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MEDIA RELEASE

Struggle to find workers the number one challenge for Medicine Hat business leaders

New survey reveals key insights into local business environment

December 5, 2006 - Medicine Hat - Medicine Hat businesses are being hit hard by Alberta's growing labour shortage. In a recent survey of 200 local business leaders, more than 75 per cent of respondents have experienced difficulty finding qualified new employees, while only 45 per cent have a strategy in place to attract new workers. Skilled labour was at the top of the list of the most difficult positions to fill, followed by sales agents and general labourers.

The survey was a joint initiative between Meyers Norris Penny (MNP) Chartered Accountants and Business Advisors and the Medicine Hat and District Chamber of Commerce. Business leaders were invited to share their views on Medicine Hat's current business climate, including questions on government, taxes, economic development and labour.

The results come as no surprise to Mike Keck, regional managing partner with MNP. "Over the last few years, I've noticed a significant increase in requests from our clients to develop succession plans and employee attraction and retention strategies."

However, Keck assures that this has not yet had any major negative impact on Medicine Hat's business climate. This was reflected in the survey with a whopping 95 per cent of respondents anticipating their businesses will be performing the same or better this time next year.

Mary Lou Hanson, Executive Director of the Medicine Hat and District Chamber of Commerce, says the results will be invaluable in helping develop a strategy for the future. "We not only wanted to collect the information, but use it as a benchmark for future surveys so that we can work with government and the community toward solving some of the issues."

While 82 per cent of respondents agreed Alberta's business climate is competitive with other provinces, only 31 per cent thought the city of Medicine Hat has a supportive attitude toward business development.

A majority of respondents (59 per cent) agreed Medicine Hat's overall image is steadily improving, while only 18 per cent stated the city of Medicine Hat has a clear vision of where it wants to go, suggesting some strategic planning may be in order.

When asked how they would advise the provincial government to improve the overall business climate, hardly anyone suggested decreased tax measures; the most common suggestions were 'attract more workers', 'invest in training' and 'diversify from oil & gas.'

Careen Chrusch, MNP's regional marketing manager, says it's interesting to see that issues around business development are the same across the country. "MNP did a similar survey in Manitoba, and there, finding qualified new employees is also a major challenge. I think this is indicative of problems facing much of Canada's labour market."

Two hundred business leaders, (owners, senior managers, and presidents) from small, medium-sized and large businesses in Medicine Hat participated in the random telephone survey conducted by Prairie Research Associates (PRA Inc.). The survey was administered between the end of September to mid-October 2006. The results, based on the sample size, are accurate to between $\pm 6.3\%$, 19 times out of 20.

About Meyers Norris Penny

Meyers Norris Penny is the only Top 10 national chartered accountancy and advisory firm based in Western Canada. MNP provides its mid-market clients clear, straightforward business advice with a local perspective. For more information, visit www.mnp.ca.

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