



RNAO's Response to *Bill 47:*
Making Ontario Open for Business Act

Submission to Standing Committee on Finance
and Economic Affairs

November 15, 2018



RNAO recommendation

RNAO recommends that the government of Ontario withdraw Bill 47 in its entirety.

Introduction

The Registered Nurses' Association of Ontario (RNAO) is the professional association representing registered nurses (RN), nurse practitioners (NP), and nursing students in all roles and sectors across Ontario. Since 1925, RNAO has advocated for healthy public policy, promoted excellence in nursing practice, increased nurses' contributions to shaping the health system, and influenced decisions that affect nurses and the public they serve.

RNAO appreciates the opportunity to provide feedback to the Standing Committee on Finance and Economic Affairs on Bill 47, *An Act to amend the Employment Standards Act, 2000, the Labour Relations Act, 1995 and the Ontario College of Trades and Apprenticeship Act, 2009 and make complementary amendments to other Acts*, known in its short title as, *Making Ontario Open for Business Act, 2018*.

Nurses see, in their daily work, the impact of poverty on people's ill-health. To improve health and decrease health inequities, RNAO has been advocating for more than 15 years that the minimum wage be increased and labour laws be strengthened and enforced.^{1 2} Ontario's \$14 per hour minimum wage is scheduled to increase to \$15 per hour on Jan. 1, 2019 and then be indexed to inflation every October.³ RNAO has consistently supported this increase to the minimum wage that became law under Bill 148, *Fair Workplaces, Better Jobs Act, 2017* as well as other regulatory safeguards to support workers' health such as paid sick days.^{4 5 6}

Fair wages and decent work are essential for the health of individuals, families, communities, and our province. Decent work and wages advance Ontario's "vision of a province where every person has the opportunity to achieve his or her full potential"⁷ as envisioned by the *Poverty Reduction Act*, unanimously passed by all parties in May 6, 2009. As RNAO previously testified in our Changing Workplaces Review submission,^{8 9} decent work with fair wages is an important issue to RNAO and its more than 42,000 members – it affects their multi-faceted lives as health professionals, family members, workers, employers, neighbours, and citizens.

Recommendation

RNAO recommends that the government of Ontario withdraw Bill 47 in its entirety.

Rationale

Bill 47 must be withdrawn in its entirety as the content is not based on evidence and the process is deeply flawed. Bill 47 will harm the health of Ontarians by repealing updates to the

Employment Standards Act and *Labour Relations Act* that were passed in November 2017 through Bill 148, *Fair Workplaces, Better Jobs Act*. Unlike Bill 148, which was the result of careful analysis and extensive consultation over a two year period,¹⁰ Bill 47 is being moved with little rationale and consultation.

Evidence

RNAO is on record urging government after government to take meaningful action on poverty as a foundational measure to deliver population health. Tackling poverty is essential to sustain lives, reduce health inequities, and enable human dignity. RNAO believes deeply that reducing poverty is a government choice as government controls public policy.

According to the 2016 Census, 14.4 per cent of Ontarians (1,898,975 persons)¹¹ are struggling to meet their basic needs using the low income measure after tax (LIM-AT).¹² The distribution of poverty is not random. Those who experience higher rates of poverty include Indigenous people, women, people living with disabilities, racialized people, and new immigrants.¹³ These marginalized groups often face discrimination in obtaining employment and housing, in accessing programs and services, and in being paid fairly for their work.

The evidence is conclusive: poverty makes people sick and leads to premature death. The World Health Organization states that "poverty is the single largest determinant of health, and ill health is an obstacle to social and economic development."¹⁴ According to Health Quality Ontario, "the poorer you are in Ontario, the more likely you are to have worse health outcomes."¹⁵

Pat Capponi,¹⁶ well known poverty activist, author, and one of the founders of Voices From the Street (a program run by Working For Change)¹⁷ says: "a home, a job, a friend" is all people need to ensure "stability, love, a safe place to live, a purpose."¹⁸ Paid work should be a pathway out of poverty that covers basic needs, and be sufficient to provide people with the opportunity to participate in the "economic and social fabric of their community."¹⁹

Despite the growing income inequality between the top and the bottom of the labour hierarchy, the Ontario Chamber of Commerce (OCC) and other corporate lobbyists associated with the "Keep Ontario Working" campaign²⁰ have been forcefully opposing reforms to the *Employment Standards Act* and the *Labour Relations Act*.^{21 22} After the provincial election, the OCC called for a "full repeal of Bill 148," including its provisions for a higher minimum wage, paid emergency leave days, and equal pay protections for temporary workers.²³ On Sept. 26, 2018, the Minister of Labour, Laurie Scott, said that the province would "pause" the minimum wage at \$14 per hour without giving any information on future increases.^{24 25} On Oct. 23, 2018, the former Minister of Economic Development, Job Creation and Trade, Jim Wilson, introduced Bill 47,

Making Ontario Open for Business Act, 2018. If passed, this bill will freeze the minimum wage at \$14 per hour until Oct. 1, 2020.²⁶ Instead of the current 10 days of personal emergency leave with the first two of these days being paid, Bill 47 will repeal the two paid leave days and leave eight remaining unpaid leave days (three days sick leave, three days family responsibility leave and two days bereavement leave per year.)²⁷

During Question Period on Oct. 2, 2018, Premier Doug Ford promised that "we're getting rid of Bill 148"²⁸ and later that day he said, "bottom line, it's an absolute job killer."²⁹ The facts are different. Six months after the minimum wage increased from \$11.60 to \$14 on Jan. 1, 2018, Ontario's unemployment rate fell to an 18-year low of 5.4 per cent.³⁰ In September 2018, for the third increase in four months, employment increased by 36,000 in the province.³¹ The sector with the greatest concentration of low-wage workers in Ontario is food services and accommodation. In this sector the average hours of work increased by 13 per cent from January through August 2018, with wages growing by 10 per cent.³² The food and hospitality sector created 7,100 new jobs since January.³³ The actual bottom line when analyzed by the CBC is "get beyond the ideology, and look at the evidence, and you'll find no sign that the workplace reforms and minimum wage increase caused widespread job loss or economic damage."³⁴

Premier Ford plans to offer minimum wage workers an income tax credit, instead of raising their minimum wage -- as currently legislated -- to \$15 per hour on Jan. 1, 2019. Nurses know that the benefits of raising the minimum wage outweigh other options. To start with, about two-thirds of low-income Ontarians who filed tax returns are already paying no income tax, due to an existing combination of tax credits and deductions.³⁵ CBC News did the calculations and found that a \$14 per hour full-time minimum wage worker would have a maximum tax credit of \$859 per year under Ford's plan.³⁶ That same full-time worker making \$15 per hour would take home an extra \$1,553 per year.³⁷ For an individual working 25 hours per week, Ford's plan would provide a tax credit of about \$396 per year compared with extra take-home pay of about \$970 per year with the \$15 per hour minimum wage.³⁸ Income tax credits for low-waged people will do nothing to lift them out of poverty, only increasing their wages will achieve that goal.

More than half of Canada's economy is powered by consumer spending³⁹ and higher wages stimulate the economy by enabling stronger consumer spending.⁴⁰ As economist Armine Yalnizyan explains, "The people who spend virtually every penny they make are people at the bottom of the wage spectrum. If you boost minimum wages, you are boosting the economy from the bottom up."⁴¹ In addition to benefitting the local economy by creating demand, employers stand to gain by increased employee engagement, enhanced productivity, and lower staff turnover.⁴² Employers who make up the Better Way Alliance (BWA) promote "investing in employee well-being for our bottom line and the health of Canada's economy."⁴³ As employers who provide decent working conditions and fair wages, the BWA recognizes that "everyone does better when people have disposable income and time to call their own."⁴⁴

RNs, NPs and nursing students know that the lack of decent work and living wages takes a significant toll on the health of workers and their families.⁴⁵ People who are precariously employed are at double the risk of diabetes, 2.5 times more likely to experience fatal occupational injuries, and have a 40 per cent higher risk for heart disease.⁴⁶ Compared with those in secure employment, workers in precarious employment are almost 55 per cent more likely to report that they are often depressed as a result of work.⁴⁷ Insecure employment negatively affects household well-being, especially in low-income households. Insecure employment can introduce financial stress, anxiety, and can affect decisions related to starting a family such as beginning a relationship and delaying having children.⁴⁸

Conclusion

In their introduction to the final report of the Changing Workplaces Review, the special advisors wrote:

A society where decent labour standards are observed and respected in the vast majority of workplaces, and where rights to meaningful collective bargaining are acknowledged and not undermined, would ideally result in an economy based on a sound and ethical foundation and workplaces that are productive and fair.

Overall, our society would be a better place and we would all benefit.⁴⁹

As nurse we know that Ontario can and must be that healthier and better place. We also know that if Bill 47 is passed, the health of people in Ontario will worsen and the province will be a less compassionate and less healthy place.

Thank you to the Standing Committee on Finance and Economic Affairs for considering this submission.

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- ¹⁰ "The first phase of the two-year long Changing Workplaces Review involved 12 public consultations across Ontario with over 200 presentations and 300 written submissions. The second phase of the Review involved stakeholder meetings, academic advisory committee, 10 commissioned academic studies, and 280 written submissions leading to a 419-page Final Report with 173 recommendations. The Review involved substantial information and resources from the Ministry of Labour. The resulting Bill 148, Fair Workplaces, Better Jobs Act, underwent two rounds of Standing Committee Review including 11 public committee hearings across the province after first reading and three days of public hearing after second reading." Parkdale Community Legal Services and Workers' Action Centre (2018, November 6). *Submission on Bill 47 to the Standing Committee on Finance and Economic Affairs, 2*. https://d3n8a8pro7vnmx.cloudfront.net/decentworknow/pages/1580/attachments/original/1541708944/Policy_papers_WAC_PCLS_submission_to_the_Standing_Committee_re_Bill_47_file.pdf?1541708944.
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