

## **JJ. Mitigating the impact of Bill 148 Greater Peterborough Chamber of Commerce**

Co-Sponsored by: Kawartha Chamber of Commerce and Tourism, Greater Kingston Chamber of Commerce, London Chamber of Commerce, Newmarket Chamber of Commerce, Sudbury Chamber of Commerce, Thunder Bay Chamber of Commerce

### **Issue:**

With the recent passing of Bill 148 Fair Workplaces, Better Jobs Act, there is much concern as to the impact on business viability because of the large number of changes.

### **Background:**

After the May 2017 announcement of the legislation, the Peterborough Chamber of Commerce embarked on an information gathering campaign as to how our 900 members would be coping with the proposed changes. While many accept the outcome of the bill with regard to minimum wage the challenges do not end there. The legislation contains a significant number of changes from personal emergency leave to scheduling that will impact each business differently. There are businesses that have concerns with integration of the new legislation into current policies, uncertainty as to whether or not their current policies will stand under scrutiny, and the guidelines that enforcement officers will follow.

We heard from our members that implementing the changes would cost thousands of dollars each month and tens of thousands over the course of a year. They are looking at their business models with an eye to reduced hours, reduced staff, and potential automation. This critical eye is not only because of the minimum wage adjustment, but also due to the significant number of changes to the Employment Standards Act and Labour Relations Act.

We know our Peterborough businesses are not alone in these challenges and as the provincial government has committed to building a fairer, better Ontario this has to happen in concert with the business community.

There have been several independent economic analyses detailing that there will be an impact on the number of jobs in Ontario and while this varies from 50,000 to 180,000 over the next two years, it is not to be dismissed and not to be solely the fault of a business trying to survive in a new legislative climate.

While the funding announced in the Fall Economic Statement for a reduction in the Small Business Tax Rate and Enhancing Support for Youth Employment offer some relief, there is more that could be done.

Businesses need time to transition. Yes, our Ontario entrepreneurs are hard working and committed, but just as transition programming was made available after the introduction of the Harmonized Sales Tax (HST), such programming is required again.

### **RECOMMENDATIONS:**

**The Ontario Chamber of Commerce urges the Government of Ontario to:**

- 1.** Introduce a two year tax credit program that allows employers to recoup up to 32% of costs (e.g. Human Resources, Legal Consultants, Increased Accountant time etc...) as a result of Bill 148.
- 2.** Increase the threshold of the Health Tax Exemption to \$500,000 from \$450,000, and index to inflation moving forward.
- 3.** Introduce a Scale-Up Tax Credit that allows business to recoup up to 20% of costs associated with scaling up in the year in which money was spent.
- 4.** Increase the registered charity and non-profit PST portion of the HST rebate to 100% to ensure that the sector can continue to meet rapidly increasing demands.
- 5.** Reinstate the schedule to reduce and standardize the Business Education Tax Rate to the 1.22% threshold, unless a municipality is lower than that threshold.
- 6.** Explore opportunities to create a bracketed small business deduction rather than a flat rate for small businesses with an annual income less than \$500,000.
- 7.** Add information on the changes from Bill 148 to all applicable concierge services that apply to workplaces.
- 8.** Allow Enforcement Officers to issue warnings for first time offenders on infractions related to the changes legislated in Bill 148 as opposed to fines for first-time offenders. Warnings versus fines would take into account the severity of the infraction. If a warning is issued, the employee would still receive what is owed to them.
- 9.** Establish a 'Reward the Good Players' approach to recognize employers who have consistently demonstrated positive employment and labour practices.
- 10.** For new legislation that shows an economic impact to small business or employers develop a framework for a defined implementation time frame.
- 11.** Look at altering the WSIB rate structure and reduce it based on the impact of Bill 148 changes.
- 12.** Amend the legislation/regulation to allow the Ministry of Labour to produce a copy of the claim as filed by the employee.

\* The OCC recognizes that as a not for profit organization, it would benefit from this change, but in the pursuit of the overall public interest, urges the government to address this change

Effective Date: April 28, 2018

Sunset Date: April 28, 2021