



Changing Workplaces Review,
ELCPB 400 University Ave., 12th Floor
Toronto, Ontario
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Via email: CWR.SpecialAdvisors@ontario.ca

Dear Sir/Madam

Please accept the following commentary from Maple Lodge Farms Ltd. on the Special Advisors' Interim Report on *Changing Workplaces Review*, as posted on the Ontario Ministry of Labour website.

Company Introduction

Established in 1955, Maple Lodge Farms is Canada's largest chicken processor. Our corporate headquarters are located in Brampton, Ontario, and we employ approximately 2,200 people. Maple Lodge Farms (MLF) is proud to be a large, Ontario employer. We provide hundreds of stable, full time jobs and work in strong partnership with the union that represents our employees. We are committed to treating our employees respectfully and providing the best possible, safe working conditions; as such, MLF is supportive of all legislation that provides secure and fair working conditions for all working Ontarians. As an employer, we value the work the special advisors have done and appreciate the opportunity to respond with our comments. As a member of Food and Beverage Ontario, we fully support the Keep Ontario Working Initiative, a group comprised of the province's leading employer bodies which support evidence-based workplace reform.

The following outlines our concerns in each area of proposed reform:

Economic Context

A strong workforce is vital to the future of Ontario's economy. Ontario's highly skilled workforce provides the province with a competitive advantage and contributes to our position as a leading North American destination for foreign investment. Despite this current distinction, the long-term economic projections for Ontario are only for modest growth. The cost of doing business in Ontario continues to rise - high electricity prices, the introduction of the new Cap and Trade System, costs associated with the enhancement of CPP - and as such, in order for industries to remain competitive, Government must carefully consider the impact any regulatory change will have on business, as well as on workers. Fundamental to our position is the belief that the goals of economic growth and improved employee rights are not mutually exclusive. What supports the competitiveness of Ontario's economy can enhance the quality and stability of work. However, regulatory reform that raises thresholds only to reduce the ability of business to invest in and grow the labour force runs contrary to Government's stated mandate to focus on jobs and economic growth.

The food and beverage manufacturing sector, of which MLF is a part, directly employs over 125,000 Ontarians. This sector is challenged by significant margin pressure due to retail consolidation and rising input costs.



Additionally, accessing sufficient labour remains a significant challenge for the industry. In order to assess impact on jobs and the economy, the Government of Ontario must conduct a thorough and transparent economic impact analysis and cost-benefit analysis of any proposed changes to labour or employment legislation. Ultimately, the proposed changes that are implemented must have passed clear acceptability thresholds or those changes with a net negative economic impact must be implemented with a commensurate economic offset measure. In any case, businesses must be given ample transition time by ensuring that any legislative amendments do not come into effect any earlier than 12 months after the passage of legislation.

The Changing Nature of Work and Precarious Work

The changing demographic of the Ontario workforce, along with the changing nature of employment and the pressures of the global economy demand that public policy be aligned to these realities. Although MLF recognizes that precarious work is a problem in Ontario and supports efforts to remedy this issue, recent analysis conducted for Keep Ontario Working by Phillip Cross, Executive Fellow with the School of Public Policy at the University of Calgary and former Chief Economic Analyst at Statistics Canada, indicates that according to several metrics, concerns about rising precarious work is overstated. For example, part-time employment in Ontario and Canada shrank in 2015, as compared to 25 years ago, which is particularly remarkable given our growing number of older workers who prefer part-time work.

MLF is concerned that there is insufficient data around precarious work to support major reforms to labour legislation. We believe that it is important that Government have a more comprehensive understanding of the types of employment associated with precarious work in order to ensure that policy changes are focused on empirically demonstrated issues. MLF cautions against making widespread amendments to legislation without sufficient statistical and economic data, as it could result in unintended consequences and negatively impact the ability of Ontario's businesses to create jobs and grow the economy.

Education and Enforcement

We believe that many of the workplace challenges Government is seeking to address could be solved by improving employer and employee awareness of workplace rights and enforcing violations of those rights with greater frequency and consistency. The vast majority of employers recognize the social and economic value of creating fair workplaces that employees desire to be a part of, and so reform efforts should be focused on the small fraction of businesses that do not understand their obligations or otherwise fail to comply.

Much could be gained by instituting a multi-lingual compliance awareness campaign to educate employers on employment and labour standards – particularly with small/medium sized businesses. A common-sense approach, including the simplification of the language in the *Labour Relations Act (LRA)* and the *Employment Standards Act (ESA)*, would likely improve employer understanding of compliance requirements.

Those businesses that are not in compliance with Ontario's labour laws should face serious consequences, however, attempts to address these non-compliant entities by creating regulatory reform that increases the



administrative burden on businesses already committed to being fully compliant with labour standards will do nothing to improve the compliance of these offenders. Instead, Government should focus on enabling the Ministry of Labour to increase the enforcement capacity of the Ministry, and ESA violations and orders, especially as it relates to vulnerable workers, must be actively pursued. In order to address challenges associated with the enforcement of orders, the ESA could, for example, be amended to provide additional collection powers in order to increase the speed and rate of recovery of unpaid orders.

Sector Sensitive Standards

Given the significant sectoral diversity in Ontario's economy, MLF supports sector-specific legislation regarding scheduling, exemptions and contracting, rather than standardized provisions.

Scheduling

MLF believes that policy options that create rigid requirements for posting of employee work-schedules are counter-productive and will remove the flexibility enjoyed by many employees and required by sectors such as agri-food where weather, global market demand and perishability influence production schedules. Although flexible work arrangements and scheduling often are designed to suit the just-in-time delivery requirements of employers, they also often coincide with the needs of employees and families striving to manage and balance work/life responsibilities. We acknowledge, of course, the obvious exceptions where such schedules are imposed involuntarily. It is important, therefore to distinguish between the problems of precariousness and opportunities which provide employees with greater freedom and flexibility – a concept that is increasingly valuable to today's workforce. Government should not seek to make changes to current policy which limits this flexibility.

Exemptions

MLF does not support the removal of sector exemptions from the ESA. Again, particularly with regards to agricultural production, the sector is highly dependent on fluctuations in market demand, external factors including weather and the perishable nature of products and as such, requires workplace standards that are flexible. Any amendments to exemptions should be subject to rigorous review with representation from employer and employee groups and should be facilitated by a third-party.

Contracting

The value of the flexibility provided by contract employment, to both the contractor and employer should not be underestimated. The proposal that a system of reverse onus on employee status whereby a worker is assumed to be an employee unless the worker demonstrates otherwise is based on the perception that there is abuse of this construct by employers who intentionally misclassify workers. Although we acknowledge that this may be a problem in some circumstances, it must also be acknowledged that contract employment is now a fundamental part of many employers' business models and many employees' choice. Instead of creating unnecessary hurdles to contract employment, we support having clearer definitions of "employee" and "contractor" (whether dependent or



independent), with allowances for flexibility and employee choice on classification, so that appropriate arrangements can be put in place with reduced risk.

Fair and Transparent Labour Relations

As a unionized employer, we acknowledge the value of unions in general and though we are fully committed to compliance with the existing provisions of the LRA, we strongly oppose major reform of labour relations in Ontario. As outlined above, Ontario's economic competitiveness is brittle and major changes to employer-employee relations could further threaten our ability to compete.

Careful consideration has gone into years of collective bargaining between the Company and the Union, successfully reaching agreements that are in the best interests of all parties. Because legislation supercedes any collective agreement, many of these changes would actually render several clauses and processes in our collective agreements useless. This undermines the collective bargaining process and takes power away from both parties.

MLF supports the protection of an employee's right to choose in regards to certification. We believe that the removal of a secret ballot vote diminishes this right as secret ballot voting protects employees from being pressured by others and ensures their true views are represented. On this basis, we believe the concept of electronic voting should be explored. Additionally, we support the provision of an employee list in response to certification application with the caveat that it not be used for any other purpose and that all rights to privacy be protected.

Conclusion

As previously stated, MLF understands and supports all legislative reform that seeks to provide secure and fair working conditions for all working Ontarians. However, all reform must be evidence-based and not have a detrimental impact on the ability of businesses to invest in growth, job retention and job creation. We firmly believe that many of the workplace challenges currently being faced can be overcome through increased education and enforcement.

Sincerely,

A handwritten signature in black ink that reads 'Carol Gardin'. The signature is written in a cursive, flowing style.

Carol Gardin
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