



News Release

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Federation President blasts Employers' Council for attacking workers protection programs

Lana Payne, President of the Newfoundland and Labrador Federation of Labour (NLFL), today called the latest mean-spirited attack on worker protection programs by the Employers' Council a desperate attempt to roll-back the clock on worker rights and civil society.

How ironic that on the same day the Newfoundland and Labrador Employers' Council released the results of a survey of its members criticizing Employment Insurance and Workers' Compensation, Statistics Canada was releasing a report of its own - highlighting just how important programs like Employment Insurance are, especially during recessions.

"There is no doubt that Employment Insurance needs improvements. Too many people do not qualify and benefits are too low, but at least it keeps people from falling into the poverty that would otherwise result when someone loses their job," said the Federation President.

Statistics Canada reported that in the past year, the number of people collecting EI because of the recession has increased by a staggering 63.5% across the country with currently 818,000 Canadians receiving benefits. Newfoundland and Labrador has not been hit as hard as other provinces. Ontario, for example, has seen an 80% increase in EI claimants, while the number of EI recipients has risen by 18.7% in Newfoundland and Labrador during the same period.

"Calling programs like EI and Workers' Compensation "too generous" is the typical response from employer organizations, but it is also false," said Ms. Payne.

For example, Employment Insurance benefits (the maximum benefits a worker can receive) were frozen for more than a decade, after being rolled back in 1996. The average weekly EI benefit in Newfoundland is about \$340 a week (before deductions).

"Anyone who considers this generous hasn't tried living on it, supporting a family on it or paying a mortgage," she said.



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The same can be said about Workers' Compensation where workers injured in their workplaces receive just 80% of their **net** pre-injury earnings up to a ceiling. Newfoundland and Labrador has some of the lowest Workers' Compensation benefit levels in Canada.

The Employers' Council and its members should consider that Workers' Compensation also protects them.

"I would like to remind the Employers' Council about the historical compromise of Workers' Compensation is that workers gave up the right to sue their employer when they are injured on the job. The employers agreed to pay premiums into a workers' compensation system in order not to be sued."

She pointed out that employers in the province have received numerous premium rate reductions in the past number of years and yet workers have not seen any increase in their benefits.

"If the companies represented by the Employers' Council are truly concerned with the costs of Workers' Compensation perhaps they should do a better job of protecting workers' health and safety, instead of complaining about the premiums," Ms. Payne charged.

Workers' Compensation premium rates are tied to employer health and safety performance.

"Instead of blaming workers, perhaps they should look in the mirror and examine their own behaviour and commitment to occupational health and safety."

While there is nothing surprising in these comments by the Employers' Council, what is unfortunate is that the Council thinks attacking programs that minimally protect workers will somehow improve recruitment and retention.

"Perhaps their recruitment and retention problems have more to do with the wages and benefits they are offering, or not offering, than it does with worker protection programs that barely cover the basics," said Ms. Payne. "Maybe it is the lack of generous wages that is at the root of the problem."

"There are certain things we expect of our civil society, protection for the unemployed and for those injured on the job are among them," she said.

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