

Consumers, small businesses could be impacted by minimum wage boost: Chamber

By Rob Paul

In early November, as part of the Fall Economic Statement, Premier Doug Ford and his government announced they will be raising minimum wage in the Province from \$14.35 to \$15 per hour effective January 1, 2022.

In Ford's first two years in office, the government did not raise minimum wage, but in 2020 it was raised 1.8 per cent (from \$14 to \$14.25 per hour) and again 0.7 per cent in 2021 (up to \$14.35).

“Ontario's workers have been the unsung heroes of this pandemic, as they've stocked shelves, kept our supply chain moving and helped so many of us enjoy a meal among family and friends at a local restaurant,” said Ford. “When we asked labour leaders what their priorities were, increasing the minimum wage was at the top of the list. As the cost of living continues to go up, our government is proud to be working for workers, putting more money into their pockets by increasing the minimum wage.”

With the cost of living increasing, the government wants to ensure that employees have the means to survive in the current economic climate.

“Over the past few weeks, our government has rolled out a historic number of reforms to rebalance the scales,” said Minister McNaughton. “Building on these actions, today, our government is ensuring workers who need our help the most receive their fair share of the economic pie. We will continue to use every tool in our toolbox to help workers in our province find meaningful careers that let them earn themselves bigger paycheques and build better lives for themselves and their loved ones.”

Adding the impact of the pandemic has had onto the current state of the working world, Ford's government wants to make sure employees are being properly compensated and on par with other top provinces and territories. Alberta, B.C., Northwest Territories, Nunavut, and the Yukon's minimum wage are all at least \$15.

“An incredible debt of gratitude is owed to the workers of Ontario. These dedicated men and women kept store shelves stocked and supply chains going through the pandemic,” said Peter Bethlenfalvy, Minister of Finance. “However, we also recognize that for too long workers have been falling behind, and that wages for many have not kept up with the cost of living. They had Ontario's back, and now, our government has theirs. Ontario workers should be in a race to the top, not a race to the bottom.”

Speaking with the Caledon Citizen, Dufferin-Caledon MPP Sylvia Jones also pointed to the cost of living being the key reason minimum wage must be raised for Ontarians.

“There's been a dramatic change in cost of living, particularly in the last six months when we see where gas prices have gone and the ability for people to have a living wage has really been impacted,” Jones said. “At the end of the day, employers are looking to hire and keep people and the determination of wage will be made by whether they can keep and bring those staff into their places of business, but having a set way to approach minimum wage and tying it into the cost of living I think is a reasonable, and frankly, a non-political way to make sure people have some confidence in how the minimum wage is going to be set. Particularly, we're moving the lower special minimum wage for liquor services to bring us in line with other provinces.”

Hearing feedback from local businesses on the raise in minimum wage, Caledon Chamber of Commerce President Anthony Caputo says they're already dealing with enough given how COVID-19 has hit the economy.

“They're not extremely happy about it, especially because they're already going through so much with the pandemic and now they have to worry about having to pay their part-timers more,” he said. “They have a problem getting people to work and I don't believe the pay is the problem, I believe people aren't getting off of CERBs when they don't need to be on there. Teenagers sitting at home

don't need to be on CERB and could be going out to work at these jobs for decent pay, they're the ones who should be doing this part-time work while going to school.?

With minimum wage jobs being a starting point for many in the market for a job, Caputo thinks they're being looked at as something more and that's what has caused the government to make a change to compensation.

?My opinion of this is simple: minimum wage jobs are entry level jobs,? he said. ?The public is not supposed to be living off of these jobs, they're temporary jobs to get people to the next level. But somehow these jobs have been made to be lifelong positions, people aren't going there as a student for a summer job?they're staying for a long period of time and making it a career.

?That's their choice, I'm all about freedom of choice, but then, as we've seen in the past, all raising minimum wage does is pass it on to the consumer. We've seen coffee at Tim Horton's get raised by \$0.25, we've seen grocery stores prices go up?it's a trickle-down effect. The people who lose on this are the consumers. That's who pays. People aren't supposed to be living and paying a mortgage with these lower income jobs, they're supposed to be a steppingstone.?

Ultimately, Caputo says the massive scale employers will not feel the fallout from this because all they'll have to do is adjust their prices, but the consumers and small business owners in Ontario will be the ones this hurts the most.

?It's been pushed for long enough to know it was only a matter of time,? he said. ?I know there will be pushback on my stance on it and people saying I don't think of the little people, but we also need to remember that these changes hurt the small local businesses. The corporations will just transfer the loss onto the consumer, the people who lose are the people going to the cash counter and we're already dealing with inflation and now we have to deal with adding more salary to it. At the end of the day, this is the decision the government made, and we have to live with it and it's the people who need to tell the government that we can't sustain this and that it's hurting us.?