



POVERTY AND
EMPLOYMENT PRECARITY
IN SOUTHERN ONTARIO

Precarious Employment Policy Options Roundtable

May 26, 2014



It's More than Poverty

Employment Precarity
and Household Well-being

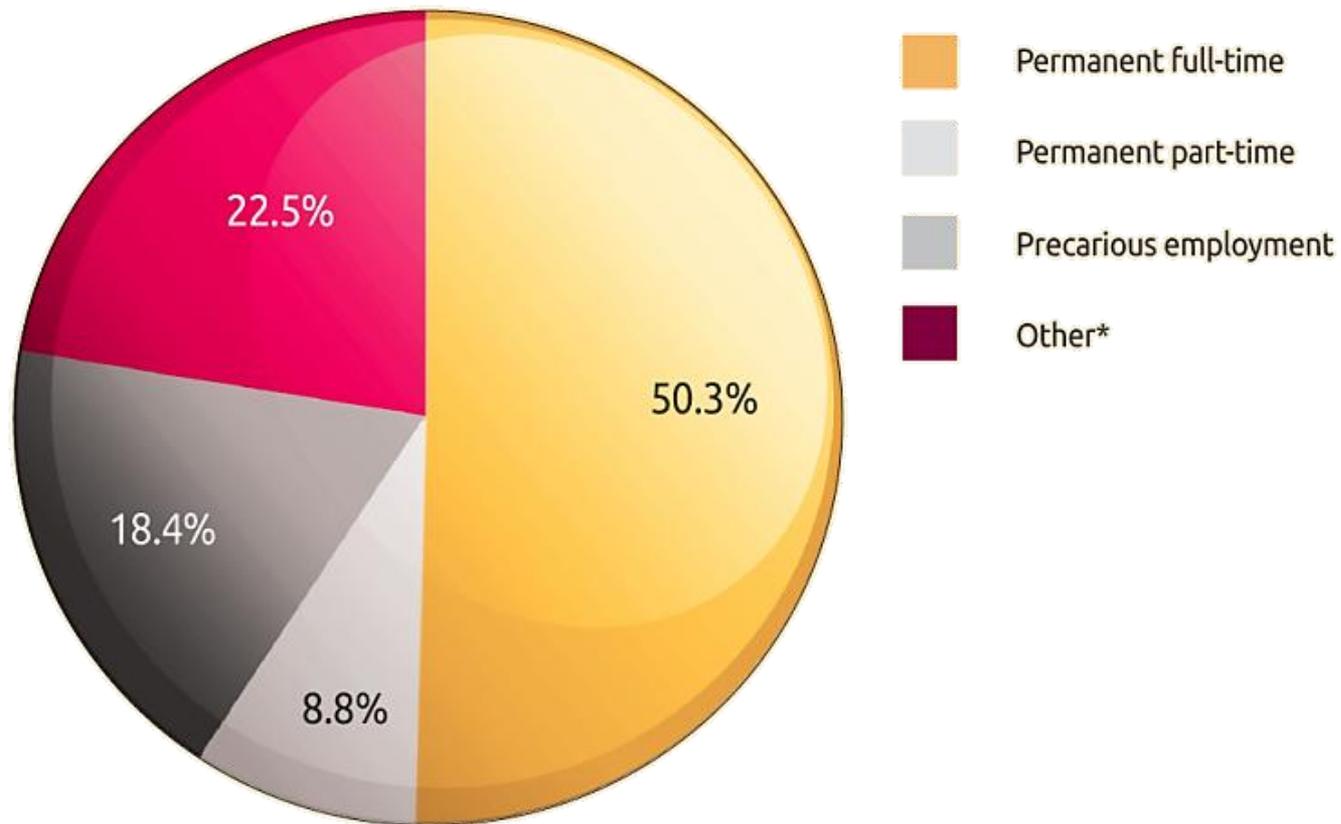


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Only 60% of GTA workers 25-65 have secure jobs

Figure 1: Employment categories in the GTA-Hamilton Region, 2011



How we define precarious employment: The Employment Precarity Index

What is included?

1. Not paid if miss work
2. Not in standard employment relationship
3. Weekly income not stable
4. Hours worked not stable
5. Work on-call
6. Don't know work schedule in advance
7. Paid in cash
8. Temporary employment
9. No benefits
10. Weak voice at work

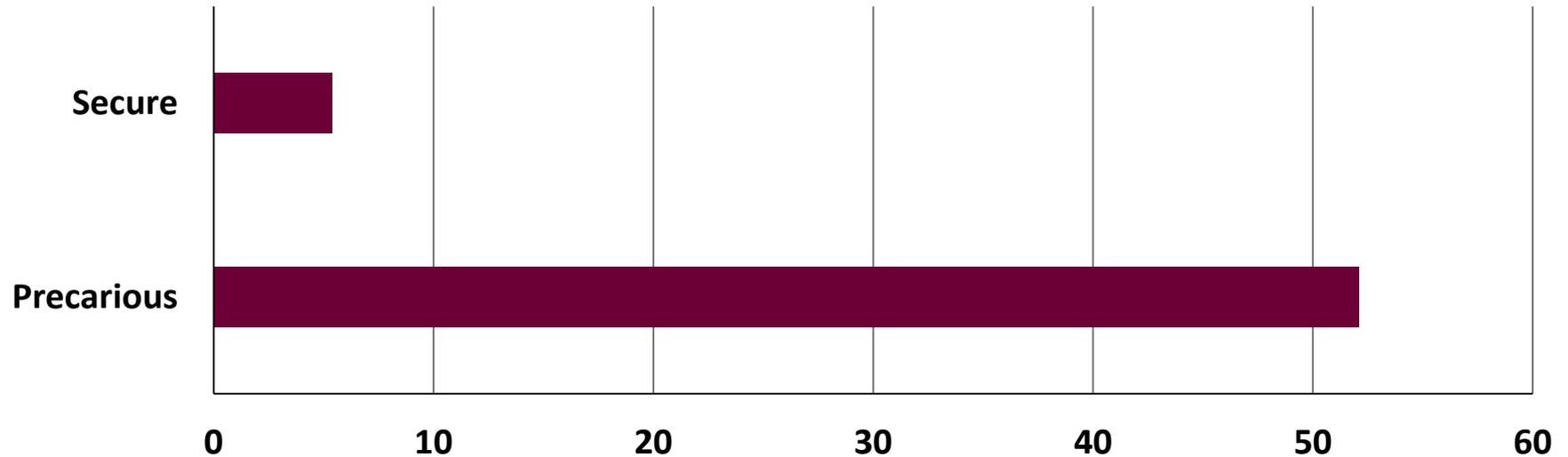
What is not included?

1. Income



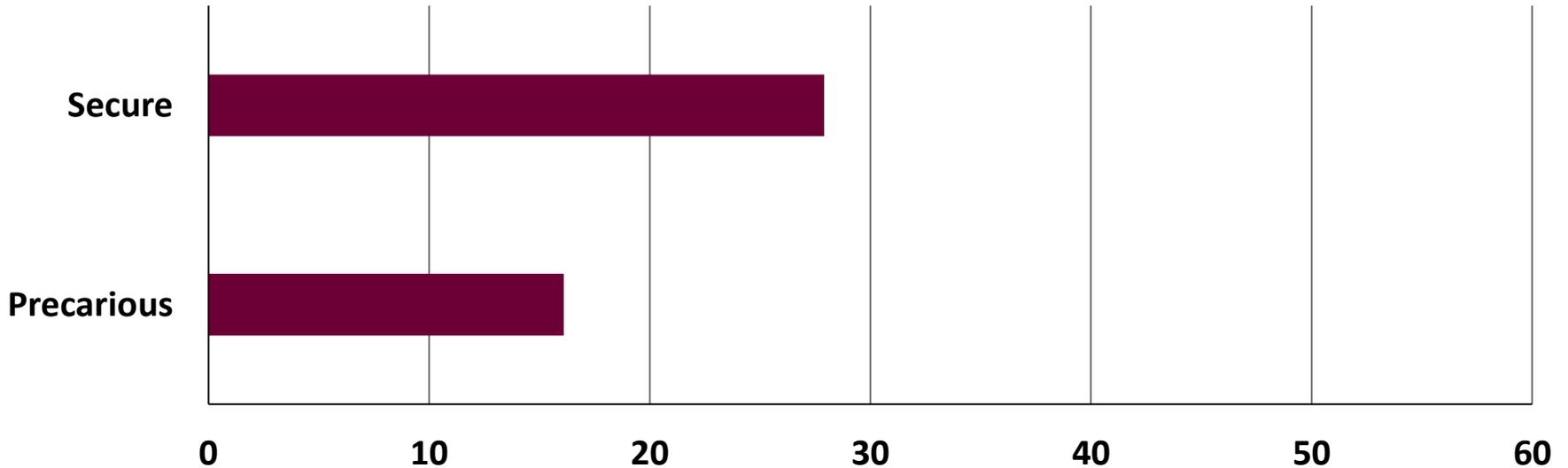
Not everyone who is low paid is precariously employed

Individuals earning less than \$40,000



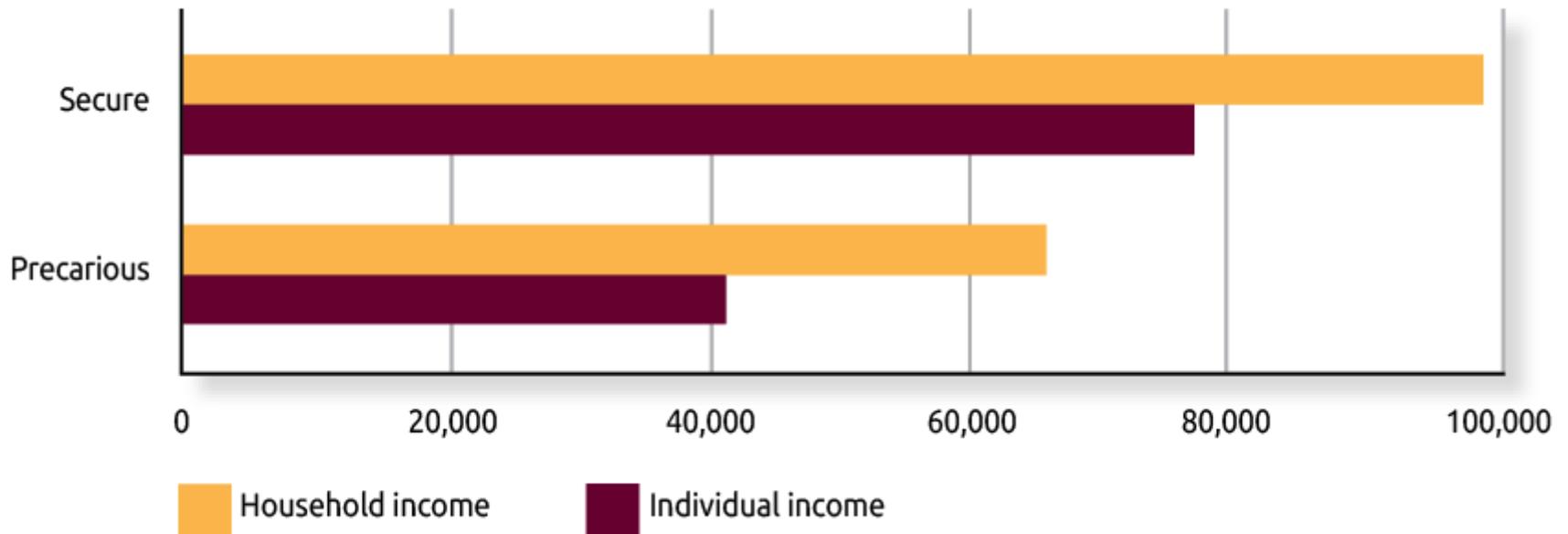
And many middle income earners are also precariously employed

Individuals earning \$40,000-\$80,000



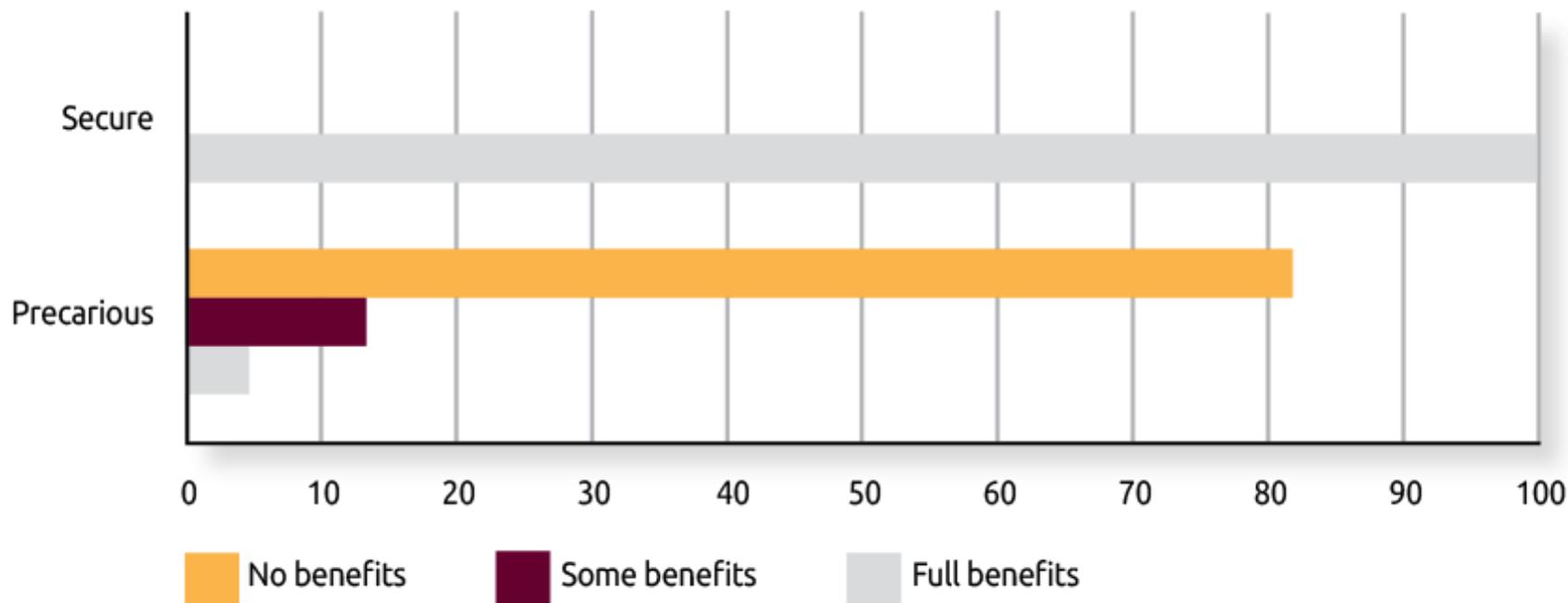
Workers in precarious employment earn less and live in lower income households

Figure 17: Average individual and household income (\$)



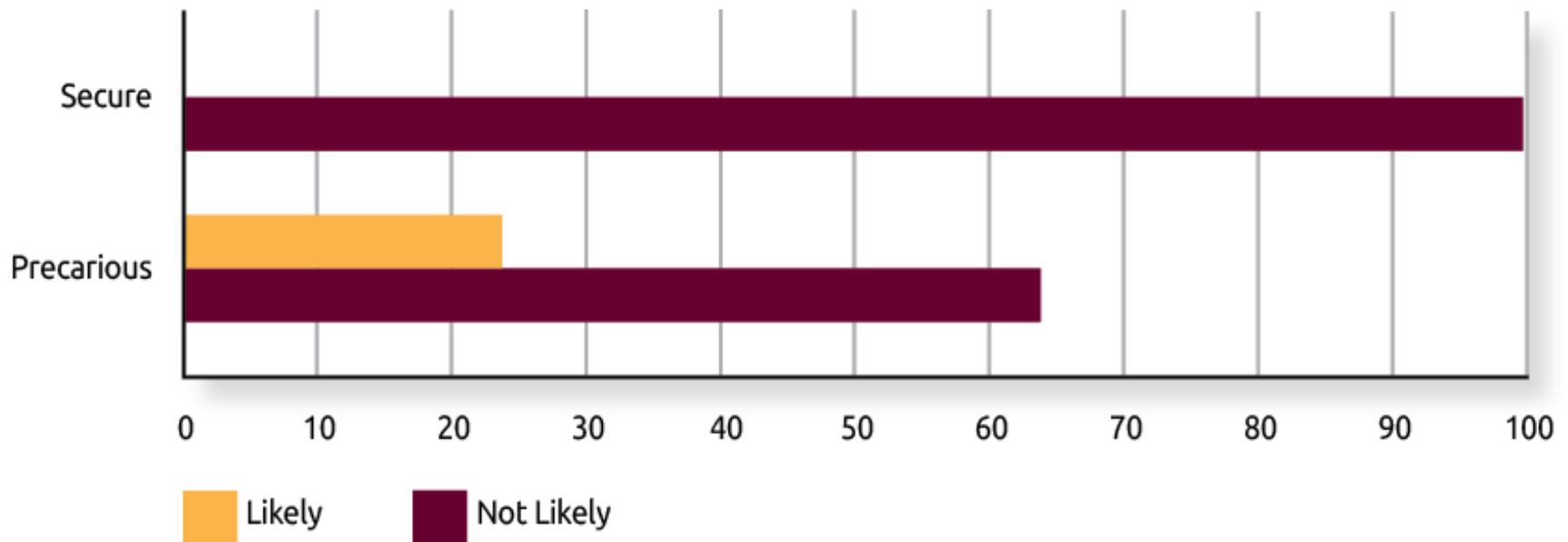
Workers in precarious employment unlikely to receive benefits

Figure 20: Employment benefit entitlements – vision, dental, drugs, life insurance, pension (% of each cluster)



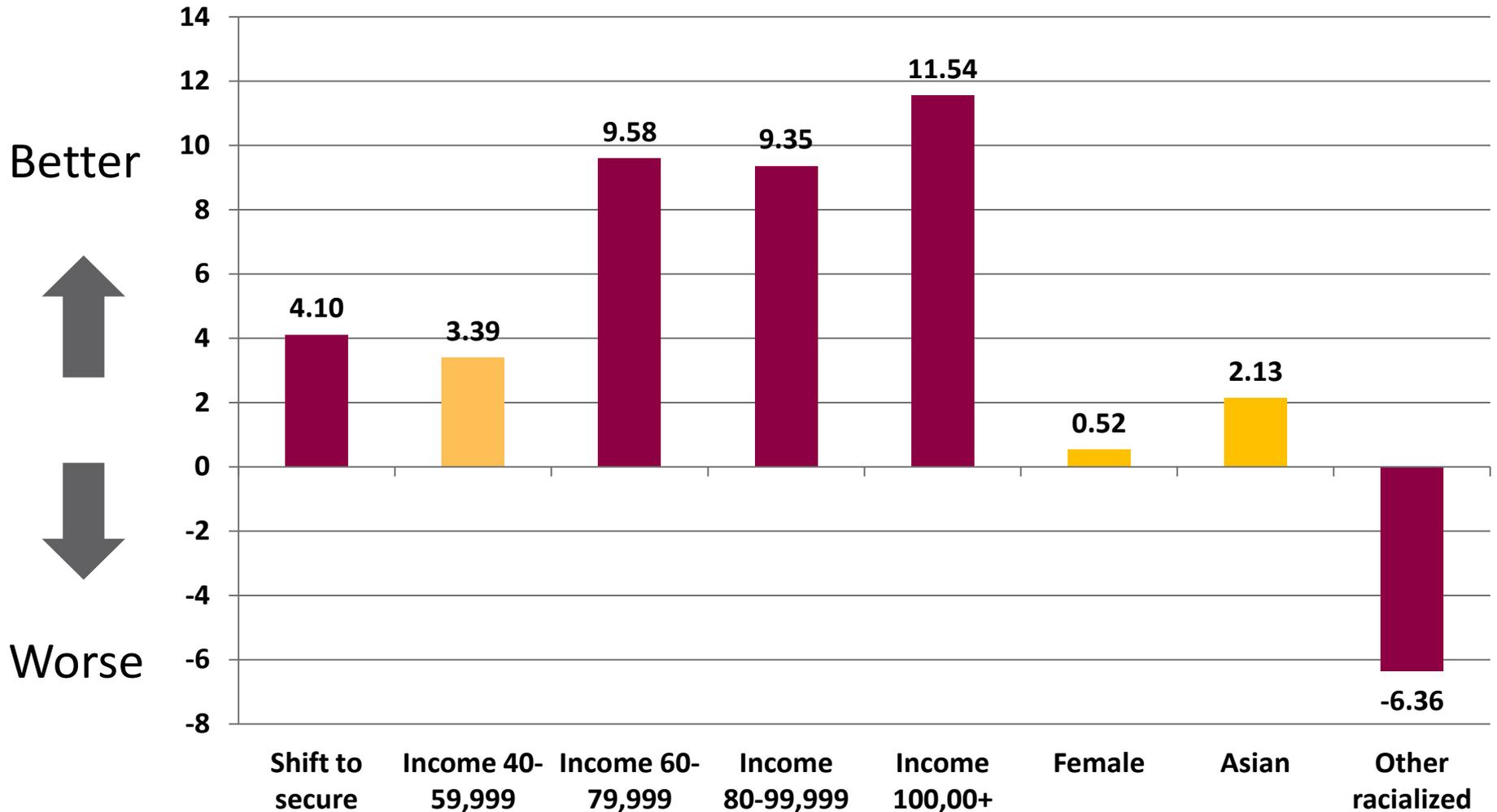
Workers in precarious employment reluctant to assert employment rights

Figure 27: Raising employment rights might negatively affect employment (% of each cluster)



What are the social effects of precarious employment?

Impact of income and precarity on child wellbeing

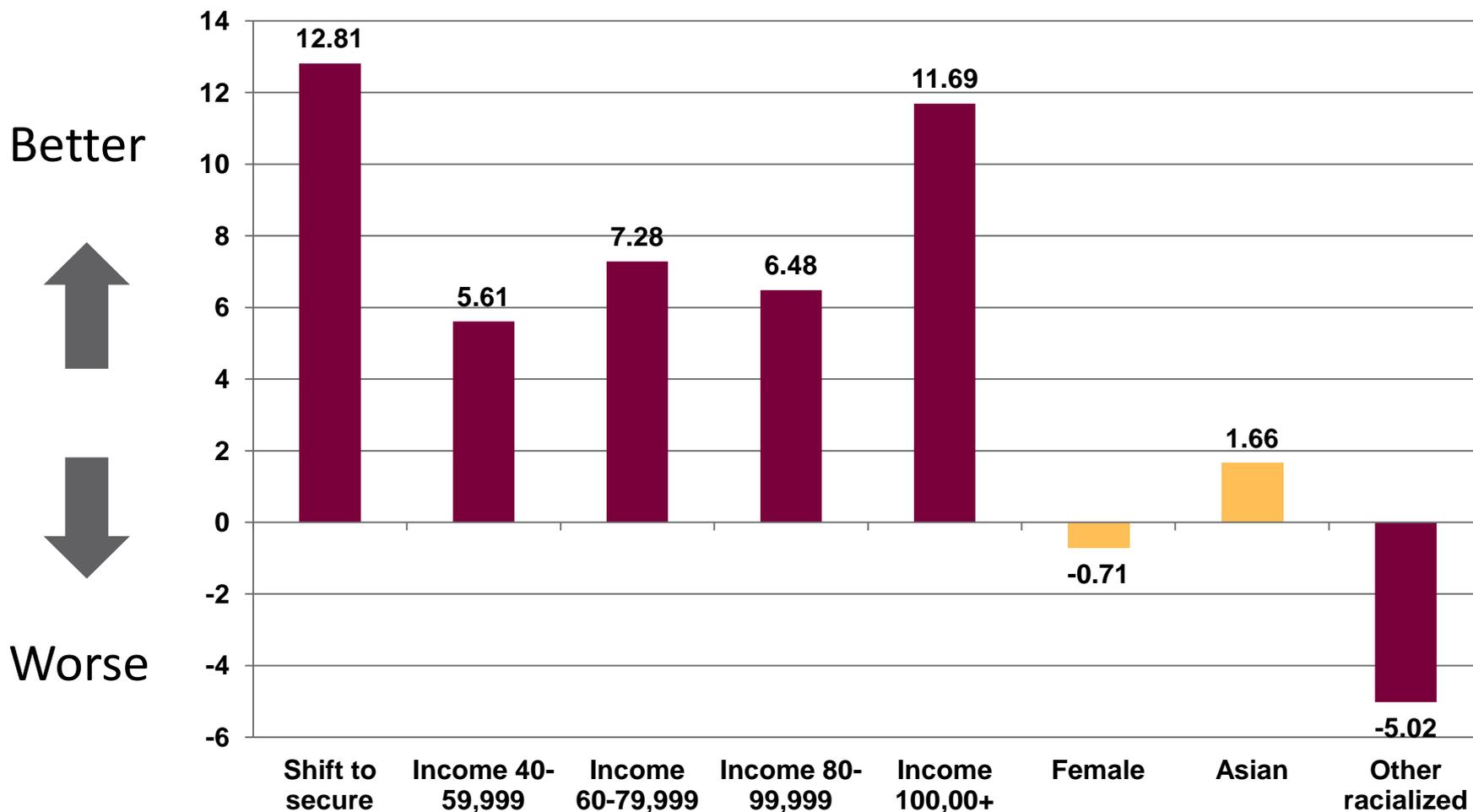


* Providing for children includes: buying school supplies; paying for school trips; pay for other activities; volunteering at school meetings; volunteering other activities for children.

Relative to white male in precarious employment earning less than \$39,999. Mean sample score 74.7.

Maroon bars significant at the 5% level.

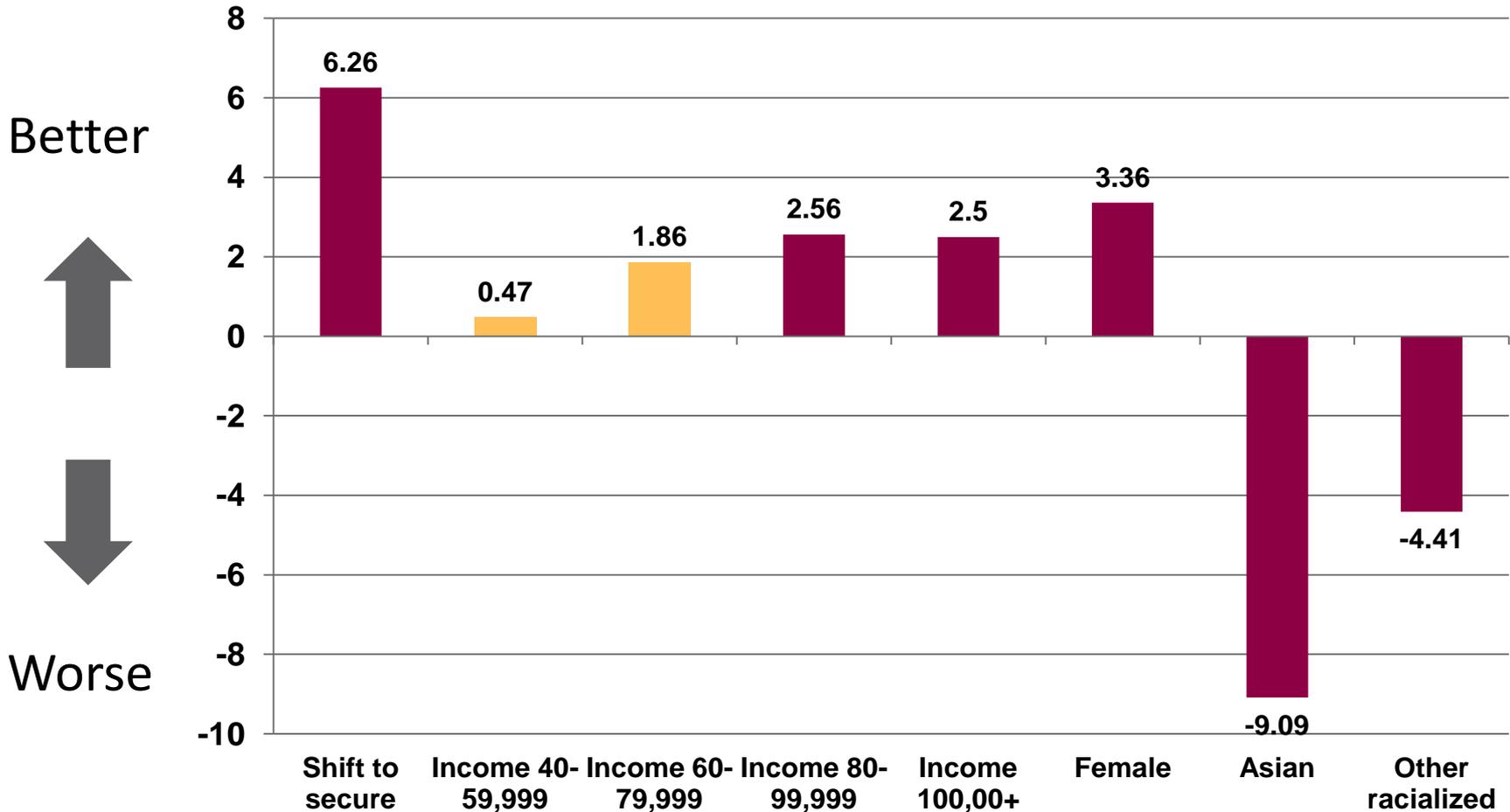
Impact of income and precarity on household wellbeing



* Household wellbeing includes: making ends meet; paying for food; low anxiety at home; able to fulfill household tasks

Relative to white male in precarious employment earning less than \$39,999. Mean sample score 69.8.
Maroon bars significant at the 5% level.

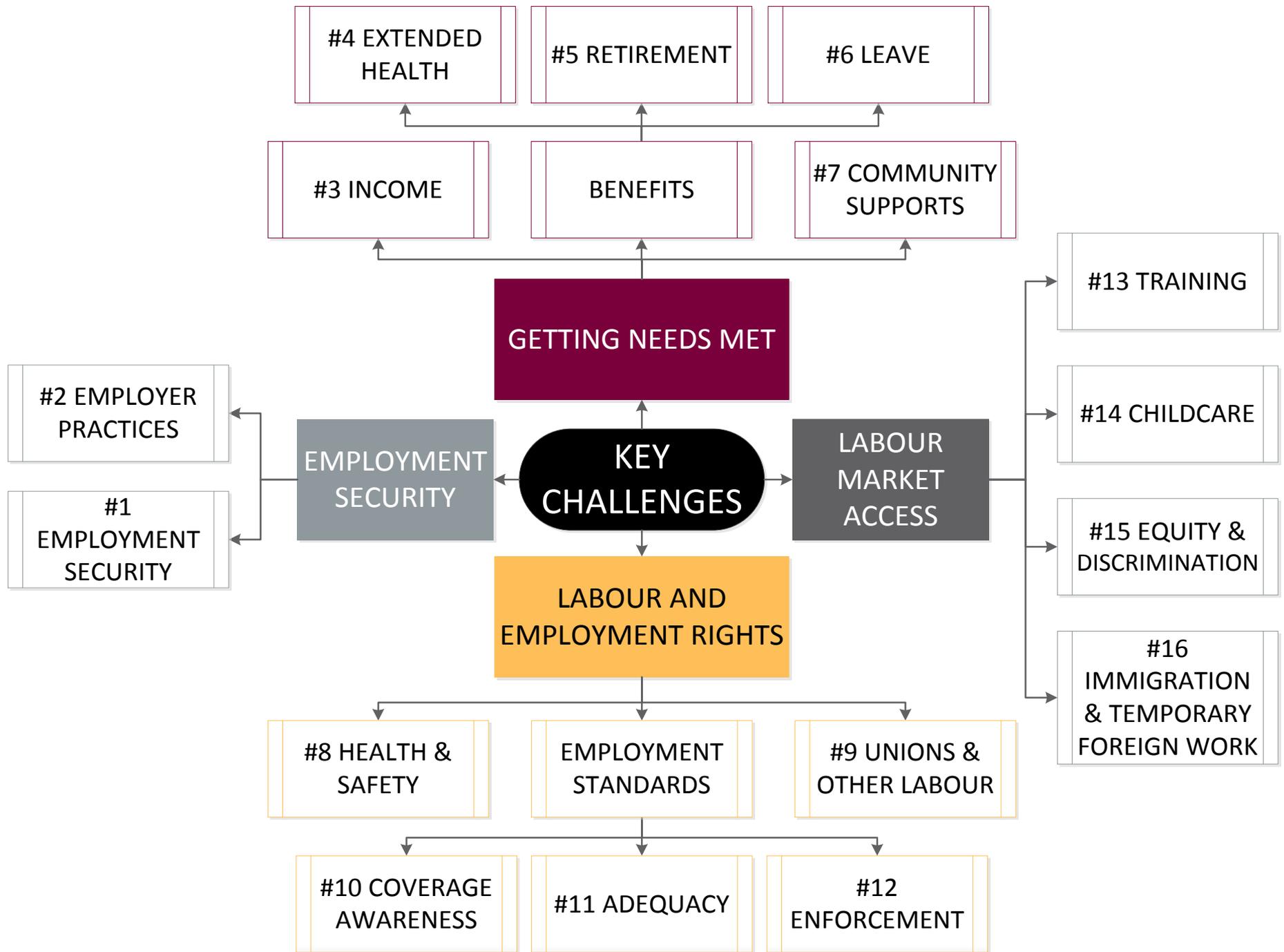
Impact of income and precarity on community engagement



*** Being engaged in your community includes: strong sense of belonging to community; have friend to talk to; friend to help with small jobs; someone to have a meal with; work schedule prevents doing things with friends.**

Relative to white male in precarious employment earning less than \$39,999. Mean sample score 71.9.

Maroon bars significant at the 5% level.





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Discussion questions

- Which policy options in this paper could have the most impact on the lives of those in precarious employment?
- Which policy options in this paper can we realistically move forward on, given the current political, economic, and social climates?
 - Who are the **change agents** that should be involved with these policy options: PEPSO, government, private sector, labour, and/or the community sector? Why?
 - What are the biggest **barriers** to making change in this area? (e.g. funding, political will, etc.) How do we meet or overcome these barriers?
- Which policy options are missing from this paper, but require attention?

Report back:

1a. Employment Security

- Policy options that would have the greatest impact:
 - Flexicurity, (though group did not focus on this in the end)
 - Procurement
 - Community Benefits Agreements, (which are currently in use)
- Policy options that are the most realistic:
 - Regulation – Bill 146 in legislature regarding temporary agencies
- Missing options:
 - Awareness campaign
 - Business case for negative impacts for businesses
 - The importance of government as an employer

Report back: 2a. Employer Practices

- Overall Response:
 - Need a clear understanding of what the path to permanent employment looks like
 - The role of legislation was not agreed upon – what is the role of government?
- Policy options that would have the greatest impact and/ or are the most realistic:
 - Collaborative approaches
 - Building employer awareness, understanding, and education
 - More professional development for employers and employees
 - Leadership development
 - Focus on moderate cost and big benefit
- Key Change Agents:
 - United Ways, Businesses in a peer to peer environment, social change organizations
- Barriers:
 - Cost of severance pay
- Missing options:
 - Mental health supports for those living with those in precarious employment, community based supports

Report back: 3a. Income

- Overall Response:
 - Wages generally need to be higher and more coherent, but overall the existence and need for precarious work has to be questioned
 - The option of precarity pay was rejected as it accepts/endorsees the status quo
- Policy options that would have the greatest impact:
 - Income security policies such as minimum wage, social assistance, WITB, basic annual income
- Policy options that are the most realistic:
 - Minimum wage
 - WITB
- Key Change Agents:
 - Everyone needs to be involved, including PEPSO, labour, and others
- Barriers:
 - The neo-liberal framework that is underlying the conversation and eroding trust
- Missing options:
 - Coherence of all policies working together was missing. For example, minimum wage can't be looked at in isolation

Report back: 4a. Community Supports

- Policy options that would have the greatest impact and/ or are the most realistic:
 - An improvement in knowledge of existing programs. An example was given of Welcome Centres in the 905.
 - Increased engagement with those who are impacted
 - Better financial literacy in schools
 - Stable funding for community organizations
 - Canada Learning Bond for post-secondary education
 - Security for things like housing and transit, as these are crucial for jobs
- Key Change Agents:
 - Businesses, including small and medium enterprises, big businesses and chambers of commerce
 - Government should lead in cases of stable funding, but Conference Board of Canada and Chambers of Commerce should also be involved

Report back: 5a. Immigrants & Temporary Foreign Workers

- Policy options that would have the greatest impact and/ or are most realistic
 - Refocusing on immigration policy to focus more on permanent immigration (family reunification, refugees)
 - Developing more opportunities for “low-skilled” individuals to come into Canada
 - Keeping immigration and labour market issues analytically distinct
 - Increasing pathways to citizenship
 - Introducing provincial equity employment legislation and expanding employment standards legislation to everyone
 - Enhancing bridging programs and credential recognition
 - Regularizing status for people without regular status
 - Using the tax system to hire historically under-represented groups
 - Better quality data
- Key Change Agents:
 - HR and their role in hiring decisions
- Missing options:
 - Policy coherence – linking to other areas

Report back: 6a. Employment Standards Enforcement

- Policy options that would have the greatest impact and/ or are the most realistic:
 - A deterrence model might be more effective than an enforcement process that relies on compliance. This overall model name is important.
 - Detection
 - Enforcement on joint liability
 - More penalties on employers (both monetary penalties and through public shaming)
 - Resources for enforcement
 - Extended pro-active enforcement
 - Overall model name is important in this sense
- Key Change Agents:
 - United Ways – engaging member agencies, pushing government for data and information

Report back: 7a. Health & Retirement Benefits

- Overall Response:
 - Both are equally important: they have similar delivery mechanisms, precarity is central to this conversation, and in both cases, collecting stats and stories is important
 - If one area had to be the focus, there is wider impact with health, but we are further down the road with pension
 - Retirement security is not adequate
- Policy options that would have the greatest impact and/ or are the most realistic:
 - Health
 - Extended health benefits are needed, and we can look to other countries for models
 - Providing extended health benefits through the public system
- Key Change agents:
 - Government needs to strengthen retirement, but employers need to take part
- Barriers:
 - Access
 - Welfare wall
 - Jurisdictional challenges
 - Not easy – this is a large area to tackle

Report back: 8a. Training

- Overall Response:
- Policy options that would have the greatest impact and/or are the most realistic:
 - More investment in training
 - Make workforce and training one system
 - Re-position system to support workers, instead of subjects
 - Apprenticeship, building trades – what’s replicable, what’s scalable
- Key Change Agents:
 - Make changes through ESA
- Barriers:
 - Worker lens needed (system doesn’t work for those self-employed)
 - Better evaluation – more than numbers needed
 - Current system is fragmented
- Missing options:
 - Need more flexibility in system, one stop access points to gain more access to info

Report back: 1b. Employment Security

- Overall Response:
 - Presumptions and principles were questioned
 - There need to be wider labour market strategies, not just a focus on security
 - There needs to be a focus on demand for labour/ supply of jobs
- Policy options that would have the greatest impact and/ or are the most realistic:
 - Focus on resilience while reacting to changed labour market
 - Community Benefit Agreements and procurement policies
 - These have the potential to provide local employment; they use money in local ways; they are achievable; and there is interest at city, provincial, and federal levels
- Barriers:
 - Unintended consequences of policies. For example, developing a 6 month time limit for jobs to become permanent or to change could lead to contracts being cut off at 5 months

Report back: 2b. Employer Practices

- Policy options that would have the greatest impact and/ or are the most realistic:
 - There first needs to be a decision made by employers based on interest of addressing the issue
 - Strategies such as:
 - Incentives
 - Deterrents
 - Consumer activism
- Key Change Agents:
 - Employers

Report back: 3b. Income

- Policy options that would have the greatest impact:
 - Minimum wage
 - WITB
 - Child benefit
 - Basic income
- Policy options that are the most realistic:
 - Minimum wage could continue to be worked on
 - WITB at the federal level
- Key Change Agents:
 - Opportunity for collaboration between employers and governments
 - Employers and PEPSO could work on reframing the conversation. This could get employers not just to focus on costs, but to tell the story of the benefits
- Barriers:
 - Costs, or perception of costs. But this is also an opportunity in terms of retelling the story
 - Understanding pain points from employers point of view

Report back: 4b. Community Supports

- Overall Response:
 - Policies need to be linked, and they need to involve the community in the discussions whenever possible
- Policy options that would have the greatest impact and/ or are the most realistic:
 - Housing stability, affordability
 - Transit, low income identification of needs
 - Recreation
 - Spatially equitable city, resilient and connected communities
- Key Change Agents:
 - Local authorities have an important convening role in bringing groups together for discussion
 - Government's perspective is also important
- Barriers:
 - Some hesitance about how place-based approaches are used – this can change the conversation
 - Currently, it's costly, reframing "cost" is important
- Missing options:
 - Policy reframing – designing policy with a precarity lens may have unintended outcomes



Report back: 5b. Immigrants & Temporary Foreign Workers

- Overall Response:
 - It is important to have a systemic perspective for conditions for immigration and the TFW program
 - For example, how does labour market policy, immigration policy and the role of the TFW program work together?
 - However, it is also important to keep eyes on the micro level at the same time
- Policy options that would have the greatest impact and/ or are the most realistic:
 - Focus on permanent rather than temporary immigration
 - Engaging employers in discussions more often, especially connected to HR practices
 - Figuring out ways to make HR practices more closely linked to regulatory frameworks
- Key Change Agents:
 - Municipal governments, since their role in access to services is important
 - Employers
- Barriers:
 - Feasibility of focus on permanent rather than temporary immigration in current environment
 - People may be in one or the other category, but support needed for both
- Missing options:
 - Best practices like an employer recruitment registry, which could be applied and enforced in Ontario

Report back: 6b. Employment Standards Adequacy & Coverage

- Overall Response:
 - Have to consider how to deal with changes by employers, misclassification or employers trying to go around ESA
 - Awareness is important, but voice and capacity to enforce is important
- Policy options that would have the greatest impact and/ or are the most realistic:
 - Instead of adequacy, have to look at norms and what we as a society want to see – decency and good jobs: 1) shift control over work time to workers, 2) temp to permanent 3) benefits across the ways in which people work
 - Priority area should be to support people in precarious work, but we should not look at this piecemeal. Instead, we should include coverage of all precarious work and should use the most expansive definition such as the health and safety notion
 - Deal with the way that employer functions are being split between different employers – joint and several liability
 - Workers should get the same pay and working conditions
 - Parity in the ESA, including the differences between part-time, casual, etc. – workers should not bear the cost of those different forms, employers should.
 - Workers should not be exempted in the ESA.



Report back: 7b. Unions & Other Labour Groups

- Overall:
 - Unions forming temp agencies is problematic
- Policy options that would have the greatest impact and/ or are the most realistic:
 - In terms of the organizing process, making certification easier, particularly by reinstating card check
 - Extending collective agreements to temporary workers, special membership categories, banning temporary workers during strikes
 - Advocating for sector wide and industry wide bargaining
 - Creating forum for precarious workers to have a voice, unions can help support this
 - Hiring hall model
- Missing options:
 - Successor rights when employer or contractor changes

Report back: 8b. Childcare

- Policy options that would have the greatest impact:
 - National childcare strategy that is integrated, affordable, and focused on strategy
 - Childcare needs to be from within the nonprofit sector
 - Making sure that there is a lot of flexibility
 - Adapting Quebec model of flexible benefits – shorter benefits for more money, etc.
 - Making sure that childcare was on an equal footing with education
 - Affordability - particularly low income and middle income the most
- Policy options that are the most realistic:
 - Improving quality through evaluation to improve consistency
 - Better conditions for childcare workers and better wages
 - Indexing childcare funding to inflation
 - Flexibility to meet local needs, such as different hours
 - Linking it to accommodation and human rights
 - Childcare as a solution to community based programs – options could include drop-in programs, early years, childcare as over-arching strategy
- Key Change Agents:
 - Early Childhood Educators association needs to be there, in addition to the usual suspects
- Barriers:
 - Funding, one size doesn't fit all, flexibility for childcare options, geographic accessibility
- Missing options:
 - Incentives for employers

Report back: 9b. Equity

- Policy options that would have the greatest impact and/ or are the most realistic:
 - Changed culture, better business case for why diversity works
 - Fundamental change in values
 - Sharing information, doing workshops, education
 - Enforcement is the next step – monitoring
 - Thinking through what it would take to build an inclusive environment – centralized? How many bodies? Impacts? All of the above
 - In the area of employment and recruitment, retention etc., promotion needs the most attention
- Key Change Agents:
 - Visible leadership demonstrating why this is a problem
- Barriers:
 - Discrimination is sometimes too narrow a focus
 - Recognizing that there is a problem, data
 - The area of promotion
 - We get bogged down with credentials
- Missing options:
 - Disability wasn't included, but is key in the area of discrimination