



WORKERS' ACTION CENTRE

**The way we treat our most vulnerable citizens is the truest measure of our national character.
We must include all residents in shaping Canada's future.**

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WWW.WORKERSACTIONCENTRE.ORG

The Workers' Action Centre is a worker-based organization committed to improving the lives and working conditions of people in low-wage and unstable employment, predominantly low-waged immigrant workers and workers of colour in precarious jobs that face discrimination, violations of rights and no benefits in the workplace. The Centre works to ensure that workers have a voice at work and are treated with dignity and fairness. It provides a new way for people to join together to fight for fair employment. People who are directly affected by poor working conditions find leadership in the struggle for fairness and dignity at work.

Vulnerable Workers in Canada

More than 37 percent of workers in Canada work part-time, on contract, through temp agencies, or in self-employed situations. Many are juggling two or three jobs without employment benefits or workplace protection.

Work that used to be done in-house and that is considered “low-skilled” or labour intensive is now outsourced by companies. Employers hire people indirectly through intermediaries, such as nominal subcontractors, temporary employment agencies, and misclassify individuals as “independent contractors.” Employers explain these practices as necessary to improve flexibility in an increasingly globalized world. But workers' experiences show that outsourcing, indirect hiring, and misclassifying workers take place in sectors with distinctly local markets: restaurants, business services, construction, retail, warehousing, trucking, janitorial, home healthcare and manufacturing of goods consumed locally.

Labour laws and employment benefits are still based on a standard employment relationship developed after World War II. They do not address the new ways that employers are organizing work. Labour standards are not adequately funded and enforced, leaving many without protection in the workforce.

When workers lose their jobs, they will seek Employment Insurance program (EI) benefits. Over the last ten years, the federal government has weakened the program and made it harder to access benefits. People new to the labour force need 910 hours to qualify. This is a huge barrier for youth and newcomers. In Toronto, only one in four unemployed workers receives EI benefits. And workers who do receive EI struggle to survive on low benefit rates.



Deena Ladd

Deena Ladd is the Co-ordinator of the Workers' Action Centre. She has worked for the past 18 years to improve wages and working conditions for workers of colour, low-wage workers and immigrant workers, who are often the most marginalized and vulnerable. Before joining the Centre, Deena was an organizer with the International Ladies Garment Workers Union (now known as UNITE HERE) working with garment workers, home-based workers, and social service, retail and manufacturing workers. She has developed and taught courses, workshops and training sessions for rank and file unionized women, young workers and workers of colour for trade unions and federations. Deena serves on the advisory committees of several organizations including foundations addressing poverty and the Coalition for Change: Caregivers and Migrant Temporary Workers.

“Kalil quickly found a new job, this time driving a truck for a small company. Told he was an independent contractor making a flat rate of \$600 a week, Kalil got no benefits or overtime, vacation and public holiday pay, even though he was an employee. His work time quickly crept up to 50-55 hours a week. While his pay never went up, it did go down – pay was deducted when the truck was in the repair shop and over Christmas holiday when the plant shut down.”

– WAC. *Working on the Edge*. 2007.

In addition, more than 200,000 arrive in Canada as temporary workers each year. Temporary workers such as live-in caregivers, agricultural workers and those arriving through the “Low-Skill” Pilot are vulnerable to employment standards violations, unsafe working and housing conditions, and human rights abuses. Workers put up with these violations of their rights because they are in Canada on work permits that tie them to one employer, and don’t provide protection if they are sent back home for complaining about working conditions. Most will never have the possibility to apply for permanent residency status, despite years of work in Canada.

Policy Ideas for Fair Workplaces

1. **Improve Employment Insurance by standardizing qualifying hours and raising the amount and duration of benefits.**

Thousands of workers across Canada have lost jobs during the most recent economic recession. Workers should not be forced into further financial crisis when they lose their employment.

The hours needed to qualify for EI varies across the country, but workers should need only 360 hours to qualify in all regions of Canada. Many work part-time, contract or temporary jobs and find it hard to get enough hours to qualify for EI.

In addition, while the number of weeks that workers can receive EI benefits has increased to 50, the government should go further and ensure that when the unemployment rate goes above 6.5 percent, workers get an additional year of benefits.

Benefits should be increased to at least 60 percent of workers’ earnings. Benefits should be calculated on workers’ 12 best weeks of earnings within the previous 52 week period (not the last 26 weeks as in the existing system). When workers receive termination or severance pay, EI benefits should not be affected. The two-week waiting period should be eliminated.

Further Reading:

WAC. *Working on the Edge*. 2007.

2. **Protect Temporary Foreign Workers through increased worker protections, structural changes to the immigration program and an appeals process before deportation.**

Many Temporary Foreign Workers (TFW) are in Canada on work permits that tie them to one employer, and do not provide protection if they are sent back home for complaining about working conditions. Many TFW will never have the possibility to apply for permanent residency status, despite years of work in Canada.

Live-in Caregivers are often forced to put up with violations of their rights to meet the required 24 months they must work to be eligible to apply for permanent residence. Updating and enforcing employment standards and regulating recruitment practices are needed at the provincial level.

At the federal level, fundamental reforms to Temporary Foreign Worker programs and to Canadian immigration policy are needed to provide real protection for workers. All TFW should be granted permanent residency status upon arrival. TFW should not be tied to one employer or required to live in their employer's home, as is the case with live-in caregivers. In addition, TFW should be able to access Employment Insurance, health care, settlement services, social services and Workers Compensation benefits.

Employers can easily send workers home who speak out about violations at work. Workers need a fair appeal process to challenge repatriations, and should not face deportation until this process is in place.

Recommended Reading:

Proposed Amendments to Bill 210, An Act to protect foreign nationals employed as live-in caregivers and in other prescribed employment.
<http://www.workersactioncentre.org>

3. Update the Canadian Labour Code to create a national standard for workers and to create a federal minimum wage.

The federal government review of Canada Labour Code standards was reported three years ago by Professor Harry Arthurs in, *Fairness at Work: Federal Labour Standards for the 21st Century*. The Arthurs report recommends substantive changes to the Labour Code that include extending and improving protections for contract, agency, and other precariously-employed workers. The report also calls for improving compliance and effective enforcement of labour standards.

The government should move forward in implementing the report's recommendations. This would ensure effective access to minimum rights and standards for all workers under federal jurisdiction at least equal to the best standards at the provincial level. It would also reflect the norms established in collective agreements and international labour standards.

In addition, the federal government should reintroduce a federal minimum wage that would bring a single, full-time, full-year earner at least to the poverty line. Minimum wage should increase

annually with the cost of living. The new federal minimum wage should be applied to all federally regulated workers, and provinces should be encouraged to match the federal minimum wage.

Recommended Reading:

Harry Arthurs. (2006). *Fairness at Work: Federal Labour Standards for the 21st Century*.

WAC. Modernizing Part III of the Canada Labour Code. 2005.

www.workersactioncentre.org.



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