## Halton Hills Chamber says Ontario pension plan changes are 'a step in the right direction'

The Halton Hills Chamber of Commerce is encouraged by the Ontario government's decision to expand comparability rules under the proposed Ontario Retirement Pension Plan (ORPP) but says business owners remain concerned about the introduction of a new pension plan and the impact it would have on the cost of doing business.

On Aug. 11, the Ontario government expanded the definition of comparability under the ORPP to include some Defined Contribution (DC) plans. With this change, employers that already provide certain DC pen-

sion plans for their employees will be exempt from contributing to the ORPP.

The Halton Hills Chamber of Commerce is also encouraged by a longer phase-in period announced today, which will help many Ontario businesses transition into the plan.

"Today's announcement is a step in the right direction" said Steven Prestipino, Chamber Board Chair in a press release. "However, we remain concerned that the ORPP in its current form will have a negative impact on business competitiveness."

In June, the Halton Hills Chamber

of Commerce, the Ontario Chamber of Commerce (OCC), and a coalition of over 150 businesses, sector associations, chambers of commerce, and boards of trade came together to urge the government to expand its definition of pension plan comparability to include capital accumulation plans, including, but not limited to, Defined Contribution plans.

Despite the announcement, the Chamber warns that in its current form, the ORPP will raise costs for the majority of businesses who operate in the province, including those employ-

ers that offer non-comparable plans like Group RRSPs. Recent OCC survey data indicates that if faced with mandatory increased contributions under the ORPP, 44 percent of businesses would reduce their current payroll or hire fewer employees in the future.

"We remain deeply concerned about the cumulative burden facing Ontario employers," said Prestipino. "Rising electricity prices, the introduction of a cap and trade system, and the ORPP will further add to the cost of doing business in Ontario.

"This is why we, along with the

Ontario Chamber of Commerce, have asked the government to conduct and publicly release the results of an economic impact analysis of their proposed pension plan."

Following considerable advocacy efforts by a coalition of businesses led by the Ontario Chamber of Commerce, the government committed to releasing a cost-benefit analysis of the ORPP before the end of the year.

"We will continue to work with government in order to ensure they have a full appreciation of the potential impacts of the ORPP," said Prestipino.



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