

#### ONTARIO RESTAURANTS ARE UNDER ATTACK

Ontario's restaurant industry generates \$33 billion in economic activity, representing 4% of GDP. In Ontario this means more than 573,000 direct and indirect jobs and charitable contributions in the range of more than \$100 million dollars annually.

However, Ontario foodservice operations are struggling to survive with rising costs and burdensome regulations. Restaurants in Ontario maintain the lowest profitability in Canada at just 3.4%. Relative to other sectors of the economy where average profitability is roughly 10.1%. Whomever forms the next government in Ontario needs to look to improving conditions for the foodservice industry.

#### KEY ISSUE

**Increasing the Costs for Consumers:** These policies are crushing the Ontario foodservice sector. Operators who have decided to avoid cuts to staff or hours will have to raise menu prices by more than 8% to offset the minimum wage increase. This would be an unprecedented increase as menu prices in Ontario have increased by an average of 2.4% per year over the past two decades.

Research suggests that the impacts from Bill 148 will increase the average consumer's annual household costs by as much as \$2,200.00. The result of this government's policies will continue to apply greater pressure and financial burden, not only on owners of restaurants, but will cost jobs and increase the financial burden of consumers.

#### ONTARIO FOODSERVICE STATS:

- **More than 500,000 Ontarians work in the foodservice industry**
- **Bill 148 will add \$1.8 billion dollars of new costs**
- **The new legislation will put 17,000 jobs at risk**
- **Restaurateurs in Ontario operate with the lowest margins in Canada at 3.4%**
- **The impact of this legislation will be most felt outside the GTA**



**Restaurants  
Canada**