



GroupLine

News and updates for our Great-West
Group Benefits Plan Sponsors

Federal government changes EI maximum

07-03

The federal government recently announced an increase in the employment insurance (EI) maximum insurable earnings amount and a corresponding increase in the EI weekly maximum benefit. Effective Jan. 1, 2007, maximum insurable earnings increased to \$40,000 per year from \$39,000. Accordingly, the new maximum EI benefit amount is now \$423 per week (\$40,000 at 55 per cent, over 52 weeks).

Short-term disability (STD) plans that have a maximum set at the EI maximum, rather than at a specific amount, automatically increased effective Jan. 1.

If your plan has a specific dollar maximum that is less than \$423 per week, and you participate in the EI premium reduction program, you will need to amend

your plan to at least \$423 per week in order to remain eligible for the program.

If your STD plan has a specific dollar maximum and you participate in the EI premium reduction program, you may wish to consider amending your plan to a maximum that is automatically adjusted to the EI maximum. This will avoid the need for future amendments whenever the EI maximum changes.

For more information

Please contact your benefit advisor or Great-West Life representative if you have questions about this change or its impact on your benefit plan.