

Understanding EMPLOYMENT INSURANCE (EI)

Employment Insurance Overview

The Train for Trades program is tied in to eligibility for EI upon completion so a brief review is provided here.

Employment Insurance ‘regular benefits’ are intended to provide “temporary financial assistance to unemployed Canadians who have lost their job through no fault of their own, while they look for work or upgrade their skills” (Government of Canada, 2014a). Criteria for job losses can include “shortage of work, seasonal or mass lay-offs” (Government of Canada, 2014b).

CALCULATING EI

Calculating eligibility for EI is a fluid process because it is based on a number of variables including number of hours/weeks worked, pay rate, regional unemployment rate, EI history etc.

Service Canada says:

- » Benefits are calculated using your “best weeks” of gross earnings (see below) during the qualifying period.
- » The qualifying period can vary. The minimum is determined by regional unemployment and the maximum is the previous 52 weeks.
- » Once the best weeks divisor is determined your total earnings are divided to obtain an average.
- » Benefits are calculated at 55% of this amount up to a maximum amount of \$524/week.

VARIABLE BEST WEEKS

The process for calculating EI benefits went through a significant change in 2013 with the introduction of [variable best weeks](#). Designed to make EI “more fair, flexible and responsive to regional economic conditions” your EI benefits will be calculated using your best weeks of earnings over the qualifying period (generally 52 weeks) rather than the average earnings. The number of weeks used ranges from 14-22 depending upon the rate of unemployment in your community (EI Economic Region). The areas with the lowest rates of unemployment will use the best 22 weeks while areas with the highest rates of unemployment will use the best 14 weeks).

As of February 8th to March 14th 2015, the [regional unemployment rate table](#) stated that for the St. John's Newfoundland EI Economic Region:

- » the unemployment rate was 5.5%
- » 700 insured hours are required to qualify for Regular Benefits (this translates to 17.5 weeks of work at 40 hours/week or 20 weeks at 35 hours/week)
- » The minimum number of weeks payable is 14 while the maximum is 36.
- » The benefit rate will be developed based on the best 22 weeks.

EI Family Supplement

Additional funds may be available for low-income households with children (determined by receipt of Canada Child Tax Benefit). If the net family income is less than \$25,921/year, then the Family Supplement can increase the benefit rate up to 80% of average insurable earnings.



Colourful homes in St. John's, Newfoundland.