

Employment Insurance: It doesn't add up for women!

No matter how you figure it, Canada's Employment Insurance program is set up so that women just can't win.

What is Employment Insurance?

Employment Insurance (EI) is supposed to ensure that workers who are temporarily laid-off or unable to work have an income to see them through this period. EI also covers maternity/parental leave and periods of disability and sickness. In Canada, EI is funded completely through contributions paid by employers and employees.

EI income support is obviously important in terms of stabilizing and supporting family incomes. It also supports the economic independence of women since benefits are based on individual earnings, not family income. All people need a cushion if they lose their job, but as women are more likely to be supporting a family on their own, it can be even more important.

THE BAD NEWS:

If you're a woman, EI isn't built for you.

EI rules exclude or unfairly penalize women because they fail to take into account the different working patterns of women compared to men.

Only 32% of unemployed women qualify for regular EI benefits, compared to 70% of women who qualified for benefits before major cuts were imposed in the 1990s. 40% Forty percent of men currently qualify.

Women are more likely than men to be employed in part-time and/or temporary jobs as opposed to full-time, permanent jobs: fully 40% of working women are in non-standard employment, compared with less than 30% of employed men. This reality excludes many women from EI benefits even though they have paid into the EI fund. Only about half of part-time workers who lose their jobs actually qualify for unemployment benefits. Periods of time women spend away from work caring for children or others, also limit their ability to have enough qualifying hours to receive benefits.

How many hours do you need to qualify?

Currently, a person must have worked between 420 and 700 hours of work in the previous year, 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. If you haven't worked in two years, the required number of hours a person must work jumps to 910 hours, or more than six months of full-time work.

If you do qualify, can you get by?

Even when women qualify, lower rates of pay and unstable work patterns result in lower benefits. EI benefits for women averaged \$291 per week (\$351 for men) in 2005/06. Only a third of the total amount of regular EI benefits is paid to women, even though women now participate in the workforce at almost the same rate as men. In 2006 the maximum weekly benefit was \$423. Given that women are more likely to be supporting a family on their own, these amounts are tough to live on!



Equality
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Canadian Labour Congress

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I'm pregnant! How am I going to make ends meet?

The EI program now provides up to 15 weeks of maternity benefits, and 35 weeks of parental benefits. Parental benefits can be shared by both parents, however 90% of these weeks are taken by women. Expanding the maternity/parental leaves from 10 to 35 weeks in 2001 was a major gain for working women. But 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, while only 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 union has negotiated a supplement to the EI benefit.

The Problem with EI

- ♀ Less than a third of women who are unemployed qualify for EI benefits.
- ♀ One in ten workers experience unemployment at least once during a year.
- ♀ Women are less likely to have stable jobs and more likely to be supporting a family on their own. So we really need to access EI benefits.
- ♀ More women work at part-time jobs, which means it's harder to get the hours needed to qualify for EI.
- ♀ EI pays only 55% of your income, so if you qualify, it's peanuts.



One in ten Canadian women are self-employed but if you're self-employed, you are not eligible for EI maternity benefits, unless you live in Quebec.

Quebec recently began its own EI maternity/parental program which offers much better benefits and covers self-employed workers for the first time.

THE GOOD NEWS: Solutions are out there.

Labour, anti-poverty and women's groups advocate for changes in the EI system to help more women qualify and receive better benefits:

1. Reduce the number of qualifying hours (for regular benefits) to 360 hours.
2. Increase the amount of time you receive benefits to 50 weeks.
3. Increase the benefit to at least 60% of earnings replaced by EI benefits.

What you can do

Call your MP about why the EI program needs to be reformed.

Talk to your friends, family and co-workers about the EI gender gap.

Host a discussion with the education materials posted on our web site.

Join this campaign, find more information on EI and other equality issues on our web site at:

www.onceandforall.ca

Check it out!