

SOCIAL PLANNING NETWORK OF ONTARIO



Deputation to Standing Committee of the Legislature on Bill 148, Fair
Workplaces, Better Jobs Act, 2017

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Introduction

The Social Planning Network of Ontario (SPNO) is an incorporated nonprofit organization with a membership of 20 local and regional social planning and community development councils across Ontario, each with its own extensive network of nonprofit and charitable community-based service agencies. The SPNO exists to build and support community capacity not only for purposes of sound community planning but also to develop and strengthen the range and quality of social services and supports to vulnerable populations in Ontario's communities.

Nonprofit Sector

More than one-quarter of all nonprofit organizations in Canada are located in Ontario, approximately 55,000, and they employ almost one million Ontarians, one in six of all employed Ontarians in 2003, the last time a comprehensive voluntary sector survey was conducted. The sector contributes an estimated \$50 billion annually to the Ontario economy and, most important, is the foundation of social infrastructure for human well-being in Ontario communities (Ontario Nonprofit Network July 2017).

The sectors revenue, approximately 50%, is primarily dependent on government grants and contribution agreements and the rest through private charitable funding support.

Non-Standard Employment in the Nonprofit Community Services Sector

Given that three-quarters of the sector's productive capacity is its human resource, community agencies are driven to manage their workforces in ways that reduce job security and stability and increase precarity. Employment in the nonprofit sector is characterized by low wages, no or few benefits, short-term contracts, job insecurity, temporary and part-time status in the workforce. Before precarity became a term describing working conditions throughout the economy, the nonprofit sector was the canary in the coal mine in the push for low wages and precarious work.

41% of nonprofit work in Ontario is part-time, compared to about 20% in the general workforce is part-time (28% part-time permanent and 13% part-time contract) (McIsaac, Park and Toupin, 2011, p. 15).

Workers in the nonprofit community services sector have not escaped the trend toward use of temporary employment agencies.

Nonprofit employees in part-time and contract positions are much less often covered by health and retirement benefits than permanent full-time workers.

Women make up most of precarious employment in the nonprofit sector (85% of nonprofit workforce compared to 48% of general workforce) (McIsaac et al., 2013, p. 16).

There is growing concern among nonprofit sector leadership about not only the human cost of entrenched precarious employment on their workers but also the social cost in terms of the quality of service delivered to their clients and communities. Sector leaders are concerned that working conditions affect their capacity to attract and retain workers with the skills and leadership capabilities needed in the future.

SPNO's Position on Bill 148

- Important and timely reforms for all work in our province that begin to embrace the ethical concept of decent work (Social Planning Network of Ontario, September 2015).
- Recognize in legislation that the nonprofit sector is subject to the concept of 'fissuring' which is a process where a lead company, in our case government, offloads responsibility for employment standards by outsourcing service provision, to many smaller nonprofit workplaces. This allows government to maintain control over service quality and delivery standards without having the responsibility for workers. Government continues to regulate or rigorously supervise the nonprofit sector, while absolving itself as funder/contractor from responsibility for working conditions. Most important provincial and municipal funding streams place arbitrary limits on administrative costs (i.e. professional development) and /or do not cover legitimate staffing costs, such as non-statutory pension contributions and employee benefits. (Ontario Nonprofit Network, July 11, 2017).
- Support previous deputations on raising the minimum wage to \$15/hr immediately in 2017. Economic growth and prosperity in a vibrant democracy and wealth country should not be dependent upon full time full year employment wages ensuring life in poverty. Wages influence human dignity. Employment and income adequacy are two critical social determinants of health that "have a far greater impact on whether we will be ill or well"

than health care. (Martin and Meili, 2015; Lightman, Mitchell, and Wilson, 2008). (See Living Wage Halton for videos: *Being Poor in Halton* and *Working on the Edge*).

- Remove exclusions of worker classes under the ESA and assume all workers are “employees” unless employer can prove that they are “independent contractors’ or “dependant contractors” (ISARC brief, pp. 5-6).
- Approve enhanced enforcement of ESA regulations on temp agencies and urge that additional inspectors be hired and deployed in an efficient and timely manner. Strengthen the regulation of temporary help and employment agencies in the following ways:
 - >> *Ensure that temp agency workers receive the same wages, benefits, and working conditions as workers doing comparable work that are hired directly by the client company.*
 - >> *Make client companies of temp agencies responsible for all rights under the ESA, not just wages, overtime, and public holiday pay.*
 - >> *Eliminate barriers to client companies hiring temp agency workers directly during the first six months.*
 - >> *Prohibit long-term temporary assignments. Require that agency workers become directly-hired employees after working a cumulative total of six months for the client company. Limit temporary staffing to 20 percent of a company’s workforce* (Gellatly and Sohn, 2014, p. 4).
- Support equal pay for work of equal value for part-time and temporary employees doing comparable work to full-time permanent employees and support strict inspection and enforcement against employers making minor and insignificant job descriptions to maintain inequities. Employee benefits should be pro-rated to hours worked so that part-time workers are not denied some degree of benefit coverage and protection.
- Support three weeks’ vacation pay for all employees after the first year of service. Nonprofit community service work is highly demanding and stressful. Adequate annual restorative and recuperative time is important not only for employees but also for the people to whom they provide service while on the job.
- Support the reduction of barriers to unionization for workers in the nonprofit sector through card-based certification.

Conclusion

- General and important legislation on fair workplaces and better jobs will positively affect the working conditions in the nonprofit community services sector. However, the role of

Government as funder and regulator of the sector creates a unique and different situation that demands changes in Government practice to allow for the creation of fair and decent jobs in the sector. In terms of a non-legislative commitment, SPNO recommends that the Minister of Labour convene and join a table of representatives from the nonprofit community services sector and the funding sector to support and promote decent employment in community services with a special focus on a human resource development strategy to help the sector attract younger workers wishing to join their career paths with the social missions of community services organizations.