



September 22, 2023

Hon. Lawrence MacAulay, Minister of Agriculture and Agri-Food and MP for Cardigan

Sean Casey, MP for Charlottetown

Robert Morrissey, MP for Egmont

Heath MacDonald, MP for Malpeque

House of Commons

Ottawa, ON

K1A 0A6

Re: 2024 Increase in EI Premiums

Dear PEI Members of Parliament,

On behalf of the Greater Charlottetown Area Chamber of Commerce (GCACC) and our over 1,130 members, we are writing to express our concern about the potential 2024 increase in Employment Insurance Premiums and to encourage you to advocate for Cabinet to invoke Section 66.32 (1) of the Employment Insurance Act to maintain EI premium rates at the current levels.

The four-cent increase in EI premiums for employers – recommended by the Canada Employment Insurance Commission’s Actuarial Report – will see premiums for employers rise from the current \$2.28 per \$100 of insurable earnings to \$2.32.

The news of this premium increase comes at a time our small and medium businesses across the country are facing increased labour costs, high inflation and interest rates, and for provinces like Prince Edward Island – the recent implementation of the federal carbon tax.

In the Greater Charlottetown area, we have heard anecdotally from members that this is one of the most financially hard years yet, with many small businesses unsure if they will be able to continue operations.

In fact, in our recent 2023 Membership Survey, the rising cost of doing business was marked as the top concern for members. Additionally, 10% of respondents are predicting a decrease in revenue over the next 12 months. This is the highest rate of respondents in our membership survey history to predict decreases in revenue. For comparison, pre-pandemic, this number was just 1%.

This premium increase would be yet another cost to employers. Additionally, Budget 2023 stated that the EI premium rate would “hold steady” in 2024.

While we understand that EI is an important program to support workers who temporarily find themselves out of work, our Chamber urges that any increases to EI premiums must take into account the economic challenges facing businesses.

Consequently, your support advocating for the premium rate to stay the same would be appreciated, particularly as you represent Prince Edward Island – where inflation rates have often been the highest in the country in the last year.

Sincerely,



Kim Horreht

GCACC Interim-CEO

CC Randy Boissonnault, Minister of Employment, Workforce Development and Official Languages