

# Clarington

Energizing Ontario

January 15, 2008

The Right Honourable Stephen Harper  
Prime Minister  
House of Commons  
Ottawa, ON, K1A 0A6

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Dear Honourable Sir:

**RE: EMPLOYMENT INSURANCE ELIGIBILITY AND LINKS TO INCREASED  
POVERTY  
FILE NO.: C10.GE**

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At a meeting held on January 14, 2008, the Council of the Municipality of Clarington considered and endorsed the following resolution of the Regional Municipality of Durham regarding the above matter:

"WHEREAS Employment Insurance was historically implemented as insurance against unemployment and, even though Employment Insurance rates deducted from employees have continued to increase, changes to eligibility criteria has substantially reduced the percentage of workers who can access Employment Insurance when they become unemployed; and

WHEREAS in 2006 less than 27% of unemployed people in Ontario were eligible for Employment Insurance, compared to over 80% who were eligible in 1989; and

WHEREAS eligibility has shifted away from poor families, resulting in those with the lowest income being the most severely affected by the changes in criteria; and

WHEREAS a recent study by economists Monica Townson and Kevin Hayes has shown that two out of three working women who pay into Employment Insurance don't receive a single penny in benefits if they lose their jobs, and only 4 in 10 employed men will qualify for benefits if they become unemployed; and

WHEREAS a recent report from UNICEF reported one in six Canadian children are living in poverty, a rate that is 20% higher today than in 1989; and

WHEREAS under current rules the system penalized the unemployed in Ontario given that in 2004, only 26% of unemployed Ontarians were eligible for Employment Insurance, compared with 44% in Quebec, 58% in Nova Scotia and 79% in Newfoundland; and

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WHEREAS there seems to be a correlation between decreased eligibility for Employment Insurance and increased Ontario Works caseloads; and

WHEREAS municipalities are responsible for 20% of the costs of Ontario Works benefits and 50% of the administration costs; and

WHEREAS a significant recession will greatly increase the already overburdened local property taxpayer to fund social assistance costs; and

WHEREAS the media has reported the Federal government's Employment Insurance surplus is \$51 billion;

NOW THEREFORE BE IT RESOLVED THAT the Federal Government revamp the criteria for Employment Insurance to ensure Employment Insurance acts as it was designed to be which is an insurance program to assist during periods of unemployment, and that the Premier of Ontario be called upon to advocate on behalf of Ontario and the municipalities of Ontario to ensure that Ontario workers are eligible for benefits under the Employment Insurance program; and

BE IT FURTHER RESOLVED THAT copies of this resolution be forwarded to the Prime Minister of Canada, Premier of Ontario, all opposition party leaders, AMO, OMSSA, all Ontario municipalities, alpha and SHSC."

Yours truly,



Patti L. Barrie, CMO  
Municipal Clerk

PLB/ta

cc: The Honourable Dalton McGuinty, Premier  
The Honourable Jim Watson, Minister of Health Promotion  
Mr. J. Tory MPP, Leader of the Ontario PC Party and Leader of the Official Opposition  
Mr. H. Hampton, Leader of the Ontario New Democratic Party  
Ms. L. Stewart, Executive Director, Association of Local Public Health Agencies ✓  
Ms. L. Reed, Chief Executive Officer, Social Housing Services Corporation  
AMO  
Ms. K. Heineck, Executive Director, OMSSA  
Dr. H. Drouin, Commissioner of Social Services  
Pat Madill, Regional Clerk, The Regional Municipality of Durham