

Mayor of Charlottetown

June 15, 2022

Standing Senate Committee on Agriculture and Forestry The Senate of Canada Ottawa, Ontario Canada, K1A 0A4

Dear members of the Standing Senate Committee on Agriculture and Forestry,

On behalf of Charlottetown City Council and the citizens of Charlottetown, I would like to thank you for the opportunity to serve as a witness at the Standing Senate Committee on Agriculture and Forestry.

Please see the attached brief, originally submitted to the Standing Committee on Human Resources, Skills and Social Development and the Status of Persons with Disabilities in April 2021.

I wish to reiterate the request at the core of our brief: Prince Edward Island is one island, one community, and we should be one zone.

I would be pleased to respond to any questions regarding this brief. I sincerely appreciate your consideration.

Kindest Regards,

Philip Brown Office of the Mayor City of Charlottetown, PEI Birthplace of Confederation Canada





Mayor of Charlottetown

14 April 2021

Standing Committee on Human Resources, Skills and Social Development and the Status of Persons with Disabilities Sixth Floor, 131 Queen Street House of Commons Ottawa ON K1A 0A6 Canada

Dear members of the Standing Committee on Human Resources, Skills and Social Development and the Status of Persons with Disabilities,

On behalf of Charlottetown City Council and the citizens of Charlottetown. I would like to thank the Standing Committee on Human Resources, Skills and Social Development and the Status of Persons with Disabilities for inviting briefs on the review of the Employment Insurance program. This is a very timely review, and I commend the members of the committee for undertaking such a wide-ranging process. I look forward to your findings.

As Mayor of Charlottetown, I have a special interest in the status of economic regions. As you are well aware, there are some 62 economic regions across Canada. Apart from the establishment of the four regions around the capitals of the territories as well the two zones in Prince Edward Island, there have been no changes in the current regions since 2000 and in most cases since 1996. So, this review is certainly welcome.

One of my most serious concerns relates to the two Employment Insurance (EI) zones in Prince Edward Island's economic region. The City of Charlottetown and surrounding communities are in one zone while the rest of the province is in the other. Because the unemployment rate is lower in the Charlottetown area than in the rest of the province, those in receipt of EI receive lower benefits than their fellow citizens in the rest of the province. This inequality is unacceptable, and I have had many discussions with those who have been adversely affected.

I am asking the committee to recommend the restoration of a single EI zone for Prince Edward Island.

EI recipients in the Charlottetown area are experiencing serious hardships. Let me share the lived experience of one such individual. He is in his early 60s with a wife and family. He is a seasonal worker earning a minimum wage. He is conscientious, works hard, and



helps out in the community. He told me that the lower benefits he receives as a worker in the Charlottetown zone are directly affecting his livelihood. He also believes that this discriminatory treatment has a detrimental impact on the lives of low-wage seasonal workers and their families. Further, he is very disillusioned by the fact that the unjust changes introduced by the Conservative government in 2014 are still in place after the present Liberal government promised to remove them during the 2015 election campaign.

Because of the monthly moving target to determine EI eligibility, he tells me that the stress of not knowing if he is eligible to claim benefits is a heavy burden for him and his family. They live for up to five months with little to no income. The unwarranted and unjustified financial and mental health impacts and stresses on an already vulnerable segment of society is unacceptable in Canada in the twenty-first century. Meanwhile, workers in the rural zone receive larger benefits with fewer hours of insurable work.

To add another example, the late Carl Phillis, a local artist and a public cemetery caretaker, was financially marginalized because of the two EI zones system. He fought right up to the end of his life to rezone Prince Edward Island back to one EI zone, writing letters to Federal politicians, other public officials, and the local newspaper, The Guardian. He expressed the unfairness and financial hardship of the two EI zone system imposed on himself and many others (see attached appendices).

I agree with these two individuals, as well as the many other residents who I have spoken to, that this situation is intolerable. The inequitable operation of two zones within the province of Prince Edward Island has resulted in severe financial stress for seasonal workers just because they live within an arbitrary and politically motivated boundary line. People are being punished for being poor, especially the working poor. Not only is this inequitable, but it also undermines the fundamental principles of economic and social justice. All workers, seasonal and otherwise, need to be treated fairly and equitably.

The irony is that benefits are based on where one lives, not where they work. Islanders who work together and log the same number of hours will end up with different benefits, or might not receive benefits at all, if they live in a zone with a lower unemployment rate. For example, at one point in the past seven years, workers in the Charlottetown zone had to work 700 hours to be eligible while workers in the rest of the province had to work only 525 hours; that gave Charlottetown and area workers 36 weeks of benefits while others received 45 weeks – a difference of 9 weeks. This gap in unfair, pitting Islanders against one another.



As stated earlier, the two economic zones in Prince Edward Island were created in 2014 by the previous Conservative government to preserve and protect benefits in the electoral district of the-then federal minister in the province. Charlottetown and surrounding areas had lower unemployment rates, which would affect benefits for all workers throughout the province who would be in the same economic zone. Workers in the Charlottetown zone have experienced the serious consequences of a decision that is inconsistent with EI protocols established throughout the rest of Canada.

This issue has been raised several times over the past seven years. The EI Worker Commissioner report in 2018 was critical of the "rather arbitrary creation" of the four economic zones around the capitals of the four territories and Prince Edward Island. It noted that the creation of two zones in Prince Edward Island was wrong and should be reviewed. It said that Prince Edward Island workers, for example, were having a "very hard time" with the changes.

The Commission recommended a process that would result in greater fairness and equity. "More generally, we have argued that the process of reviewing EI regions should be depoliticized as much as possible," stated the report, "So that this rather technical and necessary 'house-keeping process' not be blocked by a sitting government's unwillingness to make some constituents unhappy."

I could not agree more.

This is a view shared by previous and present Charlottetown City Councils. In 2014, the previous Council noted that Prince Edward Island was left intact with one region when economic regions were first created through the *Employment Insurance Act* and regulation; Council subsequently passed a resolution stating its opposition to changes in the EI program for the Charlottetown area (see attached appendices).

A further resolution to this effect was passed unanimously by the current City Council in June 2019. It resolved that the City of Charlottetown "restate and reaffirm its opposition to the 2014 changes to the EI program for the Charlottetown area."

Similar resolutions were passed by adjoining municipalities. The Town of Cornwall, recognizing the split of Prince Edward Island into two zones "has resulted in an inequality among Islanders who need and use the Employment Insurance Program." The resolution stated that, "in a spirit of fairness and equity" the Town "calls upon the Government of Canada to restore the single Prince Edward Island economic region."



Similarly, the Town of Stratford noted its "displeasure in the unfairness in the application of the federal legislation" and the resolution restated and reaffirmed its opposition to the 2014 changes.

The three municipalities of the Capital Region have made it clear that Prince Edward Island is too small to operate with two zones; the total population of the entire province is less than many of the economic regions created throughout the rest of Canada (see attached appendices).

The Government of Prince Edward Island has also stated its opposition to the two zones. In January of 2020, the Minister for Economic Growth, Tourism and Culture wrote to the federal minister of Employment, Workforce Development and Disability, asking her to consider amendments to the EI regulations to return Prince Edward Island to one economic region.

The Member of Parliament for Charlottetown, Sean Casey, has also publicly committed to return to a single economic region for Prince Edward Island.

A wide number of groups and organizations, including labour organizations and antipoverty groups, have also called for the restoration of a single economic zone for the province. To date, all these calls for changes have been unsuccessful. This has proven to be very frustrating for the people that I and others represent.

The determination of eligibility for EI benefits is based solely on the rate of unemployment in the zone. It is misleading and fails to consider other factors affecting the rate of unemployment. These include demographic characteristics, the nature of employment within the respective zones and the impacts of seasonal employment in the province. Our economy is also becoming increasingly diversified, opening up new challenges for workforce adjustment.

The Prince Edward Island economy is also characterized by a relatively high level of seasonal industries, including agriculture, fisheries, and tourism. The impact of these industries is felt unevenly throughout the province and is most predominant in rural areas outside of the Charlottetown area. There is also a high degree of labour mobility in the province, which will certainly impact the level of employment in each of the two zones. We need to better understand and analyze these and other factors in determining the level of benefits for all eligible participants in the EI program.



The federal government's changes to the EI program in response to COVID-19 clearly demonstrates that it can respond effectively to changing economic conditions. The same can be said for more effectively responding to existing underlying conditions in the Prince Edward Island labour force.

I am pleased to note that the Standing Committee is exploring various facets of the EI program's ability to meet the needs of Canadians, including eligibility requirements, the adequacy of existing benefits and EI modernization.

An important first step in making changes is to abolish the two EI zones in the province and restore Prince Edward Island as a single economic region. This would greatly benefit both the people and the economy of Prince Edward Island.

The two-zones policy fails to reflect the fact that Prince Edward Island is a small province and a tightly knit community. As stated earlier, the policy pits Islanders against one another.

We are one island, one community and we should be one zone.

I would be pleased to respond to any questions you may have respecting this brief. Thank you for your consideration.

Kindest Regards,

:L.p.B_

Philip Brown Office of the Mayor City of Charlottetown, PEI Birthplace of Confederation Canada

Cc: Sean Casey, MP, Charlottetown, PEI Minerva McCourt, Mayor of Cornwall, PEI Steve Ogden, Mayor of Stratford, PEI





Imagine that!





FOR IMMEDIATE RELEASE September 13th 2019

Capital Region Municipalities Call For One Island Employment Insurance Zone

Charlottetown Mayor Philip Brown, Stratford Mayor Steve Ogden, and Cornwall Mayor Minerva McCourt, joined together as one unifying voice to express their and their respective councils, desire to return to one employment insurance (EI) zone for PEI.

In 2014 the federal government of the day changed the economic regions that resulted in a dual zone system for Prince Edward Island. The three Capital Region municipalities believe PEI is too small to operate with two zones and that returning to one EI zone would be best for our constituents.

"As leaders we need to do everything in our power to unite Islanders," said Charlottetown Mayor Philip Brown, "This poorly thought out policy has been pitting Islanders against each other. We are one Island, one community, and we should be one zone".

"Stratford Council voted to support our constituents," added Stratford Mayor Steve Ogden. "Our council considered this issue from the perspective of the residents who have voted to have us represent them and in doing so, look at what is best for them".

"In the spirit of fairness and equity for our residents, the Town of Cornwall would like to see PEI returned to a single economic region for the purpose of EI zones" said Cornwall Mayor Minerva McCourt.

Charlottetown, Stratford, and Cornwall fall within three of the four federal ridings here on Prince Edward Island. All three councils passed resolutions in the past several months. The three Mayor's and their Councils call on all candidates seeking election on October 21st to make it a priority to return Prince Edward Island to one zone.

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Media contacts:

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Wendy Watts Community and Business Engagement Manager Town of Stratford Phone: (902) 569-6921 wwatts@townofstratford.ca

Tracey MacLean Engagement Coordinator Town of Cornwall 902-566-2354 tmaclean@cornwallpe.ca

CITY OF CHARLOTTE	rown Corried
RESOLUTION	
MOTION CARRIED	Strategic Priorities & Intergovernmental Cooperation #2
MOTION LOST	Date: June 10, 2019
Moved by Councillon	Alanna Jankov
Seconded by Councillor King Alman	Terry Bernard

RESOLVED:

Whereas Prince Edward Island was intact as one Region when Economic Regions were first created through the Employment Insurance Act and Regulations; and

WHEREAS the population of the entire Province of PEI is less than many of the Economic Regions created throughout the Country; and

WHEREAS the geographic area of the entire Province of PEI is less than over half the Economic Regions created throughout the Country; and

WHEREAS the City of Charlottetown previously noted its displeasure in the unfairness in the application of the Federal Legislature which was previously noted in the resolution of March 10, 2014;

THEREFORE BE IT RESOLVED THAT the City of Charlottetown restate and reaffirm its opposition to the 2014 changes to the EI program for the Charlottetown area, and

BE IT FURTHER RESOLVED THAT Charlottetown City Council Urge the Hon. Wayne Easter, the Hon. Lawrence MacAulay, MP Sean Casey, MP Robert Morrissey, Senator Percy Downe, Senator Mike Duffy, Senator Diane Griffin and Senator Brian Francis PEI to stress the importance of fairness and equity and put pressure on the Hon. Jean-Yves Duclos, Minister of Families, Children and Social Development and the Government of Canada to reinstate the Province of PEI as one Economic Region as it pertains to the Employment Insurance Act and Regulations. $W = D_{y}$ for $W = D_{y}$ to the FPEI to W = W = W.



TOWN OF CORNWALL <u>RESOLUTION</u>

DATE: July 17, 2019	
DEPARTMENT: Finance/Administration	
MOTION NUMBER: F/A-21-2019 Employment Insurance, Econo	mic Region
MOTION CARRIED $5-1 $	
MOTION LOST	
MOTION WITHDRAWN	~
Moved by Councillor	Corey Frizzell
Seconded by Councillor	Cory Stevenson

Whereas: In 2014 the Government of Canada split the Province of Prince Edward Island into two economic regions (Charlottetown #65 and Prince Edward Island #66) for the purposes of the Employment Insurance program,

And Whereas: This dissection has resulted in an inequity among Islanders who need and use the Employment Insurance program,

Therefore: Be it Resolved: That in a spirit of fairness and equity, the Town of Cornwall calls upon the government of Canada to restore the single Prince Edward Island economic region for the purposes of the Employment Insurance program,

And Be it Further Resolved: That the requirements of the restored single Prince Edward Island economic region be the requirements currently in place in the currently segregated Prince Edward Island (#66) economic region.



THE TOWN OF STRATFORD RESOLUTION

CW021-2019 EI Program Economic Region Changes

Motion	Carried	
Motion	Lost	
Motion	Withdrawn	

Council Chambers Town Hall September 11, 2019

Committee Moved by Councillor Seconded by Councillor Committee of the Whole Gail MacDonald Gary Clow

WHEREAS Prince Edward Island was left intact as one Region when Economic Regions were first created through the Employment Insurance Act and Regulations; and

WHEREAS the population of the entire Province of PEI is less than many Economic Regions created throughout the Country; and

WHEREAS the geographic area of the entire Province of PEI is smaller than the area of most of the Economic Regions created throughout the Country; and

WHEREAS the Town of Stratford previously noted its displeasure in the unfairness in the application of the Federal Legislature which was previously noted in the resolution dated April 9, 2014.

BE IT RESOLVED THAT the Town of Stratford restate and reaffirm its opposition to the 2014 changes to the El program for the Charlottetown area, and

BE IT FURTHER RESOLVED THAT the Town of Stratford urge the Hon. Wayne Easter, the Hon Lawrence MacAulay, MP Sean Casey, MP Robert Morrissey, Senator Percy Downe, Senator Mike Duffy, Senator Diane Griffin and Senator Brian Francis PEI to stress the importance of fairness and equity and put pressure on the Hon. Jean-Yves Duclos, Minister of Families, Children and Social Development and the Government of Canada to reinstate the Province of PEI as one Economic Region as it pertains to the Employment Insurance Act and Regulations.

This resolution bears the recommendation of the Committee of the Whole based on a meeting held on August 28, 2019.



CITY OF CHARLOTTETOWN

NRESOLUTION			
Alg-1 curcilles pidmosd		Administrative Services #2	
MOTION CARRIED ψ .			
MOTION LOST	Date:	March 10, 2014	
Moved by Councillor	=======================================	_Cecil Villard	برا
Seconded by Councillor		_ Terry Bernard	
RESOLVED:	•		

Whereas Prince Edward Island was left intact as one Region when Economic Regions were first created through the Employment Insurance Act and Regulations;

AND WHEREAS the population of the entire Province of PEI is less than many Economic Regions created throughout the Country;

AND WHEREAS the geographic area of the entire Province of PEI is less than over half the Economic Regions created throughout the Country;

THEREFORE BE IT RESOLVED THAT the City of Charlottetown publicly state its opposition to the recent changes to the EI program for the Charlottetown area,

AND BE IT FURTHER RESOLVED THAT Charlottetown City Council urge the Hon. Jason Kenney, Federal Minister of Employment and Social Development to reverse these recent announced changes and that the Government of Canada commit to working with the City of Charlottetown to create long term meaningful employment.



THE TOWN OF STRATFORD RESOLUTION

<u>OT001-2014 EI Program Economic Region Changes</u>

Motion Carried _____ Motion Lost _____ Motion Withdrawn ____ Council Chambers Town Hall April 9, 2014

Committee Moved by Councillor Seconded by Councillor

Gary Clow Randy Cooper

WHEREAS Prince Edward Island was left intact as one Region when Economic Regions were first created through the Employment Insurance Act and Regulations; and

WHEREAS the population of the entire Province of PEI is less than many Economic Regions created throughout the Country; and

WHEREAS the geographic area of the entire Province of PEI is smaller than the area of the majority of the Economic Regions created throughout the Country.

BE IT RESOLVED that the Town of Stratford publicly states its opposition to the recent changes to the EI program for the greater Charlottetown area.

AND BE IT FURTHER RESOLVED THAT a letter be written to the Hon. Jason Kenney, Federal Minister of Employment and Social Development, asking him to reverse the recent announced changes to the EI program Economic Regions in PEI and to work with all jurisdictions in PEI to create long term meaningful employment.

Carl Phillis's report on the P.E.I. Employment Insurance Two-Zone rulings of 2014 still in place as of 2018. Written April 2018

Part : One "About Facts and Figures used in this report".

In this report I describe my own personal dealings with the Canada Employment Insurance P.E.I. [E.I.] Zone-TWO. Using my own personal experiences and Figures I can verify to their accuracy.

When describing P.E.I. Zone-ONE . I had to result to intelligence gathered from common street knowledge expressed by the people living under these Two E.I. Zones . For I do not have the legal knowhow needed to impose a "Freedom of access to information order" towards either "The Canadian Employment Insurance Commission" or "Service Canada".

An Employee [& their Employer] pay into the Canada E.I. system through payroll deductions established by the E.I. commission . These payroll deductions are equally deducted from the paychecks of all Employees living within "The Atlantic Canada Region" . The amount of payroll contribution needed by an individual Employee [when laid- off] in order to open up an E.I. claim will vary drastically from E.I. Zone- ONE to E.I. Zone- TWO . The E.I. Commission express these payroll deductions in the form **HOURS** of insurable earnings . I will use the term Hours when directly referring to operations of a specific E.I. ruling .

In a Common Man's Street Language the number of insurable Work Hours needed by an Employee [laid-off] in order to start an E.I. claim, would be expressed as **WEEKS** needed to open up an E.I. claim. I will be using the term "Weeks" to express the term "Hours" within this report. The common assumption is one week = 40 hours.

Part : Two "The mouse that roared"

My name is Carl Phillis I have reached the age of 60. Over the past 45 years my work exsperances have ranged from Farm Labourer to teaching Advanced Ceramic Technology. In the past I have worked for same employer non stop for 8 years, I have work Multi- seasons for other employers, and I have worked short term contract work.

For the past 9 years I have worked as a Casual Seasonal Labourer for the same Employer . My hourly wage over the 9 years has been based on the Provincially regulated Minimum Wage . Last summer [2017] I was paid \$11.50 per Hour , 40 hours per week . As a casual employee I am a Non-Unionized Labourer working in a Unionized shop , Thus I have Zero job Security . I do however have an impeccable work record thus I am called back to work year after year . Despite the low wages I do find my job intellectually stimulating and my Employer has rehired me for the past 9 seasons . As they say "A bird in the hand is better than Two in the bush" .

Page 1 of 5

<u>Part : Three "Inconsistencies when applying</u> for Employment insurance [E.I.] in the different E.I. Zones"

The E.I. Zones are based on an Employee's residential Postal Code at the time they file for E.I. Benefits .

E.I. Zone-ONE : Includes all Employees who live on P.E.I. but reside outside of Charlottetown [and parts of P.E.I.'s Queens county]. An Employee's residential Postal Code <u>will not start</u> with "C1A" when filing of E.I. Benefits while living in Zone -ONE.

A worker living within Zone-ONE can for 14 weeks of insurable earnings expect to receive up to 28 weeks of E.I. Benefits.

A friend of mine, a fisherman living in the Montague region of Kings county P.E.I.[E.I. Zone-ONE] told me for 10 weeks of insurable earnings he received up to 28 weeks of E.I. Benefits.

E.I. Zone -TWO: Includes Employees who live in the city of Charlottetown, as well as parts of Queens County P.E.I. An Employee's residential Postal Code will start with "C1A" when filing for E.I. Benefits while living in Zone-TWO.

Living in E.I. Zone-TWO The number of insurable weeks needed for a Laid-off Employee to start an E.I.. Claim will vary from month to month . For within E.I.. Zone -TWO the amount of insurable earnings an Employee is required to contribute into the E.I. fund is based on a Economic formula entitled <u>"Unemployment rate for an E.I. economic Zone"</u> ! The figures created by this Economic formula are reviewed Monthly . Thus a monthly change in the number of Hours of employment an Employee needs to open an E.I. claim is imposed on Employees living within E.I. Zone-TWO !

Part 4 : "Unemployment rate for an E.I. economic Zone" Is this a flawed Economic Formula ?

Are economic assumptions being askew by "Selective Bias" when applying this Economic formula in the setting up of the Monthly number of hours [insurable earnings] required by an employee in order to open an E.I. claim while living in E.I. Zone -Two ?

I assert that because Charlottetown [E.I. Zone -Two] has a vastly greater number of Employees who would be classed as "Highly payed Professionals" [University & College Professors, Doctors, Lawyers, Government Employees {both Federal & Provincial} etc.] per capita when compared with the rest of P.E.I. the assumption is that all Employees living within E.I. Zone-TWO are economically better off than an Employee living in rest of P.E.I. [E.I. Zone-ONE]. The reality is that Charlottetown [Postal Code "C1A"] also includes a greater number of Employees who would be classed as "The Working Poor" per capita when compared with the rest of P.E.I. !

The information collected by the E.I. Commission to justify the use of the <u>"Unemployment rate for an E.I.</u> <u>economic Zone"</u> is an **aggregation** of incomes ranging from "Highly Payed Professionals", "Workers of the Middle class" and poverty level income of "The Working Poor". By aggregating the income of all three Social Classes the economic numbers generated by the "Working Poor"are overshadowed by the numbers generated by the other two Social Classes, making the "Worker Poor's"numbers non sequitur ! Page 2 of 5

Part 5: "How does 'Selective Bias' effects my ability to claim E.I. Benefits?"

Here I am going to quote and paraphrase from a letter written February 12th 2018 to Mr. Jean Yves Duclos "Parliamentary Minister of Families ,Children & Social Development". Even though I am expressing my own personal exsperances while Living in Prince Edward Island E.I. Zone-TWO. These experances have been endured by thousands of "Working Poor" living within E.I. Zone-Two [Postal Code "C1A"].

In May 2017 I signed an "Employment Contract" with my seasonal employer of 9 years. The contact stated that in 2017 I could expect 15 weeks of work. At the time an employee living in E.I. Zone-TWO I <u>needed 16 weeks to open an E.I. claim</u> being a week shy of insurable earnings needed to open an E.I. claim, I brought up my concerns to my Supervisor. My Supervisor assured me that my Employer would give me the extra week of work needed to claim E.I.

In August 2017 with my "Employment Contract" due to run out at the end of August, I learn from my fellow workers that <u>I would need 17 weeks</u> of work to open an E.I. claim. Once again my Supervisor assured me that my employer would extend my contract another week.

In September 2017 with 2 extra weeks added to my "Employment Contract" I was now working in the month of September . In September <u>I needed 19 weeks</u> of work to open an E.I. claim . Thanks to the generosity and the financial resources of my Employer I had my contract extended another Two weeks . In all my contract was extended by 4 weeks , and I was able to open an E.I. claim .

The stress of not knowing if I'd be able to claim E.I. Benefits was oppressive . I will have to deal with the stress of not knowing whether I am able to opened an E.I. claim after this years Work season as well !

In my case I needed 19 weeks of insurable earnings to open a E.I. claim . Because I and my Employer ended up contributing 4 more weeks of insurable earnings than in the summer of 2016 . I was half expecting my E.I. benefits to also be extended . <u>No such Luck !</u> My E.I. Benefits ended up running out at the end of December 2017 . <u>In the end I received 14 weeks of E.I. Benefits after 19 weeks of contributions into the E.I. Fund</u>. My call back to work is May 2018 . I now live for 5 months on little to Zero income .

Compare that with a employee Living in Prince Edward Island E.I. Zone-ONE, for these employees can expect to receive 24 to 28 weeks E.I. Benefits after only 14 weeks of insurable work.

Last year I was one of the fortunate "Working Poor", for many people are employed by Employers who do not have the financial resources needed to extend a work contract by up to 4 weeks. If these workers are unable to achieve the number of **HOURS** [weeks] needed to open an E.I. claim, a claim can be denied even if an employee is **one hour short** of the payroll contributions needed to open an E.I. claim within the Month in which they were Laid-off ! One successful craft shop owner told me that she has turned down job applications that have a "C1A" postal code, for she can not afford to be adding 4 extra weeks to her payroll budget.

The Fact that these Employees are ineligible to access E.I. Benefits . Their statical numbers are not enter into the economic formula "Unemployment rate for an E.I. economic Zone" . Thus the E.I. Commission of Canada can statically claim the unemployment rate in Prince Edwards Island's E.I. Zone-Two has been lowered . Page 3 of 5

When declaring part time work while on E.I.

Last fall [2017] while collecting E.I. Benefits I was hired to teach a Pottery class . I taught one 2 hour class for \$50.00 per week . I was honest and declared this small income to the E.I. Commission though the Bi-weekly Telephone reporting service .Because I am Living in E.I. Zone-Two the E.I. commission has clawed back 50% of my earnings by deducting \$50.00 off of my Bi-weekly Benefit cheque ! I was told by a "Service Canada" representive that in E.I. Zone-ONE the old pre- Zoning rules apply . In Zone-ONE a person receiving E.I. Benefits can earn up to 40% of those Benefits . In my case if I lived in Zone-One I could declared my income without any money being deducted from my Benefit cheque !

Part 7 : How do we living in Zone-TWO survive While waiting to return to work ?

Living in Zone-TWO a laid-off Employee may have several months without E.I. Benefits before being called back to work . Here are some of the methods used to make ends meet . Many laid off workers I talk to have said they declared being "Sick", an E.I. recipient can receive 4 weeks extra of Benefits while on E.I. by phoning in "Sick". After they have run out of E.I. Benefits with a "Doctors Note" a person can receive up to 12weeks of "Sick Benefits". I've heard of people using the mailing addresses of relatives or friends who live in Zone-ONE when filing for E.I. Some people end up in the Provincial Welfare system , some Employees have fallen through the cracks completely and end up living on the streets ! Myself I have since December [2017] have been living off my savings, a G.S.T. cheque , and a income tax refund . Things are tight financially , so I'm really looking forward to returning to work in May [2018] .

Part 8 : How did we end up with this draconian E.I. system ?

In 2011 the Conservative government of "Steven Harper" created the legislation which formed the basis of the Multi-Zoned E.I. systems . Originally there were 6 Provinces & 1 Territory afflicted with these inequitable Multi-Zone E.I. rulings . The "Justin Trudeau" government campaigned in the 2015 Federal election on the removal of these punitive E.I. Zones . After the election 3 of the Provinces had these E.I. Zones eradicated from their Provincial jurisdictions . Leaving these barbaric E.I. rulings in place within specific regions of The North West Territories, Quebec, New Brunswick, & Prince Edward Island .

The Two Zone E.I. system was established on P.E.I. by Conservative M.P. Gail Shea . Her riding was located some 153km west of Charlottetown . Upon the implementation of the then new Two Zone E.I. rules she managed to put in place these "DISCRIMINATORY" E.I. rulings against the workers of Charlottetown and all employees living within the Postal Code "C1A"!

At the same time she negotiated extra Employment Insurance perks for the constituency of her own riding . She was voted out of office in the 2015 Federal Election and was replaced by Liberal M.P. Robert Morrissey .

The Federal Government of "Justin Trudeau" offered to remove P.E.I.'s two E.I. Zones thus placing all Islanders in the care of an Equal & Fairly administered Canada Employment Insurance Plan.

However the Federal Government stipulated that in order to "Scrap" these Horrendously unequal two Zone E.I., rulings all 4 Federal M..P.s representing P.E.I., would have to agree with the removal of the Zones.

Page 4 of 5

So here is the reason these Unjust E.I. Zones are still in existence on P.E.I.

M.P. Sean Casey who's riding E.I. Zone-TWO is situated voted to have these E.I. Zones <u>"SCRAPPED"</u>

M.P. Wayne Easter & M.P. Lawrence MacAulay are neutral, but would vote to have Zones "REMOVED"

M.P. Robert Morrissey inherited a Sweet Heart deal when he won the riding of "Egmont" off of Gail Shea . Mr. Morrissey like his predecessor argues that the two Zones were put in place as a way of creating "A level playing field" between Rural & Urban P.E.I. when dealing with the Canada E.I.. Commission .

Where is the level playing field ?

When an Employee from E.I. Zone-ONE travels to work in Charlottetown [E.I. Zone-TWO Postal Code "C1A"] Potentially taking a job from an unemployed citizen of Charlottetown. Upon being Laid-Off that person who lives in E.I.. Zone-ONE is not subjected to the same Punitive rulings under which an unemployed citizen, living in Charlottetown[E.I. Zone-TWO], is obligated to endure !

When an Employee from Charlottetown [E.I. Zone-TWO] travels to work in the country side [Zone-ONE]. Upon being Laid-Off the employee from Charlottetown is still burdened by the E.I. Zone-TWO rulings which implements the questionable economic formula "Unemployment rate for an E.I. economic Zone" ! The economic formula which is undermining the Canada's "Social Safety Net"By denying Employees of P.E.I.'s Employment Insurance Zone-TWO Fair & Equal access to E.I. Benefits.

Presently the Province and the Federal Governments are in negotiations around revamping these Multi-Zoned E.I. rules . I believe the only way of escaping the inequality created by these Multi-Zoned E.I. rules . Is to eliminate these Zones all together . For these Multi-Zones have been problematic from their very inception . If these E.I. Zones could be Removed from 3 Provinces they can be removed , with very little disruptive fallout economically , from the remaining 3 Provinces & 1 Canadian Territory .

I strongly suggest that these draconian E.I. rulings of 2011 be put to the test by, "The Canadian Human Rights Commission" within , the Canadian Supreme Court if necessary . Let the Courts rule on the Equity of these Multi-Zone E.I. rules .

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Non sequitur / noun : a statement that does not follow on logically from what has just been said