BACKGROUNDER

Opening the Black Box: Addressing Gender Discrimination in the Employment Insurance System

ABOUT THIS RESEARCH

Opening the Black Box: Addressing Gender Discrimination in the Employment Insurance System begins from a simple premise: **Canada's Employment Insurance (EI) system has a gender problem**. It limits women's access to regular, maternity, and parental benefits in multiple and intersecting ways. The gender discrimination that pervades the EI system has been documented for decades, by parliamentary committees, feminist and labour organizations, and Employment and Social Development Canada (ESDC) itself. Despite overwhelming evidence and repeated calls for change, successive federal governments have failed to undertake meaningful reform.

Drawing on the *Employment Insurance Act* and its regulations, labour market surveys, case law, parliamentary reports, and government research, this report shows that gender disparities within EI are not the inevitable result of women's individual employment choices. They are the consequences of policy decisions that have created an EI system that fails to account for the realities of women's paid and unpaid work.

The report makes 28 concrete legislative, regulatory, and administrative recommendations to dismantle the gender discrimination that is eroding one of Canada's most important social safety nets.

KEY FINDINGS AND OBSERVATIONS

1- Women are less likely to qualify for EI

Eligibility for EI regular, maternity, and parental benefits is predicated on accumulating a specified number of insurable hours within the qualifying period. Part-time workers find it particularly difficult to accrue sufficient hours because they must remain employed for a larger percentage of the qualifying period. Women are disproportionately impacted by this requirement since they account for more than 60% of part-time workers. Disabled women, Indigenous women, racialized women, women experiencing intimate partner violence, and people with closely spaced pregnancies face additional barriers in accumulating enough insurable hours.

Even when women do qualify, they are more likely to be disqualified or disentitled from regular benefits because EI rules governing voluntary job separations and availability for work penalize individuals whose employment is shaped by caregiving responsibilities, disability, harassment, discrimination, or intimate partner violence.

	Women	Men
Eligibility Rates	78.4%	86.6%

2- Women receive lower benefit amounts and fewer weeks of benefits

The EI system uses hours worked to determine both the duration and amount of EI benefits. As a result, women have, since the program's inception, consistently received a lower amount and shorter duration. The system therefore penalizes women for accumulating fewer hours of insurable employment three times: when determining eligibility, when calculating their weekly benefit amount, and when establishing how long their benefits will last.

	Women	Men
Average weekly EI regular benefit amount	$546	$607
Average maximum weeks of entitlement	28.4	30.4

3- Women's economic precarity deepens while on EI

EI regular and standard parental benefits only replace around 55% of a claimant's pre-claim insurable earnings. EI's extended parental benefits replace even less; a mere 33%.

Since there is no minimum weekly benefit amount, there is nothing to stop low-income claimants from slipping into poverty while on EI.

While the Family Supplement is meant to boost benefit amounts for low-income EI claimants with children, its effectiveness has been allowed to wane. Eligibility for the Family Supplement has decreased year over year because neither the income threshold nor the amount of the supplement have been indexed for twenty-six years.

- To qualify for the Family Supplement claimants must have a net family income of less than $25,921.

- The average weekly Family Supplement amount is approximately $46.

- In 2021, only 30.7% of EI claimants with children whose family income fell below the Low-Income Measure qualified for the supplement. Had it been indexed, that figure would have been 61.8%.

4- Women are penalized for combining regular and special benefits

The *Employment Insurance Act* generally caps combining regular and special benefits at 50 weeks, which means that women who lose their employment during or shortly after maternity or parental leave may be left without regular benefits because they have exhausted their entitlement or cannot accumulate sufficient new insurable hours.

In September 2026, the Federal Court of Appeal ruled that the cap on combining regular and special benefits violates women's equality rights under section 15(1) of the *Canadian Charter of Rights and Freedoms*. The Court suspended its declaration of invalidity for one year to allow Parliament to respond. The government must therefore act quickly to bring the *Employment Insurance Act* into compliance with the *Charter*.

- Approximately 3,300 women are negatively impacted by this cap every year.

5- Maternity and parental benefits leave women financially vulnerable

The EI system requires claimants to accumulate 600 insurable hours to qualify for maternity and parental benefits, excluding many part-time workers and women with closely spaced pregnancies. As with EI regular benefits, there is no minimum weekly benefit amount, and men receive a higher weekly parental benefit amount than women and are considerably more likely to receive the maximum weekly amount.

Employer top-ups are not a solution for many families. In 2024, only about half of parents outside of Quebec received a top-up, leaving the rest to rely on inadequate statutory benefits alone.

By contrast, Quebec's Parental Insurance Plan (QPIP) uses an earnings-based entrance requirement of just $2,000 and permits greater flexibility regarding what qualifying period is used, resulting in more women qualifying for these benefits.

	Women	Men
Average weekly EI parental benefit amount	$583 (standard), $356 (extended)	$643 (standard), $394 (extended)
Percentage of EI parental benefit claims that received the maximum weekly benefit rate	55.5%	77.9%

6- The design of parental benefits reinforce women's disproportionate caregiving responsibilities

The EI parental benefit regime makes it financially rational for the lower-earning parent, usually the mother, to take the longer absence from paid employment. This is not simply a private family choice; it is a policy outcome produced by a benefit formula that replaces only 55% of earnings (33% under the extended option), imposes a relatively low maximum weekly benefit, and provides only limited dedicated leave for parents who did not give birth.

The federal Parental Sharing Benefit has increased men's share of new EI parental claims. However, the number of weeks taken by men remains paltry. Even when benefits are shared, women take an average of 31.5 weeks, compared to just 8.3 weeks for men.

Quebec demonstrates how different policy choices change caregiving patterns. Its parental insurance plan reserves individual, non-transferable benefits for parents who did not give birth and provides additional shareable weeks when both parents take a meaningful period of leave. As a result, non-birthing parents are twice as likely to take parental leave in Quebec compared to the rest of the country.

Inflexible federal parental benefits can also weaken women's attachment to paid work. Income received while on EI generally reduces benefits by 50 cents for every dollar earned, and taking non-consecutive benefit weeks in order to work without penalty involves an onerous application process. Instead of facilitating a gradual return to work, EI's rigid parental benefit program pushes women further from the labour market and reinforces an unequal division of care that limits women's economic prospects for years to come.

KEY RECOMMENDATIONS

The report makes 28 recommendations to reform the EI system, including:

- **Expanding eligibility:** Create a hybrid eligibility requirement for accessing regular benefits that allows claimants to qualify based on either weeks or hours worked. Replace the hours-based requirement for maternity and parental benefits with a QPIP-style earnings threshold.
- **Removing discriminatory barriers**: Reform rules governing voluntary job separation, availability for work, and suitable employment to recognize caregiving responsibilities, disability-related needs, discrimination, and experiences of violence.
- **Preventing poverty**: Establish progressive income-replacement rates so that low-income earners receive a higher percentage of their prior income, create an indexed minimum weekly benefit of at least $500, strengthen the Family Supplement, and ensure a minimum benefit duration of 26 weeks for regular benefits.
- **Addressing *Charter* violations**: Eliminate the 50-week cap on combining regular and special benefits and protect access to EI regular benefits when unemployment coincides with maternity or parental leave.
- **Promoting equitable caregiving**: Establish individual, non-transferable parental benefits for parents who did not give birth, strengthen parental sharing incentives, and provide greater flexibility to combine employment with parental benefits.
- **Reconsidering EI financing**: Assess restoring federal government contributions to EI rather than relying exclusively on premiums paid by workers and employers.

A MORE EQUITABLE EI SYSTEM IS POSSIBLE

A more equitable EI system is not a distant policy aspiration. During the COVID-19 pandemic, the federal government temporarily expanded eligibility, improved benefit calculations, and introduced minimum benefits. Women were among the primary beneficiaries of these measures. The Quebec Parental Insurance Plan similarly demonstrates that more accessible, generous, and gender-inclusive parental benefits are possible.

Many of the reforms proposed in this report would simply reinstate protections that previously existed or make permanent measures that have already been successfully implemented.

For too long, administrative necessity and cost have been invoked to justify excluding women from EI. A system that is focused solely on keeping premiums down cannot adequately address gender inequality since it is always cheaper to discriminate against women than it is to support them.

Gender discrimination in EI is not inevitable. It has been built through policy choices, and it can be eliminated through policy reform. It is time to open the black box, confront the discrimination within it, and rebuild EI so that it provides meaningful income security for all workers.

Read the full report here.