

April 16, 2020

Hon. Doug Ford
Premier of Ontario
Room 281
Legislative Building, Queen's Park

RE: Support for manufacturers during the COVID-19 pandemic

Dear Premier,

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.

I am writing to request that you consider a series of actions to help large Ontario manufacturers withstand the economic shocks of COVID-19.

First, we would like to see urgent relief provided to pension plan sponsors. Immediate measures should include extending due dates of required defined pension benefit contributions and Pension Benefit Guarantee Fund premiums until at least September 1, 2020 and freezing the level of required pension contributions for the next three years at pre-pandemic levels. To support longer-term recovery, it will be important to ensure pension contributions are sustainable. Policies to achieve this could include eliminating solvency funding, implementing minimum stabilized interest floors like those introduced in the United States, and/or allowing companies to stop funding the obligations for unlocated members.

Second, we urge you to work with municipalities to defer property tax payments and waive all interest or late penalties charged on those payments. Doing so will provide businesses with essential liquidity at a minimal cost to government.

Third, industry needs relief on its escalating electricity bills. A reduction in overall demand for electricity due to COVID-19 is shifting a greater share of Ontario's fixed cost base onto businesses, particularly Class B ratepayers. We strongly encourage your government to work with industry groups to offer immediate relief on utility bill payments. Support could be targeted towards firms whose ability to pay has been impacted the most.

Fourth, another suggestion from our members is to offer manufacturers additional access to capital through loans and loan guarantees. The Quebec government implemented the Concerted Temporary Action Program for Businesses (PACTE) through Investment Quebec to support businesses whose liquidity is being affected by COVID-19. Large manufacturers in Ontario would benefit immensely from access to similar support. The Government of Ontario should coordinate work with the federal government to increase the capacity of agencies such as Export Development Canada and the Business Development Bank of Canada to provide Ontario-based companies with essential capital.

Finally, we request that the Ontario government put a hold on all pending, non-urgent regulatory proposals and associated consultations. Many manufacturers and other stakeholders are overwhelmed with supporting public health efforts and/or business continuity planning and so are unable to provide sufficient or thoughtful comment at this 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