

June 1, 2012



The Honourable Diane Finley
Minister of Human Resources and
Skills Development Canada
House of Commons
Ottawa, Ontario K1A 0A6

2089 Maitland Street
Halifax, Nova Scotia B3K 2Z8

Tel. 902.423.4480
800.948.4267

Fax. 902.422.0184

www.tians.org

Dear Minister Finley:

On behalf of the Board of Directors and membership of the Tourism Industry Association of Nova Scotia we are writing in regards to the proposed changes to Employment Insurance (EI).



While we appreciate and support the need to ensure all publicly funded programs are effective and deliver results, there are growing concerns as to how the proposed changes will impact seasonal business within the tourism sector. We are aware that EI was designed as insurance, the reality is that a significant portion of the labour market has become dependent on the program. We believe without a strategy for transition to support retraining from one sector to another and appropriate job matching, the challenges will be exacerbated for small businesses throughout the region.



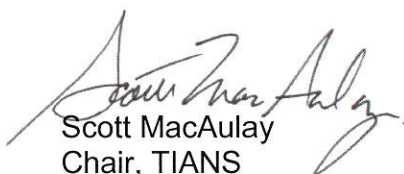
We are seeking clarification on how the changes will be implemented and what transition supports will be in place to ensure that higher engagement in the labour market actually does take place and that additional social and economic costs are mitigated.



Tourism is crucial to the Nova Scotian and Canadian economies, in particular rural regions throughout Canada. In Nova Scotia tourism generates \$1.8 billion and employs over 40,000 people. Labour market challenges are mounting for all sectors and will continue as demographics redefine the Canadian population. All labour market programs need to ensure that they support the growth and development of a healthy and sustainable workforce for all sectors trying to compete in the global economy.

We appreciate your time to address our concerns and look forward to your response.

Sincerely,


Scott MacAulay
Chair, TIANS


Darlene Grant Fiander
President, TIANS

cc TIANS Board

Summary of Hon. Minister Dianne Finley meeting with Industry June 26, 2012

9:30-10:45

Held at Halifax Chamber of Commerce

Business/Industry represented:

Tourism Industry Association of Nova Scotia, Irving Shipyards, Northern Fish Packers, Atlantic Marketing Institute, Halifax Chamber of Commerce, Nova Scotia Fruit Growers Association, Canadian Federation of Independent Business, Construction Association of Nova Scotia, Nova Scotia Federation of Agriculture, Lobster Council of Canada, Fisheries Sector Council of Nova Scotia. Also present: Gerald Keddy, MP, South Shore/St. Margaret's Bay Ministerial Staff

MP Gerald Keddy welcomed the group and identified that the recent announcements regarding changes to the EI program had generated significant discussion and concern in the province. He thanked the Minister for coming to speak with Industry in person.

Minister Finley thanked attendees and opened her comments by stating that with the government's commitment to fiscal responsibility came a need to look at the EI Program. She stated that change is needed to the system which has not had any significant updates in decades. Canada needs economic growth and employment is directly linked to our ability to see that growth happen. The Minister commented that there is a disconnect happening with the demand for temporary foreign workers (TFW) and the volume of EI claims happening on an annual basis. She also said there is a need to look for ways to employ local people first before moving out to secure foreign labour.

The changes to EI are being made based on the fact that many parameters which have always been in place are not well enforced. Claimants will be expected to conduct active job searches while collecting benefits. The government is trying to be sensitive to the needs of the users of the system who have legitimate and reasonable claims; however, people who decline reasonable work offers will face consequences to their EI claims.

People who are out of work will not be expected to drive unreasonable distances or take inappropriate work, but there must be a reduction in the number of people using the EI system as an annual opportunity to work minimum hours for maximum returns. Part of the issue is the system itself as it rewards and allows those types of claims. Minister Finley reinforced that the seasonal agriculture worker program will continue as is now and that the TFW program will be available, however, priority should be given to Canadians who should be in those positions.

A wide range of comments and questions followed from attendees including comments that there is widespread concern about the seasonal nature of many types of work in NS (such as forestry, fishing, agriculture, tourism, etc.) which will face due hardship as a result of this shift with the EI system.

Minister Finley reinforced that local labour market conditions and individual circumstances will be the determining factors in approving a claim. An example given by the Minister was of a worker who was offered work in another community requiring a long commute, lower wages, daycare costs for children, etc. This type of offer may be considered unreasonable and the claimant would not be expected to take that job.

If you are employed and your employer offers similar work during the off season, you cannot refuse. The Minister shared stories of employers being asked by workers to be laid off despite it being the middle of the season with significant work still to be done; yet some staff had their "hours in" and wanted the rest of the year off, collecting their claim. There is a culture shift which must happen for all Canadians when it comes to EI claims.

Some questions still remain around how the decisions will be made around the concept of reasonable. The job bank system will be adapted and claimants may be sent (e-mailed) jobs the system identifies as suitable. There was some concern from industry for this as there are issues currently being experienced with the job bank. Employers currently already face a lengthy and cumbersome process with it.

It was identified that the EI hiring credit for employers is working well however it needs more promotion to employers, as many are unaware of it.

The Canadian Federation of Independent Business (CFIB) identified their members feel there is a lack of clarity around how the TFW is potentially being influenced by these changes to EI. She also pointed out that the PNP cap should be raised. There is a general sense for the CFIB members that there needs to be clear communication about the interrelationship of EI, TFW, PNP and other federal and provincial programs.

Minister Finley did note there are many differences between the provinces that make it difficult to have only one approach on those systems.

The Construction Association requested that there be a longer phase in period and also that there be some skill analysis assistance to assist in transitioning some of the Bowater Mersey team to work that may be available.

The Atlantic Marketing Institute requested that the federal government raise the PNP limit to 1500 immediately. They referenced how immigrants have a higher tendency to open businesses and hire people and that this is key. This is a provincial decision also but they requested the Minister consider how to influence.

The Minister defended a case where they have a request currently from a fish plant in PEI that wants to bring in 250 TFW's yet there are over 300 people within an hours drive who are collecting EI and have identified fish packing skills. This is an example of the disconnect that exists.

The Agriculture group identified they believe sector councils have an important role to play, both provincially as well as federally, and the Minister agreed. She did point out

that the federal sector councils were being held more accountable for their funding and asked to focus more on labour market information. She also would like to see more accountability with the provincial LMAs and LMDAs with the prices and will be pushing for that in the next negotiation.

Lisa Dahr, representing TIANS, spoke briefly and reinforced the key messages of correspondence sent earlier this month regarding the scope and value of the industry and the concern the announcements had generated. One thing she asked, was in terms of the communication strategy and plan, if there had been any thought to developing any sector specific FAQs which could help alleviate some of the concerns and answer some questions; understanding that decisions are being made as individually as possible. There was some agreement around the table that something like this would be helpful even if it was similar to the core pieces already developed, but with an industry slant to help give context to the different scenarios.

The Minister thanked everyone who attended and offered their insight. The changes are really about thinking about work differently. Those who have treated the system as a right need to understand it's a temporary provision and that abuse of the system will not be tolerated. Decisions will be made based on individual's skills, location, and community situation.

The meeting ended with a group photo and the Minister said she looked forward to coming back and having further conversations as the changes were implemented and industry had additional feedback.