



THE CANADIAN CHAMBER OF COMMERCE

LA CHAMBRE DE COMMERCE DU CANADA

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January 28, 2008

*Office of the President and
Chief Executive Officer*

*Cabinet du président
et chef de la direction*

Hon. Jean-Pierre Blackburn, P.C., M.P.
Minister of Labour
Human Resources and Social Development Canada
165 Hotel-de-Ville Street
Gatineau, Québec
K1A 0J2

Dear Minister:

I would like to take this opportunity to write to you about Canadian Forces reservists and the need to provide protection for their employment and their continuing education needs.

The Canadian Chamber of Commerce is Canada's largest and most representative business association. We represent more than 175,000 members from every industry and every region of Canada. The vast majority of our members are employers who have a direct interest in Canada's labour market policy. With approximately 25,000 reservists, 2,000 of which are in the federally-regulated private sector and the federal public service with another 12,000 student reservists, coupled with their transferable skills, Canadian Forces reservists play an important and active role in the Canadian labour market.

At present Canada has no standing job protection legislation for reservists who serve in the military, either to meet international commitments, such as in Afghanistan, or even if they are called out as an aid to civil power in the event of disaster assistance. In addition, Canada does not accommodate reservists who are attending educational institutions.

By way of comparison, in the United States, reservists have legislated job protection. Our concern with such a policy is the potential impact on the employment of reservists and on small employers who would have significant difficulty offering such services.

According to the Canadian Force Liaison Council (CFLC) the basic package of reserve friendly human resource policies should consider these preferred options:

360, rue Albert St
Suite 420
Ottawa, Ontario
K1R 7X7

613.238.4000
613.238.7643

www.chamber.ca
info@chamber.ca



- For Educational Institutions:
 - When reservists have activities during the school year the recommendation would be to give the student extra time to complete assignments and reschedule exams if needed.

For Employers:

- We recommend employers pay their employee(s) partial salary to top up the pay they receive in the reserves. This would apply to tours lasting 2-3 weeks only.
- Employers should consider granting the employee(s) a pro-rated amount of time off so they do not need to use up all of their earned vacation time to create a better work/life balance so reservists can continue completing their reserve activities while still being able to enjoy some vacation.
- Employers should consider holding the jobs of the reservists so they are able to serve Canada on active service while knowing their job is secure upon their return.

It is time now for the Canadian government to come to the table and develop some concrete incentives to assist businesses to allow reservists to make a valuable contribution to the Canadian Forces, to their fellow Canadians and to our national defence.

Our recommendation is for the federal government to develop, in consultation with the CFLC and the Canadian Chamber of Commerce, specific meaningful incentives that, at a minimum, reimburse employers for all out of pocket expenses involved in instituting effective military leave policies for reservists and otherwise encourage educational institutions and businesses to accommodate the special needs of reservists. Such incentives could be limited to an appropriate maximum per reservist employed per annum, fiscal conditions permitting.

We would be pleased to further discuss these issues with you at a time of your convenience.

Sincerely

Hon. Perrin Beatty

c.c.: Hon. Peter MacKay, Minister of National Defence

Minister of Labour and Minister of the
Economic Development Agency of Canada
for the Regions of Quebec



Ministre du Travail et ministre de
l'Agence de développement économique du Canada
pour les régions du Québec

Ottawa, Canada K1A 0J2

The Honourable Perrin Beatty, P.C.
President and Chief Executive Officer
The Canadian Chamber of Commerce
420-360 Albert Street
Ottawa, Ontario
K1R 7X7

APR 01 2008

Dear Mr. Beatty:

Thank you for your letter of January 28, 2008, concerning the Government of Canada's strategy to protect the civilian status of Canadian reservists.

As you are aware, the Canadian Reserve Force contributes to national defence, and its members play an important role in Canada's labour market.

On February 4, 2008, I tabled legislation, Bill C-40, to extend job protected leave to roughly 2,000 reservists who work in the federally regulated private sector or in the federal public service. Bill C-40 will also provide financial relief to the roughly 12,000 reservists who are full-time students.

I am pleased to inform you that the House of Commons unanimously adopted Bill C-40 on February 13, 2008. The Bill is now in the Senate for consideration.

The development of Bill C-40 was guided by two principles: reservists should not be penalized in their civilian life for serving in the Canadian Reserve Force; and the burden placed on employers should be minimized to the extent possible. Our proposed Bill therefore contains several key components, including:

- protecting the civilian jobs of reservists in the federally regulated private sector and the federal public service when participating in designated operations and/or annual training; and
- exempting full-time students from student loan repayments and interest accrual while on leave.

It is important to stress that the leave under Bill C-40 will be unpaid. Employers will not be required to provide benefits or make pension plan contributions when a reservist takes leave. To qualify for leave, employees will also need to have at least six months of job tenure and provide their employer with four weeks written notice when possible.

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Employers will not be compensated for any costs incurred when a reservist takes job protected leave. Experience with unpaid parental and maternity leave suggests that the costs to employers will be manageable and in most cases, easily absorbed. Moreover, regulatory powers will allow the Minister of Labour to grant exemptions in cases in which allowing an employee to take leave would cause undue hardship on the employer.

The Government of Canada believes that it is important to ensure that Canadian Reserve Force members are not penalized for serving their country. I trust that the Canadian Chamber of Commerce will share this commitment.

Thank you again for expressing your views on this important issue.

Sincerely,

A handwritten signature in blue ink, appearing to read "J. P. Blackburn". The signature is stylized and written in a cursive-like font.

Jean-Pierre Blackburn, P.C., M.P.

c.c. The Honourable Peter MacKay, P.C., M.P.
Minister of National Defence and Minister of the
Atlantic Canada Opportunities Agency