

Women's Economic Security and Employment Insurance



*A Submission to the House of Commons
Standing Committee on the Status of Women*

*Good Jobs for All Coalition,
a member of the Inter-Provincial E.I. Working Group*

February 21, 2017

We want to thank the Standing Committee on the Status of Women for this opportunity to address Employment Insurance, one of Canada's two most important social insurance programs.

The *Good Jobs for All Coalition* is an alliance of more than 30 community, labour, social justice, youth and environmental organizations in the Greater Toronto Area. The Coalition's E.I. Working Group regularly engages in educational work, lobbying and community actions with respect to Employment Insurance. We also help coordinate the Inter-Provincial E.I. Working Group.

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A country with good labour market policies supports women when they're seeking work, when they're at work and when they're temporarily separated from that work.

Among other things, it means Canada should ensure that the promised billions in government spending for rebuilding our physical and social infrastructure will require all public and private sector contractors to have employment equity plans. An 'equity lens' means ensuring you're doing the right thing at the front end, not just looking in the rearview mirror making assessments after the fact.

Women's economic security will also mean access to affordable, quality child care.

And it will mean a major reform of Employment Insurance, 20 years after the last one.

According to the most recent EI Monitoring and Assessment Report, our EI social insurance system put almost \$8 Billion (\$7.73 Billion) into the pockets of working women in 2015, providing them with greater security and independence – as well as greater economic stability for the communities where they spend those dollars.

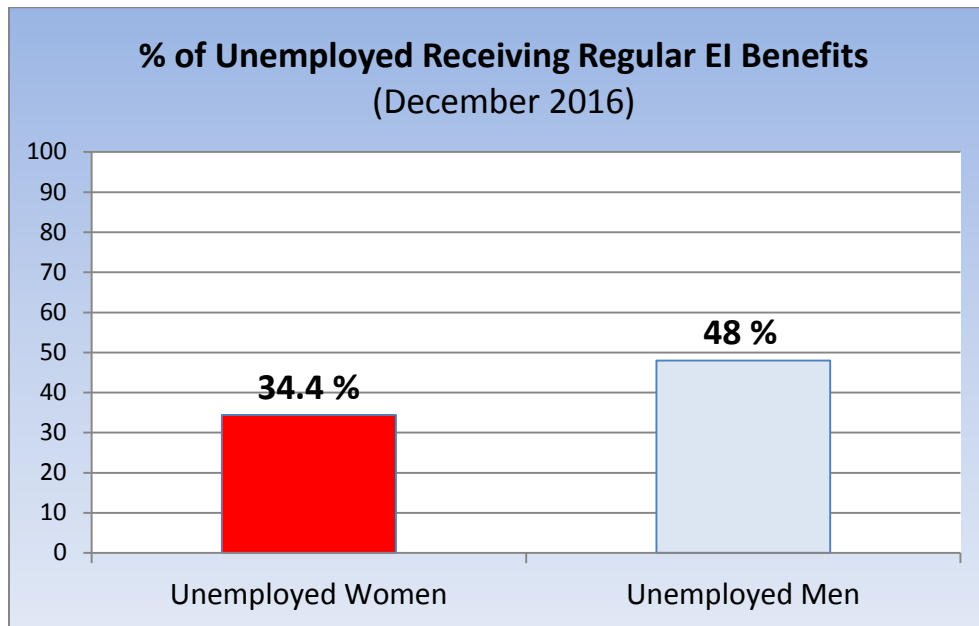
But EI could do so much more.

While there has been some focus on women and EI Parental Benefits, the neglect of women's access to *Regular* Benefits has left us with shameful levels of EI recipients among unemployed women. Only 34.4% of unemployed females received EI Regular Benefits in December. For males, it was 48%, itself a poor showing compared with earlier decades.¹

We must pay more attention to ensuring EI works for the millions of women employed in retail stores, restaurants, hotels, factories and health and education support services -

¹ Statistics Canada: *Labour Force Survey and Employment Insurance, December 2016*

the most numerous occupations in our job market. The government's COPS occupation projections show that this will continue to be the case through 2020 and beyond. In these jobs, women face periodic layoffs and job losses that require better access to EI.



The Good Jobs for All Coalition as well as the Inter-provincial EI Working Group are calling for various EI reforms. We put considerable focus on the urgent need to improve access and reshape EI Regular Benefits to better reflect modern job market realities.

These reforms will help men but it is women and new immigrants, young adults, racialized workers, aboriginal workers and those with disabilities who most often end up in the precarious, temporary, part-time, contract and temp agency work that now characterizes so much of the job market. For many women, these identities intersect.

The government made a step in the right direction by eliminating the 910 hour entrance rule for 'New Entrants and Re-entrants', a rule that discriminated against women, new immigrants and young adults. ESDC department staff estimate this might help improve access by 3%. It's a start, a downpayment, on the EI "to do" list.

Reforms are also needed in other areas of law. Some of the unemployed who don't receive EI are genuinely self-employed and they neither contribute premiums nor qualify for Regular Benefits. Others however are involuntary self-employed or dependent contactors, a matter that should be addressed by the Canada Labour Code and provincial codes so that their employers are required to contribute to EI.

REFORMING EI REGULAR BENEFITS

1. **Lower entry requirements to 360 hours** for a basic EI claim (equivalent to 12 weeks x 30 hours) in all regions. Some of our most precarious employment and worst EI recipient rates are in large urban centres with lower unemployment rates. Unemployment rates should have no bearing on access to EI benefits.
2. **Revamp the EI Hours System** to reflect the real schedules of real workers. It is now predicated on a 35 hour work week with entitlement increments for each 35 hours worked. For many years now, weekly schedules for hourly paid employees have averaged 30 hours. That itself masks a polarization between goods producing industries which average 38 hours and the service sector, where most women work, which averages 28 hours. Although women hold three quarters (75.8%) of part-time positions, the majority are in jobs considered full-time.

If a grocery store cashier scheduled for 25 hours weekly (the industry norm) was laid off in February 2017 - after working for 6 months straight - she wouldn't get a cent of EI benefits if she lived in Toronto, Montreal or Winnipeg. That's wrong!

Even if she had more hours and was able to qualify for EI, she'd be entitled to fewer benefit weeks than under the previous UI system.

3. **Raise the miserably poor EI benefit rates**, now 55% of normal earnings. As low income earners, women reach the breaking point that much sooner. Women's average EI benefit was only \$398 weekly in 2015 (for men it was \$457).
4. **Introduce EI Training Income Benefits** for the duration of approved training, up to 2 years as was the case into the 1980s. This is all the more important to secure "Just Transitions" for workers facing job transitions in a low carbon economy and the continuing challenges with tech change and trade deal displacements. ESDC noted in a February presentation to the EI Worker Commissioner Forum that "*Canadian and international research shows increased and extended shocks to employment and income for some workers aged 45-64, particularly related to industry transitions*". Women need to know they can pay the rent or mortgage if they participate in upgrading, pre-apprentice training or skills development.

REFORMING EI SPECIAL BENEFITS

In recent decades we have made a collective project of shaping a strong system of parental and special benefits that would be the envy of any woman to the south of us in

the USA. It can of course be made better. That is the point made in the attached Joint Letter from Community and Labour Organizations dated November 4, 2016 and sent to Minister Duclos and Prime Minister Trudeau. It concerns the federal consultations on family leaves and EI. The groups called on the government to keep the big picture in mind, including improvements in EI access and benefits especially for those in precarious jobs, and the need for a public, universal and affordable childcare program.

Among the recommendations:

5. **An extra 8 weeks of use-it-or-lose-it benefit weeks for the second parent** (as in Nordic countries and in Quebec with 5 weeks).
6. **Compassionate Care benefits when there's a critical illness** as well as when there is an imminent risk of death.
7. **Restoration of Special Benefit access for all Temporary Foreign Workers** who contribute premiums to EI, as was the case before 2013.
8. **A reduction in the hours required to access EI special benefits.** All the flexibility in the world won't help if you can't get in the front door.
9. **An extended period of benefits** for those whose maternity/parental leave follows a layoff for which Regular EI benefits were paid. And vice-versa, if they are laid off shortly after returning to work from such leave.
10. **Extend EI sick benefits, initially to at least 26 weeks** as is now the case with Compassionate Care Benefits. According to the 2015 EI Monitoring & Assessment Report, women make greater use of EI Sick Benefits (57% of sick claims) and a higher percentage (35.9%) exhaust the current 15 week maximum, as compared with men. This is not surprising given that women are less likely to have workplace sickness benefit plans.

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These are the kind of reforms that matter to the economic security and well-being of most working women.

*Presented by Laurell Ritchie, Co-chair
E.I. Working Group, Good Jobs for All Coalition,
and the Inter-Provincial E.I. Working Group
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Average Weekly Hours for Hourly Paid Employees including overtime: by industry group (November 2016)

