CITY OF HAMILTON

MOTION

Council Date: May 13, 2009

MOVED BY COUNCILLOR MERULLA.........................................................

SECONDED BY COUNCILLOR .................................................................

Changes to the Employment Insurance System

WHEREAS a healthy unemployment insurance system is the most powerful of all economic stabilizers and in the recessions of the early 80’s and 90’s, UI prevented deeper, longer downturns and reduced the shock of job and GDP losses;

WHEREAS we have entered this new economic crisis with a much weaker EI system that provides only half of the coverage it did in the last recession because fewer workers qualify and benefit weeks are reduced;

WHEREAS the federal government stopped contributing to EI and diverted EI premiums to other spending ($54 billion between 1994 and 2007);

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;

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 Hamilton call upon the Government of Canada to introduce the following changes to the Employment Insurance system:

(a) 360 hours to qualify for EI benefits in all regions of Canada;
(b) Increase benefit duration to at least 50 weeks in all regions,

(c) Provide an additional year of “special extension” benefits if national unemployment exceeds 6.5%, paid from federal general revenues;

(d) Extend EI Part 1 benefits while a worker is in approved training;

(e) Increase benefits to at least 60% of normal earnings, using workers’ 12 best weeks, and raise the maximum, suspend the allocation of severance pay and eliminate the two-week waiting period.