

April 3, 2020

Hon. Monte McNaughton
Minister of Labour, Training and Skills Development
14th Floor, 400 University Avenue
Toronto, ON M7A 1T7

RE: Further temporary amendments to the ESA during the COVID-19 pandemic

Dear Minister McNaughton,

Thank you for your continued leadership during the COVID-19 pandemic. As the situation evolves, the Ontario Chamber of Commerce (OCC) is receiving concerns from the business community and communicating them to all levels of government.

The OCC has a further suggestion for temporarily amending the *Employment Standards Act* (ESA) to support employers during this unprecedented period of disruption. Currently, the ESA allows an employer to avoid notice and severance obligations when they lay off employees with the expectation that they will return, unless the layoff exceeds 13 weeks in a 20-week period. That 13-week period can be extended to 35 weeks in a 52-week period under certain circumstances.

The COVID-19 pandemic has caused many employers to shut down due the emergency government orders, while others have had to reduce or close operations due to a lack of business. We now understand that it is very likely that this emergency will continue for more than 13 weeks. All Ontario businesses impacted by the shutdown wish to re-open as soon as possible and continue to employ their workers. Many employers, particularly SME employers, cannot continue to pay employees (and may not be able to continue benefits since their employees don't have any) nor could they meet any of the conditions to extend the 13-week period to 35 weeks. These businesses will become liable to pay expensive notice and severance obligations to their employees, potentially resulting in the closure of their businesses.

On March 26, the Government of Manitoba issued an order excluding the length of time that the emergency continued in that province from the length of time used to calculate the expiry of their short-term layoff provision. Given the circumstances, the OCC recommends that the Government of Ontario issue a similar order to help protect business during this difficult time.

Public health and safety are priorities for all Ontario businesses. We will continue to monitor and assess new developments pertaining to COVID-19 closely and work with our members, partners, and all levels of government to provide support to Ontario business.

Sincerely,



Rocco Rossi
President and CEO
Ontario Chamber of Commerce