

Canada Summer Jobs Program

The Canada Summer Jobs Program (CSJP) aims to provide wage subsidies to employers, in both the public and private sector, that create summer jobs for young people aged 15 to 30 years old.

Who is eligible?

Eligible employers

Eligible employers include

- not-for-profit organizations,
- the public-sector, and
- private sector organizations with 50 or fewer full-time employees.

The following employers are not eligible

- Members of the House of Commons and the Senate,
- Federal government departments and agencies,
- Provincial departments and agencies, and
- Organizations that engage in partisan political activities.

Eligible youth (employees)

To be eligible youth must:

- be between 15 and 30 years of age at the start of employment;
- be a Canadian citizen, permanent resident, or a person to whom refugee protection has been conferred under the Immigration and Refugee Protection Act for the duration of the employment, and
- have a valid Social Insurance Number at the start of employment and be legally entitled to work in Canada in accordance with relevant provincial or territorial legislation and regulations.

Eligible work experience

Eligible projects include work experience in an inclusive, non-discriminatory work environment that respects the rights of all Canadians and supports skills acquisition and development.

The following projects and job activities are not included:

- projects consisting of activities that take place outside of Canada,
- activities that contribute to the provision of a personal service to the employer,
- partisan political activities, and
- fundraising activities to cover salary costs for the youth participant.



Temporary changes

Wage subsidy amount

Previously, only not-for-profit employers were eligible to receive funding for up to 100% of the provincial or territorial minimum hourly wage. Private and public sector employers were eligible to receive funding for up to 50% of the provincial or territorial minimum hourly wage.

This has been changed so that all private and public sector employers can also receive up to 100% of the provincial or territorial minimum hourly wage for each employee.

Timing of job placements

The latest job end date has been extended from August 28, 2020 to February 28, 2021. As previously announced, job placements are expected to begin by May 11, 2020.

Employers may offer job placements between May 11, 2020 and February 28, 2021.

Hours of work – Full time and part time

In response to COVID-19, all eligible employers can hire staff on either a full-time basis or part-time basis and qualify under the program.

Prior to the temporary change, employers were expected to provide full-time employment for a minimum of 30 hours per week to a maximum of 40 hours per week. Any weeks during which the employer provided fewer than the minimum 30 hours of work would be deemed ineligible for reimbursement. Only youth with disabilities or with other barriers to full-time employment, subject to approval from Service Canada, would be eligible to work part-time.

Projects and job activities

Employers will be allowed to amend their projects and job activities to support delivery of critical services.

Potential adjustments to existing project and job activities could include:

- **Community programming:** A shift away from in-person activities to the use of digital tools for the delivery of programming.
- **Service industry:** A shift away from in-person service to take-out and delivery.
- **Administrative positions:** A shift to the use of available remote and telework options.
- **Support for vulnerable populations:** A shift to activities to support populations facing new vulnerabilities under COVID-19, such as seniors or persons with disabilities, including the delivery of necessities or assistance with adaptive technology.
- **Retail services:** A shift away from in-person and in-store roles to remote and delivery role.

Other important information

Mandatory Employment Related Costs

Employers are required by law to pay for mandatory employment-related costs (MERCs). If you are a not-for-profit employer, you are eligible for the reimbursement of MERCs for up to 100% of the minimum hourly wage in the province or territory where the activities will take place. If you are a public or private sector employer, you are not eligible for reimbursement of MERCs.

The following are examples of MERCs:

- Employment Insurance premiums, Canada or Quebec Pension Plan contributions
- Vacation pay
- Workers' Compensation premiums or equivalent liability insurance (if applicable)
- Health Services Fund, Quebec parental insurance premiums, and Commission des normes, de l'équité, de la santé et de la sécurité du travail in Quebec
- Health and Post-Secondary Education Tax in Newfoundland and Labrador
- Health and Post-Secondary Education Tax Levy in Manitoba
- Employer Health Tax in British Columbia and where applicable

Other financial assistance

Employers are required to declare to Service Canada, any financial assistance they have received or are entitled to receive for the jobs from other sources. Based on the amounts and its own discretion, the government may reduce its contribution or request repayment (for amounts already paid).

This suggests that any amounts received by an employer under either the Temporary Wage subsidy or the Canada Emergency Wage Subsidy would reduce the amount received under the Canada Summer Jobs program. If an employer will already be participating in the CSJP and will also be applying for one of the wage subsidies noted here, it may want to consider identifying the youth who will participating under the CSJP to ensure it does not claim more of a subsidy than it is entitled to.

Payments

Employers are required to submit their claim within 30 days following the termination of the job(s) covered by the agreement.

How to apply

The Canada Summer Jobs call for applications for the 2020 season closed on February 28, 2020. Although the application process is closed, the federal government has announced extensions to this program. It is unclear on whether it intends on reopening the application process.

The federal government has stated that it will work with Members of Parliament to identify organizations that provide essential services in the community and could provide youth jobs but did not apply for the CSJP in 2020. These employers will be contacted to submit an application. Employers that are interested in accessing this program but did not apply prior to the February 28, 2020 deadline should consider contacting their local MP's office to determine if they might be eligible. Employers can find their MP [here](#).

Additional information

Additional information regarding this program is available [here](#).

Grant Thornton LLP wants to caution that these rules are still new and continue to evolve as the government continues to re-evaluate the economic impact caused by the COVID-19 pandemic. We may still see changes to these measures—as well as new measures—as the government attempts to address the issues that have been raised by us and the tax community. Therefore, any analysis included herein, reflects our knowledge as of the date of this publication and may no longer be applicable if changes do occur and you should proceed with caution before making any decisions.

Visit our [COVID-19 Hub](#) for timely information and resources and connect with your [Grant Thornton advisor](#) to learn more.

