

September 14, 2010

Honourable James Flaherty  
Minister of Finance  
140 O'Connor Street  
Ottawa, ON K1A 0G5

Dear Minister Flaherty:

The Halifax Chamber of Commerce would like to take this opportunity to comment on the potential increase to Employment Insurance up to the maximum allowable amount - 15 cents/\$100 for employees and 21 cents/\$100 for employers - that, if approved, would commence in January 2011.

The Halifax Chamber is a best practice business advocacy organization representing nearly 2,000 members of our local business community. As such, we feel compelled to point out the negative consequences such a policy could have for private sector employers - particularly if implemented under such fragile economic circumstances.

The Halifax Chamber supports the Canadian Chamber of Commerce's position on this issue. We agree that, given the fragility of the recovery, and particularly in the American economy which is so important to our own economic health, this would be a very poor time to increase the EI payroll tax to the maximum extent possible. Doing so would increase the cost of retaining current employees, let alone hiring new ones, at the very time when we need to ensure that the private sector resumes its role as the primary engine of economic growth.

Like the Canadian Chamber of Commerce, the Halifax Chamber would also urge the government to take a more measured approach to balancing the EI account that reflects our current economic realities and employers' efforts to deal with them.

Thank you for your consideration on this important topic, and I would welcome the opportunity to discuss this subject with you in greater detail.

Yours truly,



Valerie Payn  
President & CEO