

# 'THIS IS GOING TO AFFECT PRICES'

## LOCAL RESIDENTS AND BUSINESS OWNERS WEIGH IN ON MINIMUM WAGE INCREASE

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Premier Doug Ford's plan to raise Ontario's minimum wage next year is drawing mixed reactions from local residents and business owners.

If the legislation is ultimately passed, the general minimum wage will rise from \$14.35 to \$15 per hour effective Jan. 1, 2022 — a change that will equate to an annual earnings increase of \$1,350 for a full-time worker, according to the provincial government. The special minimum wage rate of \$12.55 for liquor servers will also be eliminated and replaced with the new \$15 per hour wage.

While some Halton Hills residents say it's too little, too late, others expressed concern about how the increase will impact the already-rising prices of essentials like food and gas.

"As someone working a minimum wage job, it's very much needed, but the cost of living will increase to cover the costs (for businesses)," said Victoria



Graham Paine/Metroland

Red Harp Pub vice president Jason Shein and owner Samantha Shein (in front of bar) — seen here with staff members Trisha Luty and Kyle Jordan — say prices will likely have to rise with a minimum wage increase.

Guest, who's working at a local grocery store after losing her career due to the pandemic.

"If the payroll department needs to pay their employees X amount per hour, they have to get that money from somewhere."

The sentiment was echoed by Red Harp Pub vice president Jason Shein. The Acton restaurant is already feeling the impact of food cost increases driven by the pandemic and global shipping issues.

"It doesn't matter what

industry you're in — this (minimum wage increase) is going to affect prices, plain and simple," he said, noting that he and wife Samantha, who owns the Red Harp, will have to raise their menu prices.

"Everything that gets handled by people is going to be affected. When you combine the minimum wage increase with food costs, it's going to be a messy six to 12 months."

Shein noted the Red Harp currently does pay many of its staff members

above minimum wage.

Following Ford's recent announcement, the Canadian Federation of Independent Business (CFIB) began sounding the alarm on how the minimum wage increase will impact small businesses like the Red Harp.

A statement issued by the association urges the government to reconsider the timing of its proposal, contending that many businesses are still not making normal sales while also dealing with other cost

increases, supply chain issues and pandemic-related debt loads.

"The Ontario government's surprise decision to increase the minimum wage without consultation comes at the worst possible time for small businesses," says the statement signed by CFIB top executives.

"It is particularly concerning that the government has chosen to give restaurants — one of the hardest-hit and longest-shuttered sectors during the pandemic — 60 days'

notice of a 20 per cent increase (\$2.45) to the liquor servers' wage."

The CFIB is now calling on the Ford government to conduct an economic impact analysis and consult with the small business community on the best path forward, potential cost offsets and mitigation strategies.

Meanwhile, local affordable housing advocate Penny McCabe contends that Ford's plan falls short on delivering the income necessary for someone to cover their basic life expenses.

"It is a minimum wage, not a living wage," said the Acton woman. "Considering that we should have had the increase three years ago, it is really a matter of too little, too late."

According to the latest numbers released by the Ontario Living Wage Network, the calculated 2021 living wage for Halton is \$20.75 — the second highest out of almost two dozen regions analyzed by the network, coming in behind Toronto's \$22.08.

*STORY BEHIND THE STORY: With Ontario's minimum wage poised to increase soon, we wanted to find out what local residents think about the new rate, and how it will impact businesses as they prepare to cover the additional expense.*



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