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Dire Situation with Employment Insurance
All Out to Defend the Rights and Dignity
of Unemployed Workers!

– Pierre Chénier –



Members of groups advocating for EI reform in Ottawa, February 2, 2023.

Interviews

- **France Simard, Coordinator of the Unemployment Action Movement in Lac-Saint-Jean, Quebec**
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Dire Situation with Employment Insurance

All Out to Defend the Rights and Dignity of Unemployed Workers!

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Unemployed workers' defence organizations are reporting on the dramatic situation workers are facing. Delays in the processing of Employment Insurance (EI) claims are worsening and the government is using the end of the pandemic health emergency as an excuse to return to pre-pandemic measures that create an untenable situation for the unemployed. In addition, Service Canada is conducting full-scale interrogations of the unemployed to deny their right to benefits, abandoning them to the care of their loved ones. Without the hard work of unemployed workers' organizations, supported by unions, in defence of the right to benefits that enable them to live in dignity, their situation would be even more dire.

The Canadian government is using diversion to deny its responsibility to the unemployed and is abandoning them to their fate.

When it began its consultation on EI reform through an online questionnaire in the summer of 2021, the federal government indicated that one of the central objectives was to make workers and the EI system more responsive to the labour market. That premise is false.

Workers must be protected from the vagaries of the labour market over which they have no control. The labour market is an instrument in the hands of narrow private interests competing with one another for the realization of maximum private profit at the expense of national, regional and local economies. In today's "new economy" workers are disposable. Imposing the vagaries of the labour market as a criterion for the health of the economy or for employment insurance is cruel anti-worker disinformation. Labour market rhetoric obscures the fact that Canadians do not control their economy and is used to justify attacks on workers, especially seasonal workers, as they do not "move with the job" wherever it can be found. Maintaining that EI eligibility and benefits are conditional upon contributing to the "labour market" means that the mass exclusion of the unemployed from the EI system will continue.

On top of all this, the Canadian government is now insisting that EI must contribute to balanced budgets and fiscal responsibility. These are the themes announced by the federal government as guidelines for the budget that will be presented in the spring. This heralds a new offensive of cuts to

social programs and assistance to those in need, as well as all sorts of schemes to pay the rich by way of the public purse, in the name of the green economy or the integration of the Canadian economy with that of the U.S. and its war machine, without even discussing with the Canadian people what these things mean.

Workers were shocked when the federal government announced in January, through Service Canada management, that it would reduce the hours of 750 public servants working on Employment Insurance files, smack in the midst of a crisis in the processing of claims that is causing so many problems for unemployed workers. In response to the outcry, the government backtracked and cancelled the decision, while maintaining that the goal of a balanced budget remains and that there are other ways to achieve it. Meanwhile, it is silent on what is happening with the promised EI system reform.

Interrogating the unemployed on their personal finances in relation to whether or not they can receive benefits shows that anti-labour ideology and prejudice is rampant amongst the ruling circles. For years, neo-liberal think tanks and governments have been trumpeting the idea that EI is there for those who "agree to move " based on the labour market and that the others should fend for themselves or be directed towards programs of last resort, such as social assistance, that are even more precarious and impoverishing.

Workers and their organizations are demanding that the unemployed receive the benefits, at a Canadian standard, that are rightfully theirs and allow them to live in dignity. Enough with the disinformation and excuses for denying the unemployed what is rightfully theirs!

Workers' Forum joins with all those who are calling for a reform based upon long time demands by workers and their organizations, in particular those involved in the defence of the unemployed.

Workers' Forum also salutes the initiatives taken by the defence organizations of the unemployed to strengthen the movement, such as the formation of the Interprovincial Alliance, which brings together defence organizations from Quebec and the Atlantic provinces.

Together, let us defend the right of unemployed workers to live in dignity! Governments that oppose this right are not fit to govern!



Interviews

France Simard, Coordinator of the Unemployment Action Movement in Lac-Saint-Jean, Quebec

Workers' Forum: What's the status on the reform of the employment insurance system that the organizations defending the unemployed are calling for and that the federal government committed to undertake in 2021?

France Simard: Things are not looking good. On February 2, we participated in the forum convened by the Commissioner for Workers, at the Canada Employment Insurance Commission in Ottawa, along with other advocacy organizations for the unemployed and unions.

We met with various Service Canada representatives, who gave us an update on the situation. We didn't get any answers to our questions. The minister responsible for the file was not there, for

family emergency reasons, we were told. She was only present on zoom. Every time we go to Ottawa to talk about employment insurance, the minister responsible is not there. She was very evasive on the issue of the promised employment insurance reform, she beat around the bush. She could not tell us if any progress had been made with regard to the projected reform. Things are not moving ahead. We have the distinct impression that if the government does announce a reform, which is not certain, it will be in the next federal budget in the spring and we'll have no say in it.



WF: During our last interview, you talked about the huge delays in the processing of employment insurance (EI) claims. Clearly, the situation has not improved. Can you tell us more about this?

FS: I raised the issue of processing times during the forum, but the person responsible was unable to answer, she didn't know herself. They have a phased-in plan until 2025, it seems, but we can't wait that long. I told her that we already had to intervene because someone was having thoughts of suicide and asked whether we were expected to wait until someone loses their life before action is taken. We were told that things were moving along well, but they're not.

I've gathered the statistics for my region. Between September 2022 and January 2023, we had 400 cases. Of these, 37 per cent had to wait between one and a half and two months, 38 per cent waited between three and four months, 15 per cent had delays of five to seven months, and 8 per cent between eight and eleven months. In 35 per cent of the cases, it is necessary for us to intervene at least four to eight times before the file is settled. The consequences are terrible: psychological distress, insomnia, stress, reliance on food banks, last resort assistance, bad credit ratings, threats of losing one's home, insurance, evictions, telephone lines cut. The list goes on.

We're not able to figure out exactly why these delays occur. We hear about the effect of identity theft on EI recipients and the creation of fraudulent claims, the effects of the pandemic on the service, staff changes, etc. There's no end to it, no end in sight.

In addition, Service Canada agents go way too far with their questions. People are asked if they have a spouse or family who can help them, if they have financial problems, if they are in a state of emergency, if they have enough food. It's a real investigation into someone's personal life before they get the money they're entitled to, that they've worked and paid for.

They ask these kinds of questions to recipients as well as to us. It's embarrassing for them and it's also embarrassing for us.

We're providing more and more food assistance in collaboration with the agencies involved in that type of help, so as to give support. As well, our Member of the National Assembly created the fund "Mon voisin je m'en occupe" which is intended for people in difficulty. We work in collaboration with all these organizations so that recipients' needs are taken care of. Although this assistance is not part of our mandate, we cannot abandon people with these difficulties. We've developed great relationships with all these groups.

WF: What actions are you organizing and what are your demands with regard to moving the situation forward?

FS: We held a demonstration before the holidays in front of the Service Canada offices, in cooperation with the Place of Actions and Services Working in Unity with the Unemployed (LASTUSE) and the CSN in Chicoutimi, where we put up a Christmas tree with our demands and demanded EI reform as quickly as possible, on the basis of these demands. We put out press releases, gave interviews, to make things move.

While awaiting the reform, we're asking that the EI measures in place during the pandemic, which were far more flexible and inclusive, and which were withdrawn in September 2022 with the promise of the reform to come, be reinstated.



These measures included a universal threshold of 420 hours of work required to qualify. They included a minimum benefit rate of \$400 per week, and a minimum of 26 weeks of benefits. Service Canada considered only the last record of employment to determine eligibility and benefit amounts, which expedited the processing of claims. Also, payments made upon termination of employment, such as severance pay and vacation pay, were not deducted from benefits.

The old measures have been reverted to, which include requiring workers to work between 420 and 700 hours to qualify for benefits for a benefit period that can be as low as 14 weeks, depending on the case, causing a disastrous situation amongst seasonal workers. Also, agents are now required to review all records of employment, which delays the processing of the claim in cases such as where one of the periods of work includes a voluntary departure, which can even lead to a claimant's disqualification.

For the time being, we are demanding a return to the measures of the pandemic period and are putting forward our demands and those of MASSE (Autonomous and Solidarity Movement of the Unemployed) for an accessible, fair, universal and non-discriminatory employment insurance system.

What is certain is that we will not give up. We will continue to put the maximum amount of pressure on the government in order to get a reform based on these demands.

(Translated from the original French by Workers' Forum)



Line Sirois, Coordinator of the Unemployment Action Movement, Côte-Nord, Quebec

Workers' Forum: What is the situation of unemployed workers in your region at this time?

Line Sirois: The situation is extremely difficult. It continues to drag on and is affecting many of the region's workers. The phone keeps ringing, people are very affected because they can't even qualify for employment insurance right now. Our committee had a report done by Segma Research, interviewing employers to get a picture of the seasonal employment situation on the North Shore. It

revealed that the average number of hours worked is 585 hours, while the current requirement to qualify for 14 weeks is to have worked 700 hours.

The situation is so unacceptable that now Indigenous communities are calling us to ask about what is going on. They too are required to work more hours to receive less employment insurance. They're going through the same situation as us. People are being forced to leave their community to be able to find work and get employment insurance.



The communities that are calling us are people who do not have roads. They work for the Indigenous community. Before, it would take them 420 hours to qualify for employment insurance and now the requirement is 525 hours. It's a little less than for us on the Upper North Shore, but still too much for them because the community is the only employer. They're 500 kilometres away from the nearest village or town. To earn a living, they have to leave their community. Within the community, the sole employer is the Band Council. The Band Council used to get them to work their hours, but now they're not able to give them enough or when they can, they, like us, are caught up in the seasonal gap and spend months without income.

That's the state of the hemorrhage.

What we are going through right now can be seen in all of Canada's regions. It's just as dramatic in Nova Scotia and in other regions. Here, we're talking about an official unemployment rate of 3.9 per cent. That's impossible, because we have about 23 per cent of seasonal employment in the Upper North Shore alone. The unemployment rate is being brought down through our being paired with large centres.

During the employment insurance forum, I was asked to speak to the minister about seasonal employment. She was there on zoom. She didn't tell us anything other than that there's a block somewhere, that there can be a reform but nothing immediate and that it will take a long time. Meanwhile, our people are hungry. They need employment insurance in order to live, or else they will have to leave the region. On the North Shore, more people leave than come to live here. In the city, schools are being built, here they're closing. We must take action. Seasonal employment is part of Canada's economy. We cannot shy away from it and pretend that it doesn't exist.

We have a law that's built on prejudice. We're told that our people can find work, that it's a given that "these people," as they call us, are not looking for work.

WF: When Service Canada cut the hours of EI agents a few weeks ago, the minister said it was an essential measure to ensure a balanced budget.

LS: Yes. And that's what I said, that what is the government doing about people's budgets? How can you balance your budget when the money isn't coming in? I have files that have been on hold since August 2022. How do you balance your budget, do you go on welfare? Besides, this falsely lowers the unemployment rate, as people are no longer on EI. They're no longer part of the data.

WF: What work is the Unemployment Action Movement, Côte-Nord, currently doing to defend people and transform the situation?

LS: We've carried out actions. We'll continue to inform people. It is always the people who decide upon the actions they want to undertake. We're going to meet with workers because someone who is unemployed is first and foremost a worker who is out of a job at the moment. We're working with the unions, we're working with MASSE, we have formed a large alliance with Eastern Canada and we'll continue to apply pressure, that's for sure.

We, the Unemployment Action Movement, Côte-Nord, have formed a large alliance with people from New Brunswick, Nova Scotia, Newfoundland and even with people from Toronto. We have a large alliance, the Interprovincial Alliance, which includes several other provinces facing the same problems as us. We're about twenty groups from all over Eastern Canada.

We won't give up. We won't let up.

(Translated from the original French by Workers' Forum)



Demands of the Autonomous and Solidarity Movement of the Unemployed (MASSE)



The MASSE has five main demands.

These are:

- a single 350-hour or 13 week eligibility threshold;
- a benefit rate of at least 70 per cent of insurable earnings, based on the best 12 weeks worked;
- a minimum threshold of 35 weeks of benefits;
- the abolition of all Employment Insurance (EI) exclusions for workers who voluntarily leave their job or are fired;
- access to regular EI benefits in the case of losing one's job, irrespective of maternity/parental /paternity benefits received

(Translated from the original French by Workers' Forum)



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