

WINDSOR-ESSEX REGIONAL Chamber of Commerce

MEDIA RELEASE

September 23, 2015

EMBARGOED UNTIL 12:01 a.m., WEDNESDAY SEPTEMBER 23, 2015

Windsor-Essex Regional Chamber of Commerce and Chambers Across Ontario Call for Clarity and Express Deep Concern About Proposed Pension Plan

Windsor, ON – The Windsor-Essex Regional Chamber of Commerce (WERCC), Ontario Chamber of Commerce (OCC), and a coalition of major Ontario employers are calling on the provincial government to outline the details of the Ontario Retirement Pension Plan.

In a letter addressed to Premier Kathleen Wynne, a coalition of more than 100 organizations laid out five specific questions that reflect the collective concerns of Ontario employers.

“The Windsor-Essex Regional 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 Matt Marchand, WERCC President & CEO. “This is why the Chamber Network continues to advocate for a solution that supports economic 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 including 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?

WINDSOR-ESSEX REGIONAL Chamber of Commerce

- 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, the Ontario business community is 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 Windsor-Essex Regional 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 Marchand.

For a copy of the full letter, visit the OCC website.

-30-

For more information contact:

Lindsey Rivait
Communications Coordinator
Windsor-Essex Regional Chamber of Commerce
lrivait@windsor-essexchamber.org
(519) 966-3696 ext. 25