

NLEC to hold “Tax on Labour” focus groups across province
Organization looking for employer feedback on how high tax on labour impacts business
in this province

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January 26th, 2011, St. John's, NL – The NL Employers' Council (NLEC) will be gathering evidence of the impact tax on labour has on businesses and the local economy through focus groups being held across the province over the course of the next few months. Two focus groups were held in Happy Valley Goose Bay and Labrador City this fall, and the next of these focus groups will take place in Corner Brook on February 10th.

In this province, tax on labour refers to the Health & Post Secondary Education Tax (payroll tax), employer Worker's Compensation insurance premiums, EI and CPP. These costs to employers are based directly on the level of wages an employer provides, effectively increasing the cost of labour. Newfoundland & Labrador currently has the highest tax on labour of any province in Atlantic Canada. Newfoundland & Labrador is the only province in Atlantic Canada that still has a payroll tax and employer Workers' Compensation premiums are the highest of any province. Add this to government's recent increases in the minimum wage, and the combined impact of these costs present a significant disincentive for employers to grow employment levels in this province. Managing these costs is the number one concern for NLEC members. The organization has been lobbying the provincial government for employer friendly change on these issues, and is looking for feedback from employers to assist with future advocacy initiatives.

Local employers in Corner Brook and other areas are invited to register for these free focus group online at www.nlec.nf.ca. Participating in these focus groups is an excellent opportunity for local businesses to voice their concerns on the tax on labour issue and help to reduce the cost of doing business in this province.

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The NLEC is the lead business advocacy organization in this province on employment related matters.

For more information visit www.nlec.nf.ca.

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