

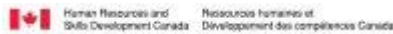


Diane Finley, Minister of Human Resources and Skills Development issued a new release, February 19, 2013 where she stated that she wanted to set the record straight.

We have taken each of her points and answered her arguments with the information gathered in Chapter 9 and 10 of the **Digest of Benefit Entitlement Principles**. This Digest is the bible where we find the policies which will be used to evaluate the demands of EI claimants, but more importantly, the way to interpret the regulations dealing with Refusal of suitable employment and Availability for work, two keys components of these changes.

We hope this document will contribute to the conversations that have taken place since January 6, 2013, when the regulations were put in place.

Jean-Claude Basque
Provincial Coordinator



Statement by the Honourable Diane Finley, Minister of Human Resources and Skills Development, on the Employment Insurance Program. OTTAWA, ONTARIO--(Marketwire - Feb. 19, 2013)

1-Finley - *Without question, EI will continue to be there for those who need it, just as it has always been.*

Our response: False.

False. EI is not there for those that need it, EI is for those that qualify for it.

If we look back, in 1990, 73 per cent of unemployed workers qualified for EI. In 2012 only 38% of unemployed persons qualified for EI. With the increase in part time and temporary work, less and less workers will be able to access EI. With the new changes, we can expect that less workers will be admissible to EI.

2-Finley - *EI regular and fishing benefit claimants have always been required to look for a job. The changes are simply clarifying what a reasonable job search for suitable employment means.*

Our response: True and False

True: It is True that claimants were always required to look for a job.

False: It is false to say that the changes are just clarifications. It is evident that the changes are major when one reads Chapter 9 and 10 of the Digest of Benefit Entitlement Principles.

3-Finley. *No one will lose their benefits if there are no jobs available in their communities.*

Our response: False.

False: Claimants are required to travel at least one hour and 100 km from their residence. Another criterion is that the travel time is what is considered not uncommon in their community, so it can be more than one hour.

It is also clear that because of the kind of jobs they do, some types of claimants (workers in construction, mining, forestry, shipping, other specialized occupations as well as other temporary and seasonal employments), will be very hard pressed to refuse a job outside of their community. If they don't accept, it could be understood as a refusal to accept suitable employment and they will be cut off. (Digest: 9.6.3, 10.10.6)

4-Finley - *No one will have to take a job that puts them in a worse financial position than collecting EI alone.*

Our response: True and False.

True. Your EI cheque becomes the benchmark, even if it quite low (EI salary at minimum wage = \$220). One can refuse a job that is paying less than minimum wage. The reality is that a person has to accept a job at 90%, 80% or 70% of their present salary. The next time one applies, their EI benefit will be lower. True, again people will not be forced to accept a job at less than their EI cheque or minimum wage but they will be worse off than the previous year.

False. If persons have family obligations, they have to make arrangements for the care of family members in order to be able to accept the hours of work the job requires. This can put them in a worse financial situation (Digest: 9.4.1.2).

False. The Pilot Project of the 14 Best Weeks was helping workers keep more revenue in 25 economic regions in Canada, two of them in NB. The modified version (April 7 2013) will have a negative impact on the EI cheques of many workers because the divisor will now be tied to their regional EI rate of unemployment. This will put them in a worse financial situation. (EI Monitoring and Assessment Report

says that workers in the designated economic regions had, on average, a weekly benefit rate that was on average, \$47 higher in those regions).

False. The Pilot Project granted an extra five weeks of benefits for 21 economic regions in Canada, and two of those in NB have been cancelled. This will have a negative impact on the duration of claims and it will put claimants in a worse financial position.

5-Finley - *No one is being forced to move out of their community to find a job.*

Our response: False.

False: People have to accept to travel at least one hour (sometime further) or 100 km from their residence. (Digest: 9.4.1.4). It must be a large community where one hour of your residence is within the community.

For workers in jobs where they are usually travelling outside their community (construction, mining, etc.) they have to accept jobs outside their community and accept to live apart from their families for rather long periods of time as long as they are not prevented from visiting their families at reasonable interval (Digest: 9.6.3.10.10.6)

6-Finley - *No one is attacking seasonal workers or employers. And seasonal workers will not be prevented from returning to their seasonal jobs when they start up again.*

Our response: True but...

True. A worker in a seasonal industry can return to his or her seasonal job but if one leaves the new non-seasonal job, he or she will lose all the hours worked for.

Secondly, if one's new job offers more hours than the former one, this become his or her reference earnings, namely, it becomes the base for identifying what kind of job and what kind of salary that person will have to accept at their next EI claim. Workers in seasonal industries will certainly have a hard time returning to their former jobs (Digest: 9.4.4 and 9.4.6).

The modified version of the 14 Best Weeks Pilot Project (leading to a loss of revenue) and the cancellation of the Pilot Project's extra 5 weeks (a return back to the black hole) will have a negative impact on workers as well as their employer because the new changes will certainly put economic barriers associated with returning to their seasonal employment.

7-Finley - *We want people to live and find jobs in their communities. Through the enhanced Job Alerts system, we are helping Canadians find out about the local jobs*

that match their skills. If there are no jobs available in their communities, EI will continue to be there, just as it has always been.

Our response: True and False

True. EI will always be there for those that qualify for it.

False. The goal is to get workers to accept all kinds of jobs, even outside their community. The Job Alerts system is about getting workers to accept any kind of jobs, everywhere and not only in their community (*... job postings from different regions will be sent to them each day so they are aware of all available work in their chosen (or related) occupation across Canada.* Source- Connecting Canadians with available jobs.).

8-Finley - *When determining whether a job is suitable, things such as additional costs for transportation and child care, as well as personal circumstances, will always be taken into consideration. In most communities, a one-hour commute is considered reasonable but the availability of transportation will also be taken into account.*

Our response: True and False

True. Yes, personal circumstances and transportation will be taken in consideration.

False. With the new definition of suitable employment and availability for work, there are so many restrictions in the Digest that this will make it very difficult to justify refusing a job on those bases, especially those related to personal circumstances and travel time. (Digest: 9.2.3, 9.4.1.2, 9.4.1.4, 10.8.1, etc.).

(...) Claimants are expected to use the means of transportation commonly used in their place of residence, and are also expected to absorb the cost of that transportation. (Digest: 9.4.1.4)

9-Finley - *As a person's time on EI increases, they will be expected to consider a broader pool of jobs by expanding their job search efforts. But, they will never have to take a job that puts them in a worse financial position than EI alone.*

Our response: False

False. Claimants have to make arrangements so that family responsibilities do not become a deterrent for accepting a job. This could mean putting the worker in a worse financial situation (Guide: 9.4.1.2).

Having skilled workers accept job at a lower skill or non-skill jobs means pushing them down the waiting list and can have an impact on their financial position.

10-Finley - *The Connecting Canadians with Available Jobs initiative and other EI measures are all about common-sense changes that encourage and support Canadians to find jobs in their local areas that match their skills.*

Our response: False

False. The goal is to get unemployed workers to accept any kind of job. There are now three categories of EI recipients. For each category there are different criteria for the acceptable salary (90%, 80%, 70%) and three job types (same occupation, similar occupation or any jobs) for which they need to apply. This has nothing to do with encouraging and supporting Canadians to find a job in their local area to match their skills

11-Finley - *The bottom line is this: EI will continue to be there for those who need it and no one will lose benefits, providing they make a reasonable effort to find a job and accept suitable employment, as has always been the case.*

Our response: False

False. EI will always be there for those who qualify and not for those who needs it. To receive EI benefits you need to respect key criteria like having enough hours of work to qualify, etc. The program is certainly not based on the needs of workers.

Workers can lose their benefits even if they make reasonable effort to find a job because the new policies in place right now are quite stringent.

One relevant example is the following taken from the Digest - 9.2.3. (...)

Accordingly, a refusal of employment occurs where the claimant advises the employer that they are available for only a limited period of time, whether by reason of a contemplated move to another area, pregnancy, a pending return to former employment or preferred occupation, or by reason of waiting for better employment to become available. Whether it is to account for training expenses or for some other reason, employers may require new employees to stay in their employment for a reasonable period of time. Whether a person has acted out of honesty in disclosing future intentions does not alter the fact that there was a refusal of employment.

We hope this document will help you better understand the difference between the official message of Minister Finley and the realities unemployed workers have to deal with now.

The Common Front for Social Justice is one of the largest democratic and popular organizations in New Brunswick, with close to 75,000 group and individual members. The Common Front brings together individuals as well as local, regional and provincial organizations to work towards the eradication of poverty

