing income support (“verify then trust”) places the burden on applicants to prove their eligibility, the result of which is that many of the most marginalized do not receive needed support because of gaps in information about what’s available or concerns about stigma, privacy, or sheer effort involved in applying. See: Jennifer Robson, “Radical Incrementalism and Trust in the Citizen: Income Security in Canada in the Time of COVID-19,” Canadian Public Policy, Vol.46 (Suppl 1), 2020b.
- 29 See: René Morissette, Martin Turcotte, André Bernard and Eric Olson, [“Workers receiving payments from the Canada Emergency Response Benefit program in 2020,”](#) StatCan COVID-19: Data to Insights for a Better Canada, Catalogue no. 45-28-0001, 2021. All of the figures in this portrait are taken from this report. Please note, these data represent information provided by those who reported at least \$5,000 in employment income in 2019 and thus do not encompass the entire CERB population.
- 30 Among First Nations workers, 41.5 per cent received CERB payments in 2020. The corresponding proportions among Métis and Inuit workers were 36.2 per cent and 40.3 per cent, respectively. Kelsang Yangzom and Huda Masoud, [“Indigenous workers receiving Canada Emergency Response Benefit payments in 2020,”](#) StatCan COVID-19: Data to Insights for a Better Canada, Catalogue no. 45280001, 2022.
- 31 CERB take up ranged from a high of 50.8 per cent of West Asians and 48.3 per cent of Southeast Asians to a low of 33.9 per cent among Japanese workers. See René Morissette, et.al., 2021.
- 32 Office of the Auditor General of Canada, [COVID-19 Pandemic Report 10: Specific COVID-19 Benefits](#), 2022.

- 33 Katherine Scott, "[The pandemic has accelerated the exit of older workers](#)," Bumpy Ride Fall 2022 Update, Canadian Centre for Policy Alternatives, 2022.
- 34 Statistics Canada, "[Research to Insights: Immigration as a Source of Labour Supply](#)." Presentation, June 22, 2022, Catalogue no. 11-631-X.
- 35 James Orlando, [Filling the Job Vacancy Gap in Canada](#), TD Economics, 2022.
- 36 Mohammad Ferdosi, et.al., [Southern Ontario's Basic Income Experience](#), Hamilton Roundtable for Poverty Reduction, McMaster University, Hamilton Community Foundation, 2020. Among all respondents, 37 per cent reported improvements in their rate of pay, 31 per cent in their working conditions and 27 per cent in their job security.
- 37 Giulia Giupponi, Camille Landais and Alice Lapeyre, 2022, op.cit.
- 38 OECD, [Employment Outlook 2022: Building back more inclusive labour markets](#), 2022.
- 39 René Morissette and Hanqing Qiu, "[Workers' responses to job loss when employment opportunities are scarce](#)," [Statistics Canada](#)," Economic and Social Reports, Catalogue no. 36-28-0001, 2021.
- 40 Social Research and Demonstration Corporation, [Barriers to employment and training for equity-seeking groups](#), 2021.
- 41 Stefan Ellerbeck, [The Great Resignation continues. Why are US workers continuing to quit their jobs?](#) World Economic Forum, 2023.
- 42 Annie Lowry, "[Low-Wage Jobs Are Becoming Middle-Class Jobs](#)," The Atlantic, March 4, 2023.
- 43 Maury Gittleman, "[The "Great Resignation" in perspective](#)," Monthly Labor Review, U.S. Bureau of Labor Statistics, July 2022.
- 44 Matt Lundy, "[An economic oddity: Why aren't more Canadians switching jobs?](#)" The Globe and Mail, August 11, 2022.
- 45 Brendon Bernard, [Canadian Labour Market Update: Fourth Quarter 2022, Indeed Hiring Lab](#), 2023.
- 46 Statistics Canada, Table 14-10-0110-01 Weekly wage distributions by type of work, annual.
- 47 In October 2022, 59.8 per cent of employees who changed jobs secured a position with a higher hourly wage, up from the average of 50.5 per cent observed in October from 2017 to 2019. Statistics Canada, "[Labour Force Survey October 2022](#)," The Daily, November 4, 2022.
- 48 A random sample of panellists were invited to complete the survey from a set of partner panels based on the Lucid exchange platform. These partners are typically double opt-in survey panels, blended to manage out potential skews in the data from a single source. The margin of error for a comparable probability based random sample of this size is +/- 2.5 per cent, 19 times out of 20.



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