

## 2014.02 EMPLOYMENT INSURANCE REFORM REGARDING TIPS

**Whereas 1** Canadian workers in the hospitality industry receive lower Employment Insurance (EI) benefits than most employees because of an inconsistency between the federal Income Tax Act and Regulations and the EI Regulations; and

**Whereas 2** the Government of Canada includes only controlled tips, that is, controlled by the employer, as insurable earnings in the calculation of EI premiums but not direct tips from the client; and

**Whereas 3** the Government of Quebec requires that all tips be declared to the employer as income for the purposes of calculating EI premiums; and

**Whereas 4** this inconsistency particularly affects employees in the hospitality industry who already work for less than minimum wage, and who are primarily women and more likely to need adequate and fair maternity benefits; therefore be it

**Resolved 1** that the National Council of Women of Canada (NCWC) adopt as policy the reform of the Employment Insurance (EI) Act and regulations to eliminate the discrimination against workers who receive a portion of their income as direct tips; and be it further

**Resolved 2** that the NCWC urge the Government of Canada to modify the EI Act and regulations to include all declared tips as insurable earnings for the purposes of calculating EI premiums.