

# Workers being 'fleeced' by inflated rates as EI surplus grows: critics [CA] <sup>[1]</sup>

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## AVAILABILITY

See text below.

## EXCERPTS

Critics say it's the real scandal on Parliament Hill.

As the surplus of Employment Insurance overpayments reaches \$44 billion, Human Resources Minister Joe Volpe defended what his opponents call another Liberal rip-off. He did so even as he conceded some changes are needed. "It's the appropriate thing to do," Volpe said in an interview when asked if EI premiums should be cut.

Still, one of Canada's oldest social programs is expected to take another \$3-billion more out of taxpayers' pockets this year than it needs to break even.

Despite the surplus, thousands of workers - especially part-timers who tend to be women - are barred from drawing benefits by restrictions imposed in 1996.

Auditor General Sheila Fraser and the chief actuary of the federal Human Resources Department have both said the EI program would not need more than a \$15-billion cushion to meet needs even in hard times.

A hard-hitting auditor general's report last week detailed how \$100 million was skimmed off federal sponsorship contracts and funnelled to Liberal-friendly ad firms. Voter fury over the scandal has driven support for the Liberal government to new lows.

Prime Minister Paul Martin's reputation as the deficit-fighting former finance minister who can be trusted with the federal treasury has been pummelled by the scandal.

Pallister says Martin owes much of that reputation to falsely inflated EI premiums that helped Ottawa balance the books.

Volpe says the Finance Department is now crafting a new way of calculating premiums to sustain workers "under a variety of scenarios."

- reprinted from The Canadian Press

**Region:** Canada <sup>[2]</sup>

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