

Confidence in Ontario's Economy Eroding

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Since 2012, the Ontario Chamber of Commerce has released an annual report titled Emerging Stronger, which details the state of Ontario's economy and the Chamber's assessment of it.

In this year's report the Chamber of Commerce found that confidence in our province's economy has eroded considerably since 2012.

In 2012, confidence in our province's economy was at 47 per cent, now it is down to a mere 30 per cent.

Further eroding confidence in Ontario's economy is the government's proposed mandatory Ontario Retirement Pension Plan (ORPP).

In less than a year, the government will require businesses that do not have a pension plan in place, or a comparable plan, to implement the ORPP. The ORPP will require employees and employers to each contribute 1.9 per cent of an employee's earnings per year.

As a result of this mandatory pension plan, the Chamber of Commerce believes it will have severe repercussions on our province's economy for the next 20 years after its implementation. Our province's economy is already in a fragile state with a deficit of nearly \$8 billion, and it will only get worse if the government goes forward with implementing this mandatory payroll tax.

In the government's own cost-benefit analysis of the ORPP, it projects a substantial decline in household spending and an annual GDP loss of \$2.3 billion by 2023. Moreover, it expects that Ontario's economy will lose 54,000 jobs as a result of the ORPP. More than 150 major employers and local chambers of commerce across the province are warning this government that the ORPP will cost Ontario jobs; unfortunately the government has continued to ignore these concerns.

Our province cannot afford any more hits to our already fragile economy. The government needs to focus on promoting and improving our province's economy instead of forcing Ontarians and businesses to pay for this poorly thought out idea.

Other issues raised by the Chamber of Commerce include concerns whether the government will need to raise the contribution rates if the pension plan becomes underfunded. If underfunded, contribution rates could rise to 2.1 per cent.

Businesses across Ontario need assurance that they will not have to pay for yet another poorly planned idea by this government, considering the ORPP is just another payroll tax. Businesses across Ontario are already closing or moving elsewhere due to our province's unattractive businesses climate as a result of exorbitant hydro rates and excessive red tape.

The ORPP will only make this problem worse.

The government must halt this payroll tax on businesses and hardworking Ontarians and instead focus on restoring confidence in our province's economy.

The province is headed down the wrong path and the business community is speaking loud and clear; it's the Premier's turn to listen.

If you believe the government should not go forward with the ORPP please visit my website at www.sylviajonesmpp.ca and sign my petition requesting the government halt the implementation of the ORPP.