

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

Cost of Labour: There can be no denying the impact the sector has on employment. In The restaurant industry is the fourth-largest private-sector employer. Ontario Restaurants directly employ 466,200 staff, representing more than 6% of the province's total workforce, with another 107,200 indirect jobs.

It should be noted that the foodservice industry never objected to increases in minimum wage in Ontario, but did strongly caution the Ontario government that the volume of change in such a short amount of time would have severe consequences.

Since the implementation of Bill 148, Ontario has witnessed the loss of more than 60,000 part-time jobs across a variety of sectors. Restaurants Canada would anticipate the impacts on the foodservice sector to have an equally devastating impact in the near term. While employment in the Foodservice and Accommodation sector was relatively flat, the hours worked declined steeply at -4.4%.

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**

