All Ontario Municipalities

Re: Employment Insurance Reform

The following resolution #2009-251 was passed by Council of the City of Greater Sudbury on June 10, 2009:

WHEREAS a healthy unemployment insurance system is the most powerful of all economic stabilizers. In the recessions of the early 1980s and 1990s, Unemployment Insurance (UI) prevented deeper, longer downturns and reduced the shock of job and Gross Domestic Product losses;

AND WHEREAS we have entered a new economic crisis with a much weaker Employment Insurance (EI) system that provides benefits to only 40 percent of the unemployed; and there is a large regional discrepancy in EI allocation that provides uneven coverage to workers across the country, and leaves many with fewer numbers of weeks and lower benefits;

AND WHEREAS the federal government stopped contributing to EI and diverted EI premiums to other spending ($54 Billion between 1994 and 2007 instead of restoring EI benefits);

AND WHEREAS even the US government has shown leadership through major improvements in the duration of UI benefits and a universal benefit top-up as part of a stimulus package to deal with the crisis;

AND WHEREAS 350,000 Canadians have been laid off since last October, and Canada currently has one of the least effective employment insurance systems and among the highest rates of poverty and income inequality in the Western world;

AND WHEREAS there will be a negative fiscal impact on all municipalities if residents are unable to access EI benefits or otherwise maintain incomes during this economic downturn, due to the increased reliance on locally provided social programs,

THEREFORE BE IT RESOLVED THAT the City of Greater Sudbury call upon the Government of Canada to introduce the following changes to the Employment Insurance system:

1. 360 hours to qualify for EI benefits in all regions of Canada;
2. Increase benefit duration to at least 50 weeks in all regions, and provide an additional year of "Special Extension" benefits if national unemployment exceeds 6.5% - paid from federal general revenues;
3. Extend EI Part 1 benefits while a worker is in approved training;
4. Increase benefits to at least 60% of normal earnings, using workers’ 12 best weeks, and raise the maximum;
5. Suspend the calculation of severance pay for receiving EI benefits, and eliminate the 2 week waiting period.

AND THEREFORE BE IT FURTHER RESOLVED THAT this resolution be sent to the Association of Municipalities of Ontario for distribution and support from all municipalities in Ontario.

Yours truly

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Angie Haché, City Clerk