

# **SUBMISSIONS TO THE MINISTRY OF LABOUR'S CHANGING WORKPLACES REVIEW**

by

## **COLOUR OF POVERTY CAMPAIGN**

**September 2015**

### **INTRODUCTION**

The **Colour of Poverty-Colour of Change Network (COPC)** is a province-wide initiative made up of individuals and organizations working to build community-based capacity to address the growing racialization of poverty and the resulting increased levels of social exclusion and marginalization of racialized communities across Ontario. The Colour of Poverty works to build concrete strategies, tools, initiatives and community-based capacity through which individuals, groups and organizations ( especially those reflective of the affected racialized communities ) can better develop coherent and effective shared action plans as well as creative coordinated strategies for collaborating with mainstream policy analysts and institutions, anti-poverty and social justice advocacy groups, governments, funders, academics, the media and others – so as to best work together to address and redress the growing structural and systemic ethno-racial inequality across the province. A list of the COPC Steering Committee members is attached as Appendix A.

COPC welcomes the opportunity to provide submissions to the Ministry of Labour's Changing Workplaces Review (the Review). Many steering members of COPC have already provided extensive submissions to the current Review. In particular, COPC endorses the submissions made by the Ontario Council of Agencies Serving Immigrants, the Metro Toronto Chinese & Southeast Asian Legal Clinic, and the South Asian Legal Clinic of Ontario. COPC urges the Review to adopt the various recommendations and submissions provided by our community partners.

Many of our community partners have made a number of submissions on how to strengthen the *Employment Standards Act (ESA)* and improve the enforcement mechanism for *ESA*. In our submissions, COPC will focus on the broader socio-economic context within which the Review is taking place, and provide related policy recommendations in light of the context.

### **RACIALIZED ECONOMIC DISPARITIES IN ONTARIO**

There are growing level of economic inequities experienced by immigrant communities as well as communities of colour in Ontario. In particular:

- By 2017, one in four Canadians will be racialized (Indigenous or people of colour).

- With a few exceptions, most recent immigrants - including those who had postsecondary education - experienced higher unemployment rates and lower employment rates than their Canadian-born counterparts. The immigrants' birthplace – a proxy for ethnicity – has the strongest influence over the immigrants' earnings.
- While immigrant women represented nearly half of university-educated very recent immigrants, their participation in the labour force was significantly lower.
- Everything else being equal, the annual earnings of young visible minority men born in Canada are significantly lower than those of young men with native-born parents. Canadian born members of racialized communities, who have even higher levels of education than other Canadians in the same age group are faring the worst.
- In 2006, “visible minority” Canadian workers earned 81.4 cents for every dollar paid to their Caucasian counterparts. Earnings by male newcomers from visible minorities were just 68.7 per cent of those who were white males. Such a colour code persisted for second-generation Canadians with similar education and age, with visible minority women making 56.5 cents for every dollar white men earned, while minority men in the same cohort earned 75.6 cents.
- Poverty has become racialized, with members of racialized communities being at least two to four times more likely to live in poverty.
- Between 1981 and 2000, the poverty rate among non-racialized communities in Toronto (the largest city in Canada) **dropped** by 28%, whereas over the same time period, poverty rate among racialized communities **increased** by 361%.

As confirmed by Law Commission of Ontario's *Final Report on Vulnerable Workers and Precarious Work*<sup>1</sup> members of racialized communities and immigrants are over-represented in precarious employment found in non-unionized workplaces. As such, they are also among the most vulnerable workers in Ontario, who look to employment standards legislation to protect their basic, minimum rights in their workplace. Strengthening the *ESA* will no doubt help to improve the working conditions of these workers. But more needs to be done to change the underlying precarious conditions of their employment and to redress the structural economic inequalities in this province.

## **STRUCTURAL FACTORS LEADING TO INCREASE IN EMPLOYMENT PRECARIETY**

The intensified racialization and feminization of the labour market is a result of systemic racial discrimination and other structural factors which exist in our society. Studies have shown, for instance, job seekers with “foreign sounding” name are less likely to receive

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<sup>1</sup> <http://www.lco-cdo.org/en/vulnerable-workers-final-report>

job interviews.<sup>2</sup> Indeed, in recognition of the persistent and structural workplace discrimination in Canada, the Federal Government introduced the *Employment Equity Act* in 1986 with a view to level the playing field for women, people with disabilities, Aboriginal people and “visible minority” group members. As the federal legislation only governs federally regulated employers, and as a result of a series of amendments introduced by the Federal Government over the years, the impact of the *EEA* is at best limited, and racialized community members continue to experience inequitable access to decent employment.

The income and employment disparities faced by racialized communities are also caused by various structural factors in the Canadian economy. Globalization and corporate restructuring has given rise to greater precarity in the labour market. Increasing reliance on temporary employment agencies by employers has helped to shield companies from many of their legal obligations towards their employees, while reducing job security and stability for many Ontarians, particularly those who are in low-waged jobs.

As noted above, racialized groups and women are subject to higher levels of unemployment, a differential employment rate, more likely to work for minimum wages and are disproportionately represented in sectors of the economy where wages are lower and precarious forms of work are more prevalent. Racialized immigrants who are trained internationally face additional barriers in accessing employment due to the lack of recognition for their international accreditation.

The likelihood that these structural factors will change in the near future is minimal. As such, any serious attempt to address the challenges facing vulnerable workers in a changing labour market landscape must include the use of new legal tools, in addition to strengthening what already exists, in order to combat these structural inequalities.

## **RECOMMENDATIONS**

In order to address the systemic challenges and the growing disparities facing racialized communities members and immigrants in the labour market, COPC calls on the Government of Ontario to institute the following legislative reform and initiatives:

**Mandatory Employment Equity** - Bring back mandatory employment equity in Ontario to level the playing field for all racialized communities and other historically disadvantaged groups. Establish an Equity in Employment Secretariat which is fully mandated and adequately resourced in order to ensure merit-based employment across the province through the implementation of mandatory & comprehensive employment equity programs.

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<sup>2</sup> <http://www.macleans.ca/education/uniandcollege/ubc-study-finds-people-with-foreign-names-face-job-discrimination/>

**Reform Labour Relations Act:** Introduce legislative changes with a view to increase unionization, particularly in sectors with significant representation of women, racialized and immigrant workers, and to strengthen all workers' right to collective bargaining across all industries and workplaces.

**Investment in Equity** - Each year, the Province of Ontario is engaged in millions of dollars worth of contract negotiations. Provincial investments, allocations and commitments can be used as leverage to make businesses across Ontario implement equity based hiring practices.

## **CONCLUSION**

The Review identified Efficiency, Equity and Voice as three key values that should govern workplaces in Ontario. While employers and businesses may place a higher emphasis on the former, COPC submits without protecting the latter two values, workplaces will not be fully efficient.

Reinstating mandatory employment equity will bring about equity in the Ontario's diverse workplaces. Giving more employees the right to collective bargain will strengthen the voice of workers in this province.

The Government of Ontario has both the legal authority and moral obligation to ensure these values are achieved in all workplaces. All it needs is the political will to do the right thing.

## APPENDIX A

Steering Committee members of COPC:

- Access Alliance Multicultural Health & Community Services
- African Canadian Legal Clinic
- Canadian Arab Federation
- Chinese Canadian National Council Toronto Chapter
- Council of Agencies Serving South Asians
- Hispanic Development Council
- Karuna Community Services
- Mennonite New Life Centre of Toronto
- Metro Toronto Chinese & South East Asian Legal Clinic
- Midaynta Community Services
- Ontario Council of Agencies Serving Immigrants
- La Passerelle-I.D.É.
- South Asian Legal Clinic of Ontario
- Thorncliffe Neighbourhood Office
- Professor Grace-Edward Galabuzi (Ryerson University)