



Feb. 3, 2010

Hon. Dwight Duncan
Minister of Finance,
c/o Budget Secretariat,
Frost Building North, 3rd Floor,
95 Grosvenor Street,
Toronto, ON
M7A 1Z1

Re: Pre-budget consultations 2010

Dear Mr. Duncan,

We are writing to submit proposals for the pre-budget consultations for 2010. In these times of economic uncertainty, the Ontario government must take leadership to support precarious workers. Ontario workers in low-wage and precarious work are already working on the edge and the impacts of the recession have been devastating. Working long hours at two or more low-wage jobs with no benefits or protection against violations of basic labour standards, working families cannot tighten their belts any further.

Deregulation of our labour laws are enabling employers to push more and more jobs beyond the reach of regulation into low wage substandard work. As manufacturing plants close, temporary, low-paid and part-time jobs are springing up in communities across Ontario. A job should be a pathway from poverty - but outdated laws that are not enforced are not keeping step with the realities of our economy today.

Central to rebuilding our economy is the establishment and enforcement of a basic floor of employment standards that will raise those who work out of poverty.

A key priority for the government must therefore be to improve enforcement of minimum employment standards in Ontario workplaces and to update employment standards to protect people in precarious work.

There are over 350,000 workplaces in Ontario, employing almost 6 million workers who rely on employment standards. There are simply not enough Employment Standards officers to go out to workplaces and enforce employment standards within this massive workforce. There is less than a 1 per cent chance that an inspector will ever walk into an Ontario workplace to make sure an employer is following the law.

The provincial government recognizes this is a problem. As part of its poverty reduction strategy, the Ontario government promised in December 2008 to invest \$10 million annually to hire about 100 new employment standards officers.

However, the March 2009 budget only saw \$4.5 million devoted to this commitment. Unfortunately, this was the worst possible time to back away from this promise. With the pressures of an economic downturn, many vulnerable workers are thinking twice about quitting a bad job, leaving them at the mercy of employers who may be inclined to break the rules to weather the storm. Ontario must set a higher standard than that for those who are trying to get ahead. A modest investment of \$10 million in this month's budget will pay big dividends in the short and long term.

To follow through on its commitment to workers to address the enforcement of basic labour standards through its poverty reduction strategy, the Ontario government should:

- 1) Invest the promised \$10 million annually to hire new officers to conduct proactive inspections. Commit to a four year plan to increase staffing to inspect a target of at least 10% of Ontario workplaces.**
- 2) Commit resources to improve enforcement by extending investigations of a substantiated claim to cover all employees of the same employer to determine whether additional violations have taken place**
- 3) Improve employer compliance and collection of unpaid wages by prosecuting employers with repeat violations or non-payment of orders and increasing fines in all cases of confirmed violations of the Act.**
- 4) Expand employment standards to protect people in precarious work.**

The government has taken a first step through introducing new protection for temp agency workers through the passing of Bill 139. However, the government must invest sufficient resources for enforcement to ensure these new protections have an impact in temp workers daily lives. We must also see a commitment to update the ESA to protect all workers in precarious jobs.

Many of these changes do not require major financial investment. What these changes do require is a recognition by government that many workers are no longer working in full-time permanent jobs and that we need a strategy to protect precarious workers – now more than ever.

We look forward to discussing these proposals with you and will be contacting your office to set up a meeting.

Sincerely,

Karen Dick
Workers' Action Centre