### MAPLE LEAF FOODS



October 14, 2016

Changing Workplaces Review ELCPB 400 University Ave., 12<sup>th</sup> Floor Toronto, Ontario M7A 1T7

By email: CWR.SpecialAdvisors@ontario.ca

**Attention: Special Advisors** 

Dear Sirs:

## **Changing Workplace Review**

Further to our letter of August 31<sup>st</sup> concerning Personal Emergency Leave days, we are pleased to provide an additional submission on the Changing Workplace Review.

We recognize the broad scope of the Review and the focus on vulnerable workers in precarious jobs working in Ontario. We appreciate the consultative process that you have undertaken and the thoughtfulness that has gone into the Special Advisors Interim Report. However, even with your stated consideration of employers' interests, the financial impact of such a broad view of potential legislative changes, creates concern and uncertainty. Any recommendation that is included in your final Report should be subject to a broad review based on an in-depth analysis of the economic impact.

At the outset, let me say that we do not support radical change to the legislation. However, we do support amending compliance rules. The OLRB should be empowered to impose administrative penalties on the basis of recommendations from the Ministry. It is everyone's interest to create an environment where legitimately "bad employers" are held accountable. Tougher compliance rules, greater penalties, are preferable to massive changes to the legislation, which creates uncertainty and increases the financial burden of the other employers, the "good employers".

As a correlation to increased compliance requirements, easy to understand rules and regulations, simple language with clear explanatory documents are essential to aid employees and employers for ease of understanding. This is not the case today. The legislation is cumbersome and often subject to interpretation – with or without the aid of lawyers.

Many of our operations are covered by collective agreements, certified to established trade unions. Maple Leaf enjoys professional and collegial relationships with these organizations.

In addition to our unionized facilities, we have a number of non-union facilities where we provide terms and conditions that are market driven, recognizing the need to attract and retain talent. Our employees are key to the success and growth of Maple Leaf.

In Ontario, Maple Leaf Foods has a plant network of 15 facilities and a head office in Mississauga, employing overall 1,551 salaried and 2,357 hourly employees. Employees are predominantly full time with comprehensive benefit packages.

Maple Leaf has negotiated settlements with a number of unions across the Province. Those relationships and collective agreements have evolved to reflect the market in which they operate. We urge the Special Advisors to respect those arrangements that were negotiated, by both sides, in good faith.

Acknowledging the concern that there are vulnerable workers struggling in precarious employment, this Province (and Canada) has fallen short on ensuring sufficient numbers of trained journey persons available in the trades. Rather than wholesale legislative changes, a pronounced focus should be on increased funding to support training initiatives, thereby creating an inventory of skilled trades people. Thus, providing workers with well paid, secure, opportunities in a wide variety of businesses and employers access to trained, qualified employees.

Further, to ensure Ontario's competitiveness in-depth analysis of the economic impact of Final Recommendations should be undertaken. The very broad scope of the Changing Workplaces Review, with its wide range of options and recommendations such as increases to vacation entitlements, severance requirements, with amendments to termination for cause, by way of example, will have significant implications to the financial viability of employers' in Ontario. Further input might be considered once the Special Advisors have narrowed the scope of the Recommendations.

### Sectoral Bargaining

A model which supports "one size fits all" is of concern. In the 70's, in British Columbia, the major retail food companies bargained by sector. This collective bargaining was abandoned. In the 1990's a panel reviewing the BC Code proposed a similar model for sectoral bargaining, but that recommendation was not enacted by the BC Government. Such a model is, perhaps applicable in the public sector but not the private sector where sectoral bargaining takes away the creativity, the competitive advantage that companies seek to prosper.

#### Successor Rights – Common Employer and Contracting

From time to time Maple Leaf enters into a contractual relationship with third parties. We have conducted our business with respect to Ontario law, changing the law and the "test" to determine whether two parties are joint or common would be a fundamental shift and would have a major, negative impact on our business. We are not in favour of any such proposed amendment.

## Replacement Workers

Maple Leaf opposes any change in legislation that would ban the use of replacement workers. Disputes are not common but a ban would have unintended consequences. For example, some of our facilities have employees in more than one bargaining unit. A dispute with a "small" bargaining unit of 5 employees working within a facility of 1,000 employees would shut down the entire plant as the 5 are necessary to the funning of the plant. Having 1000 full time employees "out on the street" over a 5 person bargaining unit's dispute, doesn't seem to be the answer to addressing precarious employment in the province. We oppose such change.

### **Exemptions and Special Rules**

Category 1 Exemptions: Maple Leaf strongly supports further consultation. Maple Leaf compensates its supervisors and managers at a level that they would not be deemed precarious and to include this group, without further analysis is a concern.

Category 3 Exemptions - Agriculture Workers. Again, Maple Leaf urges further consultation on exempting this group from ESA. Maple Leaf employs agriculture workers in certain facilities. ESA standards are followed but flexibility is necessary due to the nature of the work. Consultation is recommended to fully understand the nature of agriculture work.

# Hours of Work, Overtime Pay, Scheduling

Maple Leaf has negotiated with its unions and employee groups a broad range of hours of work, overtime, various scheduling regimes, flexibility where possible, to accommodate its manufacturing and business needs. These arrangements are reviewed from time to time with its stakeholders. Maintain the status quo.

#### Other Leaves of Absence

Maple Leaf provides a wide range of leaves, both paid and unpaid and those scheduled and unscheduled. These leaves are contained in collective agreements and policy. Rather than introducing new statutory new leaves – maintain status quo.

## Termination, Severance and Just Cause

Maintain the status quo, it is already costly and is not compatible with most jurisdictions other than in the federal sector.

# **Temporary Help Agencies**

The majority of Maple Leaf's work force is full time. Temporary help agency personnel are used for a variety of reasons such as emergencies, fluctuations in production, difficulty in recruiting etc. Unions have recognized the necessity and collective agreements have been negotiated to

support. Restrictions apply that include such requirements as a cap on the number of temp hours, the right to permanent employment etc. Maintain status quo.

**Greater Right or Benefit** 

As we understand it, the Greater Right or Benefit provision allows that when the company provides a benefit to its employees that is greater than the minimums set out in the ESA, the minimums in the ESA do not apply.

However, the difficulty lies in identifying which benefit or right is used to come up with an acceptable comparison or "bundle of comparisons". Are we comparing apples to apples – paid to unpaid. What is needed is a guideline to understand how these bundles should be grouped together to determine a "greater right or benefit". Guidelines are necessary.

Pay Period

Maintain the status quo. It is up to the employer to determine what is best for its business and this should not be driven by ministry concern of ease of review.

In conclusion, we appreciate the opportunity to make this submission. We would be pleased to discuss further should that be of value.

Maple Leaf has participated in and supports both the "Keep Ontario Working – Changing Workplace Review" submission and the Canadian Manufacturers & Exporters (CME) submission.

Yours truly,

Brigid Lumholst-Smith

Vice President – Labour Relations

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**Human Resources**