



United Way
Toronto & York Region



POVERTY AND
EMPLOYMENT PRECARIETY
IN SOUTHERN ONTARIO

Friday, September 18, 2015

Changing Workplaces Review
ELCPB
400 University Ave., 12th Floor
Toronto, ON M7A 1T7

cwr.specialadvisors@ontario.ca

Re: Changing Workplaces Review Public Consultation

Dear Special Advisors

We are writing to formally submit our recent reports, *The Precarity Penalty* (2015) and *It's More than Poverty* (2013), as evidence to support reforms to Ontario's current labour and employment law framework as set out in the Employment Standards Act, 2000 and the Labour Relations Act, 1995.

We understand the purpose of the review to be to better protect workers while supporting businesses in our changing economy. We believe our research findings and recommendations offer an excellent starting point for your deliberations. Through a survey of 4,165 GTA and Hamilton residents conducted in mid-2014, *The Precarity Penalty*, found that only 48 percent of all workers in the Greater Toronto and Hamilton Area have full-time, stable, secure jobs and 8 percent have part-time jobs that are relatively secure. Everyone else—44 percent—is working in situations with some measure of precariousness. This includes involuntary part-time, contract and on-call positions; jobs without benefits; and jobs with uncertain futures. We suspect the situation is no better in the rest of Ontario. While we are not able to say that this is a trend at this stage of our work, this finding suggests a worsening situation compared to findings from our first survey conducted in 2011/12 reported in *It's More than Poverty*.

The costs of ignoring this issue are too great. Not surprisingly, growing income inequality has followed in tandem with growth in high wage and low wage employment. But our study also

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finds that job insecurity is about more than poverty. Its impact is reaching into our social and family life, re-defining how we are able to contribute to our economy, to give back to our community and to participate in family life. Our research finds that:

- Many people can be trapped in precarious jobs that make it hard to build a stable, secure life and to move into better opportunities.
- Precarious employment has a major impact on the wellbeing of individuals and their families.
- Being precariously employed is worst when you're living in low income, but it's now found across all income levels and it hurts everyone who experiences it.
- Precarious employment is also now commonly found across all demographic groups and it is bad for everyone who experiences it, but your race, gender and where you were born can make things worse.

The recent passage of Bill 18 , including indexing of minimum wage to inflation and enhancing enforcement of the Employment Standards Act, is helping turn the tide for thousands of families affected by the change in the labour market. Raising incomes is an obvious critical area of focus, but it is not enough. The reality that workers in precarious employment tend to exit and re-enter the labour market much more often than those in permanent employment requires a renewed look at basic employment standards protections and revamped income security programs. What is needed today is renewed public policy framework that will be responsive to those in precarious employment and that buffers workers and communities from the challenges associated with a changing labour market.

Employment standards are the basic foundation of rules and regulations that ensure fairness in the workplace for all Ontarians. Given the reality of our fast-changing labour market, it's crucial that governments, employers, labour and other stakeholders come together to identify common ground and advance a shared agenda for progress. *The Precarity Penalty* sets out 28 recommendations addressed at all sectors and all levels of government, grouped under three areas for action:

1. Building a dynamic labour market that supports workers in precarious employment (Recommendations 1-9)
 - a) Building a workforce-development plan for a changing labour market
 - b) Providing training opportunities for those in insecure employment
 - c) Enabling more secure employment
 - d) Addressing discrimination in hiring, job retention and advancement
2. Ensuring that jobs are a pathway to income and employment security (Recommendations 10-20)
 - a) Modernizing employment standards
 - b) Reducing the impacts of irregular work schedules for workers
 - c) Improving income security for workers in precarious jobs
 - d) Enhancing access to benefits for workers in insecure jobs
 - e) Supporting voice at work

3. Enhancing social and community supports for a new labour market (Recommendations 21-28)
 - a) Enabling flexible, quality childcare
 - b) Improving access to community services
 - c) Creating accessible opportunities for children and youth
 - d) Ensuring meaningful volunteer opportunities

Of these recommendations, six are specifically directed to the attention of the Changing Workplaces Review, as noted below. Full descriptions of the actions to support the implementation of these recommendations can be found in the addendum to this letter, as well as on pages 138-162 of *The Precarity Penalty* full report available at <http://www.unitedwaytyr.com/document.doc?id=307>.

- **Recommendation 8:** The provincial government should include the examination of systemic barriers—of race, gender and immigration discrimination—in their employment and labour standards review, employment services and training review, and wage-gap strategy.
- **Recommendation 10:** The provincial government's review of employment and labour standards needs to assess how the system of employment standards enforcement can keep pace with the changing labour market.
- **Recommendation 11:** The provincial government's review of employment and labour standards needs to explore how coverage for employment standards can be expanded to more workers.
- **Recommendation 12:** The provincial government and employers are urged to consider the amount of notice given to workers regarding their shifts.
- **Recommendation 18:** Employers in all sectors and the provincial government should consider taking steps to better support workers' needs relating to unexpected absences.
- **Recommendation 20:** The provincial government should use the opportunity provided by the Labour Relations Act review to assess how voice at work is enabled for those in precarious employment.

The Changing Workplaces Review is a significant next step on that path forward. We welcomed the opportunity to meet with you to present our findings and recommendations and to share our extensive policy mapping and analysis with the Review's research director. We also appreciated the time you both took to join us at the launch of *The Precarity Penalty* back in May 2015 to hear more about our findings and those of colleagues from across the region and internationally.

All of us need to work together to engage workers who have lived experience to respond practically and comprehensively to our new economic realities and implement reforms where needed. That is the only way to ensure that every Ontarian has equal opportunity to live, work and raise a family while building a fair and prosperous society. But the Government has a

critical and unique role to play in setting the regulatory framework required to support and promote fair change and opportunity. We look forward to seeing the results of your deliberations and hope that the proposed reforms will be bold and comprehensive.

Sincerely,



Michelynn Lafèche
Director, Research, Public Policy & Evaluation
United Way Toronto & York Region



Wayne Lewchuk
Professor, Economics & Labour Studies
McMaster University

Addendum—Full text for recommendations directed to the Changing Workplaces Review

Recommendation 8: The provincial government should include the examination of systemic barriers—of race, gender and immigration discrimination—in their employment and labour standards review, employment services and training review, and wage-gap strategy.

Systemic barriers of discrimination are often complex and require distinct attention. For example, some participants in our community roundtables talked about discrimination that they experienced, when attempting to access childcare, as a barrier to accessing and retaining employment. For this reason, the reviews and strategies currently being undertaken by the provincial government should take barriers, such as discrimination based on race, gender and/or immigration status, and the interaction of these barriers with employment insecurity into consideration.

Recommendation 10: The provincial government's review of employment and labour standards needs to assess how the system of employment standards enforcement can keep pace with the changing labour market.

While the \$10 million for enforcement was essential, there is still a need for additional resources for investigating, resolving and enforcing current employment standards. The review should explore how to shift the employment standards enforcement system to a more proactive system, which could include targeted blitzes within sectors that have high levels of precarious employment. In addition, the standards review could take workers' concerns over reprisals into account by evaluating the accessibility and effectiveness of the third-party complaint system, assessing how to strengthen enforcement against reprisals, and evaluating the effectiveness of deterrence measures. This review could also explore the role of legal aid and could consider introducing legal-aid clinics targeted at ESA enforcement.

Recommendation 11: The provincial government's review of employment and labour standards needs to explore how coverage for employment standards can be expanded to more workers.

The *Employment Standards Act* prohibits discrimination on the basis of age, sex and marital status. However, there is no provision for preventing discrimination based on employment relationship or hours of work. This leaves many precariously employed workers outside of the established ESA coverage. The provincial government is encouraged to consider how the definition of discrimination in the ESA might be expanded to include discrimination based on form of employment or hours of work.

Recommendation 12: The provincial government and employers are urged to consider the amount of notice given to workers regarding their shifts.

This could be done by amending the *Employment Standards Act* to require advance notice of shifts to minimize the impact of irregular or shift schedules for workers. Employers could also review their internal business planning and enhance their forecasting processes to proactively find ways to improve scheduling. This could both enhance business efficiency and reduce the impact of irregular schedules on the lives of those in temporary or contract positions, or jobs involving short notice or shift work. Employers and the provincial government could also consider means for paying a premium to workers who undertake short-notice work.

Finally, both our employer and community roundtable participants recommended that employers develop more “teaming” arrangements, so that temporary workers could be shared between companies and, therefore, have a better sense of their upcoming schedules.

Recommendation 18: Employers in all sectors and the provincial government should consider taking steps to better support workers’ needs relating to unexpected absences.

The provincial government could do this by expanding the right to take personal-emergency leave under the *Employment Standards Act* to those workplaces with less than 50 workers. Informed by their experiences, employers and the private sector can play a leadership role in this area by contributing ideas on how to provide access to paid sick days (and other types of unexpected absence benefits) for their contract and temporary workers.

Recommendation 20: The provincial government should use the opportunity provided by the Labour Relations Act review to assess how voice at work is enabled for those in precarious employment.

As cited above, sector- and occupation-wide collective agreements have given some workers who are not in Standard Employment Relationships the ability to access benefits, training, and other forms of collective representation that are currently limited to those in Standard Employment Relationships. The *Labour Relations Act* review should assess the viability of these forms of representation. In addition, it should consider a range of options that could enable more voice at work, such as card-based certification and protections for workers involved in collective representation, as well as options for the most vulnerable workers who lack access to representation.