

EMPLOYMENT INSURANCE REFORM

In March 2007, the House of Commons Standing committee on the Status of Women passed a motion recommending to the government to “make necessary changes to the Employment Insurance Program to eliminate its discrimination against women”. This came as a result of the Committee’s study of the economic security of women.

Major sociological changes that have affected women:

- labour market participation for women has increased from 57% in 1996 to 62% in 2006 due to the escalating cost of affordable housing
- women have a disproportionate share of non-standard work (part-time, non-standard work such as casual, part-year contract) – 30% of all employed women work part-time compared to 10% for men
- 22% of women are in low-paid jobs compared to 12% for men
- The number of self-employed women has doubled in the last 15 years, and is growing 60% faster than men. For example, self-employed women cannot qualify for maternity leave introduced in 1971.
- Many women work part-time or take on non-standard work to accommodate child care or other family responsibilities. They take on a disproportionate share of unpaid care giving work.

A **major rewrite** of the UI Act took place in 1996 and it became the EI Act. Since 1996 the EI fund has accumulated a surplus of \$54 billion. In the late 90’s \$43 billion was used to pay down the national debt leaving \$17 billion in 2008. Currently, only 54% of unemployed Canadians can tap into it.

- Qualifying for benefits depends on total earnings and total hours worked in the 12 months prior to the claim depending on the province in which you live. In 1996 the required hours were doubled and in some cases tripled from 300 hours to 700 hours, but 600 hours for sickness, maternity and parental benefits.
- The method of calculating average weekly earnings changed, so that weeks not worked were included in the average. In 1970’s, it was 66%; in the 1980’s, it fell to 60%; in the early 1990’s it was reduced to 57%; in 1994 it was reduced to 55% and is still that amount.

WHAT NEEDS TO BE DONE

- Rectify the regional disparities in EI. Average EI payments paid out last year; Ontario- \$5120, Saskatchewan- \$8000, Newfoundland- \$18,490.
- Eligibility criteria adjustment need to take into account women’s employment being disproportionately more part-time, lower paid and interrupted by child rearing and other family responsibilities than men’s.
- Eliminate the two week waiting period
- Increase the percentage of income to be replaced to enable people to live above the poverty line. For example, the maximum for maternity leave is \$1740/month. Government workers have it topped up to 93% of their earnings. Only 18% of workers are in this category.
- Increase the duration of payments
- Include self-employed Canadians, especially for maternity, parental and compassionate leaves
- Include more training/retraining opportunities, particularly for women in better paying non-traditional fields.
- Implement a uniform 360 hours qualification requirement using only highest earnings from the best 12 weeks; extending benefits from 55% to 60% of insurable earnings.
- Maternity and parental benefits should follow the example of the Quebec Parental Insurance Plan which covers maternity, paternity, parental and adoption benefits which can give benefits up to 50 weeks, up to 70% of income depending on salary.