

Skills Shortage Hurting Economy: Beatty

A critical skills shortage across Canada underscores the need to better support our country's reservists, Perrin Beatty, President and CEO of the Canadian Chamber of Commerce warns.

"The current skills shortage is one of the most significant structural problems affecting the Canadian economy and it is slowly turning into a crisis. This is an issue of national importance and in response we need a policy framework that is flexible and that facilitates labour mobility," Mr. Beatty said at the Ontario Regiment Officers' Mess - Annual Mess Dinner at Colonel R.S. McLaughlin Armoury in Oshawa on April 19.

Mr. Beatty applauded the close ties the Greater Oshawa Chamber of Commerce shares with the Regiment noting Colonel Frank Chapel and Colonel Ted Bastedo served as Chamber Presidents in 1939 and 1958 respectively and the Chamber CEO Bob Malcolmson is a past Officer in the Ontario Regiment. On hand to hear Mr. Beatty were Col. Ted Bastedo, Fred Ball, Ms Denise Alford and Don Pitman Presidents of the Chamber in 1958, 1971-72, 2004 and 2007 respectively.

Mr. Beatty recognized the "critical role" our military personnel and reservists are playing in missions around the world. Canada's 25,000 reservists represent a "great pool of talent" to the business community. "I strongly believe that from the first day of training, a reservist learns core skills that he or she can apply to any business initiative or job," said Mr. Beatty, Minister of National Defense in 1986.

The Canadian Chamber recently addressed the Senate Standing Committee on National Security and Defense with recommendations to better support reservists. "At present, Canada has no standing job protection legislation for reservists who serve in the military, either to meet international commitment, such as in Afghanistan, or even if they are called out as an aid to civil power in the event of disaster assistance. Furthermore, Canada does not accommodate reservists who are attending educational institutions," Mr. Beatty noted.

Bill C-40 provides job protection for reservists who work in federally-regulated industries and the public sector and provides relief to student reservists, but needs to go farther, Mr. Beatty maintained.

Some businesses already have military-leave policies, while others provide guaranteed job protection for reservist employees participating in longer-term assignments. Still others top up military pay to meet civilian pay rates during assignments. "However, not all employers, particularly small employers, can afford to institute such policies," said Mr. Beatty.

The Canadian Chamber is calling on the federal government to adopt an incentive-based approach, such as income tax credits that would reimburse employers for resulting expenses and encourage businesses to institute effective military-leave policies.

Mr. Beatty also addressed cross-border trade, which is valued at \$1.5 billion a day – the world's largest bilateral trading relationship. "The security clampdown at the Canada-U.S. border is increasingly choking two-way trade and Ottawa and Washington must act now to reduce the thickening, stickiness and costliness of our shared border," he warned.

The Canadian Chamber and the U.S. Chamber of Commerce have released a first-ever joint report with a host of recommendations. "We urgently need to find ways to reduce costs for legitimate cargo and travellers or jobs will be lost," said Mr. Beatty.

The country's declining global competitiveness and skills shortage are other pressing issues. "In simple terms, we need more efficient government spending pegged to the

rate of inflation, a more competitive tax structure, as well as significantly increased investments in the skills and education of our labour force,” said Mr. Beatty. He also recognized the importance of Chambers of Commerce. “With more than 350 local Chambers across Canada, governments listen and respond to our concerns. It is through our combined efforts that the Chamber movement is robust,” he said. “We are a grassroots organization, truly representative of business. No other business organization has that advantage or ability: when we speak, governments listen. Our strength as an advocate for business and for the economy is needed more than ever. And that strength comes first and foremost from our associates and volunteers in Chambers all across the country.”