



OFIFC

Ontario Federation of
Indigenous Friendship Centres

**Reforming Canada's Employment
Insurance Program**

September 2021

About the Ontario Federation of Indigenous Friendship Centres

Founded in 1971, the Ontario Federation of Indigenous Friendship Centres (OFIFC) works to support, advocate for, and build the capacity of member Friendship Centres across Ontario.

Emerging from a nation-wide, grass-roots movement dating back to the 1950's, Friendship Centres are community hubs where Indigenous people living in towns, cities, and urban centres can access culturally-based and culturally-appropriate programs and services every day. Today, Friendship Centres are dynamic hubs of economic and social convergence that create space for Indigenous communities to thrive. Friendship Centres are idea incubators for young Indigenous people attaining their education and employment goals, they are sites of cultural resurgence for Indigenous families who want to raise their children to be proud of who they are, and they are safe havens for Indigenous community members requiring supports.

In Ontario more than 85 per cent of Indigenous people live in cities, towns, and rural areas. The OFIFC is the largest urban Indigenous service network in the province supporting this vibrant, diverse, and quickly growing population through programs and initiatives that span justice, health, family support, long-term care, healing and wellness, employment and training, education, research, and more.

Friendship Centres receive their mandate from their communities, and they are inclusive of all Indigenous people – First Nation, Status/Non-Status, Métis, Inuit, and those who self-identify as Indigenous.

Introduction

The OFIFC welcomes the opportunity to provide feedback into the current Employment Insurance (EI) program, recognising that the system as it currently is, does not adequately meet the needs of urban Indigenous communities in Ontario. This submission will focus on the OFIFC's perspectives about how to create greater access of supports for urban Indigenous people in Ontario. However, it is important to state that minor amendments to a system that has been in place for over eighty years will not sufficiently fix Canada's fragmented and insufficient social safety net, of which the EI program is a major component. While respecting the scope of the current consultation process, the OFIFC recommends that the federal government launch full public consultation to support the overhaul and modernisation of Canada's social net, grounded within understandings of gender-based analysis and reconciliation that acknowledges the lived realities of urban Indigenous people.

Background

The Employment Insurance (EI) program is a federal insurance-based program that began in 1940 and is a major component of Canada's social safety net. The EI program

has multiple components, comprising temporary income supports to supplement job loss and life events, as well as employment programs and services.¹

The OFIFC is an Indigenous Skills and Employment Training Program (ISETP) agreement holder, funded by Employment and Social Development Canada (ESDC) and managed by Service Canada. The ISETP, which launched in April 2019, is designed to support community economic development of Indigenous communities, to foster lifelong learning and skills development, and to support clients moving through the education-to-employment continuum. Prior to the ISETP, the OFIFC administered the Aboriginal Skills Employment and Training Strategy (ASETS).

Through the Apatisiwin program, the OFIFC administers ISETP funding to twenty-seven Friendship Centres and urban Indigenous delivery sites in Ontario. It is through this administration that the OFIFC and Friendship Centres primarily interact with the EI program.

Apatisiwin Program

Apatisiwin offers employment and training services to urban Indigenous people through funded and non-funded interventions. Interventions are defined as an action plan activity, within a specific timeframe, co-developed by a client and an Employment Counsellor or Youth Employment Counsellor, intended to assist a client to enter the workforce, stay in school, return to school, or to obtain and/or maintain employment. By participating in the Apatisiwin program, clients improve their employability as they learn new skills and have access to labour force and training resources and opportunities.

Intervention Funding Streams:

Apatisiwin uses two streams of federal funding to cover the costs of funded interventions.

1. Employment Insurance (EI); and
2. Consolidated Revenue Fund (CRF).

EI Funds are available to EI eligible clients. Eligibility includes (but are not limited to), those who:

- Have an active EI claim or are Eligible for an EI Claim;
- Have accessed EI in the past five (5) years; and
- Have paid into EI Premiums for the last 5 of 10 years.

Clients who can access EI intervention funds must have a history of employment in Ontario or in another province or territory. CRF intervention funds are available to any eligible client regardless of their past work history.

¹ Report of the Standing Committee on Human Resources, Skills and Social Development and the Status of Persons with Disabilities., *Modernizing the Employment Insurance Program* (June 2021), pg. 1.

Analysis

EI Impacts on ISETPS

The Apatisiwin program is one of the OFIFC's largest programs and through ISETP administration, the program has flexibility including ten-year agreements and a breadth of eligible activities that adapt and support locally identified employment and training needs for urban Indigenous people in Ontario.

However, greater acknowledgement of the realities of the employment experiences of urban Indigenous clients is required, understanding that although clients live in towns and cities, the employment opportunities available are still greatly impacted by racism, structural and systemic barriers and inadequate gaps in education and employment. Given this understanding, CRF funding is vital to supporting Apatisiwin clients who are not EI eligible. CRF funding provides Friendship Centres with the flexibility to focus on employment and training needs that are locally identified, culturally informed and responsive to local labour markets, regardless of EI eligibility.

For example, Apatisiwin currently supports a number of Friendship Centres in the implementation of the Urban Indigenous Homeward Bound Program, which is an education to employment program with wrap-around housing and income supports for sole-parent Indigenous mothers. Through a partnership between Apatisiwin sites and the Ontario Aboriginal Housing Services, a Property Maintenance Program has also been established. This partnership is in response to providing employment and training supports outside of formal post-secondary institutions. Flexibility outside of EI eligibility supports innovative employment projects like these, and enhances grassroots initiatives currently in development, such as employment opportunities which support traditional food production and harvesting activities taking place in a number of Friendship Centres.

Access

Given the history of colonisation of Indigenous people and forced participation within capitalist economies, while being violently removed from their land and resources,² reconciliation and trauma-informed practices must be foundational to conceptualising access to EI. Through gender-segregated manual training at residential schools, to agriculture policies and regulations that impacted fishing and hunting, Indigenous people have had their work conditions continually regulated by the state. Additionally, while Indigenous people participated in early wage labour opportunities, they were systematically pushed out because of the influx of settlers.³ Due to colonial policies and legislation, the state has actively severed Indigenous communities economic resilience

² Camfield, David. 'Settler Colonialism and Labour Studies in Canada A Preliminary Report. *Journal of Canadian Labour Studies*. (2019)83. pg. 152.

³ Ibid, 162.

which has led to decades of inequitable access to education and labour market opportunities, thereby impacting EI eligibility.

By creating greater flexibility within the list of valid reasons for separation as well as mechanisms for flexibility of the number of insurable hours needed to qualify for EI, there will be greater access for vulnerable and precarious workers.⁴ The ways in which the EI program provides financial assistance also creates disparities amongst claimants and the rules to determine eligibility have not gone through substantial reforms since the early 1970's. The "EI entitlement matrix" determines who qualifies, for how much and for how long. However, this varies by region, dependent on regional unemployment.⁵ While the system was built this way to support seasonal unemployment and varying regional labour markets, it has and continues to create inequitable access to income supports.

Service delivery

Friendship Centres report that individuals are often not aware if they are eligible claimants and what supports are available to them through the EI system. In order to ensure that eligible claimants are fully aware of all supports available, frontline staff must be knowledgeable and trauma-informed to support urban Indigenous individuals.

Life Events

All non-regular benefit rates and eligibility timelines should be increased to enhance stability for unemployed individuals, with a particular focus on sickness benefits and maternity/parental leaves. Through the COVID-19 pandemic we have seen the imperative need for paid sick days and sick leave across the country, with interim federal benefits such as the Canadian Emergency Response Benefit (CERB) and the Canadian Recovery Benefit (CRB) supplementing obvious gaps within the current EI system. Notably, the Minister of Employment, Workforce Development and Disability Inclusion's 2019 mandate letter called for extending EI sickness benefits from 15 to 26 weeks, as well as introducing 15 week leave for adoptive parents.⁶

Sickness, maternity and parental leaves should all be increased in terms of benefits rates and eligibility timelines. The current hybrid approach of supports with vast discrepancies amongst private and public employers, provincial and territorial governments and the EI system create disparities amongst Canadians and continue to perpetuate cycles of poverty for marginalised communities. Greater access to EI benefits will support the foundation for the creation of a guaranteed annual livable income for all Canadians, including Indigenous people to meet all social and economic needs. This is in direct alignment with the Call for Justice 4.5 of the National Inquiry into

⁴ Report of the Standing Committee on Human Resources, Skills and Social Development and the Status of Persons with Disabilities., *Modernizing the Employment Insurance Program* (June 2021), pg. 3.

⁵ Gray, David and Philip Leonard. 2020. *Mind the Gap: Running Out of Employment Insurance Benefits*. IRPP Study 81. Montreal: Institute for research on Public Policy.

⁶ Report of the Standing Committee on Human Resources, Skills and Social Development and the Status of Persons with Disabilities., *Modernizing the Employment Insurance Program* (June 2021), pg. 13.

Missing and Murdered Indigenous Women and Girls.⁷ Flexible and enhanced benefits for adoption will also create greater opportunities to keep Indigenous children within family and community networks and reduce the number of Indigenous children who are a part of the child welfare system.

The OFIFC also recommends greater flexibility for those accessing EI benefits through life events to have enhanced access to employment and training opportunities while receiving benefits. Increased access to education and training opportunities supports mental health and wellbeing, opportunities to upskill or career ladder and removes barriers to re-entering the labour force.

Gender Gaps & Exclusion

EI weekly benefits are equal to 55% of a claimants' insurable earnings (or 33% if claiming extended parental benefits), during their variable best weeks over a qualifying period, which is usually 52 weeks, up to a maximum amount. Data presented in the Standing Committee on Human Resources, Skills and Social Development and the Status of Persons with Disabilities recent report demonstrates that due to pre-existing structural pay gaps between women and men, women receive smaller payments across all average weekly, parental and sickness benefits.⁸ The system currently perpetuates gender wage gaps and must be wholly reconceptualised accounting for equity and inclusion.

There is also a need for data in relation to 2SLGBTQQIA+ individuals to determine where all individuals fall within the average benefits payments. The EI program as it is currently constructed, favours male-identifying individuals in regions of the province with high unemployment rates, creating disparities both based on gender identification and geography.

In alignment with both the Calls for Justice from the Final Report of the National Inquiry into Missing and Murdered Indigenous Women and Girls (2019),⁹ as well as

⁷ National Inquiry into Missing and Murdered Indigenous Women and Girls. (2019). 'Reclaiming Power and Place: The Final Report of the National Inquiry into Missing and Murdered Indigenous Women and Girls: Executive Summary.' Canada. 68.

⁸ Report of the Standing Committee on Human Resources, Skills and Social Development and the Status of Persons with Disabilities., *Modernizing the Employment Insurance Program* (June 2021), pg. 26.

⁹ Specifically, Calls for Justice 4.2 "We call upon all governments to recognize Indigenous Peoples' right to self-determination in the pursuit of economic social development. All governments must support and resource economic and social progress and development on an equitable basis, as these measures are required to uphold the human dignity, life, liberty and security of Indigenous women, girls and 2SLGBTQQIA people. All Governments must support and resource community-based supports and solutions designed to improve social and economic security, led by Indigenous women, girls and 2SLGBTQQIA people. This support must come with long-term, sustainable funding designed to meet the needs and objectives as defined by Indigenous Peoples and communities." And 4.5: "We call upon all governments to establish a guaranteed annual livable income for all Canadians, including Indigenous Peoples, to meet all their social and economic needs. This income must take into account diverse needs, realities and geographic locations." National Inquiry into Missing and Murdered Indigenous

recommendations from the MMIWG2SLGBTQQIA+ National Action Plan Final Report (2021),¹⁰ the EI program must be reconceptualised to ensure that all Indigenous people have equitable access to federal income supports as a poverty reduction strategy and to enhance labour force opportunities.

Recommendations:

1. The EI program currently perpetuates gender wage gaps and must be reconceptualised accounting for equity and inclusion. It is recommended that the formulas used to determine EI eligibility, as well as the amounts and timelines individuals qualify for be updated to reflect more equitable disbursements;
2. Increasing rates above 55%, building towards a foundation of a federal social safety net that is inclusive of rates above all measures of poverty;
3. Increasing the maximum timeline of eligibility for sickness, maternity, parental and other life events recognising changing labour market needs and family responsibilities;
4. Greater flexibility within the list of valid reasons for employment separation and built in flexibility for the amount of qualified hours required for vulnerable workers to qualify for EI;
5. Individuals have greater opportunities to access employment and training opportunities while receiving benefits; and
6. Service Canada staff must be trauma-informed and knowledgeable of the scope of supports available for Indigenous claimants.

Women and Girls. (2019). 'Reclaiming Power and Place: The Final Report of the National Inquiry into Missing and Murdered Indigenous Women and Girls: Executive Summary.' Canada. Pg. 67-68.

¹⁰ Recommendations in relation to the Right to Safety a Security – "...Establishment of a guaranteed Annual Income" and "Provide specific financial services that lead to financial security and personal wealth." 2SLGBTQQIA+ Sub-Working Group. (2021). 'MMIWG2SLGBTQQIA+ National Action Plan Final Report.' Pg. 46.

