



September 13, 2023

The Honourable Chrystia Freeland, P.C., M.P.  
Deputy Prime Minister and Minister of Finance  
House of Commons  
Ottawa, ON K1A 0A6

The Honourable Randy Boissonnault, P.C., M.P.  
Minister of Employment, Workforce Development and Official Languages  
House of Commons  
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RE: Potential 2024 Increase in EI Premiums

Dear Ministers,

I'm writing to express our concern about the potential 2024 increase in EI Premiums. EI is a critical program delivered by the federal government. It supports the livelihoods of Canadians and communities during periods of lost income. Temporary program changes in response to the COVID-19 pandemic created a significant deficit that according to the [2023 Actuarial Report on the Employment Insurance Premium Rate](#) led the EI Operating Account to a projected cumulative deficit of \$25.2 billion by the end of 2023.

Employers understand that EI is an important temporary job-loss protection program and want to ensure it is effective in supporting their employees during periods of transition. However, increases to EI premiums are effectively a tax on employers who pay a disproportionate amount into the program. Increases to EI premiums must take into account the economic challenges faced by businesses in Canada today, and into the future.

High interest rates, inflation and increased labour costs are making it difficult for small and medium-sized businesses to keep their heads above water. Due to continued strength of the labour market, [Budget 2023](#) stated that the EI Premium Rate would hold steady at \$1.63 per \$100 of insurable earnings in 2024-2025. We understand EI premiums are being reviewed, and our view is that any increases would be ill-timed and unsustainable at a period when most businesses are struggling to resume normal business operations. It is not fair for employers and employees to pay off the deficit incurred through temporary program changes through increased premiums. Consequently, **EI premium rates should be maintained at current levels.**

The Canadian Chamber of Commerce represent businesses of all sizes in all sectors and regions of the country, and we would like to emphasize that any proposed changes to EI must balance the need to support workers while ensuring the program is financially sustainable and promotes a return to the labour force.

Sincerely,

Diana Palmerin-Velasco  
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