



The Daily

Statistics Canada

Wednesday, October 3, 2007

Released at 8:30 a.m. Eastern time

Releases

Employment Insurance Coverage Survey, 2006

2

The number of people who have received regular Employment Insurance benefits has declined significantly during the past four years. However, an analysis of new data from the Employment Insurance Coverage Survey shows that this decline has been due mainly to a drop in unemployment, rather than a change in the composition of the unemployed.

New products

5



Releases

Employment Insurance Coverage Survey

2006

The number of people who have received regular Employment Insurance (EI) benefits has declined significantly during the past four years.

An analysis of new data from the Employment Insurance Coverage Survey shows that this decline in beneficiaries has been due mainly to a drop in unemployment, rather than a change in the composition of the unemployed.

Data gathered during the reference week of the survey show that roughly 476,000 Canadians had received regular EI benefits in 2006. This was a 10.3% decline from 530,500 in 2002.

The regular benefits program is designed primarily for the unemployed: in 2006, 64.9% of regular EI benefits claimants were unemployed.

The survey also showed that between 2002 and 2006, the number of unemployed declined 15.0% to about 1,039,000. This is consistent with the drop in the unemployment rate over the period.

Consequently, the number of unemployed people who received regular EI benefits dropped significantly. In 2006, roughly 309,000 unemployed people received regular EI benefits during the reference week of the survey. This was a 20.2% decline from 387,000 in 2002.

The reduction in the number of Canadians who received regular EI benefits for this four-year period is therefore attributable in large part to the decline in unemployment.

The Employment Insurance program is an income replacement program to help Canadians face situations such as a job loss or work stoppage. Canadians receive mainly two types of benefits: regular benefits, which are for individuals who have lost their employment, and benefits for the birth or adoption of a child, which include maternity and parental benefits.

During the reference week, more than two-thirds (68.6%) of EI claimants received regular benefits, and nearly one-quarter (24.1%) received maternity or parental benefits.

Composition of unemployed remained relatively unchanged

The data showed that declines in the number of beneficiaries between 2002 and 2006 were not due to substantial changes in the composition of the unemployed.

Note to readers

The Employment Insurance Coverage Survey has been conducted for Human Resources and Social Development Canada since 1997. The survey is conducted in four cycles each year, in April, July, November and January.

In 2006, a total of 1,977 unemployed and 1,248 mothers of a child less than one year old were surveyed.

First, there is always a certain proportion of unemployed who do not qualify for benefits. This group consists of two groups of people. The first are those who have not contributed to the program because they have not worked in the past 12 months or their employment is not insurable. This group includes self-employed workers.

The second are those who have contributed to the program, but who have left their employment for reasons that do not meet the eligibility criteria, such as workers who left their job voluntarily.

In 2006, 68.0% of the unemployed had contributed to EI in the past 12 months and 52.6% of the unemployed were potentially eligible to receive benefits (regular or other). The proportions of the eligible and ineligible unemployed remained relatively stable between 2002 and 2006.

In addition, not everyone who left their work for a reason that meets eligibility criteria is entitled to benefits. An unemployed person is also required to have accumulated a certain number of hours of paid employment to receive benefits. In 2006, 9.1% of unemployed individuals were otherwise potentially eligible, but had not accumulated enough hours of work to receive benefits.

A good measure of the EI program's protection is the ratio obtained by dividing the number of people who met the eligibility criteria, and had accumulated enough hours, by the number of all potentially eligible persons. In 2006, 82.7% of potentially eligible people had accumulated enough hours to receive benefits, a proportion which has hardly changed in four years.

Maternity and parental benefits

Individuals taking leave because of the birth or adoption of a child are another significant group targeted by the EI program.

The year 2006 was pivotal in this respect because the new Quebec Parental Insurance Plan gradually came into effect. This plan is separate from the EI program and individuals can only be covered by one

plan at a time. Moreover, the two plans differ in terms of the individuals involved and the eligibility conditions.

For example, among the different types of leaves offered by the Quebec Parental Insurance Plan, there is a leave that applies exclusively to fathers. The Quebec Parental Insurance Plan also covers self-employed workers.

The survey showed that there were nearly 365,000 mothers in 2006 with a child up to 12 months old. More than three-quarters of these mothers (76.5%) had insurable income, and 83.5% of them had received benefits in the form of maternity or parental benefits during their pregnancy or since the birth or adoption of their child.

These benefits were from either the EI program or the Quebec Parental Insurance Plan. Nearly two-thirds (63.9%) of mothers had received benefits, a proportion which remained relatively stable from 2002 to 2006.

About 23% of all mothers with a child one year old or younger did not have insurable employment. More than half of them had not worked in the previous two years.

Situation different for fathers

The situation was different for fathers. Between 2005 and 2006, the proportion of fathers who had applied for, or were planning to apply for, benefits for the birth or adoption of their child rose from 15.0% to 20.0%. This increase mainly reflects the trend in Quebec.

In Quebec, the proportion rose from 27.8% in 2005 to 48.4% in 2006. This probably corresponds to the start of the Parental Insurance Plan, which includes leave that applies exclusively to fathers.

These findings are consistent with a study based on data from the 2006 General Social Survey. The study showed that the proportion of fathers who missed work for the birth or adoption of their child (without necessarily claiming EI benefits) was significantly higher. It rose from 67% in 2005 to 80% in 2006.

Definitions, data sources and methods: survey number 4428.

To order custom tabulations, for more information or to enquire about the concepts, methods or data quality of this release, contact Client Services (toll-free 1-800-461-9050; 613-951-3321; fax: 613-951-4527; ssd@statcan.ca), Special Surveys Division.

□

Coverage and eligibility of the unemployed for Employment Insurance benefits

	2002	2003	2004	2005	2006
	number in thousands				
Unemployed¹	1,222	1,224²	1,188³	1,123³	1,039³
	% of unemployed				
Contributors	69.7	70.9	68.6	68.6	68.0
Non-contributors	30.3	29.1	31.4	31.4	32.0
Potentially eligible	55.4	57.1	53.5	55.2	52.6
Received or will receive Employment Insurance benefits	42.6	44.8	40.9	43.3	40.3
Did not receive benefits but eligible ⁴	3.8	3.2	2.2 ^E	2.7 ^E	3.1 ^E
Did not accumulate enough hours of work to be eligible to receive benefits	9.0	9.1	10.5	9.2	9.1
Not potentially eligible	44.6	42.9	46.5	44.8	47.4
Left their last job for reasons not deemed valid	14.4	13.9	15.1	13.4	15.4
No insurable employment	5.4	5.1	5.7	5.4	5.7
Has not worked in the previous 12 months	24.9	23.9	25.7	26.0	26.3
Eligible as a proportion of Employment Insurance contributors who had a job separation that met the program criteria	83.7	84.0	80.4	83.4	82.7

^E use with caution

1. Average number of unemployed for the months of March, June, October and December.
2. Significantly different from estimate for previous year ($p < 0.05$).
3. Significantly different from estimate for previous year ($p < 0.01$).
4. Based on number of hours worked.

Coverage and eligibility of mothers for maternity or parental benefits

	2002	2003	2004	2005	2006
	number				
Mothers with child aged 12 months or less	324,000	326,800	350,200	376,000	364,800
	% as a proportion of mothers				
With insurable employment	73.5	74.3	74.3	75.0	76.5
Received maternity or parental benefits	63.2	64.7	65.9	64.2	63.9
From Employment Insurance program	...	...	...	...	52.2
From Quebec Parental Insurance Plan	...	...	...	...	11.7
Did not claim or receive maternity or parental benefits	10.3	9.6 ^E	8.4	10.8	12.7
Without insurable employment	26.5	25.7	25.7	25.0	23.5
Not worked in two years	14.2	16.0	16.6	12.7	14.7
Other (includes self-employed) ¹	12.3 ^E	9.6	9.1 ^E	12.3 ^E	8.8 ^E

... not applicable

^E use with caution

1. Contrary to the Employment Insurance program, self-employed workers are eligible for benefits under the Quebec Parental Insurance Plan.

New products

Canadian Foreign Post Indexes, October 2007
Catalogue number 62-013-XIE
 (free).

Exports by Commodity, July 2007, Vol. 64, no. 7
Catalogue number 65-004-XCB (\$40/\$387).

Exports by Commodity, July 2007, Vol. 64, no. 7
Catalogue number 65-004-XPB (\$84/\$828).

All prices are in Canadian dollars and exclude sales tax. Additional shipping charges apply for delivery outside Canada.

Catalogue numbers with an -XWE, -XIB or an -XIE extension are Internet versions; those with -XMB or -XME are microfiche; -XPB or -XPE are paper versions; -XDB or -XDE are electronic versions on diskette; -XCB or -XCE are electronic versions on compact disc; -XVB or -XVE are electronic versions on DVD and -XBB or -XBE a database.

How to order products

To order by phone, please refer to:

- The title
- The catalogue number
- The volume number
- The issue number
- Your credit card number.

From Canada and the United States, call: **1-800-267-6677**
 From other countries, call: **1-613-951-2800**
 To fax your order, call: **1-877-287-4369**
 For address changes or account inquiries, call: **1-877-591-6963**

To order by mail, write to: Statistics Canada, Finance, 6th floor, R.H. Coats Bldg., Ottawa, K1A 0T6.
 Include a cheque or money order payable to **Receiver General of Canada/Publications**. Canadian customers add 6% GST and applicable PST.

To order by Internet, write to: infostats@statcan.ca or download an electronic version by accessing Statistics Canada's website (www.statcan.ca). From the *Our products and services* page, under *Browse our Internet publications*, choose *For sale*.

Authorized agents and bookstores also carry Statistics Canada's catalogued publications.

Statistics Canada logo and title 'The Daily' are visible at the top. Below the title, it says 'Statistics Canada'. The date is 'Thursday, June 3, 1997' and 'For release at 8:30 a.m.'. The 'MAJOR RELEASES' section includes:

- Urban transit, 1996 (2)
- Productivity, hourly compensation and unit labour cost, 1996 (4)

 The 'OTHER RELEASES' section includes:

- Help-wanted index, May 1997 (3)
- Steel primary forms, value ending May 31, 1997 (12)
- Egg production, April 1997 (12)

 The 'PUBLICATIONS RELEASED' section is listed as (11). At the bottom, there are logos for Statistics Canada and the Government of Canada.

Statistics Canada's official release bulletin

Catalogue 11-001-XIE.

Published each working day by the Communications and library Services Division, Statistics Canada, 10G, R.H. Coats Building, 100 Tunney's Pasture Driveway, Ottawa, Ontario K1A 0T6.

To access *The Daily* on the Internet, visit our site at <http://www.statcan.ca>. To receive *The Daily* each morning by e-mail, send an e-mail message to listproc@statcan.ca. Leave the subject line blank. In the body of the message, type "subscribe daily firstname lastname".

Published by authority of the Minister responsible for Statistics Canada. © Minister of Industry, 2007. All rights reserved. The content of this electronic publication may be reproduced, in whole or in part, and by any means, without further permission from Statistics Canada, subject to the following conditions: that it be done solely for the purposes of private study, research, criticism, review or newspaper summary, and/or for non-commercial purposes; and that Statistics Canada be fully acknowledged as follows: Source (or "Adapted from", if appropriate): Statistics Canada, year of publication, name of product, catalogue number, volume and issue numbers, reference period and page(s). Otherwise, no part of this publication may be reproduced, stored in a retrieval system or transmitted in any form, by any means—electronic, mechanical or photocopy— or for any purposes without prior written permission of Licensing Services, Client Services Division, Statistics Canada, Ottawa, Ontario, Canada K1A 0T6.