



WHAT WE HEARD

MODERNIZING FEDERAL LABOUR STANDARDS

LABOUR PROGRAM

AUGUST 30TH, 2018



Employment and
Social Development Canada

Emploi et
Développement social Canada

Canada

Title: What We Heard - Modernizing Federal Labour Standards.

This publication is available for download at canada.ca/publiccentre-ESDC . It is also available upon request in multiple formats (large print, Braille, MP3, audio CD, e-text CD, DAISY, or Accessible PDF), by contacting 1 800 O-Canada (1-800-622-6232). By teletypewriter (TTY), call 1-800-926-9105.

© Her Majesty the Queen in Right of Canada, 2018
For information regarding reproduction rights: droitdauteur.copyright@HRSDC-RHDCC.gc.ca.

PDF

Cat. No.: Em8-54/2018E-PDF
ISBN/ISSN: 978-0-660-27611-3

ESDC

Cat. No. : LT-314-08-18E



WHAT WE HEARD

MODERNIZING FEDERAL LABOUR STANDARDS



Minister's Message

Federal labour standards establish the basic rights of employees regarding hours of work, holidays, leaves, wages and other working conditions. They were established in the 1960s, when most jobs were full-time and permanent.

But with significant economic and technological changes affecting the world of work in recent years, it has become clear that federal labour standards need to be modernized to better reflect the realities of the 21st century workplace and address the challenges faced by workers and employers.

Today, many Canadians struggle to support their families in part-time, temporary and low-wage jobs. They may work several jobs to make ends meet, face unpredictable hours, and lack benefits and access to certain labour standards.

As Minister of Employment, Workforce Development and Labour, I was mandated by Prime Minister Justin Trudeau to update the *Canada Labour Code* to ensure that Canadians have a robust and modern set of federal labour standards. We've already taken action towards this goal by introducing a right to request flexible work arrangements and protections for interns. We have also introduced a bill to address workplace harassment and violence and are moving forward with pay equity and pay transparency.

Between May 2017 and March 2018, we consulted with Canadians, unions and labour organizations, employers and employer organizations, academics, other experts and advocacy groups to get their perspectives on what a robust and modern set of federal labour standards should be. We heard one strong message throughout the consultations: The way Canadians work has changed, but federal labour standards have not. In personal stories, Canadians shared their first-hand experience with the changing nature of work and how it affects them in the workplace and in their personal lives. They asked us to protect and support them at work.

This report summarizes the views that were shared with us during the consultations. We will carefully consider what we heard as we move forward with modernizing federal labour standards to better protect workers across the country and set the stage for good quality jobs. It's part of the Government's strategy to help ensure that all Canadians have a fair chance at success and the economy thrives.

The Honourable Patty Hajdu, Minister of Employment, Workforce Development and Labour

Table of Contents

1. Introduction	1
2. What We Heard	2
2.1 Improving Access to Leaves and Annual Vacation	4
<i>Leaves</i>	4
<i>Annual Vacation</i>	6
2.2 Further Supporting Work-Life Balance	7
<i>Paid Personal Leave</i>	8
<i>Breaks and Rest Periods</i>	9
<i>Hours of Work and Scheduling</i>	10
<i>Right to Disconnect</i>	10
2.3 Better Protecting Employees in Non-Standard Employment	12
<i>Non-Standard Employment and Precarious Work</i>	13
<i>Equal Wages</i>	14
<i>Misclassification</i>	15
<i>Contract Retendering</i>	15
<i>Labour Standards for Workers in Non-Standard Employment</i>	16
<i>Worker Voice</i>	17
2.4 Updating Termination of Employment Provisions.....	18
<i>Individual and Group Termination</i>	18
<i>Unjust Dismissal</i>	19
2.5 Good Wages and Benefits.....	20
<i>Wages</i>	20
<i>Benefits</i>	21
3. Next Steps	22
ANNEX A: OVERVIEW OF THE CONSULTATIONS.....	23
ANNEX B: ONLINE PARTICIPATION	25
ANNEX C: WRITTEN SUBMISSIONS	31
ANNEX D: MINISTERIAL ROUNDTABLE DISCUSSIONS.....	32



1. Introduction

Labour standards establish the basic rights of employees regarding hours of work, holidays, leaves, wages and other working conditions. With significant economic and technological changes affecting the world of work in recent years, it has become clear that these basic rights require modernizing. They need to better reflect the realities of the 21st century workplace and the challenges facing workers.

Federal labour standards were established in the 1960s, when workers could expect standard employment, a full-time, permanent job with decent wages and benefits and access to effective regulatory protections.¹ They have remained relatively unchanged ever since.

In the 1970s, non-standard employment, which is often temporary or casual, without benefits and certain legal protections, and is associated with low income,² began to spread. Non-standard employment includes part-time, temporary and temporary help agency employees, as well as dependent contractors and employees who have been misclassified as independent contractors. Though the share of non-standard employment stabilized in the 1990s, temporary employment continued to rise.

Today, Canada's labour market is strong, Canadians are highly educated and social mobility is high. However, some groups (including lower skilled persons, single parents, newcomers to Canada, Indigenous peoples and persons with disabilities) continue to face poor outcomes and are unable to participate fully in the economy. Many workers struggle to support their families in non-standard employment and may face unpredictable hours, lack benefits and access to certain labour standards protections and worry about losing their job and finding the next one. Those who work in non-standard employment are more likely to also be in precarious work, which is characterized by instability, a lack of protection and socio-economic vulnerability, and is usually associated with low income.³ While employees in the federal private sector tend to have higher quality jobs than those in industries regulated by the provinces and territories, about two-thirds are non-unionized and rely on federal labour standards for their basic protections.

Part III of the *Canada Labour Code* sets out minimum labour standards for the approximately 904,000 employees (about 6% of the Canadian workforce) working for about 18,310 employers in the federally regulated private sector. This includes industries such as international and inter-provincial transportation, banking, telecommunications and broadcasting, as well as most federal Crown corporations and governance and administrative activities on First Nations reserves. Part III does not apply to the federal public service.

¹ This definition is based on the Canadian Centre for Occupational Health and Safety's fact sheet "Precarious Employment and Vulnerable Workers", which cites Vosko, L. (2006) Precarious Employment.

² This definition is based on the Canadian Centre for Occupational Health and Safety's fact sheet "Precarious Employment and Vulnerable Workers", which cites Vosko, L. (2006) Precarious Employment.

³ This definition is based on the Canadian Centre for Occupational Health and Safety's fact sheet "Precarious Employment and Vulnerable Workers", which cites Vosko, L. (2006) Precarious Employment.

Consultation Highlights

10,000+ visits to the online consultation page

3,138 survey participants

23 personal stories

45 online expert discussion forum posts

4 high-level roundtables

25 written submissions (**5** from employers,
18 from unions and worker advocacy groups)

Between May 2017 and March 2018, the Minister of Employment, Workforce Development and Labour and officials from the Labour Program of Employment and Social Development Canada consulted with Canadians, unions and labour organizations, employers and employer organizations, academics, other experts and advocacy groups to get their perspectives on what a robust and modern set of federal labour standards should look like.⁴ Consultation activities included an email to key stakeholders who had participated in the last major review of federal labour standards by the Arthurs Commission⁵ in 2006, an online expert discussion forum, an online public consultation page with opportunities to participate in a non-

representative survey⁶ and provide written submissions,⁷ as well as high-level roundtable meetings with targeted stakeholder groups.⁸ The main objective of this report is to summarize what we heard during the consultations (Section 2) and outline next steps (Section 3).

2. What We Heard

We heard one strong message throughout the consultations: The way Canadians work has changed, but federal labour standards have not. While the individuals and organizations we heard from differed on how best to modernize federal labour standards in the context of this change, they demonstrated a shared interest in exploring the issues further and sharing their views and experiences with us.

“Workplaces have changed. Labour Standards need to catch up.” Personal story, online public consultations, January 2018

It’s clear that ever-increasing global competition, rapid technological changes and socio-demographic shifts are fundamentally altering the way businesses operate and the way Canadians work. We heard that since the Arthurs Commission more than a decade ago, the pace of this change has increased. Many stakeholders and experts spoke about both the challenges and opportunities associated with competitive global markets, the widespread use of digital technologies, and the shift away from traditional employment, with several mentioning new types of work arrangements including gig and on-demand work. Several unions, labour organizations and advocacy groups told us that precarious work is on the rise. In personal stories, Canadians shared their first-hand experience with the changing nature of work and how it affects them in the workplace and in their personal lives. They asked us to protect and support them at work.

⁴ See Annex A, Overview of the Consultations, for more information about consultation activities.

⁵ “Arthurs Commission” refers to the Commission for the Review of Part III of the *Canada Labour Code (Labour Standards)*. The Arthurs Commission was led by Harry Arthurs and published its report, *Fairness at Work: Federal Labour Standards for the 21st Century*, in 2006.

⁶ See Annex B, Online Participation, for detailed information about survey respondents.

⁷ See Annex C, Written Submissions, for a list of the submissions that were received.

⁸ See Annex D, Ministerial Roundtable Discussions, for a list of roundtable participants.

“When I look to my friends and family who work under the standards of the province we live in, I’m amazed. It’s night and day better than federal rules. Simple things like breaks and sick time. Please bring us decent, modern labour standards.” Personal story, online public consultations, January 2018

We heard from unions and labour organizations that fewer training opportunities and benefits are available to employees today. They noted that income inequality in Canada has risen over the last 30 years, rooted in inequality in wages, salaries, and hours of work. They spoke of workplace “fissuring”, where companies use methods such as subcontracting and outsourcing rather than hiring employees directly, and recommended protections for employees throughout the supply chain. They asked for federal leadership on labour standards and supported the view that federal labour standards should meet or exceed the highest labour standards at the provincial or territorial level.

We heard from employers and employer organizations that federal labour standards are too rigid and should be more flexible to allow employers to operate nimbly, remain competitive and adapt to industry-specific realities. We heard that higher labour costs should be balanced against cost savings. In general, employers and employer organizations opposed changes that could raise their operating costs, reduce their competitiveness in emerging global markets, or disrupt the delicate balances achieved through collective bargaining. We also heard recommendations for sectoral approaches to some standards, better enforcement, and increased promotion of employer and employee awareness of rights and responsibilities.

The biggest challenges facing employers today are: “The cost of wages and benefits to stay competitive and attract good talent, keeping up with changing regulations and documentation requirements, trying to get employees to see the employer perspective and vice versa so that we can all work as a team to be successful together.” Online survey respondent, January 2018

Experts pointed to evidence across many countries suggesting that improving labour standards is unlikely to hurt economic growth and, when done appropriately, can be a significant policy tool to aid social and economic development in the context of the changing nature of work. At the same time, some cautioned that seeking to improve working conditions for vulnerable workers in the new world of work through ambitious, “one-size fits all” federal labour standards would impose uneven costs on businesses and be difficult to enforce without an organized worker presence.

It also became apparent through our consultations that there are some areas where we can take action quickly, while others require further study and more in-depth discussions on potential policy responses with stakeholders, experts and especially individuals who could be impacted by them.

This section summarizes the diverse viewpoints that we heard and reports on the specific feedback and policy ideas we received on how we could address: 1) improving access to leaves and annual vacation; 2) further supporting work-life balance; 3) better protecting employees in non-standard employment; 4) updating termination of employment provisions and 5) good wages and benefits.

2.1 Improving Access to Leaves and Annual Vacation

Under Part III of the Code, most leaves and annual vacation are only available after employees have worked for their employer for a specified period of time. These “eligibility periods” range from one month to one year of continuous employment with the same employer. Employees who change jobs often may find it difficult to meet these requirements. Further, because the duration of eligibility periods for different leaves varies, employers and employees may be uncertain about who is entitled to take time-off or annual vacation, and when.

We wanted to hear stakeholders’ and experts’ views on improving access to leaves and annual vacation. We asked about the eligibility requirements required for certain entitlements, such as maternity and parental leaves, leaves related to critical illness and the death or disappearance of a child, and annual vacation, and whether some entitlements should be enhanced.

Key Messages

- A strong majority of survey respondents⁹ (69%) indicated that there should be no eligibility period required for an employee who needs to take leave for tragic circumstances. This view was shared by 10 unions and labour organizations and two advocacy groups.
- One employer organization, 10 unions and labour organizations and two advocacy groups expressed support for removing the eligibility period for maternity leave.
- We heard from employers and employer organizations that leaves are costly to provide, and access to leaves should be based on demonstrated employee loyalty to the organization.
- There was wide agreement on the important role vacations play in the work and lives of employees.
- Ten unions and labour organizations, one employer group, two advocacy groups and some survey respondents (27%) agreed that it would be reasonable to reduce the eligibility period for accessing a third week of annual paid vacation from six to five years.

What Was Heard in More Detail

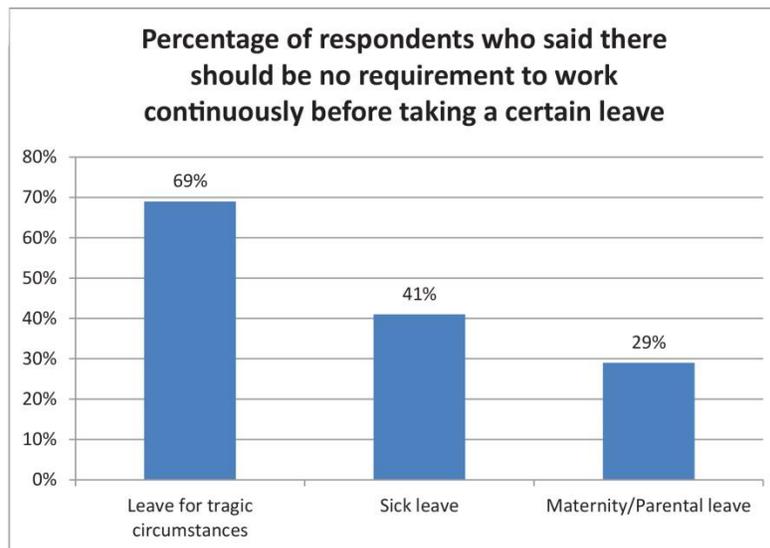
Leaves

Several unions, labour organizations and advocacy groups emphasized that, with the increase in temporary work, eligibility periods for certain labour standards need to be reconsidered. For leaves related to tragic circumstances, sick leave and maternity/parental leave, they recommended that eligibility periods be removed altogether.

“The spread of contract employment and other forms of discontinuous service also calls the justification of these wait periods into doubt. The justification historically given is that employees would need to demonstrate some attachment to the job before becoming eligible for various leaves; the reality of temporary, contract and casual work raises the question of the employer’s attachment to the work.” Canadian Labour Congress, written submission, January 2018

⁹ All percentages included in this report are based only on the total number of participants who responded to a specific question. “Respondents” therefore always means those who responded to the relevant question in the survey and not the total number of survey respondents. Percentages are rounded.

When asked in the online survey about how many months employees should have to work continuously with the same employer before being able to take different types of leaves, respondents most frequently said “none”. Depending on the type of leave, the percentage of survey respondents who said that there should be no eligibility period differed. A strong majority, for example, said that there should be no eligibility period for leave for tragic circumstances (69%), compared to fewer who said there should be no eligibility period for other types of leave.



“Without question, when faced with a tragic situation, a person should not be concerned with work, they should be supported by them, for a certain amount of time. I know a company couldn't provide leave forever, but it shouldn't matter how long the person has worked there for.” Online survey respondent, January 2018

One employer organization agreed that it would be reasonable to have no eligibility period for maternity leave, but recommended retaining eligibility periods for other types of leave.

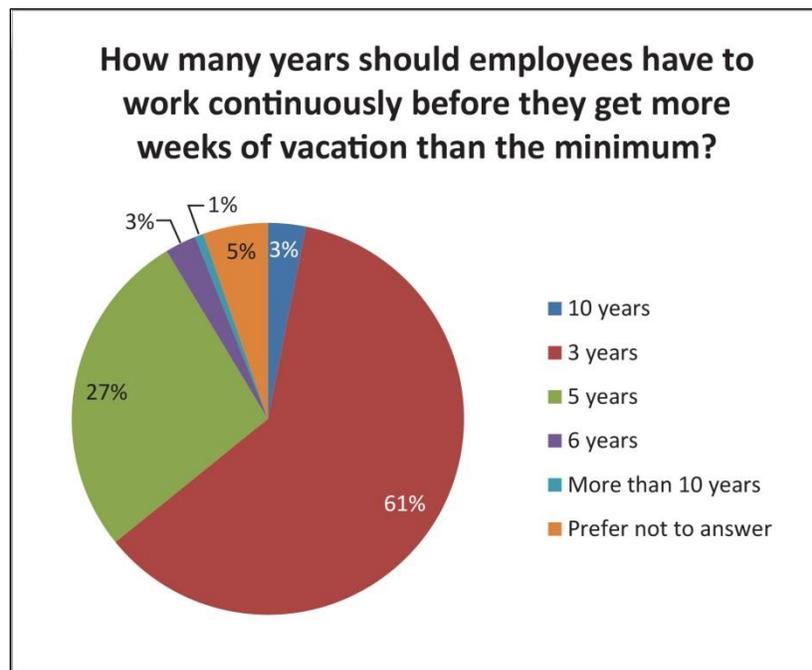
“In order to take advantage of generous leave provisions that exist in organizations, an employee should be required to spend considerable time first working for that organization (E.g. 12 months). And these provisions – given their linkage to employee recruitment and retention – should be left to organizations to sort out on their own, given their own competitive realities.” FETCO, written submission, March 2018

We also heard from employers and employer organizations that leaves are costly because employers have to replace employees who go on leave. They stressed that eligibility for leaves should continue to be earned based on demonstrated employee loyalty. They also emphasized that eligibility periods for leaves are negotiated between individual firms and employees as a key component of their employment contract. We also heard that many employers already provide leave options that are tailored to the operational requirements of their industry sector or workplace and go above the minimum standards set out in Part III of the Code.

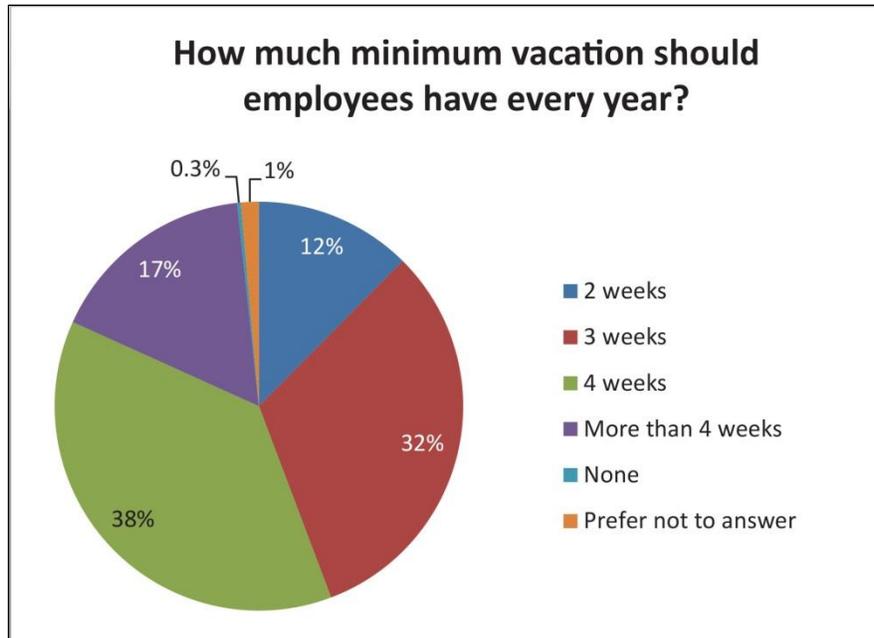
Annual Vacation

Unions, labour organizations and advocacy groups told us that annual vacations play a critical role in helping employees rest outside of the workplace. They pointed to benefits such as better physical and mental health for employees and improved productivity when employees return to work. For these reasons, they recommended that vacations be available soon after an employee starts a job. Thirty-eight percent of survey respondents stated that the eligibility period for vacation should be six months, the most frequently selected response (as opposed to the current requirement of 12 months).

There was some agreement on reducing the eligibility period for a third week of paid vacation from the current requirement of six years. One employer organization said that if the federal government chooses to increase vacation, it should be aligned with what is provided in Alberta, British Columbia, Ontario and Quebec (i.e. two weeks after one year of employment and three weeks after five years of employment), and no more. Many survey respondents also supported reducing the eligibility period for more vacation: 27% of survey respondents stated that employees should get more than the minimum amount of vacation after five years and 61% of respondents said after three years. Some respondents noted that even three years is too long to wait, and suggested that vacation entitlements should increase after one or two years of continuous employment with the same employer.



We also heard agreement from employers and employer organizations on the important role vacations play, but several warned against legislating too much paid vacation. Some flagged that more paid vacations would be too costly for employers and would harm their ability to use vacation as a way to attract top talent. Unions and labour organizations, meanwhile, generally supported increases to current vacation entitlements, with some suggesting a minimum of three weeks of annual vacation rising to four weeks after three years of employment. Survey respondents (87%) were similarly in favour of three weeks or more of annual vacation.



2.2 Further Supporting Work-Life Balance

Technological advances have impacted when, where and how employers and employees get work done. In today's world of work, many employers are trying to remain competitive with a flexible workforce that can respond to issues quickly, while also encouraging work-life balance for their employees. The pressure to respond to work-related communication outside of work has been shown to upset work-life balance and be associated with stress.

We wanted to know how much time employees should have to rest at work and between shifts, if there should be limits on how they connect with work outside of work hours and if they should get time off for personal reasons. In the online survey, participants were asked about paid personal leave, whether employees should get breaks, how many hours employees should be off work each day and whether employees should have the right to disconnect. When reaching out to stakeholders and experts, we asked them how federal labour standards could be updated to ensure that employees are adequately protected, while also allowing operational flexibility for employers, for example in how they manage hours of work and scheduling.

Key messages

- Stakeholders agreed that it is important for employees to be able to be away from work for personal reasons when necessary. Twelve unions and labour organizations, two advocacy groups, the vast majority of survey respondents (90%) and six experts who wrote a joint submission supported paid personal leave.
- Stakeholders agreed on the benefits of breaks during the workday. Unions, labour organizations and one employer organization agreed with a 30-minute break during shifts.
- Ninety-three percent of survey respondents stated that employees should get at least eight hours off work between shifts.

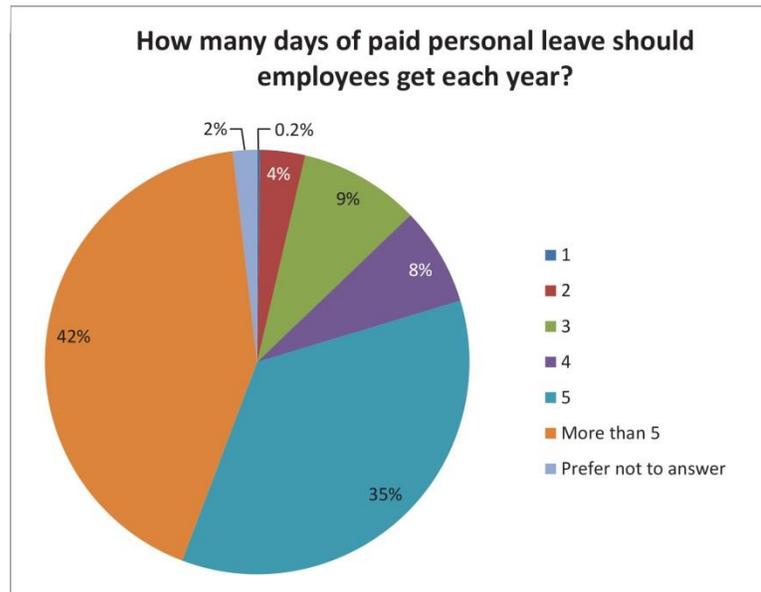
- Six unions and labour organizations, two advocacy groups and six experts recommended measures to enhance predictability in scheduling and hours of work, including advance notice of schedules.
- All employers and employer organizations, meanwhile, recommended more flexibility to allow employers to manage scheduling and hours of work and enable them to accommodate flexible work-arrangements for employees and meet their individual operating needs.
- While 93% of respondents stated that employees should have the right to refuse to respond to work-related communication outside of working hours, we heard strong arguments that any attempt to establish such a right in legislation would go too far.

What We Heard in More Detail:

Paid Personal Leave

Stakeholders agreed that employees should have latitude to be away from work during times of personal emergency, but views differed for how many days and whether the days should be paid.

In the online survey, 90% of respondents said employees should have paid leave for personal reasons. Of these respondents, 77% said that employees should get five or more days of paid personal leave every year. This was one of a small number of questions where there was a gender difference in the responses, with women (92%) more likely to support paid personal leave than men (88%).¹⁰ Forty-two percent of survey respondents said employees should get more than five days of paid personal leave each year, while unions and advocacy groups generally recommended seven to 10 days of paid personal leave each year.



We heard that employees, particularly those with low wages, can rarely afford to take leave without pay. In their written responses, survey respondents said that employees should not be effectively punished by losing income when emergencies or life events arise. They mentioned the intensification of work, the need to care for an aging population, and the increase in mental health-related conditions as key reasons why there should be a paid leave for personal reasons.

¹⁰ See Annex C, Online Participation, for additional demographic information about survey respondents.

“At present, beyond the 3 paid days for bereavement leave after 3 months of employment, all leaves provided for under Part III of the CLC [Canada Labour Code] are unpaid job protected leaves. Workers, particularly those that are low-waged, can rarely afford to take leave without pay.” Online expert forum

In their written responses, respondents also pointed to the business case for offering paid time away from work. They said that paid time away can contribute to improved employee recruitment and retention, and employees being absent less often. Some noted that they currently have to use their vacation or other leaves to deal with personal or family issues, which may make them less productive at work.

Breaks and Rest Periods

Stakeholders and respondents were in general agreement that meal breaks and rest periods are important for employee health and well-being, and that it would be reasonable that breaks be mandated in the federally regulated private sector. However, some employers and employer organizations said that the specific details of these requirements should be left to the parties (employers/employees) to sort out.

In the online survey, 91% of respondents stated that employees should get a 30-minute break during shifts that are at least five hours long. In their written responses, respondents commented that meal breaks and rest periods are necessary for good mental health and to ensure workers are productive.

“I don't think taking a break is a privilege or something you can avoid doing during your working day. I believe people physiologically need a break to properly work and thereby, encouraging paid breaks will overall benefit the company's performance and success.” Online survey respondent, January 2018

One employer organization said it would be reasonable to require that employers provide a 30-minute unpaid break for every shift of at least 6 hours, but there should be no universal requirement for a paid break. Another employer organization noted that many employers already provide breaks. Unions and labour organizations agreed that a 30-minute break should be provided, though after five hours of work rather than six. In addition, one labour organization suggested short breaks during work hours for nursing and for medical purposes (for example, to take medication).

Ninety-three percent of survey respondents indicated that employees should have at least eight hours off between shifts. Based on the view that minimum federal standards should be at least as good as provincial standards, advocacy groups and one labour organization told us that employees should be guaranteed 11 hours off work each day. Thirty-nine percent of survey respondents were also in favour of giving employees 11 hours off work each day.

“I just recently had to contact my union and Human Resources to try and figure out a way for me to have a decent amount of rest between shifts. I could not believe the federal labour law doesn't state anything on the subject while the Ontario government does have the 8 hour rule. Working in a shift environment can already have a toll on your health and not having a guarantee to have enough sleep or time to see family or prepare meals is beyond me.” Online survey respondent, January 2018

Hours of Work and Scheduling

Participants in the consultations were unanimous that the Code's provisions on hours of work and scheduling should be updated. However, there were contrasting views about what should be changed.

"If an employee can be sure of the work schedule, he/she can plan life outside of the workplace and therefore maintain a good work/life balance. Fair treatment results in a good working environment." Online survey respondent, January 2018

We heard from labour organizations, advocacy groups and experts that unpredictable hours of work and scheduling are harming employees' ability to achieve work-life balance and causing difficulty budgeting, attending school, arranging childcare, and retaining second or even third jobs. Six unions and labour organizations, two advocacy groups and six experts recommended measures to improve predictability, such as requiring that employers give employees advance notice of their work schedules.

"For non-unionized workers with precarious employment such as in transport, airline services, or banking, there is no protection from insecure hours of work, last minute changes to schedules, on-call workers, or cancelled shifts." Online expert discussion forum

"[D]o people know your flight attendants and pilots do not get paid until the plane moves but we are required to be at the airport or in the plane 1 hour before. As well the hours in between flights count as time on duty for rest purposes but we aren't getting paid." Online survey respondent, January 2018

Employers and employer organizations, by contrast, generally saw scheduling and hours of work as an area where existing standards are too rigid. They told us that global competition is increasing the need to operate continuously, making a flexible workforce essential to keeping Canadian businesses competitive, and said employers need adaptable standards to accommodate their employees' requests for flexible work arrangements. They recommended more flexible rules around hours of work.

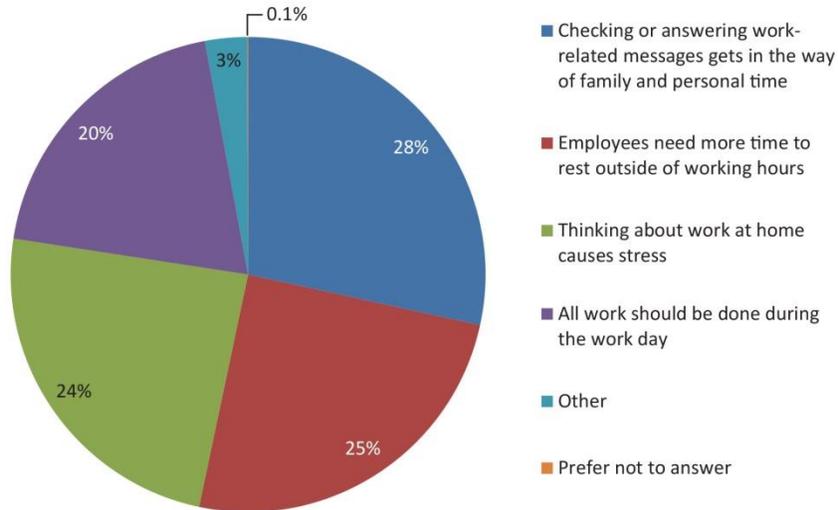
Right to Disconnect

We heard a range of responses on whether work-related communication outside of work is an issue and, if so, what potential policy responses would be best for addressing it. While survey respondents expressed support for a right to disconnect, we also heard from one employer organization that any kind of "right to disconnect" would be a legislative over-step.

In the online survey, 93% of respondents stated that employees should have the right to refuse to respond to work-related emails, phone calls or messages outside working hours, and 79% stated that employers should have policies to limit the use of work-related technology outside of working hours. Labour organizations and advocacy groups told us that as workloads become more intense, employees need time to rest outside of working hours. They said that responding to emails and phone calls impacts the quality of family and personal time, acts as a source of stress, and reduces the effectiveness of rest time.

"I have seen in my own family my husband burn-out and get severely sick from working around the clock and constantly being "on" for his project management job. I would love to see the government set a tone and limit work beyond normal working hours." Online survey respondent, January 2018

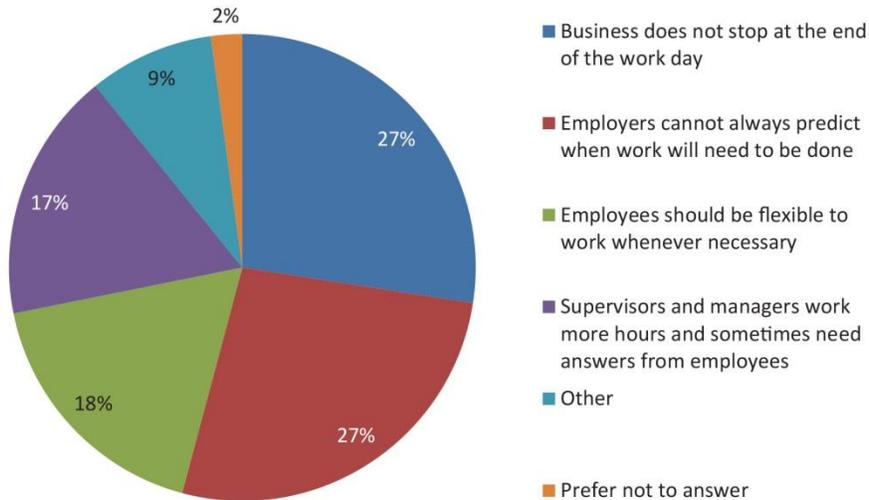
Why should employees have a right to refuse to respond to work-related email, phone calls or messages outside of working hours?



We heard from employers and employer organizations that being available and on-call is sometimes a requirement in workplaces with continuous operations, such as those that are national and international and run on a 24/7 schedule. They said work has evolved away from the traditional “9-to-5”, and that it is a well-established labour relations principle that determining job duties is a fundamental management right. In addition, some referred to the government’s commitment to flexible work arrangements and noted that, under such arrangements, employees will choose to remain connected outside of work. Of the survey respondents who said employees should not have a right to disconnect, 27% said it was because business does not stop at the end of the work day.

“Don't over-regulate! Typically those who need to respond outside of business hours only need to do so for legitimate emergencies or urgent matters, and are more highly compensated / managers anyway.” Online survey respondent, January 2018

Why should employees not have the right to refuse to respond to work-related email, phone calls, or messages outside of working hours?



2.3 Better Protecting Employees in Non-Standard Employment

Workers in non-standard employment face different challenges than those in standard employment, and these can be different for different workers. For example, research shows that temporary and part-time employees may not be paid the same wages as their full-time counterparts and may have difficulty qualifying for certain entitlements and protections, which worsens their situation of precariousness. As another example, only employees are protected by federal labour standards under Part III of the Code, meaning that employees who are misclassified by their employer as independent contractors are left unprotected. There are also workers like dependent contractors who are not misclassified, but still lack labour standards protections because they are neither employees nor independent contractors.

We wanted to learn more about how widespread these issues are and to get feedback on ideas for better protecting employees in these situations. When reaching out to stakeholders and experts, we asked them about the wage gap between part-time and temporary employees and full-time permanent ones, as well as temporary and part-time work in Canada in general. We also asked about the misclassification of employees and the continuous application of labour standards when contracts are retendered to a new employer. In the online survey, we asked participants about their views on differences in pay for employees doing the same work, and the reasons that would justify such differences.

Key messages

- Eleven unions and labour organizations, two advocacy groups and six experts argued for equal treatment and recommended that employers be prohibited from paying employees less because of their employment status. Eighty percent of survey respondents agreed.
- We heard from the employers who participated in roundtables and the submissions from three employer organizations that wages are based on many factors, such as seniority and merit. They emphasized that any equal wage protection should not impact wages based on these factors.
- Six unions and labour organizations, two advocacy groups and six experts recommended making misclassification an offence and creating a presumption of “employee status”.
- Problems arising from contract retendering were brought to our attention by nine unions and labour organizations and two advocacy groups. We heard that employees lose wages and benefits, only to continue working in the same job at the same workplace for a different employer. They recommended that protections be put in place to protect these employees.
- We heard a range of perspectives on non-standard employment. Eight unions and labour organizations, two advocacy groups and six experts told us that as the nature of work changes, workers are increasingly working in non-standard employment, with some adding that these workers are more vulnerable. They called for a definition of “employee” that would cover more workers, while two employer organizations were strongly against such a change.
- We also heard that some issues could be addressed through better approaches to compliance and enforcement. Six labour organizations recommended enhancements such as more proactive enforcement, while one employer organization asked for more emphasis on raising employer and employee awareness of their rights and responsibilities.
- We heard through personal stories that some employees are scared to speak up about labour standards violations and lack opportunities to speak collectively in the workplace.

What We Heard in More Detail

Non-Standard Employment and Precarious Work

Survey respondents most often mentioned job insecurity and precarious work as the biggest challenges facing workers in the changing nature of work. We heard from unions and labour organizations that non-standard employment and precarious forms of work are particularly affecting women, youth and racialized workers. In a joint submission, six participants in the online expert discussion forum agreed that workers in non-standard employment tend to be in more precarious situations.

One employer organization noted that the available evidence does not suggest a crisis in the number of workers in more precarious work situations in the federally regulated private sector. They, along with other employers and employer organizations, also emphasized that many workers choose non-standard employment. They added that most of those classified as independent contractors are highly specialized professionals, for example in information technology, and not vulnerable workers requiring special labour standards protections.

We heard that different groups of workers experience precariousness in different ways for different reasons. Two advocacy groups told us that temporary help agency employees, for example, are vulnerable because of the “triangular relationship” that exists between the employee, the agency and the client company. They said that these employees are more likely to receive lower pay and face an increased risk of workplace injury, job instability, unpredictable hours and barriers to permanent employment.

Equal Wages

Temporary, casual, seasonal and part-time employees in the federally regulated private sector are currently not protected from employers paying them less than permanent full-time employees who do the same job. Equal wages mean that employees who do the same work for the same employer are paid at the same wage rate, no matter if they are permanent or temporary, or full time or part-time employees.

"I am a mother of 2 who has worked in an industry covered by federal labour rules. I started working full-time 14 years ago but when I had my kids I went to part-time. I wish I could have stayed home to raise them but our family was not in a position to do so. I now make much less than when I was full-time, and, I make less than someone who is hired off the street as a full-timer...for the exact same job! I do the very same work as someone hired full-time and even with the years of extra experience I have, they think it's ok to pay me (and other part-timers) less. Why? Because they can. And outdated laws allow them to."
Online survey respondent, January 2018

We heard recommendations that the Code should provide a framework for equality among employees doing comparable work, with eleven unions and labour organizations, two advocacy groups and six experts recommending that employers be prohibited from imposing inferior pay or conditions of work on temporary, part-time, contract, seasonal or casual employees because of their employment status. Two advocacy groups said that the same rule should apply to employees of temporary help agency working for a client company.

"The principle that workers who do the same or similar work should be paid the same is grounded in equality of treatment. Ending differential treatment in pay would assist women, youth, racialized workers, migrant workers and recent immigrants who are more likely to be in low-waged and in part-time, temporary, seasonal, casual and contract work." Online expert discussion forum

"A number of aspects are not regulated by the legislation, for example, the use of placement agencies by some employers (some financial institutions) imposes inequitable working conditions and can even lead to non-compliance with minimum labour standards." Online survey respondent, January 2018

In the online survey, 80% of respondents agreed that temporary and part-time employees should be paid the same hourly wage as full-time permanent employees who do the same work for the same employer. On balance, female respondents were even more supportive of equal wages than male respondents (83% of women, compared to 77% of men).

At the same time, many survey respondents recognized the importance of objective criteria in establishing pay rates, such as seniority and performance. When asked for acceptable reasons for an employer to pay one employee less than another, the most commonly selected answers were: when an employee has less experience (30%) and when an employee has worked less time for the employer (29%).

Employers who participated in the roundtables and three employer organizations also noted that many factors come into play when wage rates are determined. They gave as examples seniority, years of service, loyalty to the employer, demonstrated work experience, craftsmanship, in-demand skill sets and more responsibilities.

“In the trucking industry, it is common for carriers to offer different mileage rates to different workers based on their tenure with the company, their safety record, total miles driven, and their on-road performance amongst a host of other considerations.” Canadian Trucking Association, written submission, February 2018

“In most cases, when jobs are identical, the wage rate between part- and full-time work is the same.” FETCO, written submission, March 2018

One employer organization said it is not reasonable to expect the same wages to be paid to a temporary employee learning a job and an experienced full-time employee. If equal pay provisions are to be introduced in the Code, they told us that these should not have any impact on wages that are determined by objective criteria, such as seniority, merit and production.

Misclassification

We heard that the problem of employees being misclassified as self-employed or as independent contractors affects various sectors, including broadcasting and road transportation. While six experts noted that little is known about the extent of this problem in the federally-regulated private sector, they said it is a growing problem in other jurisdictions across Canada and in the United-States.

“In the United States, recent studies estimate that between 10% and 20% of employers misclassify at least one of their employees as an independent contractor, and that misclassification is likely increasing.” Online expert discussion forum

Six unions and labour organizations, two advocacy groups and six experts recommended making misclassification an offence under the Code, and creating a legal presumption of employee status for workers. In cases where there is a dispute over employment status, this would mean employers would be responsible for proving a worker is not an employee.

“In many workplaces, the people who tend to be misclassified are the newer hires – and they disproportionately are women and racialized minorities.” Communication Workers of America Canada and the Canadian Media Guild, written submission, January 2018

One employer organization raised concerns about other classification issues in the road transportation sector, where some trucking companies or agencies are hiring “independent drivers” who are not considered employees so they can avoid taxes and deductions associated with hiring a traditional employee. They argued that this practice undercuts the marketplace.

Contract Retendering

Currently, when the employees of an original contractor are rehired by a new contractor to do the same work, their employment generally does not have to be treated as continuous and any entitlements or benefits that are tied to the length of their employment can be lost.

We heard from unions and labour organizations that in some sectors, contract retendering is not used to achieve legitimate efficiencies, but rather as a way to undermine seniority entitlements and substitute a cheaper, non-union contractor for a unionized one. They told us that abusive practices of contract retendering, or “contract flipping”, are a serious issue at airports. One union mentioned the situation in the school bus industry (of which many of the larger employers fall under federal jurisdiction), where school boards secure school bus services through a competitive bidding system. There was concern that the intensification of contracting out has meant that service providers have to compete based on how little they can pay their workforce instead of how well they do the job.

“When contracts flip, workers lose any wage gains and benefits they have earned over their years of service. They must reapply for work and start over at minimum wage. This is not only disruptive to the lives of workers, it disrupts workplace continuity.” UNITE HERE Local 40, written submission, January 2018

Four unions suggested ensuring “successor rights” for employees in cases where the same or similar services are offered following contract retendering. More specifically, they recommended that section 189 in Part III of the Code be amended to ensure that wages and access to seniority entitlements are treated as continuous when a new contract is awarded and jobs are transferred from one service provider to another. They also recommended extending equal remuneration protection in Part I of the Code (section 47.3) beyond pre-board security screening services to apply to any third-party service contractor.

“The FTQ suggests that the Code include a presumption of continuous service in cases of successive fixed term employment contracts and recurring temporary employment. This presumption should also apply in the case of business succession in order to preserve the rights associated with length of service: the new business should therefore be bound by the length of service and thus by the rights acquired under its predecessor.” FTQ, written submission, January 2018

Labour Standards for Workers in Non-Standard Employment

We heard regularly during the consultations that, as the nature of work changes, many workers are not being hired as traditional employees and, as a result, are missing out on some of the protections provided by statutory labour standards.

We heard that this is one area where further study could be required. In a joint submission, six experts argued that more research is needed to find out how much precarious employment exists in the federally regulated private sector.

“For example, in Ontario, employees in part-time temporary employment, a form of employment increasing in the province and elsewhere in Canada, and defined by both uncertainty and a paucity of hours, experience extensive precariousness. Eighty-two percent of these employees are non-unionized, 70% earn low wages, and 47% have worked at the same employer for less than a year.” Online expert discussion forum

The absence of a definition of “employee” in Part III of the Code was sometimes identified as a problem for dependent contractors and other types of workers who are neither employees nor independent contractors, but fit somewhere in-between. Eight unions and labour organizations, two advocacy groups and six experts recommended that a definition be added and that it be broad enough to include various types of contract workers in dependent relationships with one or more employer. While some recommended applying the definition of employee in Part I of the Code, which includes dependent contractors, to Part III,¹¹ others suggested that the definition be broadened even further to include workers that are not dependent on any single employer for most of their income (as dependent contractors usually are) but on a series of employers within the sector as a whole.

¹¹ Part I of the *Canada Labour Code* defines an employee as “any person employed by an employer and includes a dependent contractor and a private constable, but does not include a person who performs management functions or is employed in a confidential capacity in matters relating to industrial relations”.

"In the broadcasting sector, workers increasingly find themselves to be employed on a short-term contract basis in a position with no job security, no benefits and no pension... many workers are also frequently misclassified as independent contractors which further deprives them of several basic employment and labour standards and entitlements", Communication Workers of America Canada and the Canadian Media Guild, written submission, January 2018

During roundtable meetings, employers and employer organizations recognized a need for an improved definition of "employee" and increased awareness of the employee-employer relationship and what it entails. However, one employer organization said it is unnecessary to specify who is considered an employee or an independent contractor in Part III of the Code. They told us that independent contractors are common in the trucking industry and argued that these contractors should be able to set out their business relationship in a written contract. They said that employers and independent contractors in their industry agree on this point.

Worker Voice

Worker voice was brought to our attention during the consultations as an additional issue related to non-standard employment. We heard that the changing nature of work has contributed to a decline in employees' ability to speak up in the workplace as a group, including when it comes to expressing labour standards concerns to their employer. This was often attributed to the ongoing decline in unionization, as well as the growing proportion of workers without access to collective bargaining and who rely on effective enforcement of their statutory labour standards for their protection.

"Precarious employment, while it may make certain short-term efficiencies possible at times for some employers, has many harmful effects wherever it may be found. It leaves many without bargaining power or access to unions; it consequently promotes work without job stability, adequate pay, benefits, or pension contributions. It leaves many, young and old, without reasonable power and dignity in the workplace, without sufficient pay to make a living or support dependents, and often, without hope." Email submission, January 2018

We heard directly from individuals that they struggle to speak up at work, and lack formal ways to do so as a group. One individual wrote to us about "a new generation of employees that are no longer a group but are individuals that are scared to voice [opinions] in fear of losing job security and will often take less and tolerate worsening conditions to keep their job." Others told us they believe they lost their job because they spoke up about unsafe conditions or labour standards violations, and they lacked support after their termination.

"Seems the rights of a truck driver don't exist and laws as well. I heard once that all the laws are made to protect the company and the public. I stood up at a job and voiced my concerns, I was let go for it, well, "restructured"." Email submission, January 2018

"I raised a safety concern against the company for its lack of following the federal labour code. Unfortunately the pursuance of this complaint led to my termination." Email submission, January 2018

In the joint submission from six experts, the fear of reprisal (most often job loss) was identified as the chief barrier that non-unionized workers face in exercising voice in the workplace. The authors cited research they had done in Ontario that found that only a small minority of employees access the province's labour standards protections while still in their job, and fewer than 10% of complaints come from employees still working for the employer against which they have filed a complaint.

2.4 Updating Termination of Employment Provisions

One of the concerns most often expressed about the changing nature of work is job insecurity. Labour standards can help address this concern by requiring employers to give employees notice and/or pay when they are terminated so they are supported through their work transition. In the federally regulated private sector, when employees with more than three months of continuous employment with the same employer lose their job, they must be given two weeks' notice of termination or pay in lieu for an individual termination. Employers must give employees 16 weeks' notice in cases of group terminations (50 or more employees affected within a four-week period). Employees who have at least 12 months of continuous employment and are terminated can file an unjust dismissal complaint with the Labour Program if they believe their termination was not justified.

When reaching out to stakeholders, we asked them for their views on provisions related to termination of employment in other Canadian jurisdictions. For example, some provinces and territories provide a graduated notice of termination system where notice ranges from two weeks to eight weeks based on how long the employee has worked for the employer. Others require employers to inform dismissed employees of their rights, including their right to file an unjust dismissal complaint.

Key messages

- Five unions and labour organizations called for longer notice of individual termination periods and, along with another labour organization, called for higher severance pay amounts, both based on how long the affected employee has worked for the employer. Two also said employees should be entitled to be informed of their rights when they lose their job.
- Employers and employer organizations generally expressed the view that the group termination notice requirement of 16 weeks is too long and the entire regime is outdated, while unions and labour organizations said it is appropriate. Two employer organizations recommended eliminating the 16-week period.
- There was also interest in updating unjust dismissal rules. Two employers told us that the current 12-month eligibility period is too short and does not allow them enough time to train and assess an employee. They recommended an eligibility period of two to five years. For their part, two unions and labour organizations recommended reducing the eligibility period to three months.

What We Heard in More Detail

Individual and Group Termination

In the online survey, respondents indicated that with the changing nature of work, there is a drive towards more insecure and precarious jobs as employers increasingly seek to cut costs. Throughout the consultations, we heard that employees are concerned about losing their jobs and worried they will struggle to find a comparable one if they do. We heard directly from individuals facing tough situations after they lost their jobs. A former bank employee told us that after filing a complaint against their manager, they were terminated by the same manager. Another person wrote to tell us they felt they were wrongly terminated for raising safety concerns and then “blacklisted” in the transportation sector.

Five unions and labour organizations recommended increasing the notice of termination requirements and they, along with another labour organization, also recommended higher severance pay requirements. Two recommended introducing a requirement that a dismissed employee be informed of their rights in writing. Instead of the current standard of two weeks' notice of termination (or pay in lieu) for any employee with at least three months of continuous employment with the same employer, they recommended amending Part III to include "reasonable notice" prior to termination based on total length of employment. They suggested that severance pay entitlements should be increased to one week per year of service and that for both notice of termination/pay in lieu, and severance pay, total length of employment should include recurring periods of employment with the same employer.¹²

Two unions and labour organizations also recommended that employers be required to inform employees of their rights when they are terminated. Employers and employer organizations in the road transportation sector said they have no issues with this type of requirement.

"Employees should receive more termination notice in event of individual terminations (or termination pay) as their length of employment increases. In event of a group termination, a longer notice period (or more termination pay) should be owed to employees, together with the existing employer obligations in Division IX about establishing a joint planning committee with the objects described in s. 221 (i.e. eliminate need for the terminations and/or minimize their impact on redundant employees). As well, better severance pay ought to be enacted." Unifor, written submission, January 2018

For group terminations, employers and employer organizations were concerned that 16 weeks is too long, and noted that in other jurisdictions 16 weeks' notice is only provided in the event of much larger group terminations. Two employer organizations recommended removing the 16-week notice requirement. One union told us that the 16 week notice period makes sense because the adjustment period may be more difficult when many employees are terminated at the same time.

Unjust Dismissal

Employers expressed an interest in updating unjust dismissal provisions and indicated that, in increasingly complex workplaces, it takes a significant amount of time to properly train and assess an employee's performance. We heard that many jobs in the banking industry, for example, require anywhere from six months to a year of training before the employee's ability and aptitude for the role can be fully determined. Two employers recommended extending the current 12 month eligibility period required to bring an unjust dismissal complaint, with one employer organization recommending between two and five years.

In the opinion of CPQ, the 12-month timeline (after which the employee can file a complaint for unjust dismissal) is too short, particularly given the evolution of workplaces and jobs." Conseil du Patronat du Québec, January 2018

We heard from one union, one labour organization and two advocacy groups that the Code has long ensured those unjustly dismissed are protected. However, they told us that the current 12 month requirement leaves shorter-term employees with no protection. They said that, due to the costs of legal representation, employees in low-wage and precarious work in particular cannot feasibly sue employers in court for unjust dismissal. To make termination provisions more inclusive, they recommended reducing the period of employment required to submit a complaint to 3 months.

¹² Currently, severance pay provisions entitle employees to the equivalent of two days' pay for each complete year of employment, with a minimum benefit equivalent to five days wages.

“Having a clear process for progressive discipline and protection from wrongful dismissal is necessary to support job and income securing and strengthen the voice of workers in the workplace. The CLC must be amended to include all workers.”
Workers’ Action Center and Parkdale Community Legal Services, written submission, January 2018

2.5 Good Wages and Benefits

Employees in the federally regulated private sector are guaranteed at least the minimum wage set by the province or territory in which they usually work. Employers may provide their employees with higher wages, as well as benefits (e.g. pension, medical, dental). Studies regularly show that good wages and benefits are top of mind for Canadians.

We wanted to look at good wages and benefits more closely. We asked specific questions about the most important features of a good quality job, minimum wage and portable benefits in the survey. We also gave unions, labour organizations, employers and employer organizations the opportunity to share their views on these topics during the roundtable discussions.

Key Messages

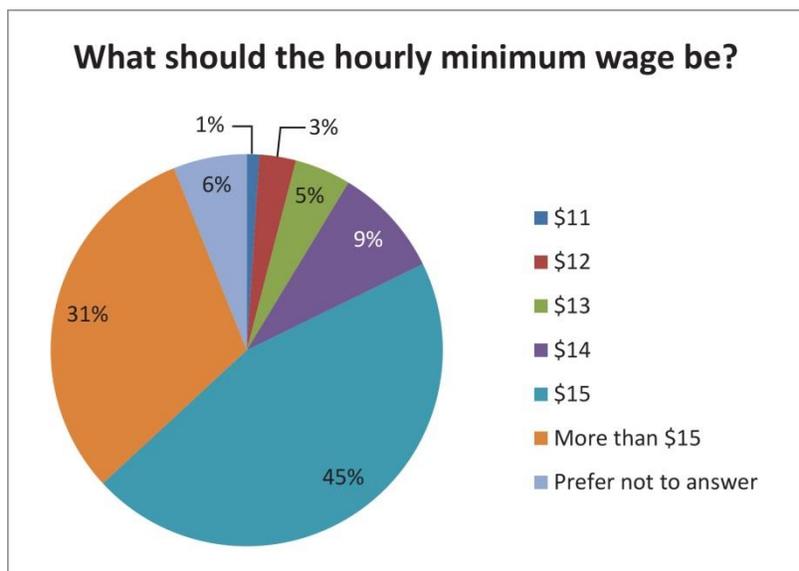
- The most important features of a good quality job according to survey respondents are good wages (selected by 24% of respondents) and benefits (selected by 21%).
- We heard a lot of strong but divergent views about minimum wage in the federally regulated private sector. While 12 unions and labour organizations, two advocacy groups and survey respondents (76%) were in favour of introducing a federal minimum wage, four employer organizations opposed such a change.
- Employers and employer organizations cited negative economic consequences for small- and medium-sized businesses and wage pressures for large businesses as potential impacts. They also noted that a federal minimum wage would not take into account regional differences in cost of living.
- Although 95% of individual survey respondents said that keeping their benefits was very or somewhat important when changing jobs, only 37% said that employees should be able to keep their benefits when they move jobs.
- Four unions and labour organizations, one employer organization and two advocacy groups supported the idea of a government-sponsored benefits bank for independent contractors, while two other employer organizations strongly opposed introducing any portable benefits.

What We Heard in More Detail:

Wages

We heard clearly that good wages are one of the most important features of a good quality job. Questions about wages, particularly whether or not to introduce a federal minimum wage, generated a lot of discussion and divergent views.

In the online survey, 76% of respondents said the government should set such a minimum wage for the federally regulated private sector. When asked what that minimum wage should be, 45% said it should be \$15 an hour, while 31% said it should be more than \$15 an hour. In their written comments, respondents often said that the amount should be a “living wage” in Canada, or at least in parts of Canada. Twelve unions and labour organizations and two advocacy groups generally agreed that the federal government should set a common minimum wage of \$15 an hour or higher for employees who work in the federally regulated private sector, and added that this rate should be indexed to inflation.



We heard from employers and employer organizations, by contrast, that the current approach to minimum wage, where the federal rate is pegged to the minimum wage rate of the province or territory in which an employee is usually employed, should be maintained because different jurisdictions have different costs of living and labour market environments. One employer organization also stated that creating a minimum wage exclusive to the federally regulated private sector would create competition between provincial and federal sectors, which would put pressure on wages.

“While it is not a perfect system, maintaining alignment with the provincial standards in each province is likely the least negative alternative.” FETCO, written submission, March 2018

Benefits

Respondents to the survey told us clearly that benefits are one of the key features of a good quality job. The idea of “portable benefits” was another one that generated a lot of discussion and conflicting views.

Of those who responded to the survey question on the importance of benefits when changing jobs, 82% stated it was “very important” and another 13% stated it was “somewhat important”. Female respondents were more likely to indicate that keeping their benefits was very important when considering changing jobs (84.2% of women compared to 77.5% of men).

“The most important things for me are not having to worry about losing my job, getting paid enough to live comfortably and having benefits for dental, health, pension, etc.” Online survey respondent, January 2018

Survey respondents emphasized that the availability of benefits such as medical, dental and pension plans is top of mind for Canadians. They said benefits are an important form of financial security and insurance against risk, and contribute to better quality of life.

“I have permanent medical conditions that require ongoing treatment and medication. I require benefits to help sustain my ability to access these treatments and medications to ensure I can have a better quality of life, maintain my productivity levels / continue working full-time and be able to engage in my community.” Online survey respondent, January 2018

There were mixed views on the idea of “portable benefits” that employees could carry from job-to-job, employer-to-employer. Citing the significant growth of individuals working as independent contractors through web platforms, one employer organization said that a government-sponsored benefits bank could provide a minimum set of benefits for these workers. They added that this option should only be available to independent contractors, not employees.

Survey respondents held differing views on the issue. When asked whether employees should be able to keep their leaves and benefits when they move to a new job with a different employer, 37% indicated that they should be able to keep them, while 49% said they should not be able to do so.

Two employer organizations opposed portable benefits. One said compensation practices for different types of employees should be left up to employers and employees, as this provides employers with the ability to develop attractive compensation packages for recruiting and retaining employees. In addition, they said that many temporary and part-time employees choose to work on this basis because they prefer not to have to pay into benefit plans.

“In contemporary workplaces, many employers have shifted their benefits offerings to ones that offer employees choice (flexible, or “cafeteria” plans). In these plans employers fund core coverage and employees pay for the cost of optional coverage above the core program. CACE submits that a model whereby the government funds the “core” coverage and independent contractors pay for optional coverage, would meet the needs of all workplace participants.” Canadian Association of Counsel to Employers, written submission, June 2017

Some unions and labour organizations recommended that the Code be amended to eliminate differential treatment with respect to benefits, so that temporary and part-time employees receive the same dental/health care plans, for example, as full-time equivalent employees.

3. Next Steps

We are grateful to the individuals and organizations who took the time to share their experiences in the workplace, and to provide feedback and ideas on how we can best modernize federal labour standards in the context of the changing nature of work. The Government is committed to bringing forward legislation to update federal labour standards to reflect the realities of the 21st century workplace and the challenges of precarious work for workers in the federally regulated private sector. We are also continuing to examine those issues where there was less evidence available and where agreement on policy responses was lacking. Based on what we heard, issues such as the right to disconnect, labour standards for workers in non-standard employment, worker voice, wages and benefits could merit further study. As we move forward, we will carefully consider what we heard during these consultations.

ANNEX A: OVERVIEW OF THE CONSULTATIONS

The consultations on modernizing federal labour standards were held over 10 months beginning in May 2017. Canadians, stakeholders and others participated in a number of ways.

In May 2017, Labour Program officials contacted key stakeholders who had participated in consultations related to the last major review of federal labour standards that was undertaken by the Arthurs Commission¹³ in 2006. We invited them to provide their initial views on labour standards issues that had changed or emerged over the past decade. We received eight detailed written submissions, six from employers and employer organizations, one from a labour organization and one from an advocacy group.

In October 2017, we launched an online discussion forum with about 60 of Canada's leading academics and experts on labour policy and related issues. The goal was to generate timely, targeted and evidence-based discussion about the federally regulated private sector and how federal labour standards should be modernized. This initiative yielded over 45 forum posts, as well as a 20-page expert submission co-authored by six forum participants.

Between December 2017 and March 2018, the Minister and senior Labour Program officials held four roundtables in Woodstock (New Brunswick), Toronto, Montreal and Ottawa with a total of 28 employers and employer organizations from the federally regulated private sector and 18 unions and labour organizations.¹⁴ Participants were provided in advance with background information, including a statistical snapshot of the workforce in the federal private sector and a list of questions for discussion. The latter focused on seven themes: the flexibility of labour standards, enhancing basic labour standards, adjusting termination of employment provisions, leaves, contract retendering, minimum wages and other priorities for modernizing federal labour standards. Following the roundtables, we received 25 written submissions, with five coming from employers, 18 from unions and worker advocacy groups and two from other organizations. We also reached out to National Indigenous Organizations and several organizations well-connected to vulnerable workers.

¹³ "Arthurs Commission" refers to the Commission for the Review of Part III of the *Canada Labour Code (Labour Standards)*. The Arthurs Commission was led by Harry Arthurs and published its report, *Fairness at Work: Federal Labour Standards for the 21st Century*, in 2006.

¹⁴ See Annex D, Ministerial Roundtable Discussions, for a list of roundtable participants. The Minister also met with employers from the airline industry earlier in 2017.



From January 11 to January 31, 2018, public consultations took place online. The general public, as well as employees, unions and employers were invited to participate. Efforts were made to encourage participation from the federal private sector, including an email invitation to Labour Program stakeholders. Participants could complete a survey that provided information and asked questions about the changing nature of work, annual vacation, paid personal leave, breaks, rest periods, eligibility periods, the right to disconnect, equal wages, minimum wage, portability of benefits and top priorities for action by the federal government.¹⁵ They could also share their views and personal stories about what a good quality job means to them and how federal labour standards should be updated.

Over 10,000 people visited the consultation page, 23 submitted personal stories and 3,138 participated in the online survey. The survey was self-selecting and non-representative and questions could be left blank. Survey respondents included individuals (81%), employers (2%), employer organizations (1%), unions (12%) and other worker organizations (3%).¹⁶ Of the individual participants, 63% identified as female and 35% as male, 2% identified as an Indigenous person, 5% as a person with a disability and 16% as a visible minority.¹⁷ Generally, there was little difference in the answers provided by men and women. Nearly three-quarters of working individuals said they were working in a federally regulated industry, with the majority working in air transportation. Twenty-one employers and employer organizations indicated they operated in a federally regulated industry, as did 325 unions and other worker organizations.

¹⁵ All respondents self-selected to take part in the survey. Therefore, their responses are not representative of the Canadian population.

¹⁶ The remaining 1% left this question blank.

¹⁷ See Annex B, Online Participation, for additional demographic information.

ANNEX B: ONLINE PARTICIPATION

Between January 11 and 31, 2018, Canadians were invited to complete an on-line survey to express their views on modernizing federal labour standards. The survey asked 29 questions about Canadians' views on good quality jobs and the labour standards in the *Canada Labour Code* such as vacation, rest periods, personal leave days, eligibility requirements for entitlements, fair wages for non-standard workers, and minimum wage. Depending on how participants identified themselves (e.g. individual, union, other worker organization, employer, employer organization or other), they were also asked some additional questions regarding their business or employment situation. This annex provides an overview of the characteristics of the 3,138 respondents, who participated in the survey in whole or part, based on self-reported information.¹⁸

	% of respondents	# of respondents
Type of participants		3,138
Individual	80.82%	2,536
Employer	1.75%	55
Employer organization	0.83%	26
Union	11.98%	376
Other worker organization	2.96%	93
Other	0.48%	15
Blank	1.18%	37
Location		2533
Alberta	22.86%	579
British Columbia	13.38%	339
Manitoba	2.53%	64
New Brunswick	2.53%	64
Newfoundland and Labrador	0.59%	15
Northwest Territories	0.08%	2
Nova Scotia	3.40%	86
Nunavut	0%	0
Ontario	37.86%	959
Prince Edward Island	0.08%	2
Quebec	14.92%	378
Saskatchewan	0.99%	25
Yukon	0.16%	4
Outside of Canada	0.36%	9
Prefer not to answer	0.28%	7
INDIVIDUAL PARTICIPANTS¹⁹		
Gender		2513
Female	63.03%	1,584
Male	35.42%	890
Other	0.16%	4

¹⁸ While 3,138 participants responded to the survey, not everyone answered every question. Therefore, the total number of respondents is different for each question.

¹⁹ Respondents who self-identified as individuals; their status was not independently verified.

Prefer not to answer	1.39%	35
Identification as Indigenous person		2519
Yes	1.98%	50
No	95.12%	2,396
Prefer not to answer	2.90%	73
Identification as visible minority		2,503
Yes	16.42%	411
No	78.67%	1,969
Prefer not to answer	4.91%	123
Identification as person with disability		2,523
Yes	5.35%	135
No	91.08%	2,298
Prefer not to answer	3.57%	90
Age (Individual participants)		2531
16-18	0.12%	3
19-24	4.90%	124
25-34	27.18%	688
35-44	29.59%	749
45-54	20.35%	515
55-64	14.26%	361
65-74	2.45%	62
75 and older	0.16%	4
Prefer not to answer	0.99%	25
Working in federally regulated industry		2184
Yes	73.86%	1613
No	22.57%	493
Other	0.09%	2
Prefer not to answer	3.48%	76
Break down of those working in federally regulated industries		1612
Air transportation, including airports, aerodromes and airlines	82.88%	1336
Banks	1.05%	17
Canals, pipelines, tunnels and bridges (crossing provincial borders)	0.12%	2
Federal Crown corporation	2.30%	37
First Nation activities	0.06%	1
Grain elevators, feed and seed mills	0.19%	3
Marine shipping, ferry and port services	0.87%	14
Oil and gas extraction on federal lands	0.06%	1
Postal services	1.99%	32
Private businesses necessary to the operation of a federal act	0.31%	5
Radio and television broadcasting	0.37%	6
Railway transportation that involves crossing provincial or international borders	0.74%	12
Road transportation that involves crossing provincial or international borders	3.85%	62
Telephone, telegraph and cable systems	2.30%	37
Multiple	1.05%	17
Prefer not to answer	1.86%	30

Member of union and covered by collective bargaining agreement		2193
Yes	51.57%	1131
No	47.51%	1042
Prefer not to answer	0.91%	20
Annual Personal Income Before Taxes		2201
Under \$20,000	4.18%	92
\$20,000 to just under \$40,000	24.81%	546
\$40,000 to just under \$60,000	32.17%	708
\$60,000 to just under \$80,000	20.63%	454
\$80,000 to just under \$100,000	9.22%	203
\$100,000 to just under \$150,000	5.45%	120
\$150,000 and above	0.73%	16
Prefer not to answer	2.82%	62
Current employment situation		2536
Retired	1.97%	50
Not in the workforce	0.67%	17
Student	0.16%	6
Unemployed but looking for work	1.62%	41
Self-employed	1.42%	36
Working (35 hours or more per week)	65.18%	1653 ²⁰
Working (less than 35 hours per week)	20.86%	529 ²¹
Other	5.88%	149
Prefer not to answer	1.22%	31
Unclear ²²	0.95%	24
If working less than 35 hours per week		542
Like to keep current number of hours	65.50%	355
Prefer more hours	21.77%	118
Prefer not to answer	12.55%	68
Unclear ²³	0.18%	1
Current work situation		2193
Permanent	91.20%	2000
Self-employed without employees	0.64%	14
Self-employed with employees	0.14%	3
Temporary/term or contract	3.24%	71
Seasonal	0.18%	4
Casual	2.33%	51
Working for multiple employers	0.68%	15
Other	0.41%	9

²⁰ This question asked to select all that apply. As such, this number includes a number of participants who selected this in combination with other categories: Working (35 hours or more), self-employed (13); Working (35 hours or more), self-employed, other (2); Working (35 hours or more), student attending school (11).

²¹ This included a number of participants who selected this in combination with other categories: Working (less than 35 hours per week), student attending school (17); Working (less than 35 hours per week), other (8); Working (less than 35 hours per week), self-employed (6); Working (less than 35 hours per week); retired (3).

²² Some participants selected so many different answers that they could not be analyzed. This included combinations such as "Working (35 hours per week or more), self-employed, unemployed, but looking for work, other".

²³ This participant selected both "like to keep current number of hours" and "prefer more hours".

Prefer not to answer	0.18%	4
Unclear	1.00%	22
Job tenure		
Working for the same employer for a year or more		
Benefits		2195
Does have access to employer offered benefits	92.98%	2041
Does not have access to employer offered benefits	6.42%	141
Prefer not to answer	0.59%	13
EMPLOYERS²⁴		
Location primarily served		55
Across Canada		9
Alberta		5
British Columbia		4
Manitoba		2
New Brunswick		4
Newfoundland and Labrador		2
Nova Scotia		1
Ontario		21
Quebec		1
Multiple locations or regions		6
Federally regulated industry		55
Yes		21
No		33
Prefer not to answer		1
Break-down of federally regulated industries		21
Air transportation, including airports, aerodromes and airlines		9
Banks, Air transportation, including airports, aerodromes and airlines,		1
Radio and television broadcasting, Private businesses necessary to the operation of a federal act		
Grain elevators, feed and seed mills		1
Marine shipping, ferry and port services, Road transportation that involves crossing provincial or international borders		1
Postal services		1
Road transportation that involves crossing provincial or international borders		7
Telephone, telegraph and cable systems		1
EMPLOYER ORGANIZATIONS²⁵		
Location primarily served		26
Across Canada		13
Alberta		5
Manitoba		1
New Brunswick		1
Ontario		3
Multiple locations or regions		3

²⁴ Respondents who self-identified as employers; their status was not independently verified.

²⁵ Respondents who self-identified as employer organizations; their status was not independently verified.

Federally regulated industry		25
Yes		21
No		3
Prefer not to answer		1
Break-down of federally regulated industries		20
Air transportation, including airports, aerodromes and airlines		16
Marine shipping, ferry and port services		1
Road transportation that involves crossing provincial or international borders		2
Telephone, telegraph and cable systems		1
UNIONS²⁶		
Location primarily served		369
Across Canada	44.99%	166
Alberta	3.52%	13
British Columbia	12.47%	46
Manitoba	0.27%	1
New Brunswick	0.54%	2
Newfoundland and Labrador	0.54%	2
Northwest Territories	0.27%	1
Ontario	24.93%	92
Quebec	4.88%	18
Saskatchewan	0.54%	2
Yukon	0.27%	1
Across Eastern Canada	0.54%	2
Across Northern Canada	0.54%	2
Across Western Canada	0.54%	2
Multiple locations or regions	4.61%	17
Prefer not to answer	0.54%	2
Federally regulated industry		367
Yes	88.56%	325
No	5.18%	19
Prefer not to answer	6.27%	23
Break-down of federally regulated industries		325
Air transportation, including airports, aerodromes and airlines	78.77%	256
Canals, pipelines, tunnels and bridges	0.31%	1
Federal Crown Corporations	0.31%	1
Grain elevators, feed and seed mills	0.31%	1
Marine shipping, ferry and port services	0.92%	4
Postal services	1.23%	4
Railway transportation	2.15%	7
Road transportation	1.54%	5
Telephone, telegraph and cable systems	5.23%	17
Uranium mining and processing	0.31%	1
Multiple industries	8.31%	27
Prefer not to answer	0.62%	2

²⁶ Respondents who self-identified as unions; their status was not independently verified.

OTHER WORKER ORGANIZATIONS²⁷	
Location primarily served	92
Across Canada	42
Alberta	19
British Columbia	6
New Brunswick	1
Nova Scotia	2
Ontario	12
Quebec	2
Saskatchewan	1
Multiple locations or regions	7
Federally regulated industry	91
Yes	78
No	9
Prefer not to answer	4
Breakdown of federally regulated industry	78
Air transportation, including airports, aerodromes and airlines	72
Banks, Air transportation, including airports, aerodromes and airlines,	1
Road transportation that involves crossing provincial or international borders, Telephone, telegraph and cable systems, Radio and television broadcasting	
Canals, pipelines, tunnels and bridges (crossing provincial borders)	1
Private businesses necessary to the operation of a federal act	1
Prefer not to answer	3

²⁷ Respondents who self-identified as other worker organizations; their status was not independently verified.

ANNEX C: WRITTEN SUBMISSIONS

The following 25 individuals and organizations made written submissions as part of the consultations on modernizing federal labour standards:

Employer Organizations

Canadian Bankers Association
Canadian Federation of Independent Business
Canadian Trucking Alliance
Conseil du patronat du Québec
Federally Regulated Employers - Transportation and Communications

Unions and Labour Organizations

Air Line Pilots Association, International
Alberta Federation of Labour
Calgary and District Labour Council
Canadian Association of University Teachers
Canadian Labour Congress
Communications Workers of America Canada / Canadian Media Guild
Canadian Union of Public Employees
Confédération des syndicats nationaux
Fédération des Travailleurs et Travailleuses du Québec
International Association of Machinists and Aerospace Workers
International Brotherhood of Electrical Workers Local 424
Teamsters Canada
Toronto Airport Workers Council
Unifor
Unite Here Local 40
United Steel Workers

Advocacy Groups, Community Groups and Other Organizations

Gurudwara Sahib Greater Montreal
Migrant Workers Alliance for Change
MS Society of Canada
Workers' Action Centre and Parkdale Community Legal Services

ANNEX D: MINISTERIAL ROUNDTABLE DISCUSSIONS

A total of 54 stakeholders participated in the regional and national meetings held as part of the consultations on modernizing federal labour standards. They represented the following organizations:

Employers

Air Canada
Atlantic Commodities
Atlantic Provinces Trucking Association
Bank of Montreal Financial Group
Bell Canada
Brennan Farms
Canada Post
Canadian Imperial Bank of Canada
Canadian National Railway Company
Canadian Pacific Railway
Cargill Limited
Fasken
FedEx Canada
Grey Oak Consulting
HSBC Canada
J.D. Irving
Jazz Aviation
Midland Transport
National Bank
Nav Canada
Professional Carriers
Purolator
R.E.M. Transport
Royal Bank of Canada
Bank of Nova Scotia
Toronto-Dominion Bank
UPS Canada
VIA Rail

Employer Organizations

Association of Canadian Search, Employment & Staffing Services
BC Maritime Employers Association
Canadian Bankers Association
Canadian Chamber of Commerce
Canadian Trucking Alliance
Federally Regulated Employers – Transportation and Communications
Maritime Employers Association

Unions and Labour Organizations

Canada Labour Congress
Canadian Media Guild



Canadian Nuclear Workers Council
Canadian Union of Postal Workers
Canadian Union of Public Employees
Communications Workers of America Canada
Confédération des syndicats nationaux
Fédération des travailleurs et travailleuses du Québec
International Association of Machinists and Aerospace Workers Canada
International Brotherhood of Electrical Workers
Teamsters Canada
International Longshore and Warehouse Union
International Longshoremen's Association
Professional Institute of the Public Service of Canada
Public Service Alliance of Canada
Seafarers' International Union of Canada
Unifor
United Steelworkers

Academics and Think Tanks

Canadian Nuclear Laboratories