## e2r® Alerts



## Waiting a Little Bit Less - Government Changes El Waiting Periods

The Federal Government recently amended the Employment Insurance Act to decrease the employment insurance (EI) waiting period for benefits to commence from two (2) weeks to one (1) week, effective on January 1, 2017.

The change does not impact the length of time an individual can receive benefits for, it only changes the waiting period before an individual can begin receiving benefits. Accordingly, EI benefits are still payable for the following periods after serving a one (1) week period as opposed to two (2) weeks:

**Pregnancy Leave:** 15 weeks **Parental Leave:** 35 weeks

Compassionate Care Leave: 26 weeks Critically-Ill Child Care Leave: 35 weeks

Note that these changes do not change the length of any leave provided for under minimum employment standards legislation – the length of those various leaves remain the same. The result, in many cases, will be that an employee will be ineligible for EI for the first and last week of those unpaid statutory leaves (whereas before it was the first two weeks, with benefits ceasing generally on the same timeline as the unpaid statutory leave). Given the change, employees may be looking to return to work earlier than they have historically since the last week of the statutory leave, in most cases, will not be EI eligible. For example, an employee in Ontario who is entitled to 37 weeks of unpaid parental leave would have taken the leave, served the mandatory two (2) week waiting period, collected benefits for 35 weeks and returned to work once EI benefits were exhausted. Once the changes take effect, that same employee could decide to take only 36 weeks of leave (as opposed to 37 weeks) and return to work one week earlier since the last week of the leave would now be unpaid.

The inconsistency between the new EI benefit period (waiting period + period when benefits are payable) and the length of statutory leaves may lead to some confusion or may require larger organizations to revisit supplementary unemployment benefit plans (aka top up plans) to avoid an overpayment during what was once the second week of the waiting period.

Lastly, while some employers and HR professionals feel comfortable speaking with employees about their EI entitlements, we strongly recommend that if in doubt, refer employees to seek information/answers directly from Service Canada – http://www.esdc.gc.ca/en/service\_canada/contact/ei\_individual.page.

## e2rsolutions.com





## e2r® Alerts



If you have any questions about these changes or how your policies or top up plans may be affected please do not hesitate to schedule a call with an e2r Lead Advisor.



