

“FIX EMPLOYMENT INSURANCE NOW!”

Thursday, March 5, 2009

It's been a long hard winter. Thousands of people have lost their jobs, and many more will follow as the recession tightens its icy grip on the Canadian economy. Nobody knows how long or deep this recession will be, but we do know one thing about it. The social safety net that was so important in past decades is now hanging in tatters. Less than one third of the jobless in Ontario are getting unemployment insurance benefits, compared to nearly 80% in the downturn of 1981/82.

Those that are lucky enough to qualify are finding themselves running out of income long before their job search unearths decent work. Families that just last year had two reasonable incomes are now trying to make do on a fraction of their former earnings.

The damage is not limited to auto parts factories. Every sector is shrinking – retail, trucking, steel, finance, and even media. Often work weeks are shortened in the months before closure or cuts, meaning lower weekly earnings on which EI is calculated. In greater Toronto, you need 630 hours to qualify, and the coverage is only for forty weeks. And then...who knows?

Most of the jobs available today are falling in the category known as “precarious employment”. The temp agencies already have their pick of thousands of hard-working people willing to toil without any security or stability. But that is hardly the future we want for our neighbours or ourselves. People should have the right to expect a real job, not one where an agency takes a cut of every dollar earned. Something needs to be done – starting with a wholesale repair of the broken EI system.

There needs to be immediate change to allow every person with 360 hours to qualify, no matter where they live in the country. Benefits should be no less than 60% of the best twelve weeks of income, and they should last for at least fifty weeks. As the jobless rate soars, there should be a further one year extension until we are through this crisis. Even the U. S. government has recognized the severity of the situation and brought in special measures to add a full year of extended benefits for the unemployed.

We don't expect Stephen Harper to show such leadership. He has moved from denial of the problem, to cynical manipulation of the crisis for partisan gain. While the NDP have long been advocates of reform, unfortunately they don't hold the balance of power in this Parliament. But one third of the Liberal caucus resides here in the GTA, and they should develop the backbone needed to stand up for their constituents in time of need.

It's not just a matter of helping people. The fact is that a crucial element in any fiscal recovery is the ability to sustain incomes of working families. Take that away, and the economic winter will be much harder and longer than anyone expects or deserves.

The Executive Board recommends that:

Labour Council and all affiliates mobilize for a mass campaign on fixing Employment Insurance, working with the Good Jobs for All Coalition, other labour councils across the country, and the CLC to build pressure on Conservative and Liberal Members of Parliament to agree to fundamental reforms of the EI system.