

ISSUE IN FOCUS



Celebrating 100 Years

SASKATCHEWAN
CHAMBER of COMMERCE

Employment Insurance Funding Formula & Labour Market Development Agreement

Background:

The value of a labour market that is developed in a strategic manner with business and government working together to ensure that workers get the skills they want and need cannot be overstated. Saskatchewan has a history of close collaboration in strategic actions that provide exceptional training opportunities, resulting in enhanced skills and a more productive economy. The Province of Saskatchewan and the business community work closely to ensure all efforts are targeted and have real and clear outcomes.

Issue:

The current funding formula that directs monies from the Employment Insurance (EI) pool into labour market programs needs reform to ensure equity and fairness for all provinces. The current funding model does not reflect in actual dollars, the EI contributions from Saskatchewan and we ask that it be amended for the benefit of not only our workers and employers, but for all contributors to EI.

Recommendations:

1. Move to increase transparency by having the Federal Government allocate dollars back to the provinces based on either a per capita basis or by contributions into the EI pool.
2. Given the fact that the current Labour Market Development Agreement is up for renegotiation and that EI premiums are expected to increase for both employers and employees based on the recent federal budget, providing a fairer distribution of EI dollars for Saskatchewan should also be part of this work.

History:

Letter to Federal Minister of Employment, Workforce Development, and Labour 2017