

Presentation

to the

Roundtable on Employment Insurance
Service Quality Review

by the

New Brunswick Common Front
for Social Justice Inc.

August 30th, 2016

Introduction

The New Brunswick Common Front for Social Justice (CFSJ), established 20 years ago, is a bilingual provincial organization that deals with four important matters which impact on the level of poverty of the province's population, namely:

- 1) social welfare,
- 2) employment insurance,
- 3) low-wage workers, and
- 4) pay equity.

We strive to:

- advocate for the people living in poverty,
- inform the public about issues of poverty, and
- organize actions to reduce poverty.

Our Common Front brings together social, labour and religious organizations as well as hundreds of individuals.

We are pleased to have the opportunity to take part in this Roundtable on Employment Insurance Service Quality Review, and we hope that our contribution will lead to positive changes to the important program that is the EI program.

1 Current government proposals

We welcome the commitment of the current liberal government to invest \$92 million to improve the administration of the EI program. We are also pleased with the other changes announced, as follows:

- reducing the two-week waiting period to one week,
- reducing the requirement of having accumulated at least 910 hours of insurable employment to be eligible for EI benefits to between 420 hours to 720 hours,
- extending the duration of benefits by 5 weeks in 15 EI economic regions,
- extending until 2018 the pilot project that allows beneficiaries who work while receiving EI to keep 50% of EI benefits for every dollar they earned, and
- reversing the changes to the program that was forcing the unemployed to move away from their communities and take lower paying jobs.

2 Room for improvement

However, the EI program needs other improvements that would be beneficial to the working class. Here are our recommendations.

Recommendation 1

- a) **Require a maximum of 360 hours of insurable employment to be eligible to benefits regardless of the economic region**
- b) **Increase the benefit rate from 55% to 60% of earnings**
- c) **Increase to 26 weeks the duration of EI sickness benefits, as it is the case for compassionate care benefits**
- d) **Extend the 5 additional weeks of benefit pilot project to all regions with a high level of unemployment**
- e) **Restore the tripartite board of referees which was in place before the changes made by the conservative government of Stephen Harper**
- f) **Create an independent EI fund and use the money exclusively for the EI program**

3 Problems

a) EI applications

Applications for EI have to be filed on line. We understand that this is the modern way of functioning, but we think it is important to take into consideration certain barriers that workers in New Brunswick face.

One of those barriers is the level of literacy. Some data posted on the provincial government's Website show that almost one quarter (between 18.5% and 24.5%) of the working-age population falls into the category of low literacy. For the unemployed population, the rate reaches 24.5%.

(Source: http://www2.gnb.ca/content/gnb/en/corporate/public_consultations/NBLiteracyStrategy/Facts.html)

For those workers, it is a real challenge to submit an application on line.

So, how do they manage to submit their claims?

They ask a family member or an acquaintance (whom they pay or not) for help or they go to the Service Canada office to ask some help from a civil servant. There, people are asked to use a computer to fill their form. We believe that can give rise of errors and that Service Canada should be more proactive in the help it offers.

Recommendation 2

That Service Canada be much more proactive in the help it offers to workers who visit its offices to submit an EI claim

b) Call centres

A great many workers complain about the service level provided by Service Canada call centres. In that regard, it is interesting to note that the *Employment Insurance Monitoring and Assessment Report 2014/2015* contains no data on:

- the number of enquiries resolved via the EI interactive voice response system,
- the number of calls answered in the EI specialized call centres,
- the number of calls resolved at the first contact - EI specialized call centres.

The rate of calls resolved at the first contact was the lowest in the Atlantic Region, among all regions in Canada between 2010 and 2015, except in 2011-2012 and in 2010-2011 where Québec and Ontario ranked last respectively. See table 1.

We are also below the national rate each year.

Table 1 - Calls resolved at the first point of contact (%)

Region	2014-2015	2013-2014	2012-2013	2011-2012	2010-2011
Atlantic	8.8	10.8	13.6	9.9	12.1
Québec	9.0	11.5	13.7	8.9	13.6
Ontario	9.2	12.2	13.9	11.3	10.3
West	9.6	12.2	14.0	10.6	12.6
Canada	9.2	11.9	19.4	10.2	12.0

Source: Employment Insurance Monitoring and Assessment Report 2014/2015, Annex 4.2

According to the document *Employment Insurance Service Quality Review – Discussion Paper* (pages 6 and 7), the objective of the EI specialized call centres is to answer 80% of calls within 10 minutes. However, it seems that the service is deteriorating instead of improving. The rate of calls answered within 3 minutes was 57% in 2005-2006, but only 37% of calls were answered in 10 minutes in 2015-2016. It would be interesting to know the data by region, but in our opinion, the system is not functioning efficiently for the workers.

Table 2 – Rate of calls answered within 10 minutes (specialized call centres)

2005-2006 (57%)	2006-2007 (44%)	2007-2008 (49%)	2008-2009 (37%)	2009-2010 (53%)	2010-2011 (42%)	2011-2012 (29%)	2012-2013 (32%)
2013-2014 (32%)	2014-2015 (45%)	2015-2016 (37%)	Note: Before 2014, the time to answer calls was 3 minutes. Since April 2014, it is 10 minutes. The system is not efficient for workers.				

Source: Employment Insurance Service Quality Review – Discussion Paper (pages 6 and 7)

Finally, we note that on May 12, 2016, the Government of Canada said in a press release that “[i]n 2015-2016, 10.3 million calls to the Employment Insurance (EI) call centre were unable to reach an agent and over a million calls were abandoned, meaning the caller hangs up while waiting.”

Recommendation 3

Hire more staff to be able to adequately serve the workers

c) Decisions at the local level

We are convinced that a lot of problems could be solved quickly if the agents in the Service Canada offices had some latitude to make some decisions.

The agents in the regions have a better understanding of the job market and of the workers than someone working at a remote call centre. Often, problems are due to a lack of understanding of the language, a lack of appropriate documentation or simply a lack of communication.

Recommendation 4

Give more latitude to the agents in the regions to make decisions about EI benefit applications so that a large number of applications could be resolved quickly

d) Speed of payment

When a worker loses his job, he needs to receive EI benefits as fast as possible to avoid sliding into poverty. That would be important for everybody, but for low-wage workers it is even more crucial, especially for someone earning \$10.65 an hour (\$426.00 per week) and receiving only \$234.30 per week on EI. It is therefore worrisome to observe that the speed at which benefits are paid does not seem to improve. See table 3.

In 2010-2011, for the Atlantic Region, 85.2% of applications were processed rapidly, while in 2014-2015, the rate had declined by almost 10 percentage points. That is most disturbing.

Table 3 – Employment Insurance – speed of payment (%)

Region	2014-2015	2013-2014	2012-2013	2011-2012	2010-2011
Atlantic	75.9	73.0	77.5	73.7	85.2

Source: Employment Insurance Monitoring and Assessment Report 2014/2015, Annex 4.5

Recommendation 5

Improve the speed of payment to beneficiaries by hiring more staff

e) Decisions reconsideration

“Individuals who disagree with a decision related to their EI claim have the right to request reconsideration within 30 days from the date the decision was communicated. The Department aims to have 70 percent of decisions finalized within 30 days from receipt of the request. To date, this target has not been met. In 2015–16, the average time for completion was 38 days, with 56 percent of requests being completed within 30 days.” — press release, May 2016, Employment and Social Development Canada

We are very pleased that the current government admits that 44% of reconsideration requests are not finalized within 30 days, an unacceptable performance for workers awaiting an answer.

Recommendation 6

Hire more staff at Service Canada to be able to process all reconsideration requests within 30 days

Summary of recommendations

Recommendation 1

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- d) Extend the 5 additional weeks of benefit pilot project to all regions with a high level of unemployment
- e) Restore the tripartite board of referees which was in place before the changes made by the conservative government of Stephen Harper
- f) Create an independent EI fund and use the money exclusively for the EI program

Recommendation 2

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Recommendation 5

Improve the speed of payment to beneficiaries by hiring more staff

Recommendation 6

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