



Call to Action

Regarding Employment/Unemployment Insurance for Canadian Forces Members and Spouses

AFP/AAC MISSION

Since AFP/AAC was formed nearly 40 years ago we have been fighting to correct the injustice that requires CF members to pay UI/EI premiums throughout their careers yet denies them benefits when they retire. Recently we have taken on another EI injustice for spouses posted overseas with their CF husband/wife because the spouse who leaves his/her employment to accompany the member overseas essentially forfeits his/her benefits.

GENERAL

Recently the Prime Minister and the Leader of the Opposition announced a special EI Review to address inequities in the EI system – especially in the midst of our current economic crisis. Thus, for us in AFP/AAC, the time is right for individual members to contact their local Member of Parliament to urge him/her to act quickly to resolve the EI inequities for CF members and spouses.

There are two key irritants for CF members concerning Employment Insurance (EI):

- Pensionable members are required to pay EI premiums throughout their career with the Canadian Forces but are ineligible for benefits at retirement; and
- Spouses who leave their job in Canada to accompany members posted overseas on military and diplomatic assignments invariably forfeit their entitlement to EI benefits because of the duration (usually three or more years) of the members' posting due to conflicting regulatory definitions of 'residency' that lead to spouses paying EI premiums overseas (they are designated by the Income Tax Act as a "Factual Resident"), while at the same time being ineligible for these EI benefits for which they just paid because they are designated by the Employment Insurance Act as a "Non-Resident".

CF MEMBER BENEFIT ELIGIBILITY

HRSDC EI regulations provide that an EI claimant is not entitled to receive EI benefits for employment with the same employer from whom the claimant is in receipt of an employee pension. This means that a member of the CF who retires with a pension is not entitled to any EI benefits despite having paid EI premiums throughout his or her career. In effect, once the CF member becomes eligible for a

pension/annuity under the CFSA (normally after 20 years service) the mandatory EI premiums continue but constitute simply an additional federal tax.

Solution: When an employee becomes eligible to receive a pension from his/her employer, there should no longer be a requirement to make payments to the federal EI fund because the employee is no longer entitled to EI benefits.

SPOUSES OF FEDERAL EMPLOYEES SERVING OUTSIDE CANADA

EI regulations require that, except for very short periods of absence, claimants must be physically resident in Canada to obtain benefits and benefits must be claimed within one year. Although the forfeiture period is routinely extended to two years, most overseas postings are for at least three years. In effect, for the majority of spouses, their overseas service to Canada via marriage to a government employee causes them:

- to remain tied firmly to domestic taxation; while at the same time,
- to be excluded from EI social benefits.

Solution: Former MP Bill Casey in January 2009 proposed a solution to Parliament that would allow spouses who end their employment in Canada in order to be with their partner at an overseas posting to be able to collect Employment Insurance benefits while overseas and immediately after repatriation to Canada, if the spouses paid Employment Insurance premiums prior to and during their overseas posting.

AFP/AAC MEMBER ACTION

Every AFP/AAC member is urged to contact his/her Member of Parliament immediately, while the Employment Insurance review is underway, and urge him/her to influence the EI review to:

- Exempt CF and RCMP members from EI premiums immediately they become eligible for a pension/annuity; and
- Ensure that any spouses who leave their work to accompany their federal employee partner overseas are no longer denied their entitlement to EI benefits.

This website includes a listing of all Members of Parliament with contact details.

Don't delay – contact you MP immediately!

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