

September 25, 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
Ottawa, ON K1A 0A6

Re: 2024 Increase in EI Premiums

Dear Ministers,

I am writing to express serious concerns about the federal government's decision to increase the 2024 EI premiums, [announced on September 14, 2023](#).

The Ontario Chamber of Commerce represents the interests of 60,000 businesses of all sizes across Ontario and 150+ local chambers and boards of trade. As a Chamber, we have advocated against increasing EI premiums to ensure sustainable economic recovery for businesses post-pandemic. Employers bear a disproportionate burden in funding the EI program, and an increase in EI premiums effectively imposes a new tax on businesses, hindering their prospects for economic recovery.

We were pleased to see the government's decision earlier this year, as part of the 2023 Budget, to hold the EI Premium Rate steady in 2024-25 due to the continued strength of the labour market. This decision also served as a crucial signal for businesses in their operational planning for the upcoming fiscal year. The unexpected decision to augment these rates has now introduced an element of unpredictability that has the potential to undermine business confidence.

Businesses recognize the significance of EI as a program that offers vital support to Canadians and communities during periods of income loss. However, these premium hikes are poorly timed as businesses – especially small and medium-sized enterprises - are grappling with the challenges of returning to normal operations in the aftermath of the pandemic and facing new pressures in the form of acute labor shortages, rising costs of living, and the repayment of pandemic-era loans.

According to the [2023 Actuarial Report on the Employment Insurance Premium Rate](#), temporary program changes in response to the COVID-19 pandemic led the EI Operating Account to a projected cumulative deficit of \$25.2 billion by the end of 2023. While we support the need for

financial sustainability and broader reforms of the EI program, it should not come on the backs of businesses, particularly against the current backdrop.

Sincerely,



Rocco Rossi
President and CEO
Ontario Chamber of Commerce