



Now and Tomorrow
Excellence in Everything We Do



Employment Insurance FYI for Employers

Presentation to AIA Canada

by

Judith Andrew

Commissioner (Employers)

Canada Employment Insurance Commission

judith.andrew@hrsdc-rhdcc.gc.ca

June, 2016

Woodbridge, Ontario

Outline

- CEIC mandate and Commissioner role
- EI Budget Changes affecting Employers
- EI Benefits Support Apprenticeship Training
- Business Bottom Line on EI Financing
- Labour Market Information (LMI) and Job Bank
- LMDA and other transfer agreement consultations
- Wrap-up mention of other reviews and AIA involvement

Mandate of the Canada Employment Insurance Commission (CEIC)

- CEIC is a tri-partite organization responsible for oversight of the EI program (Department administers program on behalf of Commission)
- CEIC makes Regulations, with approval of the Governor in Council
- CEIC reviews and approves policies related to EI program administration and delivery, also signs off on key decisions
- CEIC holds a legislated mandate to annually monitor and assess the EI program, including monies transferred to Provinces and Territories for labour market development
- CEIC leads research agenda in support of the EI Monitoring & Assessment Report
- Starting 2017, CEIC sets the EI premium rate as well as the annual maximum insurable earnings and premium reductions, ensuring transparency by public posting of reports
- CEIC's legislated mandate includes: the Social Insurance (SIN) register; the National Employment Service (a.k.a. Job Bank); and Labour Market Information (LMI) collection/analysis/dissemination

Key role is to consult with and represent employers in all the above

EI Budget Changes affecting Employers

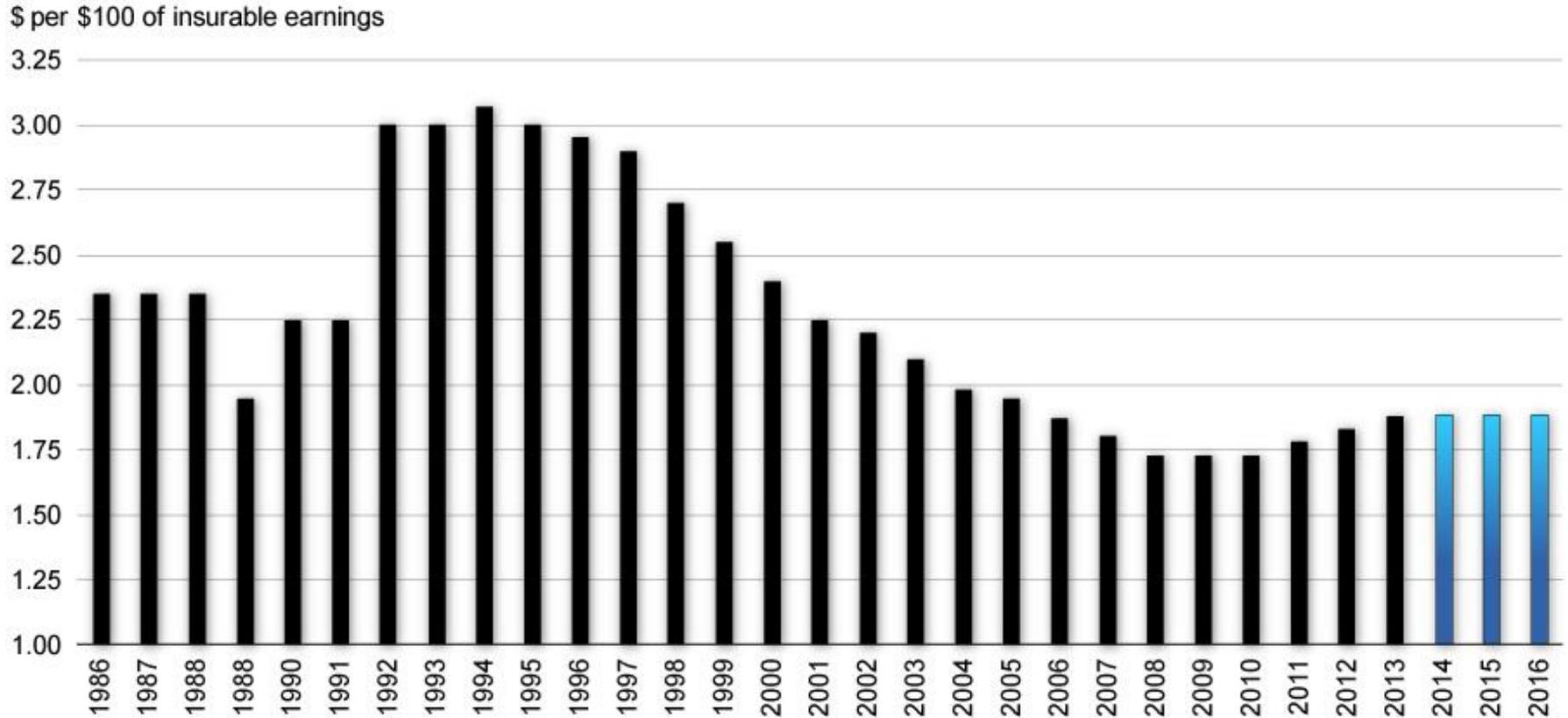
Employment Insurance Budget Measures	15/16	16/17	17/18	total
EI Access for New Entrants/Re-entrants (NERE)		259	307	567
Reducing EI waiting period to one week from two weeks		206	752	957
Extending Working While on Claim (WWC) Pilot Project		48	81	129
Extending Employment Insurance Regular Benefits in Affected Regions		405	177	582
Extending the Maximum Duration of Work-Sharing Agreements		44	83	126
Funds to Improve Employment Insurance Service Delivery		19		19
Resources for Employment Insurance Call Centres		32	41	73
Strengthening the Integrity of the Employment Insurance Program		6	8	14
Subtotal— Employment Insurance spending measures		1,018	1,449	2,467

EI Benefits Support Apprenticeship Training

- Apprentices may receive EI benefits during their in-school portion (block technical) training
- To apply for EI benefits, the apprentice needs a 16-digit reference code, proof of training referral by the province
- Application may be made up to seven days in advance and apprentices serve only one waiting period (two weeks, soon to be one week)
- Employer marks Code J in Block 16 of the Record of Employment (ROE) form... electronic ROEs show in employee`s My Service Canada account

Business Bottom Line on EI Financing

❖ *EI Premium Rates Over Time*



Source: ESDC

Business Bottom Line on EI Financing

- In 2017, the new seven-year break-even EI premium rate-setting mechanism—is being implemented, with CEIC setting the rate.
- This mechanism is designed to smooth rate changes and return any cumulative surplus in the EI Operating Account to employers and employees through lower EI rates.

-
- Liberal platform committed to reduce the employee rate from \$1.88 in 2016 to \$1.65 in 2017 (\$2.63 to \$2.31 for employers). Budget projected \$1.61(\$2.25 for employers).
 - The commitment to waive employers' EI premiums for a 12-month period on any net new hire of a full-time employee aged 18-24 in 2016, 2017 or 2018 was not mentioned.
 - Small Business Job Credit effective rate of \$2.24 is expiring

Business Bottom Line —EI Premium Reduction Program

The EI Premium Reduction Program (PRP) encourages firms to offer and register their own same or better wage loss replacement plan as EI sickness.

Employers are notified individually of their reduction which for 2016 ranges between .20 to .35 per hundred of payroll. Employees share $\frac{5}{12}$ of the premium reduction.

PRP helps employers offer and finance an important benefit—sickness coverage—important to attracting and retaining good staff.

Labour Market Information (LMI) and the Job Bank

Shortcomings of labour market information (LMI) on the radar screen as employers (& others) address demographic change (retiring boomers, fewer youths entering, etc.) Proof of skills shortages/wage rates to meet recent, more stringent foreign worker admission rules has vaulted the issue higher.

Timely, reliable, comprehensive (including local detail), easily accessible LMI needed for employer, student, worker, educator/trainer and government decision-making.

The revived Forum of Labour Market Ministers (FLMM) announced a new governance structure in July 2015: a new LMI Council and a complementary new National Stakeholder Advisory Panel (NSAP).

Job Bank--- one stop shop 24/7 for jobs and labour market information

The screenshot shows the Job Bank website interface with a red maple leaf logo and the word 'Canada' in the top right. The navigation menu includes 'Job Search', 'Explore Careers', 'Employers', and 'Job Market Trends'. A search bar is located in the top right. The main content area is divided into several sections:

- 1** JOB SEARCH: A search box with the text 'e.g.: clerk in Regina' and a 'Search' button. A red banner above it says '100,400 job postings'. Below the search box are options for 'Sort by' (Best Match, Date Posted) and 'Last 30 days'.
- 2** JOB ALERTS: A button with a notification icon and the text 'Job Alerts'.
- 3** EMPLOYERS: A section with 'Post your Job' and 'Resources' buttons.
- 4** JOB MATCH: A button with a person icon and the text 'Job Match'.
- 5** CAREER TOOL: A section with a 'New' badge and the text 'The Career Tool can help you learn about what fields of study are in demand.' Below it are icons for 'Wages', 'Outlooks', and 'Skills & Knowledge'.

The 'JOB MARKET TRENDS' section displays the following data:

Unemployment Rate	6.8%
Employment	17,954,000
Average Weekly Earning	\$948.15

The 'WELCOME TO JOB BANK' section includes a 'New on Job Bank: More Jobs. More Features!' announcement and a list of links: 'JOIN THE RESERVE FORCE', 'CYBER SAFETY TIPS', and 'GOVERNMENT PRIORITIES'. A 'PLAY' button is also visible.

Date Modified: 2015-08-21

www.jobbank.gc.ca

Job Bank hosts 5 interconnected applications:

- 1 Job Search
- 2 Job Alerts
- 3 Job Bank for Employers
- 4 Job Match
- 5 Explore careers tools and trends

Labour Market Development Agreements

Canada-wide consultations on LMDAs (the **transfer to P/Ts of \$2.1 billion of EI payroll taxes for employment benefits and support measures for EI-eligible trainees**) held pre-election showed support for aligning training programs to employer/labour market needs and for better accountability for the use of EI funds.

Some key directions emerged for “re-tooling” these bi-lateral agreements, and employers generally supported: 1) more transparency and accountability around LMDA spending and 2) more engagement with employers on training for labour market needs.

In its first Budget, the new government provided an additional \$125 million in 2016–17 for the Labour Market Development Agreements (also paid from EI monies).

Building on its election commitment and ministerial mandate, the new government is proceeding to “rationalize and expand the intergovernmental agreements that support skills training” starting with consultations on Labour Market Transfer Agreements: including Labour Market Development Agreements (LMDA) \$2.23 billion; Canada Job Fund Agreements (CJF) worth \$500 million; Labour Market Agreements for Persons with Disabilities (LMAPD) at \$222 million; and Targeted Initiative for Older Workers (TIOW) at \$25 million.

Additional reviews in EI and qualified labour sphere:

- Previous EI changes
- Temporary Foreign Worker Program
- EI Service Quality
- Aboriginal Skills and Employment Training Strategy (ASETS)

AIA member input is invaluable.

For more information, please visit

Employment Insurance

<http://www.servicecanada.gc.ca/eng/sc/ei/index.shtml>

Job Bank

<http://www.jobbank.gc.ca/intro-eng.aspx>

Canada Employment Insurance Commission:

<http://www.esdc.gc.ca/eng/jobs/ei/commission/index.shtml>

Work Sharing

http://www.servicecanada.gc.ca/eng/work_sharing//index.shtml

Premium Reduction Plan

<http://www.servicecanada.gc.ca/eng/cs/prp/010.shtml>

Working While on Claim

<http://www.servicecanada.gc.ca/eng/ei/information/wwc.shtml>

Sub Plans

http://www.servicecanada.gc.ca/eng/cs/sub/0200/0200_010.shtml

LMIA requirements and procedures

http://www.esdc.gc.ca/eng/jobs/foreign_workers/higher_skilled/permanent/index.shtml

Useful information for employers

<http://www.servicecanada.gc.ca/eng/audiences/employers/index.shtml>