



Wynne Putting Politics Ahead of Hospitality!

Toronto, May 30, 2017: Today's announcement of \$15.00 per hour minimum wage along with other new labour policies slam Ontario's hospitality industry at a time where small businesses and restaurants operate on razor thin margins.

We do not believe that this is the best time to overhaul Ontario's hospitality industry and add new costs. We are opposed to the announced 32% increase of minimum wage over 18 months. The members of ORHMA feel **betrayed** by this government! Minimum wage increases were not part of the Changing Workplaces Review yet here we are faced with higher costs for both businesses and their customers.

"There is something seriously wrong in Ontario when hardworking business owners and operators are punished for providing decent jobs". Tony Elenis, CEO & President, ORHMA. "We are an industry that is an entry level employer for many youth, seniors, immigrants and non skilled workers. The Premier clearly has not considered the sustainment of our economic model with rigid price point limitations in a highly competitive environment. Ontario's restaurants have the lowest profit margins in all of Canada." Ontario's hospitality industry feels their competitiveness and capacity to invest in the province is eroding – restaurants will close their doors as a result of these new policies.

"The Premier wants to protect vulnerable workers...Ontario's hospitality employers, including small business operators, are the vulnerable ones! They are the people that are expected to pay for these changes to labour laws." Tony Elenis, CEO & President, ORHMA.

One of the implications of raising minimum wage is that there is also an increase in payroll taxes, because by virtue of the payroll going up then CPP goes up, employment insurance goes up, workers compensation contributions go up, and our industry employers are expected to absorb those costs.

We believe that many of the workplace challenges that the government is seeking to address can be solved by improving employer and employee awareness of workplace rights and subsequently redressing violations of those rights. We see enhanced education and enforcement measures as an important area of common ground for government, employees, and employers. It is essential for the provincial government to conduct a cost benefit analysis before passing any new or amended labour law legislation and / or increasing minimum wage.

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