

# Employment Insurance Coverage Survey, 2012

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The rate of eligibility for receiving regular Employment Insurance (EI) benefits in 2012 was 81.9%, up from 78.4% in 2011 and similar to rates observed prior to the 2008-2009 recession.

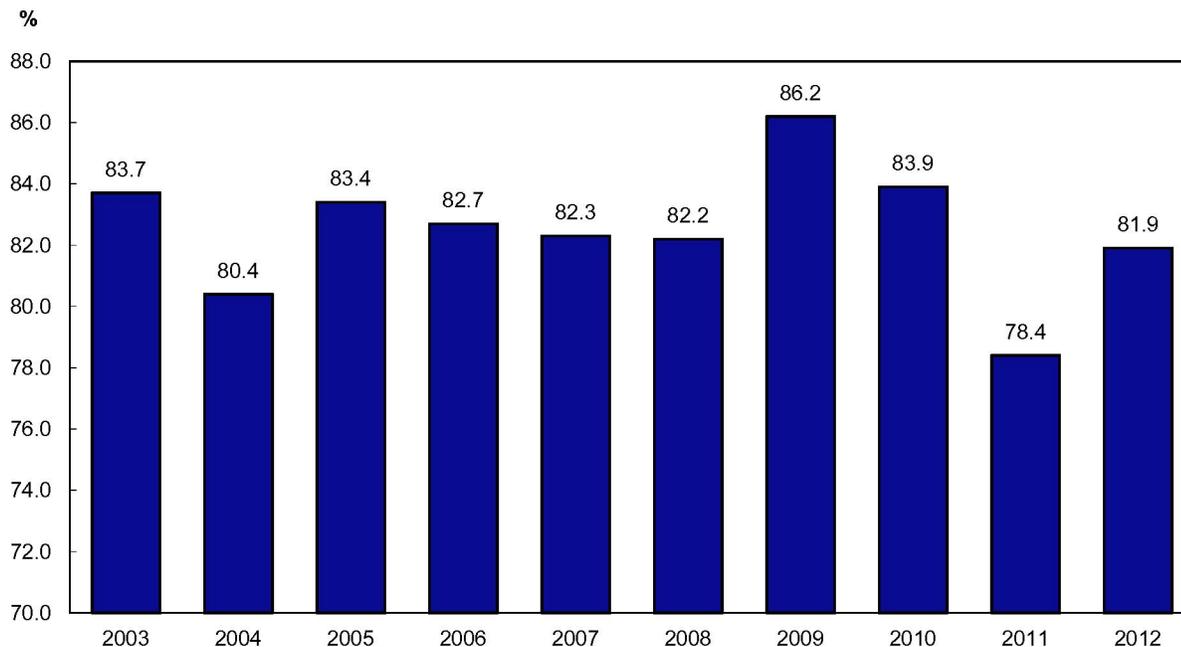
The most notable change from 2011 was a higher eligibility rate for those aged 25 to 44, returning it to historical averages.

To be eligible to receive regular benefits, unemployed individuals must have contributed to the EI program, met the criteria for job separation and accumulated enough insurable hours (see Note to readers).

In 2012, 808,000 unemployed individuals contributed to the EI program, down from 867,000 a year earlier.

Of the 808,000 contributors, about 629,000 had a job separation that met the EI program criteria. Of those, 515,000 or 81.9% had worked enough hours and were eligible to receive EI, up from 78.4% in 2011. The rate in 2012 was similar to rates observed from 2003 to 2008, but lower than the high of 86.2% recorded in 2009, during the recession.

**Chart 1**  
**Employment Insurance contributors with enough insurable hours as a share of all contributors with a valid job separation**



## Non-contribution rate

Of the 1.31 million unemployed people in Canada in 2012, 38.3% had not contributed to EI. As a result, they were not eligible for regular benefits. The non-contribution rate in 2012 was slightly higher than the 35.5% observed in 2011, and the highest since comparable data began in 2003.



There were two main reasons for not contributing to EI for the purpose of receiving regular EI benefits: not having worked in the previous 12 months, which includes those who have never worked, and non-insurable employment (that is, being self-employed).

### **Contributors with an invalid job separation**

Contributors who left their last job for a reason not deemed valid by the EI program are not eligible for regular benefits. Among the 808,000 unemployed EI contributors in 2012, 180,000 or 22.2% had an invalid job separation (see Note to readers). This was up from 19.8% in 2011 and 18.2% in 2010, but similar to shares observed before the recession.

In 2012, among unemployed men who were EI contributors, 20.3% had left their job for a reason that deemed them unable to collect regular benefits, compared with 25.1% of women contributors. This gap between men and women, explained by quits not related to going back to school, was similar to differences observed from 2003 to 2010.

Provincially, the Prairies and Ontario had the highest proportions of unemployed contributors with invalid job separations, led by Alberta at 31.3%. In Saskatchewan, the proportion was 26.4%, while Ontario's was 25.3% and Manitoba's was 24.0%. The Atlantic provinces had the lowest proportion, at 11.5%.

### **Employment Insurance eligibility up for both men and women**

Of the 629,000 unemployed individuals who had contributed to the EI program and had a valid job separation in 2012, 388,000 were men and 241,000 were women.

In 2012, 81.9% of both unemployed men and women who contributed to the EI program and had a valid job separation were eligible for regular EI benefits as they had enough insurable hours. These rates were up from 2011, when 79.4% of men and 77.0% of women were eligible, but were down slightly compared with 2010.

### **Eligibility rate up for those aged 25 to 44**

Following a record-low eligibility rate of 81.7% in 2011, the rate among those aged 25 to 44 increased to 86.9% in 2012, which is around the historical average for this age group.

One factor likely explains most of this rebound for this age group: the increase in hours worked by contributors with a valid job separation who last worked in a temporary, non-seasonal job. In 2011, the average was 640 hours for this group, while in 2012, the average hours worked was 880 hours, similar to levels seen in preceding years. These higher average hours improved the likelihood that those in this group would be eligible for EI benefits in 2012.

Eligibility rates differed by age group. In 2012, 45.2% of people aged 15 to 24 who had a valid job separation were eligible to receive regular EI benefits. This compares with 86.9% for those aged 25 to 44 and 88.9% for those aged 45 and over. This gap in eligibility between youths and other age groups is consistent over time.

### **Employment Insurance eligibility by province**

EI eligibility rates in 2012 in the provinces either rose (New Brunswick, Quebec, Ontario and British Columbia) or stayed at a relatively similar level compared with 2011.

In both Quebec and Ontario, contributors with a valid job separation had gains in total average hours worked in the previous job compared with 2011, mostly from a higher share of those who last worked in a full-time position.

### **Maternity and parental benefits**

Coverage and eligibility of mothers for maternity or parental benefits have been relatively unchanged since 2003.

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In 2012, 77.9% of all recent mothers (those with a child aged 12 months or less) had insurable employment, compared with 76.6% in 2011. Among these insured mothers, 88.2% were receiving maternity or parental benefits, virtually unchanged from 2011.

Quebec, which has the Quebec Parental Insurance Plan (QPIP), had the highest share of recent mothers with insurable employment (85.7%) and the highest share of insured recent mothers receiving maternity or parental benefits (96.9%).

For all provinces combined, the share of recent fathers who claimed or intended to claim parental leave in 2012 was 25.4%, down from 29.3% in 2011.

The QPIP, which was introduced in 2006, has a major impact on the number of fathers who claimed or intended to claim parental benefits. It includes leave that applies exclusively to fathers. The proportion of fathers in Quebec who took or intended to take parental leave has almost tripled since the introduction of the plan, from 27.8% in 2005 to 80.1% in 2012.

Outside Quebec, 9.4% of recent fathers claimed or intended to claim parental leave in 2012, compared with 11.0% in 2011.

#### **Note to readers**

*The Employment Insurance Coverage Survey sheds light on the coverage of the Employment Insurance (EI) program. It provides a picture of who does or does not have access to EI regular benefits as well as maternity and parental benefits.*

*To be eligible to receive regular benefits, unemployed individuals have to: (a) contribute to the EI program, (b) meet the criteria for job separation and (c) have accumulated enough insurable hours.*

*Job separations that are deemed invalid for regular benefits include, among others, quitting the job voluntarily (including to go to school), illness or disability, pregnancy, other family-related issues, dissatisfaction with the job, and retirement.*

*The number of insured hours required to qualify for regular benefits varies across regions, ranging from 420 to 700 hours, depending on the region's unemployment rate. The higher the unemployment rate, the lower the number of hours required to qualify for benefits. In addition, hours required are higher (910 hours) for workers who have entered the labour market for the first time and those who have limited work experience in the last two years.*

*The survey is administered to a sub-sample of respondents of the Labour Force Survey (LFS) four times a year, namely in April, July, November and January. Respondents are asked questions about their situation during the LFS reference week in the month prior to being interviewed (March, June, October and December respectively).*

*In 2012, the total sample size was 11,244 people, composed of unemployed individuals (as defined by the LFS) and other individuals who, given their recent status in the labour market, were potentially eligible for EI.*

*The survey is conducted on behalf of Employment and Social Development Canada.*

**Table 1**  
**Coverage and eligibility of the unemployed for Employment Insurance benefits, Canada, 2012**

	Number	Unemployed	Contributors	Contributors with valid job separation
	thousands		%	
<b>Unemployed</b>	<b>1,310</b>	<b>100.0</b>	...	...
Contributors	808	61.7	100.0	...
Contributors, valid job separation	629	48.0	77.8	100.0
Eligible contributors	515	39.3	63.7	81.9
Not eligible due to not enough insurable hours	114	8.7	14.1	18.1
Contributors, invalid job separation	180	13.7	22.2	...
Quit to go back to school	74	5.7	9.2	...
Other reasons deemed invalid	105	8.0	13.0	...
Non-contributors	501	38.3	...	...
Had no insurable employment	57	4.4	...	...
Had not worked in previous 12 months / never worked	444	33.9	...	...

... not applicable

**Table 2**  
**Coverage and eligibility of the unemployed for Employment Insurance benefits by sex, Canada, 2012**

	Number	Unemployed	Contributors	Contributors with valid job separation
	thousands		%	
<b>Men</b>				
Unemployed	747	100.0	...	...
Contributors	487	65.2	100.0	...
Contributors, valid job separation	388	51.9	79.7	100.0
Eligible contributors	318	42.5	65.3	81.9
Not eligible due to not enough insurable hours	70	9.4	14.4	18.1
Contributors, invalid job separation	99	13.2	20.3	...
Quit to go back to school	45	6.0	9.2	...
Other reasons deemed invalid	54	7.3	11.1	...
Non-contributors	260	34.8	...	...
Had no insurable employment	36	4.8	...	...
Had not worked in previous 12 months / never worked	225	30.1	...	...
<b>Women</b>				
Unemployed	562	100.0	...	...
Contributors	321	57.2	100.0	...
Contributors, valid job separation	241	42.8	74.9	100.0
Eligible contributors	197	35.1	61.4	81.9
Not eligible due to not enough insurable hours	43	7.8	13.5	18.1
Contributors, invalid job separation	81	14.3	25.1	...
Quit to go back to school	29 <sup>E</sup>	5.3 <sup>E</sup>	9.2 <sup>E</sup>	...
Other reasons deemed invalid	51	9.1	15.9	...
Non-contributors	241	42.9	...	...
Had no insurable employment	22 <sup>E</sup>	3.9 <sup>E</sup>	...	...
Had not worked in previous 12 months / never worked	219	39.0	...	...

... not applicable

<sup>E</sup> use with caution; coefficient of variation between 16.5% and 33.3%

**Table 3**  
**Coverage and eligibility of the unemployed for Employment Insurance benefits, by age group, Canada, 2012**

	Number	Unemployed	Contributors	Contributors with valid job separation
	thousands		%	
<b>Aged 15 to 24</b>				
Unemployed	359	100.0	...	...
Contributors	197	55.0	100.0	...
Contributors, valid job separation	88	24.6	44.7	100.0
Eligible contributors	40 <sup>E</sup>	11.1	20.2	45.2
Not eligible due to not enough insurable hours	48	13.5	24.5	54.8
Contributors, invalid job separation	109	30.4	55.3	...
Quit to go back to school	68	18.9	34.3	...
Other reasons deemed invalid	42	11.6	21.0	...
Non-contributors	161	45.0	...	...
Had no insurable employment	24 <sup>E</sup>	6.8 <sup>E</sup>	...	...
Had not worked in previous 12 months / never worked	137	38.2	...	...
<b>Aged 25 to 44</b>				
Unemployed	477	100.0	...	...
Contributors	303	63.5	100.0	...
Contributors, valid job separation	255	53.5	84.3	100.0
Eligible contributors	222	46.5	73.2	86.9
Not eligible due to not enough insurable hours	34 <sup>E</sup>	7.0 <sup>E</sup>	11.9 <sup>E</sup>	13.1 <sup>E</sup>
Contributors, invalid job separation	47	10.0	15.7	...
Quit to go back to school	F	F	F	...
Other reasons deemed invalid	41	8.6	13.5	...
Non-contributors	174	36.5	...	...
Had no insurable employment	20 <sup>E</sup>	4.1 <sup>E</sup>	...	...
Had not worked in previous 12 months / never worked	154	32.4	...	...
<b>Aged 45 and over</b>				
Unemployed	474	100.0	...	...
Contributors	308	65.0	100.0	...
Contributors, valid job separation	285	60.2	92.6	100.0
Eligible contributors	253	53.5	82.3	88.9
Not eligible due to not enough insurable hours	32 <sup>E</sup>	6.7 <sup>E</sup>	10.3 <sup>E</sup>	11.1 <sup>E</sup>
Contributors, invalid job separation	23 <sup>E</sup>	4.8 <sup>E</sup>	7.4 <sup>E</sup>	...
Quit to go back to school	F	F	F	...
Other reasons deemed invalid	23 <sup>E</sup>	4.8 <sup>E</sup>	7.4 <sup>E</sup>	...
Non-contributors	166	35.0	...	...
Had no insurable employment	13 <sup>E</sup>	2.8 <sup>E</sup>	...	...
Had not worked in previous 12 months / never worked	152	32.2	...	...

... not applicable

<sup>E</sup> use with caution; coefficient of variation between 16.5% and 33.3%

<sup>F</sup> too unreliable to be published; coefficient of variation over 33.3% and/or small sample size

**Table 4  
Coverage and eligibility of the unemployed for Employment Insurance benefits, by province, 2012**

	Unemployed	Contributors	Contributors, valid job separation (eligible)	Contributors, valid job separation (not enough hours)	Contributors, invalid job separation	Non-contributors	Share of contributors with valid job separation who had sufficient hours to qualify
	thousands						%
<b>Canada</b>	<b>1,310</b>	<b>808</b>	<b>515</b>	<b>114</b>	<b>180</b>	<b>501</b>	<b>81.9</b>
Newfoundland and Labrador	33	26	23	F	F	6	93.5
Prince Edward Island	9	8	7	F	1 <sup>E</sup>	F	92.8
Nova Scotia	42	32	24	3 <sup>E</sup>	5 <sup>E</sup>	10	88.5
New Brunswick	39	31	26	2 <sup>E</sup>	3 <sup>E</sup>	8	92.4
Quebec	323	210	137	32 <sup>E</sup>	41	113	81.2
Ontario	550	303	180	46 <sup>E</sup>	76	248	79.7
Manitoba	33	24	15 <sup>E</sup>	3 <sup>E</sup>	6 <sup>E</sup>	9	82.0
Saskatchewan	27	17	10 <sup>E</sup>	2 <sup>E</sup>	5 <sup>E</sup>	9	81.2
Alberta	96	63	30 <sup>E</sup>	13 <sup>E</sup>	20 <sup>E</sup>	33	69.4
British Columbia	159	93	63	10 <sup>E</sup>	20 <sup>E</sup>	66	86.4

<sup>E</sup> use with caution; coefficient of variation between 16.5% and 33.3%

<sup>F</sup> too unreliable to be published; coefficient of variation over 33.3% and/or small sample size

**Definitions, data sources and methods: survey number 4428.**

For more information, contact us (toll-free 1-800-263-1136; 514-283-8300; [infostats@statcan.gc.ca](mailto:infostats@statcan.gc.ca)).

To enquire about the concepts, methods or data quality of this release, contact Jason Gilmore (613-951-7118; [jason.gilmore@statcan.gc.ca](mailto:jason.gilmore@statcan.gc.ca)), Labour Statistics Division.