

## **NL Employers' Council asks Atlantic premiers to end resistance to EI reforms**

Reforms necessary to address labour market shortages in the region

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*January 16<sup>th</sup>, 2014, St. John's, NL* – The NL Employers' Council (NLEC) will meet with the Council of Atlantic Premiers (CAP) advisory panel today in St. John's and will advise the Atlantic premiers to reconsider their opposition to Employment Insurance (EI) reforms implemented by the federal government last year. In 2008-2010, nearly 60% of the workforce in Newfoundland & Labrador received EI benefits at least once per calendar year, while at the same time the provincial government promoted a booming economy and 77,000 pending job vacancies, and employers struggled to fill positions. These reforms, designed to make EI a more efficient program, to remove disincentives to work and quickly connect people to jobs are positive for Newfoundland & Labrador people and our economy.

The recent changes to the EI system that took effect in January of 2013 were welcomed by the NLEC. EI remains one of the biggest issues for NLEC member employers and is a barrier to addressing labour market challenges, with many employers reporting they feel they are competing with the EI system for labour. After a year of implementation, these changes have not had the "devastating impact" on seasonal workers that the Atlantic premiers predicted. In the first half of 2013 (Jan-July) only 380 EI claims country wide were disqualified because of the "Connecting Canadians with Available Jobs" (CCAJ) changes, less than 1% of all disqualified claims in the country. Seasonal businesses operating in rural areas where no other work exists have not, and will not, be impacted by these reforms.

The NLEC believes that in 2014, Atlantic Canadians want to work, they want support to access jobs and they want an EI system that facilitates, not inhibits their ability to do that. Resistance to EI reform in the Atlantic provinces, as presented by the Atlantic Premiers, is sending the wrong message about Newfoundland & Labrador as a place to live, work and do business, and is holding us back.

"The perception that Atlantic Canadians think it is unreasonable to commute up to one hour for year round work that in **every instance** will mean higher earnings than what was received on EI is misguided," says NLEC Executive Director, Richard Alexander. "I believe most Atlantic Canadians paying into the EI system would agree that if full employment exists in a region, EI recipients should be available and actively seeking this type of employment and that the focus of our government leaders should be to facilitate this, rather than hold it back."

In 2014, our Employment Insurance system needs to be less about income supplement and more about actively moving people into the labour market – which is what these reforms aim to do. The NLEC is urging the Atlantic Premiers to take a long term view and support policies that promote the facilitation of individuals off EI and into full employment.

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**Interview opportunities available following the EI roundtable at 4:30 pm.**

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