

VIA EMAIL

April 17, 2018

Hon. Kevin Flynn
Minister of Labour
14th Floor, 400 University Ave.
Toronto, Ontario
M7A 1T7

Dear Minister:

As you are well aware, Bill 148 includes a multitude of changes to Ontario's employment standards, in addition to the \$15 minimum wage. One of these other changes is a new formula for calculating statutory holiday pay. According to numerous CFIB members, the new formula is unfair to businesses with part-time employees and has already resulted in layoffs and reduced employee hours.

This is one of the top Bill 148-related issues we've been hearing about from small businesses since January 1, 2018.

Under the new formula, for example, part-time employees who work one shift during a pay period now receive a full shift's pay for a statutory holiday. In practice, this has led to overwhelming increases in labour costs for any business that employs part-time workers. One business owner informed us that their labour costs for holiday pay alone have increased by **579 per cent** per statutory holiday.

Many small businesses have been struggling to cope with an unexpected 21 per cent increase in the minimum wage. Additional payroll costs have only further forced businesses' hands to make unwanted and difficult decisions that affect the livelihoods of their employees. For example, a business owner informed us that the holiday pay hike forced them to lay off 11 employees.

Many businesses initially believed the new holiday pay formula was an honest mistake the government would be willing to correct. When they found out the change was intentional, they felt frustrated, angry, and ignored.

Minister, it's not too late to fix the formula and make it fair. On behalf of our 42,000 small- and medium-sized business members across the province, we request that you reverse the Bill 148 change to the statutory holiday pay calculation.

Thank you for your attention to this important matter.

Sincerely,

Original signed by

Plamen Petkov
Vice President, Ontario

Original signed by

Julie Kwiecinski
Director of Provincial Affairs, Ontario

cc: All Members of Provincial Parliament