



CHATHAM-KENT CHAMBER OF COMMERCE AND A COALITION OF EMPLOYERS CALL FOR CLARITY AND EXPRESS DEEP CONCERN ABOUT PROPOSED PENSION PLAN

CHATHAM-KENT, ON, SEPTEMBER 23, 2015: The Chatham-Kent Chamber of Commerce, Ontario Chamber of Commerce (OCC), and a coalition of major Ontario employers are calling on the provincial government to outline to the employer community the details of the Ontario Retirement Pension Plan. In a letter addressed to Premier Kathleen Wynne, a coalition of more than 150 organizations laid out five specific questions that reflect the collective concerns of Ontario employers.

“The Chatham-Kent Chamber of Commerce and Ontario’s employer community know that without greater clarity, the proposed pension plan could have a direct, negative impact on jobs and the economy.” Said Gail Bishop “This is why we continue to advocate for a solution that supports business growth. The concerns summarized in today’s letter illustrate that we have not yet found that solution.”

The primary concern of the employer community remains with the ORPP’s potential economic impact. Businesses in the province face increasing costs from a number of sources - rising electricity rates, a new cap and trade system, and some of the highest workplace safety insurance premiums in the country. There is deep concern that the proposed pension plan will further contribute to this cumulative burden. This joint letter followed the government’s recent revision to the proposed plan’s comparability rules under the ORPP, which now include defined contribution (DC) pension plans with a combined contribution rate of 8 percent and where the employer contributes at least 4 percent.

The coalition includes employers of all sizes, in addition to companies across a diverse range of sectors, including construction, insurance, manufacturing, and mining. More than 40 organizations across the Chamber Network have also signed on, in addition to industry and trade associations. Other questions that need to be addressed are:

- How will the ORPP impact Ontario’s GDP, jobs, and investment?
- What assumptions has the Government made to arrive at its revised definition of comparability?
- How will the government ensure that the ORPP is a cost-effective plan?
- How will Pooled Registered Pension Plans (PRPPs) be implemented while preserving their advantages for employers?

“Government is moving ahead with a brisk timeline and some employers will begin making ORPP contributions in less than 18 months,” added O’Dette. “With so much uncertainty around plan components, Ontario businesses are not ready. We are concerned that a lack of clarity means that the Government doesn’t have answers for the very important questions which remain unresolved.”

“The Chatham-Kent Chamber of Commerce and Ontario employers will continue to work with the provincial government to find a solution that will meet the needs of Ontario’s business community while addressing the challenges Ontarians face later in life”, added Gail Bishop

For a copy of the full letter, <http://www.occ.ca/wp-content/uploads/2013/05/ORPP-Submission-Sept.-23.pdf>

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