

Employment Insurance

Regular Benefits



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Section I

Introduction

This booklet outlines the rules for regular Employment Insurance (EI) benefits. Take a few minutes to look through it and you'll find explanations on the number of hours of work required to qualify; how we calculate benefits; and how long you can receive benefits. You'll also find our toll-free numbers, how to find us on the Internet and a handy illustration of our telephone answering service that can answer many of your questions automatically.

General information on what you should know about EI programs and your rights and responsibilities is also in this booklet.

Finally, don't forget that EI is now delivered by Service Canada—the Government of Canada's new service delivery network which brings a range of federal services and benefits together to meet your individual needs.

To find out about Service Canada call 1 800 O-Canada or visit us on-line at servicecanada.gc.ca.

For questions specific to Employment Insurance call 1 800 206-7218 or visit us on-line at servicecanada.gc.ca.

Important Information on Pilot Projects

Under the *Employment Insurance Act* and, upon approval from Cabinet, we are allowed to set-up short-term pilot projects for a maximum of three years. The purpose of such pilot projects must be to test the potential impact of changes made to the *Employment Insurance Act* or Regulations in the future so that EI is more consistent with current industry employment, practices, trends or patterns, or would improve service to the public. In addition, the pilot project must be the only way to test the impact a change in the program would have on employees, employers and claimants.

Pilot projects can be limited to specific geographic areas or can be implemented nationally.

When you apply for EI, and if you are eligible to participate in a pilot project running in your area, you will be advised or we will automatically adjust your claim to ensure you are included and receive all the benefits to which you are entitled. A pilot project can increase benefits and/or reduce hours needed to be eligible; it can also increase weeks on claim.

Call the Employment Insurance toll-free number to find out about EI pilot projects that may be applicable to you. Or, visit your local Service Canada Centre.

Quick Answers

Q. Where do I apply?

- A.** Apply on the Internet at servicecanada.gc.ca—click on *On-line forms and services* in the top menu bar—or—go to any Service Canada Centre.

Q. When should I apply?

- A.** Fill out your application as soon as you are out of work. (See page 4.)

Q. When should I expect my first payment?

- A.** If you provide us with all the required information and documents when you apply, and if you qualify for benefits, you should receive your first payment within 28 days from the date we receive your application. (See page 6.)

Q. How much should I receive?

- A.** The basic benefit rate is 55% of your average weekly insured earnings for most claimants. For claimants who have a low family income and who receive the Canada Child Tax Benefit from the Canada Revenue Agency, your rate could be higher. (See page 13.)

Q. How do I get paid?

- A.** You must complete reports to demonstrate your right to continue receiving regular benefits. You can complete forms on the Internet at servicecanada.gc.ca—click on *On-line forms and services* in the top menu bar—or by telephone at 1 800 531-7555. (See page 6.)

Q. How long do I have to work before I am eligible to collect benefits?

- A.** In most cases you must have worked a minimum of 420 to 700 hours. In some instances, however, you will need 910 hours to qualify. (See page 8.)

Q. How long can I receive benefits?

- A.** Between 14 and 45 weeks. (See page 11.)

Section II

Who Is Eligible?

You can receive regular benefits if you lose your job through no fault of your own and you can't find work, provided you apply and meet these requirements:

- you have paid into the EI account;
- you have been without work and without pay for at least seven consecutive days; and
- you have worked the required number of hours based on where you live and the unemployment rate in your area.

Where to Apply

Apply on the Internet at servicecanada.gc.ca—click on *On-line forms and services* in the top menu bar—or—go to your local Service Canada Centre. For the office nearest you call 1 800 O-Canada (1 800 622-6232).

How and When to Apply for EI

If you have received your Record of Employment (ROE)¹ from your last employer, you should apply as soon as you are out of work. If you still have not received your ROE 14 days **after** your last day of work, then you can submit your application. However, you will need to provide proof of work including pay stubs. A delay in filing your claim for benefits beyond 4 weeks after your last day of work may cause loss of benefits. In addition to your

¹ This is a form your employer must give you. It shows how long you worked and how much you earned with that employer. If you have more than one ROE because, for example, you have worked for more than one employer within the last 52 weeks or since your last claim, you must provide all your ROEs with your application.

ROE, you will need your Social Insurance Number and your complete bank account information— from a cheque or bank statement—so that your EI payment can be deposited directly into your bank account (Direct Deposit).

Social Insurance Number: Important Message

Your Social Insurance Number (SIN) is not a piece of identification. Your SIN is your personal identifier for some federal programs such as EI and Income Tax. You do not need to carry your SIN card with you. Keep it in a safe place where it is least likely to be lost or stolen.

Two-Week Waiting Period

When you claim regular benefits, there is a two-week period at the start of your claim for which no benefits are paid. If you have earnings during this two-week period, some, or all, of these monies will be deducted from your benefits in the first three weeks. (We will deduct up to the amount of your weekly benefit rate.)

Access Code

You will receive a personal Access Code. Your Access Code is printed in the shaded area at the bottom of the first statement mailed to you after you file a claim. Whether you use the Internet or telephone services to enquire about your claim or complete your reports, you will need this code and your Social Insurance Number. The Access Code is your electronic signature. It must be kept safe and should be stored separate from your SIN. Do not let others have it. They could get information or take action on your EI claim without your knowing and you will be held responsible.

How to Get Paid

You must complete a report by Internet, telephone or mail every two weeks. These reports are very important as regular payments cannot be issued without them.

Shortly after submitting your application for benefits, you will receive a notice in the mail indicating the date your first report is due, step-by-step instructions on how to complete your report by using the Internet Reporting Service at servicecanada.gc.ca and clicking on *On-line forms and services* in the top menu bar, or by using the toll-free Telephone Reporting Service **1 800 531-7555** (select Option 1 for a demonstration or Option 2 to complete your report).

Regardless of whether you submit your report via the Internet or by using a touch-tone™ phone, you will be required to answer a series of questions about your employment status. After you have completed your report, you will be given the date when you report again. You will not be allowed to file your next report before this date. Mark this date on your calendar.

It is important to complete your reports within three weeks from the date provided or your claim may be affected.

If you cannot complete your reports via the Internet or by using the telephone, you will need to complete claimant's reports by mail. If this is the case, you will receive your reports in the mail, along with step-by-step instructions on how to complete them. Be careful not to date or send the reports in before the date given as this could delay your claim.

Payments

A payment cannot be issued to you without your having completed a report. Our standard way of paying benefits is by Direct Deposit.

If we have all the required information and you are eligible, your first payment should be issued within 28 days from the date we receive your application. Subsequent payments are deposited into your bank account two business days after you complete your report by Internet or telephone.

If you report by mail, payment will be deposited into your bank account two business days after your report is processed. If you are unable to use Direct Deposit, your payment will be mailed to you.

If you have already filed for benefits and have not yet supplied your complete bank account information from a cheque or bank statement, visit My EI Information on-line (servicecanada.gc.ca (click on *On-line forms and services* in the top menu bar) or call our toll-free line **1 800 206-7218** and provide the information to a representative.

It is extremely important that you notify us prior to changing your bank information and before you move.

Employment Insurance Claim Information

If you want information about your EI claim, visit My EI Information on-line (servicecanada.gc.ca (click on *On-line forms and services* in the top menu bar). This service allows you to view your current claim information including payment and deduction details. You can also view and update your personal information including your mailing address, phone number, and banking information for direct deposit. It also offers links to other EI services such as the Internet Reporting Service, the Application for Employment Insurance Benefits on the Internet and Job Bank.

You can also obtain information about your EI claim by calling our Telephone Information Service 1 800 206-7218 and choosing Option 1.

Number of Hours of Work Required to Qualify

The Employment Insurance system is based on hours of paid work and responds to variations in work situations such as part-time, extended hours, and compressed weeks.

The principle of the hours system is simple: regardless of whether you work full-time, part-time, as a seasonal worker, or on and off throughout the year, the hours that you work and for which you are paid are accumulated toward eligibility for EI benefits. This approach applies to overtime, which is calculated hour for hour no matter what the rate of pay. As well, paid leave of any type is insured for the number of hours that normally would be worked in that period, regardless of rate of pay.

Depending on the unemployment rate in the region, most people will need between 420 and 700 hours of insurable employment within the last 52 weeks, or since the start of their last claim—whichever is shorter—to qualify for Employment Insurance benefits. In some instances, 910 hours will be needed to qualify. As well, violations from previous EI claims may increase the number of hours required to qualify for EI benefits. (See Section IV.) Some exceptions are listed in Table 1.

Table 1

Regional rate of unemployment	Required number of hours of insurable employment in the last 52 weeks
6% and less	700 hours
6.1% to 7%	665 hours
7.1% to 8%	630 hours
8.1% to 9%	595 hours
9.1% to 10%	560 hours
10.1% to 11%	525 hours
11.1% to 12%	490 hours
12.1% to 13%	455 hours
13.1% and over	420 hours

There are exceptions to figures shown in Table 1.

If you are in the work force for the first time and lose your job, you are considered a **new entrant** (to EI) and will require more hours of insurable work. You will need a minimum of 910 hours in the previous 52 weeks to qualify.

- If you apply for sickness, maternity, parental, or compassionate-care benefits, you will need 600 hours of work. For further information see our publication, *Employment Insurance: NEW Maternity, Parental and Sickness Benefits* or *Employment Insurance: Compassionate Care Benefits*.
- If you are re-entering the work force after an absence of two years², you are considered a **re-entrant** (to EI) and will, in most instances, need a minimum of 910 hours of insurable work in

² In some circumstances, even though you may not have been absent from the work force for a full two years, you may still need a minimum of 910 hours of work to qualify. Please check with your local Service Canada Centre.

the last 52 weeks to qualify—EXCEPT if you have collected at least one week of maternity-parental benefits.

- If you are a re-entrant and do not have enough hours to qualify for regular EI benefits and you have collected at least one week of maternity-parental benefits in approximately the last four years, you may not be considered a re-entrant and, therefore, the 910 hours you need may not be applicable. To be eligible for regular EI benefits, you will need to meet the minimum number of hours required based on your regional rate of employment. (See page 9.)

Premiums

You will pay premiums on all your earnings up to the annual maximum salary of \$39,000. This means that deductions will be made at \$1.87 for every \$100 of salary until the \$39,000 has been reached. After that, you will not pay any premiums. For example, if you earn \$52,000 a year, you will pay premiums on the first \$39,000. If your earnings are regular weekly amounts of \$1,000 per week, you will pay premiums from January through September, but no more for the remainder of the year.

The premium rate for Quebec will be \$1.53. This rate is lower than in the rest of Canada because, starting January 2006, Quebec will offer its own parental benefits.

Section III

How Long Can You Receive Benefits?

How long you can receive benefits depends on:

- the unemployment rate in your region; and
- how long you have worked in the last 52 weeks or since your last claim started—whichever is shorter.

The More Hours You Work The More Weeks of EI You Can Get

Your weeks of benefits depend on the amount of insurable hours you have and the rate of unemployment that is applicable to your area when your claim started. The length of time you can receive benefits is from 14 to a maximum of 45 weeks within a 52-week period.

Maternity, Parental and Sickness Benefits Combined With Regular EI Benefits

You may receive up to 50 weeks when regular EI benefits are combined with maternity, parental or sickness benefits. If you are in that situation and want to know more, call **1 800 206-7218** or go to your local Service Canada Centre.

Table 2

Number of weeks of entitlement

Unemployment rate in claimant's region												
Hours of work	6% and under	over 6% to 7%	over 7% to 8%	over 8% to 9%	over 9% to 10%	over 10% to 11%	over 11% to 12%	over 12% to 13%	over 13% to 14%	over 14% to 15%	over 15% to 16%	over 16%
420-454									26	28	30	32
455-489								24	26	28	30	32
490-524							23	25	27	29	31	33
525-559						21	23	25	27	29	31	33
560-594					20	22	24	26	28	30	32	34
595-629				18	20	22	24	26	28	30	32	34
630-664			17	19	21	23	25	27	29	31	33	35
665-699		15	17	19	21	23	25	27	29	31	33	35
700-734	14	16	18	20	22	24	26	28	30	32	34	36
735-769	14	16	18	20	22	24	26	28	30	32	34	36
770-804	15	17	19	21	23	25	27	29	31	33	35	37
805-839	15	17	19	21	23	25	27	29	31	33	35	37
840-874	16	18	20	22	24	26	28	30	32	34	36	38
875-909	16	18	20	22	24	26	28	30	32	34	36	38
910-944	17	19	21	23	25	27	29	31	33	35	37	39
945-979	17	19	21	23	25	27	29	31	33	35	37	39
980-1014	18	20	22	24	26	28	30	32	34	36	38	40
1015-1049	18	20	22	24	26	28	30	32	34	36	38	40
1050-1084	19	21	23	25	27	29	31	33	35	37	39	41
1085-1119	19	21	23	25	27	29	31	33	35	37	39	41
1120-1154	20	22	24	26	28	30	32	34	36	38	40	42
1155-1189	20	22	24	26	28	30	32	34	36	38	40	42
1190-1224	21	23	25	27	29	31	33	35	37	39	41	43
1225-1259	21	23	25	27	29	31	33	35	37	39	41	43
1260-1294	22	24	26	28	30	32	34	36	38	40	42	44
1295-1329	22	24	26	28	30	32	34	36	38	40	42	44
1330-1364	23	25	27	29	31	33	35	37	39	41	43	45
1365-1399	23	25	27	29	31	33	35	37	39	41	43	45
1400-1434	24	26	28	30	32	34	36	38	40	42	44	45
1435-1469	25	27	29	31	33	35	37	39	41	43	45	45
1470-1504	26	28	30	32	34	36	38	40	42	44	45	45
1505-1539	27	29	31	33	35	37	39	41	43	45	45	45
1540-1574	28	30	32	34	36	38	40	42	44	45	45	45
1575-1609	29	31	33	35	37	39	41	43	45	45	45	45
1610-1644	30	32	34	36	38	40	42	44	45	45	45	45
1645-1679	31	33	35	37	39	41	43	45	45	45	45	45
1680-1714	32	34	36	38	40	42	44	45	45	45	45	45
1715-1749	33	35	37	39	41	43	45	45	45	45	45	45
1750-1784	34	36	38	40	42	44	45	45	45	45	45	45
1785-1819	35	37	39	41	43	45	45	45	45	45	45	45
1820-	36	38	40	42	44	45	45	45	45	45	45	45

How Much Will You Receive?

The basic benefit rate is 55% of your average insured earnings up to a maximum payment of \$413 per week. Depending on your personal circumstances, your benefit rate could be higher than 55%, however, the maximum payment will not change.

Higher Benefit Rates

If you are in a low-income family—a net income of less than \$25,921—with children, and you receive the Canada Child Tax Benefit from Canada Revenue Agency, your benefit rate may be as high as 80%. Please see our fact sheet, *Employment Insurance and the Family Supplement*.

How We Calculate Your Average Insured Earnings

The amount of your weekly benefit payment will depend on your earnings in the last 26 continuous weeks.

Your weekly benefit will be calculated in the following manner.

1. We look at the total earnings you have been paid in the last 26 continuous weeks ending with your last day of work.
2. We take into consideration the number of weeks in which you have worked in the last 26 continuous weeks.
3. We determine the unemployment rate in your area and the minimum divisor that applies at that unemployment rate. (See Table 2 on page 12.)

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4. To determine your average weekly insured earnings, we divide your total earnings in the last 26 continuous weeks by the greater of:
- a) the number of weeks you have worked in the last 26 continuous weeks; or
 - b) the minimum divisor number.
5. We then multiply the result by 55% or 80% (whichever applies to you) to obtain your weekly benefit. The maximum amount is \$413 per week.

Divisor Table

Unemployment rate in your region	Minimum divisor
6% and less	22
6.1% to 7%	21
7.1% to 8%	20
8.1% to 9%	19
9.1% to 10%	18
10.1% to 11%	17
11.1% to 12%	16
12.1% to 13%	15
13.1% and over	14

Example A

1. In the last 26 continuous weeks you worked for 26 weeks and earned a total of \$10,400.
2. You live in an area where the unemployment rate is 13.1% so the divisor is 14.
3. To determine your average weekly earnings, your total earnings (\$10,400) will be divided by 26 (the number of weeks worked) as it is greater than the divisor ($\$10,400 \div 26 = \400).
4. If your basic benefit rate is 55%, then you could receive \$220 per week in benefits (55% of \$400).

Example B

1. In the last 26 continuous weeks you worked for 12 weeks and earned a total of \$3,600.
2. You live in an area where the unemployment rate is 13.1% so the divisor is 14.
3. To determine your average weekly earnings, your total earnings (\$3,600) will be divided by 14 (the minimum divisor) as it is greater than the number of weeks worked ($\$3,600 \div 14 = \257).
4. If your basic benefit rate is 55%, then you could receive \$141 per week in benefits (55% of \$257).

Example C

1. In the last 26 continuous weeks you worked for 17 weeks and earned a total of \$5,100.
2. You live in an area where the unemployment rate is 11.5% so the divisor is 16.
3. To determine your average weekly earnings, your total earnings (\$5,100) will be divided by the number of weeks you have worked (17) because it is greater than the divisor ($\$5,100 \div 17 = \300).
4. If your basic benefit rate is 55%, then you could receive \$165 per week in benefits (55% of \$300).

Small Weeks

When you qualify for EI and we calculate your benefit rate, we will, where possible, not consider weeks of work where you earned less than \$225. This will result in your benefit payment being higher than you may otherwise have received. **Note:** Be careful not to combine earnings from more than one week as it is considered a false statement and subject to penalties under the *Employment Insurance Act*. (For further information see our information sheet, *Small Weeks*.)

Sources of Income

There are two types of earnings at the time of receiving EI which affect your benefits: money you earn at the same time as you are collecting EI benefits and money you get from your employer when you leave your job (separation payments). As well, don't forget that any earnings made during the waiting period will be deducted dollar for dollar in the first three weeks of payable benefits.

Earnings While on Claim

Most people know that you can't work full time and receive EI regular benefits. You can, however, receive some benefits if you work part time. If you are receiving regular benefits, you can earn 25% of your weekly benefit or \$50, whichever is higher, without changing the amount of benefits you will receive for that week. All earnings above that limit will be deducted dollar for dollar from your weekly benefits.

If you work while receiving EI, you must accurately report your earnings and the number of hours worked in the week that you actually worked. Be careful not to combine hours and earnings from more than one week. If you discover that you made a mistake let us know immediately so corrections can be made. (Earnings are declared through your report. See page 6.)

Money received while on EI that could affect the amount of benefits you receive include:

- a payment for wrongful dismissal;
- return to work and call-back pay;
- retaining fees;
- self-employment earnings; and
- retirement income from an employment pension, military or police pension, Canada or Quebec Pension Plan or provincial plan based on employment.

Pension income that does not affect your regular benefits include:

- pension payments received from private RRSPs;
- disability pensions; and
- survivor's or dependant's pensions.

Separation Payments

You may have received severance pay, vacation pay or separation money paid into your RRSP when you left your job. These monies may affect the date you start to receive benefits. Nonetheless, even if you have such earnings, it is important to apply for benefits as soon as you become unemployed. For example, if you receive 12 weeks of severance pay, in a lump sum or weekly, regular benefits will be delayed for 12 weeks.

You may also receive severance pay, vacation pay or separation money after you are on claim, these monies must be declared when you complete your claimant reports.

In a situation where you do not know whether you will receive separation payments (for example, if your employer has gone

bankrupt), some, or all, of your EI benefits may have to be paid back if you do eventually receive separation payments. If you think you might be in this situation, you should ask for more information at your local Service Canada Centre.

If you received vacation pay or wages in lieu of notice when you were laid off, these earnings are insurable and are included in the calculation of your average insured earnings as described on page 13. If these payments are very large, relative to your other earnings, some restrictions might apply and you should ask for more information at your local Service Canada Centre about your particular circumstances.

Voluntarily Leaving Your Job or Being Dismissed for Misconduct

If you voluntarily leave your job without just cause or if you are dismissed because of your own misconduct, you may not be entitled to receive benefits. The following are some of the most common circumstances that we may consider as just cause:

- sexual or other harassment;
- needing to move with a spouse or dependant child to another place of residence;
- discrimination;
- working conditions that endanger your health or safety;
- having to provide care for a child or another member of your immediate family;
- reasonable assurance of another job in the immediate future;
- major changes in the terms and conditions of your job affecting wages or salary;

-
- excessive overtime or an employer's refusal to pay for overtime work;
 - major changes in work duties;
 - difficult relations with a supervisor, for which you are not primarily responsible;
 - your employer is doing things which break the law;
 - discrimination because of membership in an association, organization or union of workers; and
 - pressure from your employer or fellow workers to leave your job.

Other reasonable circumstances could be considered as just cause to leave a job. Some of the examples listed on page 18 and 19 may provide proof of just cause for leaving a job but may then raise doubt as to your availability for work. If you are unsure, check with your local Service Canada Centre.

Corporate Downsizing

When companies reduce the size of their work force, Employment Insurance will help them and their employees get through the process. If your employer is downsizing and offers you the opportunity to leave your job to protect another person's job, it is still possible that you may be entitled to EI benefits even though you quit your job. In this situation, the company must demonstrate that the layoff is permanent and that your departure protects another person's job.

When faced with downsizing, it is best to first consult with an EI officer to ensure that all conditions that might affect you are considered. Don't take anything for granted.

Labour Disputes

If a strike, a lockout or other form of labour dispute in your place of work causes you to lose your job or prevents you from going to work, generally you will not be eligible for EI benefits. This applies if you are a union member or not or whether your job is full or part time.

You may, however, be eligible to receive benefits if:

- you are not taking part in the dispute (i.e. refusing to work, picketing, etc.);
- you are not giving money directly to support the dispute; and
- you are not directly interested in the dispute (i.e. your wages or working conditions, etc., are not affected by the outcome of the dispute).

If you are taking part in a labour dispute, you are not eligible for EI until:

- the strike or lockout is over; or
- you have found another regular job where you pay EI premiums.

If you had already arranged for an approved absence from work before the work stoppage started—such as sick leave, maternity leave, parental leave or authorized training—you may still be eligible for EI benefits.

Repayment of Benefits at Income Tax Time (Clawback)

Depending on your net yearly income you may be required to repay some or all of the EI benefits you have received. This repayment would be made at income tax time as part of your tax filing.

There are three changes that have been made to the repayment of benefits, these changes are effective as of the 2000 taxation year.

- If you made less than \$48,750 (net income) in the previous taxation year, you will not have to repay EI benefits. If you made more than this amount you will be required to repay 30 per cent of your net income above \$48,750, or 30 per cent of the total regular or fishing benefits paid in the taxation year, whichever is less.
- If you are a first-time claimant, you are exempt from benefit repayment. (A first-time claimant is defined as a person who has received less than a week of regular or fishing benefits in the last ten taxation years.)
- If you only received maternity, parental or sickness benefits you will not have to repay those benefits.

It is important to remember that clawback is based on a **taxation** year and EI benefits paid in that taxation year.

Section IV

Protecting Employment Insurance - With Your Help

Service Canada takes its responsibility seriously when administering EI. Protecting EI from misuse is a large part of that responsibility. With your help, we can reduce the incidences of misuse and ensure that the EI system is used as it should be used—a temporary support measure when people find themselves out of a job.

To make certain that EI is protected, and to discourage misuse, we work with employers and claimants to ensure accuracy of information.

Mistakes Can Happen

Mistakes can happen when filing your report over the phone, on the Internet or when completing the paper form. We have found that some of the most common errors made are:

- estimating weekly earnings instead of putting in the actual amount earned;
- forgetting to declare all the earnings received;
- writing/entering the wrong number when reporting earnings; and
- adding up the number of hours incorrectly.

Some mistakes can cause a delay in payment and others could cause an error in the amount of benefits you receive—either higher or lower than your entitlement.

For example, estimating earnings can have the following effects.

- If you estimated your earnings in any one week and your estimate was higher than the earnings you actually received, you may receive less benefits than you are entitled. LET US KNOW, and we'll adjust your file and ensure that you receive all the benefits to which you are entitled.
- If you estimated your earnings in any one week and your estimate was lower than the earnings you actually received, you may receive more benefits than you are entitled to have (*an overpayment*). LET US KNOW. The overpayment will have to be paid back, but we'll ensure that the repayment causes no undue hardship. As well, we can adjust your file to reflect your true status.

If you make a mistake filling out forms or reports, or if there is a change in your circumstances that could affect your EI, advise Service Canada immediately. Letting us know of a mistake as soon as you notice, or a change as it occurs, is your best way of preventing future problems with your claim and/or avoiding penalty or prosecution.

Absence from Canada

With few exceptions, claimants are not allowed to receive regular EI benefits while outside Canada. One measure we take to enforce this is to compare EI information with Customs information. If a match of information occurs we will explore the matter further. When it is found that claimants have been out of the country while collecting EI benefits, we will try to determine if they are entitled to those benefits. If not, then overpayments are established and penalties may be imposed.

Penalties can be up to three times the weekly benefit rate or three times the amount of the overpayment. As well, entrance requirements to qualify for EI in the future can be affected.

Misusing EI

Anybody who knowingly tries to obtain more benefits than they are entitled to is taking advantage of the EI system and their fellow Canadians. Knowingly holding back information or making a false or misleading statement could lead to severe monetary penalties or prosecution and may also affect your future benefits. However, if you notify Service Canada of your actions before an investigation begins, we can waive monetary penalties and prosecutions that might otherwise apply.

Interest

Interest is charged on debt resulting from intentional misrepresentation

EI claimants, who have knowingly abused the EI program and, as a result, have an outstanding debt arising from intentional misrepresentation are charged interest on that debt. No interest will be charged on debt that arises from Service Canada errors in benefit payments.

The rate of interest is the Bank of Canada average rate plus three (3) per cent calculated daily and compounded monthly.

Some examples of when penalties could apply include:

- An EI claimant goes on an ocean holiday cruise for a month and arranges for a friend to conceal the absence by signing and returning two EI claimant reports. This results in the claimant illegally receiving \$350 in benefits for each of the four weeks. After investigation, it is proven that this was the first time the claimant and the friend had misused the EI system. As well, it

is also proven that they both knew that what they did was illegal but they did it anyway.

The claimant may have to repay \$1,400 (i.e. four weeks of benefits at \$350 per week) and could receive a penalty of \$700 (i.e. \$350 for each of the two false reports filed during the holiday). The friend would also receive a penalty of \$700 for the illegal act of filing two false reports on behalf of the claimant.

- An EI claimant works for eight weeks while on claim, making \$2,500 in earnings. The claimant does not report having worked or the \$2,500 in earnings and continues to receive EI benefits totalling \$3,200. Upon investigation, it is revealed that the claimant knew that concealing the earnings was illegal. This claimant had committed a similar act the year before and had already received a \$3,000 overpayment that had to be paid back plus a \$2,000 penalty at that time. As this is the second time the claimant has misused the EI system, besides paying back the \$3,200 overpayment of EI benefits, a penalty of \$6,400 (twice the overpayment amount) could be imposed. This penalty reflects the seriousness of the claimant's act and the existence of a prior offence.

There can be many different cases where a penalty could apply, and the amount of the penalty can become very high. Depending on the circumstances, the maximum penalty can be up to three times the amount of your overpayment, three times the weekly benefit rate for every illegal act or three times the maximum benefit rate.

As well, higher entrance requirements are imposed and are based on the violation history.

Entrance requirements	Examples
<p>If the value of the overpayment on which the violation is based is less than \$1,000, you will have to work 25% more than the minimum entrance requirement to qualify for regular benefits.</p>	<p>Example: If you would normally have required a minimum of 420 hours of work, you would need an extra 105 hours. This would bring your minimum entrance requirement to 525 hours of work to qualify.</p>
<p>If the value of the overpayment on which the violation is based is between \$1,000 and \$4,999, the entrance requirement increases by 50%.</p>	<p>Example: If you would normally have required a minimum of 420 hours of work, you would need an extra 210 hours. This would bring your minimum entrance requirement to 630 hours of work to qualify.</p>
<p>If the value of the overpayment on which the violation is based is \$5,000 or more, the entrance requirement increases by 75%.</p>	<p>Example: If you would normally have required a minimum of 420 hours of work, you would need an extra 315 hours. This would bring your minimum entrance requirement to 735 hours of work to qualify.</p>

For repeat violations, entrance requirements double. For example, if you normally required 420 hours, you would need 840 hours.

Section V

Responsibilities and Rights

Employment Insurance is a financial safety net to protect Canadians from hardship when they lose their jobs and are looking for work. The right to receive benefits, however, is balanced by the responsibility of each person to abide by the requirements of the law.

You have the responsibility to:

- be **willing** and able to work at all times;
- look actively for work **and keep a record of employers whom you have contacted and when you contacted them**;
- report all periods when you are not available for work;
- provide all required information and documents;
- keep appointments with our office;
- notify us of any separation from employment and the reasons for that separation;
- report all employment whether you work for someone else or for yourself;
- accurately report all earnings before deductions from employment, in the week(s) in which they were earned, as well as any other monies you may have received;
- report any absence from your area of residence; and
- report any absence from Canada.

Under most circumstances, you are not permitted to receive regular benefits for any period in which you are not in Canada.

You have the right to:

- file a claim for Employment Insurance;
- have help in making your claim;
- get help in looking for a job;
- receive benefits owing to you; and
- appeal decisions about your benefits which you feel are unjust.

Under the *Privacy Act* you have the right to see any government records which contain your personal information.

Appeals






Many different circumstances surround EI applications and the rules on benefits. Service Canada always tries to be fair, but you might not agree with a decision. You may want to talk about this to an EI officer. This will provide you with an opportunity to offer any new information you may have and will also clarify any questions surrounding the decision(s).

If you still wish to appeal, you must write to your local Service Canada office stating clearly what decision(s) you disagree with and why you feel the decision(s) is/are incorrect. This must be done within 30 days of receiving the EI decision. Don't forget to include your SIN on any additional information you supply.

For further information on the Appeals process, visit our Web site **ei-ae.gc.ca** or contact your local Service Canada office or see our brochure entitled, *Employment Insurance: Appealing a Decision*, available from any Service Canada Centre.

Section VI

How to reach us

Telephone Information Service 1 800 206-7218	
Press 1 	Claim/Payment Information, Change Access Code 1 Decision, payment or deduction information 2 Remaining weeks of benefits, benefit rate and allowable earnings 3 To change Access Code
Press 2 	General Employment Insurance Information 1 How to apply for benefits, benefit calculation, family supplement or repayment 2 Types of benefits 3 Appeals information
Press 3 	Social Insurance Number (SIN) Information 1 How to apply, replace, change name for SIN 2 Lost or stolen SIN card, to inform us of a deceased family member 0 Other questions related to SIN
Press 4 	To Complete Reports, Office Addresses, and Internet Addresses 1 To complete reports on Internet or by phone 2 Office locations 3 Internet addresses
Press 0 	Service Delivery Representative From 8:30 am to 4:30 pm

Where The Jobs Are

To get a job, you need to know what is available. You can find out by using the self-service kiosks and computer workstations at your local Service Canada Centre or by accessing one of the Web sites listed in the Internet Access section.

By following a few simple instructions on the computer screen you can get information on:

- employment opportunities in your community and across the country;
- which occupations and job categories are most in demand;
- the skills required for particular kinds of work; and
- training opportunities and employment services that might help you return to work.

Check the various programs offered. Don't be afraid to ask questions and seek assistance.

Internet Access:

Service Canada: servicecanada.gc.ca

Employment Insurance: servicecanada.gc.ca

click on *Financial Benefits*

Job Bank: jobbank.gc.ca

Appealing an EI decision: ei-ae.gc.ca