



# FASTFACTS



Canadian Centre for Policy Alternatives-Mb • 309-323 Portage Ave. • Winnipeg, MB • Canada R3B 2C1  
 ph: (204) 927-3200 • fax: (204) 927-3201 • ccpamb@policyalternatives.ca • www.policyalternatives.ca/mb

November 10, 2005

## THE EMPLOYMENT STANDARDS ACT Improving Conditions for Low-Wage Workers

**B**uried deep within the 2005 Manitoba Speech From the Throne is the promise to “modernize Manitoba’s Employment Standards Code” during the fall legislative session. While it is good to see that the Doer government finally plans to attend to this long neglected issue, their track record leaves cause for concern.

When the first Gary Doer- led NDP government was elected in 1999, it was widely expected that there would be quick attention to issues of concern to Manitoba workers.

There have been some useful initiatives, including a partial reversal of regressive changes to labour laws made by Tory governments, improvements in workers’ compensation and health and safety legislation and the establishment of a tripartite committee to review and propose changes to the *Construction Industry Wages Act*.

In general, however, the record is a sorry one.

In the case of the more than 25% of Manitoba workers (some 135,000 workers in 2004) in low-wage jobs, most of whom are dependent on employment standards legislation for benefits and rights, the record is appalling, shameful.

### The Case for Reform of Employment Standards

Employment standards legislation in Manitoba was last changed in a major way under a NDP government in the 1970s. In the decades since then, there have been significant changes in labour markets and workplaces. In particular more and more of the low-paid workers in our economy are in non-standard forms of employment, much of it contingent or precarious as is true of many part-time jobs and temporary and casual jobs. As well, many thousands of workers are either working in their homes (tele-work, computer work, garment work, etc.) or employed as independent contractors for private-sector firms. The vast majority of these workers are not in unions and many of them aren’t even protected by employment standards legislation because of exclusionary provisions in the Act.

Concern about the plight of these workers has always been a priority for rank-and-file NDP members. At every NDP convention since 1999, resolutions have been put forward calling for a comprehensive review of employment standards. There is a clear desire for substantial increases in the minimum wage, and prorated benefits for part-time workers and other workers in non-standard jobs. There is also a clear desire for extension of the coverage of employment standards and other labour laws, such as health and safety and workers’



## Canadian Centre for Policy Alternatives-MB

compensation, to all paid workers in Manitoba. This would include workers in agriculture (large farms, hog barns, feed lots), horticultural enterprises in urban and rural areas, domestic workers, independent contractors and commission salespersons.

These resolutions have received unanimous or close to unanimous support from convention delegates.

### **Doer Government Ought to Listen to Workers**

There have been two important reports published in the last two years arguing that the government should pay close attention to when considering changes to the Act.

In 2003, the Workers' Organizing Resource Centre (WORC) published a report titled, *Fairness for Whom? A WORC Report On Manitoba Employment Standards Legislation*. This report is based on an analysis of intake records of individuals seeking the assistance of WORC to help them deal with employment problems.

The WORC study provides a serious indictment of the current Act in Manitoba. It documents the many ways in which workers have been mis-treated by some employers and identifies how serious gaps in the existing Act allow this to happen. WORC also notes that there are serious limitations to enforcement because of short staffing and the failure to treat employee concerns seriously. This latter issue has also been raised by many people active in the labour movement who have pointed out that a lot of workers with legitimate claims simply give up because of service failures.

The Just Income Coalition added to our understanding of just how serious the situation is with a report, *Paid to be Poor*, which is based on public hearings conducted in Winnipeg, Brandon and Thompson in May 2005. Much of the documentation in the report comes from first-hand testimonials from individuals who have been short-changed by the current laws.

### **Workers Want A Say In How The Act Is Changed**

The Throne Speech promise to "modernize" the *Employment Standards Act* is a good first step. But workers want to have a say in how the Act is changed.

In December 2004, the federal government established a House of Commons Labour Standards Review Commission to conduct a comprehensive review of employment standards in federal jurisdiction. As part of the review process, the Commission is holding public hearings across the country and was in Winnipeg in September.

Given that employment standards in this province have not changed appreciably since the 1970s and given the dramatic changes in our labour markets and workplaces, we should adopt the same approach to this issue as the federal government.

More specifically, we should create a two-person, gender-balanced Commission to hold hearings in all corners of the province. They should have sufficient resources to undertake whatever additional research they require to prepare a comprehensive report detailing what we need to do as a province to, in the words of the Law Commission of Canada, "promote the well-being of all workers and thereby contribute to the productivity and prosperity of the [province]."

- Errol Black and Shauna MacKinnon

*Errol Black is a retired professor of Economics at Brandon University and a board member of the Canadian Centre for Policy Alternatives - Manitoba. Shauna MacKinnon is the Director of the CCPA-Manitoba.*

## CCPA-MB FAST FACTS

The *Fast Facts* are produced and distributed free via e-mail. They can be reproduced as an OpEd or opinion piece without obtaining further permission, provided they are not edited, and full credit is given to both the author and the source, CCPA-MB. Please contact the CCPA-MB today to begin your free subscription.

Canadian Centre for Policy Alternatives-MB

309-323 Portage Avenue

Winnipeg, MB

Canada R3B 2C1

ph: (204) 927-3200 fax: (204) 927-3201

ccpamb@policyalternatives.ca

www.policyalternatives.ca

CAW 567  
OTTAWA