

ASSEMBLY OF FIRST NATIONS
FIRST NATIONS LABOUR MARKET STRATEGY
DRAFT FOR DISCUSSION – NOT FOR DISTRIBUTION
ISSUE PAPER 14 – EI and Other Envelopes

DESCRIPTION:

To confirm that FNLMS will continue to benefit from a contribution from the EI program to the FNLMS budget and that other pan-Canadian Strategies will be taxed in the same way so that First Nations institutions deliver programs to First Nation members

OPTIONS:

1. To request that the current EI envelope be converted to CRF funds given the constraints around the use of EI funds restricting eligibility to current and former EI Claimants (60 months)
2. To continue the practice of including a First Nations envelope in any ESDC pan-Canadian program or strategy including EI Active Employment Measures (EI Act Section 62)
3. To provide for the movement of EI Funds between FNLMA's to facilitate their maximum use

RATIONALE:

While increasing the CRF envelope and getting out from the constraints of EI funds would seem attractive, ESDC has had the practice of taxing any new pan-Canadian program and increasing the Aboriginal envelope accordingly. This practice has been to the advantage of Aboriginal groups. EI Part II, Youth Employment Strategy, Opportunities Fund are the examples. LMAs with provinces and territories would be an important exception. Client-based programs such as Apprenticeship Grants would be another.

FNLMS should not be deprived from this important source of funds nor neglect the principle that pan-Canadian programs must address First Nations needs and context and be designed and delivered by First Nations.

Moving EI Funds between FNLMA's could maximize usage while maintaining the principle

CONSIDERATIONS:

FNLMA's could trade EI for CRF funds. The incentive for FNLMA's giving up CRF funds would be the additional leverage of Part I income support benefits that they would gain. The process could be managed by ESDC or the Secretariat and would require simple agreement amendments that could be approved at a low level of the ESDC hierarchy.

At the end of the second quarter, FNLMA's could also give up EI Funds for the greater good (to fund urban program and service delivery possibly). EI Funds are lost if not used during the year.

RECOMMENDED OPTION:

ASSEMBLY OF FIRST NATIONS
FIRST NATIONS LABOUR MARKET STRATEGY
DRAFT FOR DISCUSSION – NOT FOR DISTRIBUTION
ISSUE PAPER 14 – EI and Other Envelopes

Recognize in the Statute the principle that pan-Canadian programs should be designed and delivered by First Nations for their people and that FNLMS is ESDC's vehicle for achieving this.

Retain the EI Envelope while building stronger mechanisms to facilitate full usage.

DECISION:

DATE AND VERSION:

Draft 2, November 23, 2016

Support measures

(4) In support of the national employment service, the Commission may establish support measures to support

- **(a)** organizations that provide employment assistance services to unemployed persons;
- **(b)** employers, employee or employer associations, community groups and communities in developing and implementing strategies for dealing with labour force adjustments and meeting human resource requirements; and
- **(c)** research and innovative projects to identify better ways of helping persons prepare for, return to or keep employment and be productive participants in the labour force.

EI ACT, Part II, Section 60, National Employment Service

DRAFT

ASSEMBLY OF FIRST NATIONS
FIRST NATIONS LABOUR MARKET STRATEGY
DRAFT FOR DISCUSSION – NOT FOR DISTRIBUTION
ISSUE PAPER 14 – EI and Other Envelopes

Annex: Strategy for the Full Implementation of EI Part II Funds **[Is this already done?]**

- “Unemployed Persons” are persons who are out of work and who are looking for work.
- Employment services are those services which assist an individual in finding work: providing information, assessment, counselling, testing, any service which does interrupt an active job search and which enhances active job search (mobility payments, job search clubs where the costs are paid by the FNLMA)
- Costs may be paid by the service provider on behalf of the client but not to the client (which would be a benefit having more restricted eligibility rules, active or former EI Claimant)
- Based on Section 60 of the EI Act, FNLMA's could charge the costs of their front end, any other employment services and a pro-rated amount of their administrative costs to the EI envelope
- FNLMA's should take care that their programs and services are not driven by the rules governing the funds but by the needs of their communities

DRAFT