



June 2, 2015

Hon. Kathleen Wynne
Premier of Ontario
Legislative Building
Queen's Park
Toronto ON M7A 1A1

Dear Premier Wynne,

Thank you for your continued engagement with Ontario employers as you move forward with the design of the Ontario Retirement Pension Plan (ORPP). As you know, many employers are concerned with your government's proposed approach to tackle challenges related to retirement savings. We, the Ontario Chamber of Commerce (OCC), and our members and partners, believe the ORPP will have unintended negative consequences for the province's economy. A recent survey of OCC members found that only 26 percent of employers in the province believe they can shoulder the financial burden associated with the ORPP.

As such, we applaud your government for recently committing to conduct a cost-benefit analysis of the ORPP, as the OCC had requested. This is a good first step in determining the impact that the ORPP will have on Ontario's economy.

This pending cost-benefit analysis notwithstanding, Ontario employers remain concerned that the ORPP will harm Ontario's economy and will penalize employers and employees that are contributing to a secure retirement future.

We, the Ontario employer community, are sending you this letter at a pivotal moment in the development of the ORPP. In May, your government passed ORPP enacting legislation. Over the coming months, your government will design the final parameters of the plan. As such, we are writing to express our serious concerns over the proposed definition of pension plan 'comparability' as outlined in your Ontario Retirement Pension Plan consultation document from December 2014.

Set for introduction in 2017, the ORPP will see employees and employers contribute 1.9 percent each (3.8 percent combined) on an employee's annual earnings up to \$90,000. There are some indications that only certain workplace pension plans will be considered 'comparable' to the ORPP, namely Defined Benefit and Target Benefit Multi-Employer Pension Plans. Employers who offer 'comparable' workplace savings plans will be exempt from contributing to the ORPP.

We support the government's policy objective—to tackle the undersaving challenge and help all Ontario workers save for retirement. However, we do not believe the ORPP is the right tool to solve the problem. Further, a narrow definition of comparability would have serious consequences for the retirement savings landscape and savings in Ontario.

First, the ORPP penalizes employers who are already investing in their employees' retirement savings.

Many employers already contribute to their employees' retirement savings through a variety of plans, which include Defined Contribution (DC) plans, group Registered Retirement Savings Plans (group RRSPs), and group Tax Free Savings Accounts (group TFSAs), among others. These plans often involve contribution levels above those stipulated for the ORPP; for example, the average company contribution rates to DC plans and group RRSPs in Canada are 5.2 percent and 4.3 percent, respectively.

Second, by adding costs to employers that already contribute to robust workplace retirement savings plans, the government will counteract its desired goal of increasing Ontarians' retirement savings.

For example, employers who offer non-comparable retirement savings plans might choose to reduce the contributions in these plans to offset the new costs incurred by the ORPP. In fact, according to a survey conducted by Environics Research, 66 percent of Ontario companies may consider eliminating their existing DC or group RRSP plans if the ORPP is introduced. The same survey found that 78 percent of companies are likely to reduce contributions to their workplace retirement plan.

Third, the ORPP could erode the three pillars approach to the retirement income system in Canada by replacing private with public savings. Most of the workplace retirement savings plans made available to Ontarians by the private sector are non-comparable under the government's preferred definition. In fact, over 2.4 million Ontarians are covered by plans that the government has deemed non-comparable. Reduced demand for these savings plans brought on by the ORPP could disrupt the balance of public-private savings in the province.

Given these concerns, we strongly urge your government to expand its definition of pension plan comparability to include capital accumulation plans, including (but not limited to) Defined Contribution plans.

As currently designed, the ORPP would take a universal, rather than a targeted approach, to what is a narrow undersaving problem. According to recent analyses by the federal Working Group on Retirement Income Adequacy and McKinsey & Company, a large majority of Canadians and Ontarians are on-track to maintain their standard of living in retirement. In a comprehensive survey of Canadian households, McKinsey estimates that 83 percent of households in 2014 are on track to maintain or exceed their level of consumption in retirement. The ORPP is a blanket solution to a narrow undersaving problem, a problem that many employers have addressed by offering workplace pension plans.

Expanding the definition of comparability would help to mitigate the impacts that the ORPP will have on employers who are already investing in the retirement savings of their employees. As you will see, the Ontario Chamber of Commerce has reached beyond its membership for co-signatories to this letter. The number and diversity of co-signatories reflects the widespread concerns of Ontario's employer community.

We look forward to working constructively with you over the coming weeks and months as you continue to define the parameters of the ORPP.

Sincerely,



Allan O'Dette
President & Chief Executive Officer
Ontario Chamber of Commerce

cc:

Hon. Mitzie Hunter, Associate Minister of Finance (Ontario Retirement Pension Plan)

Hon. Charles Sousa, Minister of Finance

Below follows the coalition of signatories that endorse our position.

**CHAMBERS OF COMMERCE/
BOARDS OF TRADE**

Kathy McKay
Executive Director

Ajax-Pickering Board of Trade

Gerald Meenye
General Manager
**Greater Barrie Chamber
of Commerce**

Bill Saunders
Chief Executive Officer
**Belleville & District Chamber
of Commerce**

Todd Letts
Chief Executive Officer
Brampton Board of Trade

Colleen Miller
Chair
**Chamber of Commerce
Brantford Brant**

Keith Hoey
President
Burlington Chamber of Commerce

Greg Durocher
President & Chief Executive Officer
**Cambridge Chamber
of Commerce**

Perrin Beatty
President & Chief Executive Officer
Canadian Chamber of Commerce

Jackie Kavanagh
General Manager
**Carleton Place & District
Chamber of Commerce**

Roberta Scarrow
General Manager
**Centre Wellington Chamber
of Commerce**

Gail Bishop
President & Chief Executive Officer
**Chatham-Kent Chamber
of Commerce**

Lezlie Strasser
Executive Manager
Cornwall Chamber of Commerce

Jason Small
President
**Flamborough Chamber
of Commerce**

Kithio Mwanza
President & Chief Executive Officer
Guelph Chamber of Commerce

Rosemarie Jung
Manager
**Haliburton Highlands Chamber
of Commerce**

Kathleen Dills
General Manager
**Halton Hills Chamber
of Commerce**

Keanin Loomis
President & Chief Executive Officer
Hamilton Chamber of Commerce

Adam Ward
President
Hanover Chamber of Commerce

Ann Campbell
General Manager
**Ingersoll District Chamber
of Commerce**

Suzanne Delorme-Gauthier
President
**Iroquois Falls & District Chamber
of Commerce**

Carlee Hakenson
Manager
**Kenora & District Chamber
of Commerce**

Martin Sherris
Chief Executive Officer
**Greater Kingston Chamber
of Commerce**

Ian McLean
President & Chief Executive Officer
**Greater Kitchener Waterloo
Chamber of Commerce**

Wendy Parsons
General Manager
**Leamington District Chamber
of Commerce**

Gerry Macartney
Chief Executive Officer & General
Manager
London Chamber of Commerce

Sandy Martin
Executive Director
Milton Chamber of Commerce

Sheldon Leiba
President & Chief Executive Officer
Mississauga Board of Trade

Debra Scott
President & Chief Executive Officer
**Newmarket Chamber
of Commerce**

Mishka Balsom
President & Chief Executive Officer
**Greater Niagara Chamber
of Commerce**

Jake Lacourse
President
**North Bay & District Chamber
of Commerce**

Kevin Ward
President & Chief Executive Officer
**Northumberland Central Chamber
of Commerce**

John Sawyer
President
Oakville Chamber of Commerce

Bob Malcolmson
Chief Executive Officer
& General Manager
**Greater Oshawa Chamber
of Commerce**

Ian Faris
President & Chief Executive Officer
Ottawa Chamber of Commerce

Bert Loopstra
President & Chief Executive Officer
**Owen Sound & District Chamber
of Commerce**

Stuart Harrison
President & Chief Executive Officer
**Greater Peterborough Chamber
of Commerce**

Bree Nixon
Manager
**Port Hope & District Chamber
of Commerce**

Suzanne Andrews
General Manager
**Quinte West Chamber
of Commerce**

Leslie Whidden
Chief Executive Officer
**Richmond Hill Chamber
of Commerce**

Rory Ring
President & Chief Executive Officer
**Sarnia Lambton Chamber
of Commerce**

Joanne Robbins
General Manager
**Saugeen Shores Chamber
of Commerce**

Shelley Barich
General Manager
**Sault Ste. Marie Chamber
of Commerce**

Anne Shropshire
President
**Smiths Falls & District Chamber
of Commerce**

Geraldine Fitzsimmons
General Manager
**South Dundas Chamber
of Commerce**

Stephen Boles
President
**South Huron Chamber
of Commerce**

Marianne Braid
Manager
**Southeast Georgian Bay
Chamber of Commerce**

Bob Hammersley
President & Chief Executive Officer
**St. Thomas & District Chamber
of Commerce**

Garry Lobsinger
General Manager
**Stratford & District Chamber
of Commerce**

Debbi Nicholson
President & Chief Executive Officer
**Greater Sudbury Chamber
of Commerce**

Charla Robinson
President
**Thunder Bay Chamber
of Commerce**

Suzanne Renken
Chief Executive Officer
**Tillsonburg District Chamber
of Commerce**

Janet De Silva
President & Chief Executive Officer
Toronto Region Board of Trade

Jeff Hamilton
President
**Trent Hills & District Chamber
of Commerce**

Lorraine McKenzie
Executive Director
**Upper Ottawa Valley Chamber
of Commerce**

Rosemary Leu
Executive Director
West Ottawa Board of Trade

Tracy Hanson
Chief Executive Officer
Whitby Chamber of Commerce

Matt Marchand
President & Chief Executive Officer
**Windsor-Essex Regional
Chamber of Commerce**

Martha Dennis
General Manager
**Woodstock District Chamber
of Commerce**

Carol Prang
President
**Zurich & District Chamber
of Commerce**

EMPLOYERS

Rose Gage
Chief Executive Officer

Ag Energy Cooperative Ltd.

Blake Goldring
Chairman & Chief Executive Officer

AGF Management Limited

Joe Loparco
Co-President

**AGS Automotive Systems
& Tiercon**

Felix JE Comeau
Chairman & Chief Executive Officer

**Alcohol Countermeasure
Systems**

Sean Dwyer
Vice President Finance &
Administration

Algonia University

Anthony Agostino
President & Chief Executive Officer

AMG - Agostino Media Group

Tony Bota
Country Head, HR

Amgen

Scott Maki
Vice President, Finance

ArcelorMittal Dofasco

Ed Dybka
President & Chief Executive Officer

AstraZeneca Canada Inc.

Marie Rose Dubois
President

B & D Manufacturing

Andrew Burns
Partner/Business Development

BDA Insurance Team

Phillip Brown
President & Chief Executive Officer
Brown's Fine Food Services Inc.

Michael Medline
President & Chief Executive Officer
Canadian Tire Corporation, Ltd.

Marcel Rosehart
Owner

Chrissy's Catering

Ian McCormack
Founder and Principal

Compass

Melodie Mason
Director, Total Rewards

CSA Group

Shane Curtis
President

Curtis Wilcox

William Day
President

Day Group of Companies

Dave Peters
President

**Distinctive Alternative
Investments**

Kassandra Way
Manager

E & E McLaughlin Ltd.

Ian Stevens
Chief Executive Officer

Execulink Telecom Inc.

Lori Shalhoub
Vice President & General Counsel

FCA Canada

Kelly McGiffin
President & Chief Executive Officer

First Ontario Credit Union

Dianne Craig
President & Chief Executive Officer
Ford Motor Company of Canada

Ron Foxcroft
Chief Executive Officer
**Fluke Transportation and
Fox 40 Whistle**

Mike Perovich
President
Future Transfer Co. Inc.

Evelyn Foo
Chief Operating Officer & Chief
Financial Officer
Galileo Global Equity Advisors Inc.

Anthony Mancini
Country HR Manager - Canada
Gates Canada Inc.

Ross Hornby
Vice President, Government
Relations & Policy
GE Canada

Stephen K. Carlisle
President & Managing Director
General Motors of Canada Limited

Michael Boone
Chief Financial Officer
Glencore Canada Corp.

Scot Bolton
Wealth Management Advisor
Good Redden Klosler LLP

Mike Booth
Vice President
Grassmere Construction Ltd.

Paul Mahon
President & Chief Executive Officer
Great-West Lifeco Inc.

Rene Veillette
Managing Director
**Halla Visteon Climate Control
Canada & Direct Ship Operations**

Teresa Ahuja
Director, Administration
Hay Group Limited

Eric DenOuden
President
Hill Homes

Patrick Horgan
Vice President, Manufacturing,
Development & Operations
IBM Canada Ltd.

Jason Yohemas
Chief Financial Officer
Inovata Foods Corp.

Mark Ristow
Vice President, Finance
ITW Canada

Brett Tanner
Ontario Marketing Director
Johnston Group

Patti Marsh
Controller
KDM Erectors

Richard Koroscil
President & Chief Executive Officer
Korlon Strategic Services

Kathy Pozihun
Vice President
(Administration & Finance)
Lakehead University

Kathleen A. Waters
President & Chief Executive Officer
**Lawyers' Professional Indemnity
Company (LAWPRO®)**

Marc Neeb
Chief Human Resources Officer
and Executive Vice President,
Global Human Resources
Magna International Inc.

Donald Guloien
President & Chief Executive Officer
Manulife Financial

Rory McAlpine
Senior Vice President, Government
& Industry Relations
Maple Leaf Foods Inc.

Tyler Wood
Account Executive
**Marwood Metal Fabrication
Limited**

Roger Couldrey
Vice President (Administration)
McMaster University

Bill Maurin
President & Chief Executive Officer
Meridian Credit Union

Shelley Martin
Chief Executive Officer
Nestlé Canada Inc.

Todd Cooney
President
Nestlé Purina Petcare Canada

Debbie Moore
President
Nestlé Waters Canada

Bob Keech
Vice President (Administration)
Nipissing University

Cedric Tomico
President
NuDecor Inc.

Kelly P. Edmonds
Lawyer
Only Family Matters

John Adams
Chief Executive Officer
**Primerica Financial
Services Canada**

Dan Pio
Executive Vice President, Strategy
& Business Development
Progressive Waste Solutions

Caroline Davis
Vice Principal
(Finance and Administration)
Queen's University

Ron Renkema
Director - Compensation and
Benefits
Rexel Canada Electrical Inc.

Janice Winton
Vice President, Administration
and Finance
Ryerson University

Sabine Schleese
Director of Corporate Affairs
Schleese Saddlery Services

Scott Smith
Principal
Scott Smith Edwards HR

Sean M. Driscoll
Chief Executive Officer
Sentry Investments

Tracy Nutt
Owner
**Service Master of Sudbury, Build
North Construction Inc.**

Sandra Hunter
HR Manager
**SEW-Eurodrive Company
of Canada Ltd.**

Robert Hardt
President & Chief Executive Officer
Siemens Canada Ltd.

Kevin McCaughen
Canadian Operations Manager
Sigma Stretch Flim of Canada

John Sleeman
Founder and Chairman
Sleeman Breweries Ltd.

Janice Sidney
Senior Director, Total Rewards
& Payroll
Sodexo Canada

Margaret Schwager
Owner, Business Manager
Sofalvi Door Systems

Shane Carter
President
**Sony Music Entertainment
Canada Inc.**

Peter Ballantyne
President & Chief Executive Officer
Stackpole International

Gerrard Stubbe
General Manager
**Stubbe's Brandsource
Home Furnishings**

Dean Connor
President & Chief Executive Officer
Sun Life Financial

Leah Heywood
Human Resources Manager
**Supersucker Hydro Vac
Service Inc.**

Rob Thompson
Managing Director
Systemair Inc.

Jim Lopez
President & Chief Executive Officer
Tembec

Steve Baker
President
Union Gas

Don O'Leary
Vice President, Finance,
Administration & Risk
University of Guelph

Marc Joyal
Vice President, Resources
University of Ottawa

Charlie Mason
General Manager, Landing
Systems Oakville Operations
**UTC Aerospace Systems –
Landing Systems**

Jennifer Maki
Chief Executive Officer
Vale Canada

John Kirkland
President
**Verne's Carpet One Floor
& Home**

Paul Donnelly
Controller
Vipond Inc.

Bob Hakeem
Chief Administrative Officer
Walmart Canada

Steve Kane
President
Warner Music Canada

Jason Wilcox
Vice President
Waste Solutions Canada

Gitta Kulczycki
Vice President, Resources
and Operations
Western University

Gary Power
Vice President & General Manager
Whirlpool Canada LP

Jim Butler
Vice President, Finance
and Administration
Wilfrid Laurier

ASSOCIATIONS

Frank Swedlove
President & Chief Executive Officer
**Canadian Life and Health
Insurance Association**

Ian Howcroft
Vice President, CME Ontario
**Canadian Manufacturers
& Exporters**

Bonnie Patterson
President & Chief Executive Officer
Council of Ontario Universities

Sandra L. Kegie
Executive Director
**Federation of Mutual
Fund Dealers**

Bill Greenhalgh
Chief Executive Officer
**Human Resources
Professionals Association**

Nancy Allan
Executive Director
**Independent Financial Brokers
of Canada**

Joanne De Laurentiis
President & Chief Executive Officer
**Investment Funds Institute
of Canada**

Ian Russell
President & Chief Executive Officer
**Investment Industry Association
of Canada**

Brian Lewis
President & Chief Executive Officer
MEDEC

Graham Henderson
President
Music Canada

Don McCabe
President
Ontario Federation of Agriculture

Jamie Lim
President
**Ontario Forest Industries
Association**

Joe Vaccaro
CEO
**Ontario Home Builders'
Association**

Chris Hodgson
President
Ontario Mining Association

Patricia Verge
President
Ontario Real Estate Association

Tony Elenis
President & Chief Executive Officer
**Ontario Restaurant Hotel and
Motel Association**

Ted Wigdor
Chief Executive Officer
**Ontario Stone, Sand, and
Gravel Association**

Janet Ecker
President & Chief Executive Officer
**Toronto Financial
Services Alliance**

Todd Bourgon
Executive Director
**Trillium Automobile
Dealers Association**

About the Ontario Chamber of Commerce

The Ontario Chamber of Commerce (OCC) is an independent, non-partisan business network. Our mission is to support economic growth in Ontario by advocating for pro-business policies and defending business priorities at Queen's Park.

For more than a century, the OCC has been providing our members with practical supports, advantageous network opportunities, and access to innovative insight and analysis. We represent local chambers of commerce and boards of trade from communities across Ontario.

Through this network we are the voice of 60,000 members that range from small businesses to major corporations and industry associations. Together, our members employ approximately two million people and produce nearly 17 percent of Ontario's GDP. The OCC is Ontario's business advocate.