



Office of the President and
Chief Executive Officer

Cabinet du président
et chef de la direction

December 5, 2014

Hon. Jason Kenney, P.C., M.P.
Minister of Employment and Social Development
Employment and Social Development Canada
140 Promenade du Portage
Gatineau, Quebec K1A 0J9

Dear Minister:

In September, the Canadian Chamber of Commerce concluded its 85th Annual General Meeting (AGM) in Charlottetown, PEI. A highlight of the Canadian Chamber's AGM is the Policy Session, where the resolutions submitted by local chambers of commerce and boards of trade from across Canada are debated and voted on by accredited delegates. Once approved, these resolutions become policy of the Canadian Chamber for the following three years.

In 2014, our delegates issued a clear and decisive national policy mandate that we intend to pursue vigorously with the federal government over the coming months. Our renewed national policy mandate includes the following issues which fall within your portfolio:

Invest in Labour Market Information to Close the Skills Gap

The skills gap and mismatches in Canada are challenging employers, educators and governments to respond. As they navigate skills shortages, changes in skills requirements and the future of the labour force, each are coming up against shortfalls in the utility and accessibility of labour market information (LMI).

To address the gaps in LMI, the Canadian Chamber recommends that the federal government: invest in tools and surveys that are currently available to the government; leverage the data that already exists within post-secondary institutions; improve the relevance of the National Occupation Classification (NOC) by incorporating a skills dictionary; improve the dissemination and marketing of all available data; establish formalized partnerships between provinces, business, industry, academic institutions and the public sector to share labour market data; and require either ESDC and/or Statistics Canada to begin collecting and publishing more localized and regionally based labour market information.

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Increase Apprenticeship Completions in the Skilled Trades

Older skilled workers, including journeypersons who train apprentices, will start to retire in rising numbers over the coming years as the boomer generation ages and exits the labour market. For the apprenticeship system to replenish itself, more apprentices must become certified and move into journeyperson roles, to begin training the next generation of apprentices.

The Canadian Chamber recommends that the federal government create a financial incentive for those employers who retain apprentices in their third or fourth year of training, to support the policy goal of increasing the number of certified trades workers.

Improving the Temporary Foreign Worker Program (TFWP)

Canada's future economic growth will be determined by our ability to access and retain workers with the necessary skills to strengthen our workforce. The Canadian Chamber network has watched, with growing concern, moves by the federal government to restrict businesses' ability to utilize the TFWP. The changes introduced in 2013 made the program much harder to use. The further extensive changes in 2014 are harming many small businesses across Canada, thus changing the original intent to address genuine and acute labour needs so that businesses could grow and create more opportunities for Canadians.

For those reasons, the Canadian Chamber recommends that the government: institute an appeal process for labour market impact assessments (LMIAs); improve the LMIA component; and retain the flexibility within the Annex agreements on TFWP.

Incentives to Relocate

There are areas in Canada that are experiencing a shortage of skilled labour as well as semi-skilled labour and other regions which have a high unemployment rate and too many workers for the jobs available. The federal government should create incentives to encourage workers to move from areas of high unemployment to areas of low unemployment because such incentives could help to reduce Employment Insurance costs, as well as generate more tax revenue from increased labour force engagement.

The Canadian Chamber recommends that the federal government: make changes to the Employment Insurance program that will incent unemployed

Canadians to move or relocate to where the jobs are; reduce existing barriers to relocation; and raise the awareness of existing support programs and incentives to help advertise opportunities for employment in areas where there are labour shortages.

Aligning Skills Development with Labour Market Needs

In addition to demographic shifts, Canada's labour market suffers from skills gaps and mismatches. It is imperative that all future federal actions aimed at aligning labour force skills with high-demand jobs are developed in consultation with employers and other stakeholders.

The Canadian Chamber recommends that the federal government adopt a collaborative approach to addressing the skills gap by establishing a formal dialogue framework with a defined process and governing principles, and use the EI Commission as a model for ensuring stakeholders' perspectives are reflected, emphasizing transparency and ensuring representation from various stakeholders.

Improving Canada's Immigration System: Visa Processes and Foreign Qualification Recognition

Immigration can play a central role in addressing short- and long-term labour market needs. However, a number of limitations on the effectiveness of the current immigration process and challenges to full employment of immigrants continue to exist. To reinvigorate the current immigration process, improvements to visa processes for various classes of immigrants and foreign qualification recognition are important places to start.

The Canadian Chamber recommends that the federal government: make specific changes to the administration of the Temporary Foreign Worker Program; reinstate a version of the e-LMO process; create and administer an Approved Employer List; reduce the complexity of foreign credential assessment; and develop education profiles of the main source countries of immigrants and make them available for business and other hiring entities.

Accountability of the Canadian Employment Insurance Commission (CEIC)

The Employment Insurance program, in its current form and without appropriate business representation, is not fully meeting the needs of the primary contributors to its funding, the businesses and employers in Canada.

The Canadian Chamber recommends that the federal government amend the representation of the Canadian Employment Insurance Commission to two employer representatives, one employee representative and one additional member representing the interests of government; and that the Minister of Employment and Social Development be appointed as Chair of the Commission, only voting on issues where there is a stalemate between the four primary representatives of the commission.

Copies of the complete texts of these resolutions are attached. I hope to discuss them in more detail with you and your staff. My assistant will be contacting your office to schedule a meeting.

Sincerely,

A handwritten signature in black ink that reads "Perrin Beatty". The signature is written in a cursive style with a large initial 'P' and a long, sweeping underline.

Perrin Beatty
President and Chief Executive Officer

Attachments