

**Statement by CLC Executive Vice-President Barbara Byers
to the House of Commons Committee on Human
Resources, Social Development and the Status Of Persons
with Disabilities Regarding Bill C-265: An Act to Amend the
Employment Insurance Act.
(Thursday, March 6, 2008.)**

Thank-you for the opportunity to appear.

The key reforms to the EI program which have been advocated by labour and anti-poverty groups are a reduction in the number of qualifying hours to 360 in all regions, a longer duration of up to 50 weeks of regular benefits, and an increase to at least 60% in the percentage of insured earnings replaced by EI benefits based on the best 12 weeks of earnings.

We support Bill C-265 which would reduce the number of qualifying hours to 360 and base benefits on the best 12 weeks.

Today – two days before International Womens' Day - I wish to speak to the importance of the EI program to working women, and to the need for fundamental changes of the kind made by this Bill. The Canadian Labour Congress will be organizing teach-ins on womens economic equality across the country, and the need for EI reform is very much on our agenda.

EI income support during periods of unemployment, maternity/parental leave and periods of sickness is obviously important in terms of stabilizing and supporting family incomes. EI also supports the economic independence of women since benefits are not based on family income (with the exception of a small supplement for low income families), but rather on insured individual earnings.

However, key EI program rules exclude or unfairly penalize women because they fail to take into proper account the different working patterns of women compared to men. While the great majority of adult women now engage in paid work, the hours they work exclude many from EI benefits, as do periods of time spent away from work caring for children or others.

As Monica Townson and Kevin Hayes documented in a recent study for Status of Women Canada , only 32% of unemployed women qualify for regular EI benefits, compared to 40% of men who are unemployed. Over 70% of women and 80% of men qualified for benefits before major cuts were imposed more than a decade ago. The key reason for the gender gap is that, to qualify, a

person must have worked in the previous year, and must have put in between 420 and 700 hours of work, depending on the local unemployment rate.

Workers in most large urban areas now have to put in 700 hours, roughly the equivalent of 20 weeks of full-time work.

Fewer unemployed women qualify than do men because many women take extended leaves from work to care for children or others. After a two year absence from paid work, the entrance requirement jumps to 910 hours, or more than six months of full-time work. And, when they work, women are much more likely than men to be employed in part-time and/or temporary jobs as opposed to full-time/permanent jobs providing steady hours. Because they lack enough qualifying hours, only about half of part-time workers who lose their job actually qualify for unemployment benefits.

Even when they do qualify, the lower pay of women combined with more unstable work patterns means that they usually qualify for lower benefits (an average of \$291 per week compared to \$351 for men in 2005/06.) Only about one third of the total dollar amount of regular EI (unemployment) benefits is paid to women, even though women now participate in the paid work force at almost the same rate as men.

The EI program now provides up to 15 weeks of maternity benefits, and 35 weeks of parental benefits, 90% of which are taken by women. Expansion of maternity/parental leaves stands as a major gain for working women in recent years, especially the 2001 increase in parental benefits from 10 to 35 weeks. To qualify, a woman must have worked 600 hours in the previous year. About three quarters of all women giving birth to a child do qualify, and about 60% claim a benefit. But a full year of leave is much more likely to be taken by women who qualify for a reasonable benefit, or whose employer supplements the EI benefit. Bill C-265 would increase the proportion of women eligible to take maternity/parental leaves, and the proportion who could afford to do so.

In conclusion, reduction of qualifying hours to 360 for regular and special benefits would result in a major gain for working women, who are unfairly treated by current EI rules.

I would be happy to answer any questions. I shall also be providing to the Committee an updated version of our policy paper: "Towards a Better EI System for Workers in Today's Job Market."