

## There is no win in Bill 148

By: Sandra Dueck, Policy Analyst, Greater Peterborough Chamber of Commerce

To date there has only been one study done on the proposed impacts of Bill 148, the controversial bill proposing changes to numerous labour laws and a \$15 minimum wage. That study was released earlier this week by the Ontario Chamber of Commerce and the Keep Ontario Working Coalition. Proponents of the proposed legislation have been quoting other research from other communities, but the time has come to focus on Ontario and try to determine what these changes will mean for our economy and our communities.

The government has not been willing to complete an economic analysis on the proposed changes under Bill 148. The study released this week was conducted by the Canadian Centre for Economic Analysis (CANCEA). CANCEA has done a significant amount of work on the issues addressed, including work for multiple Ministries within the Provincial Government. They do not accept research funding that requires a pre-determined result, and the design and methodology of this study was determined solely by CANCEA. Their findings include:

- \$23 billion hit to business over the next two years alone
- 185,000 Ontario jobs will be at immediate risk over the next two years
  - 30,000 of the jobs at risk are youth under 25
  - 96,000 employees at risk are expected to be women



- 50 per cent increase to inflation for this year and the foreseeable future. The cost of everyday consumer goods and services will go up by \$1,300 per household on average each and every year
- The Ontario government would need to borrow \$440 million more to cover the increases in new costs from this legislation. If the government were to provide offsets to businesses, as they have indicated, the province's treasury will take a bigger hit
- Municipalities will be forced to increase employee wages by \$500 million without additional offsetting revenues (In its 2018 budget forecast, the City of Peterborough estimated that minimum wage changes alone could have a budget impact as high as \$200,000)
- Small businesses are five times more likely to feel the impact than large businesses
- Impact will vary depending on region, demographics & sectors
- Sectors most impacted include: wholesale trade, manufacturing, accommodation and food services, and retail trade

"The results of the economic analysis reinforce the concerns of fewer hours, fewer jobs that were presented at a roundtable we held with local businesses and Jeff Leal, the Minister Responsible for Small Business in mid-June," says Stuart Harrison, President & CEO, Peterborough Chamber of Commerce. "Bill 148 is too much, too soon and the uncertainty it presents to business has the potential to have significant impact."

Several businesses in their comments to us have said their expansion plans are on hold as they come to terms with how the multitude of changes in Bill 148 will affect their business in a very quick time frame.

Simply put, the time frame for implementation of the changes to minimum wage, sick days, vacation days, scheduling and unionization is too fast. This bill is still going through the legislative process and would only become official sometime in October. There is also a 20 cent increase to minimum wage scheduled for October 1st. That gives businesses only two or three months to make adjustments.

The argument keeps arising that increasing the minimum wage in this quick time frame will reduce the need for social services programs and, from the Premier herself, that more money will be circulating in the economy. This too calls for more evidence-based thinking: How many people will have less dependence on social services programs? How will the government reinvest the savings? By what percentage can businesses expect their sales to go up with all this new money being pumped into local economies?

Proponents have been citing examples such as BC and Alberta, that are increasing their minimum wage. However, neither jurisdiction is making a \$3.40 jump in 14 months. In BC, the increase was at 75 cent intervals from May 1, 2011 to May 1, 2012 for a total increase of \$2.25 to \$10.25. Then in September of 2015, BC minimum wage went up \$.20 to \$10.45, in September 2016 it went to \$10.85 and next month it will go up \$.50 to \$11.35.

The increase in Alberta has been on a three-year trajectory of \$1.00 in 2016, \$1.40 in 2017, and another \$1.40 in October of 2018. Those increases are based on research that a gradually increasing minimum wage has little impact on employment levels. That said, colleagues in Alberta tell us that the jump from \$12.20 to \$13.60 is a great concern for businesses in that province and that there will be some hard choices made.

In Seattle, where they have reached \$15, a recent study revealed that those individuals the minimum wage increase was supposed to benefit are actually taking home \$125 less per month.

"As for the economists who publicly supported the move to \$15 in a letter recently, 30 of them aren't even from Ontario, the letter has zero reference to an appropriate time frame for such an increase, none of them have ever had to make payroll, and their findings don't match what we are being told by local small business owners. Business owners who know what it means to employ people," adds Harrison.

To suggest that there are only positive impacts from the changes in this legislation is to willfully ignore the impact of a whole bank of constituents. All legislation has pros and cons and fully understanding the impact has never been more important.

A responsible government means being fair to all constituents under its guard – especially when one group is bearing the weight and full responsibility of any proposed changes.

## Event Calendar

**NEXT LEVEL PTBO** TUESDAY, August 29<sup>th</sup>, 2017

**Persian Empire**  
636 Queensway Court  
11:45am – 1:00pm

**Speakers:**  
Bruce Khabbazi, Persian Empire  
Mary Giuffre & Paul L. Clark, inspiritainment inc.  
Chris Russell, Bryston Ltd.

**Details:** These Next Level business people will talk about their entrepreneurial story and how they're taking it to the next level. They will then introduce us to who they think is next!

**Cost:** Free for Chamber members and those considering Chamber membership

**Note:** Pre-registration required

**PBX @ The Mane Intent** TUESDAY, September 5<sup>th</sup>, 2017

**2410 Cameron Line, Indian River**  
4:00pm – 6:00pm

**Details:** Join us to learn more about this business and how you can learn with horses. PBX is a great opportunity for the business community, employers, consumers, and community agencies to make valuable connections.

Bring your business cards and get ready to get connected to the Peterborough business community.

**Cost:** Free, courtesy of Shorelines Slots at Kawartha Downs

**CHAMBER AM** TUESDAY, September 12<sup>th</sup>, 2017

**Chamber AM: Breakfast with the President & CEO**  
**The Carousel**  
116 Lansdowne Street East  
Coffee's on at 7:00am

**Speakers from 7:30-8:30am**  
**Speaker: Stuart Harrison**

**Details:** Learn about the benefits of chamber membership, member discount programs, and advocacy work toward a better business climate.

Be ready with your 30 second elevator pitch to tell others what's going on in your business.

**Cost:** Pay for your breakfast

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**Darren Murphy**  
Peterborough Examiner

GREATER Peterborough Chamber of Commerce

Chris Russell, Bryston

Mary Giuffre & Paul L. Clark, inspiritainment inc.

Bruce Khabbazi, Persian Empire

**NEXT LEVEL PTBO** STRENGTHENING BUSINESS August 29, 2017

Experience how these entrepreneurs are taking it to the next level. Discover who they think is next!

11:45am - 1:00pm

**New location for all your flooring needs**

Floortrends has moved to their new location at 700 Clonsilla Avenue, Unit 100B.

The flooring company, with five locations serving south eastern Ontario, started in Peterborough in 1967.

They offer hardwood to tile to carpet to vinyl and area rugs. Check out their latest projects!

More: floortrends.ca

host the kind of parties your boss won't let you host in the office! At Peterborough Axe Club we strive to create a welcoming, safe and entertaining space to practice and compete in the sport of axe throwing, and to further the growth of the sport in Peterborough!

More: ptboaxe.com

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CMHA-HKPR @cmhahkpr - Aug 3  
This wonderful video speaks to the important work our org does in #ptbo!  
#LoveLocalPtbo @ptbochamber

Peterborough Chamber @ptbochamber  
@kdavies1575 with @cmhahkpr shares what #LoveLocalPtbo means to their association  
youtu.be/gj47EBCvjbl

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