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Grim EI realities confront laid off Canadian IT workers

Canadian workers - including IT professionals - being laid off from their jobs, have to contend with a depleted employment insurance (EI) fund and a "flawed" distribution system. Here's some advice from an employment lawyer on how to cope with a distinctly difficult EI situation.

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by Nestor E. Arellano

As the spate of layoffs continue unabated, the country's much vaunted employment insurance (EI) system offers little solace to laid off IT workers.



Years of cutbacks have severely curtailed what they can hope to receive.

What's more, accessing EI funds has become really tough, according to labour groups and [employment law](#) experts.

Right now the maximum anyone is entitled to receive is \$450 a week, noted Allison Dubarry, an IT analyst with the University of Toronto and president of the Steelworkers Union Local 1998 at the university.

She said existing regulations make it difficult to get even that.

Dubarry, an SAP developer, was among the many IT workers from the 6,000-member Local 1998, who participated in a recent rally held by the [Good Jobs for All Coalition](#).

The alliance of more than 35 community, labour, and student groups across the Greater Toronto Area picketed the employment insurance office in Scarborough, Ont., demanding immediate EI reforms in the wake of increasing job losses within the province.

Some reforms have already been announced by the Feds.

For instance, Ottawa recently said it was increasing the length of time for which laid off workers would be eligible to [receive EI for five additional weeks](#) - up to a maximum of 50 weeks.

A change to the wage-earner protection program would ensure workers who lost jobs because of a bankruptcy would get some money owed to them by their company.

The move is expected to cost \$1.2 billion.

"This will give EI recipients more time to get the extra training they need to find the right job," [Finance Minister Jim Flaherty said](#).

But these initiatives fall far short of what's required, critics say.

"Extending the benefits period for the few who already qualify is insufficient," said Wayne Fraser, director of the Ontario and Atlantic Canada United Steelworkers.

He said Parliament should make more people eligible by setting qualifying hours at 360, and restoring benefits to at least 60 per cent of a person's 12 best weeks of earnings.

An expert in employment and human rights issues agrees.

"It has simply become very difficult to qualify for and get EI benefits," said a Toronto-based employment lawyer [Daniel Lublin](#).

The EI process is cumbersome, ineffective, and managed by poorly trained officers, he said. "Claimants struggling to make both ends meet typically wait for weeks or months to receive their benefits.

The review process for special cases or complaints can take even longer because of red tape and poorly trained administrators."

And such delays couldn't be occurring at a worse time.

The number of EI recipients rose by as much as 79,100 or 16.6 per cent between December 2007 and December 2008, according to Statistics Canada.

Around 538,200 Canadians received regular EI benefits in December, 2008, that's 25,000 or 4.9 per cent more than the previous month.

Despite these numbers, the proportion of unemployed workers covered by EI in Canada has plummeted from more than 80 per cent in the early 1990s to just over 40 per cent today.

Moreover many well-paying permanent positions are being replaced by low-wage, part-time, temporary or contractual or freelance work, many not covered by EI.

Uneven EI policies across the country are making matters worse for unemployed workers and those facing layoffs in cities such as Toronto, according to IT analyst Dubarry.

Back in the 1990s, she recalled, the Liberal government made changes to the EI system, lowering benefits and increasing the number of accumulated work hours needed to qualify based on regional unemployment rates.

As a result, qualifying hours in places such as Ottawa, Calgary and Vancouver can be as high as 700 - and as low as 420 in high unemployment areas such as Manitoba or Saskatchewan.

Residents of Toronto, Oakville, Ajax, Pickering and Uxbridge with a 7.2 per cent unemployment rate must work 630 hours to qualify for 40 weeks of EI benefits.

The average unemployed worker in Ontario last year received \$5,110 in EI benefits, compared to \$9,070 received by the average unemployed worker in the rest of Canada, according to Ontario Premier Dalton McGuinty.

He said the difference amounts to \$1.7 billion for 450,000 unemployed Ontarians.

That's bad news for those facing unemployment in areas such as the Greater Toronto Area where job losses recently shot up. Eight of the 12 Canadian cities hardest hit by the recession are located in Ontario.

"The Good Jobs for All Coalition is asking is that qualifying work hours be set at 360 hours countrywide and that benefits be raised from 55 per cent of income to 60 per cent of the worker's best earning week," said Dubarry.

Meanwhile, can laid off workers do anything to speed up reception of EI benefits? Employment lawyer Lublin has the following advice:

- Go about finding out the documents you need to file for EI. Visit the [Services Canada Web site](#) to get the pertinent information
- File for benefits as early as you can. Processing may take several weeks
- Control expenses. Benefits don't kick in until the EI office deems your severance money has run out. Remember this is based on their calculation, not your financial realities

- You might run into to some delay. Try your best to get hold of a real person at the EI office to complain or seek advice. You're likely to get nowhere with the automated answering service. Don't give up easily, keep bugging them

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