Take It or Leave It: The Ontario Government’s Approach to Job Insecurity

by

Louise Noce and Anne O’Connell
with the assistance of the Speaking Out Team

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Introduction

Jobs are up, exports are up, the housing market remains strong, the auto industry continues to grow and consumer spending has increased. All of the indicators clearly illustrate that Ontario’s economy is expanding and that we are well ahead of the national average in job creation, economic growth and consumer confidence. There is no better evidence that we are on the right track than this news about jobs and economic growth. Ontarians are optimistic about the future and rightly so. Finance Minister Ernie Eves [Ministry of Finance 1997: 1].

The Ontario Finance Minister’s optimistic picture of economic recovery is not shared by Michelle, a sole-support parent struggling to raise two young children:

You’re reading and you’re seeing on the news how many people are back to work. And yet realistically, there aren’t that many. My social insurance number is in the database saying that I’m working, but I’m on contract for six months. That’s not a job. I want a full-time job. Michelle, a member of an interviewed household.

Ontario’s economy is supposed to be improving, but many people are finding it harder than ever to get and keep a job. Diminished employment opportunities are occurring across Canada and in other countries, as workers are affected by technological and structural changes to the economy. For many of those who do find a job, it is more and more likely to be low-paid, insecure and with poor working conditions. Michelle is one of the 62 adults in 38 households interviewed over the last few months by the Caledon Institute of Social Policy’s Speaking Out Project. Another participant, Sabrina, told us of a desire all too common among the people with whom we talked:

Getting a job, a real job, a job that I’m qualified for. You know, I’m working twice as hard as I was working before [being laid off by a public sector social service agency] and I’m making less than half of what I used to make. Plus I have no security whatsoever.

We asked the people we interviewed about the kinds of issues and problems facing them today. The majority have low incomes, although some are middle-income and a few are high-income earners. We expected to hear that, at least for some participants, the employment situation is improving. But to our surprise, in almost all the households, whether of low or middle incomes, whether working or looking for work, we were told about a worsening - not improving - labour market.

What is really happening in Ontario today? In spite of all the brave talk about economic recovery, getting, keeping and having a job is actually becoming more and more difficult for a substantial part of Ontario’s population. Why is this happening?

Our participants shed some light on these questions. This report on what they told us is presented in two parts.

First, we hear about individual experiences of work and job insecurity among our project participants. We then draw on labour market research to see how far participants’ experiences of the changing nature of work are shared by other Ontarians. The evidence shows that job insecurity is on the rise in Ontario. Opportunities for full-time, secure and well-paid employment are becoming increasingly scarce.

Second, we turn to the reasons for the deteriorating work situation in Ontario. Govern-
ment can offset employment insecurity through labour legislation and social programs. However, current provincial policies are adding to, rather than alleviating, the problem. Our interviews revealed three areas, in particular, where government policy is making jobs less secure: changes and cutbacks in the public and non-profit sectors, changes to labour legislation and the introduction of ‘workfare’ - i.e., work-for-welfare. Each area of change is having an impact and together they interact to substantially heighten job insecurity in Ontario.

The changing nature of work: nonstandard work

Of the 62 adults interviewed, 36 (58 percent) were employed at the time of the interviews (see Figure 1). As a group, they reflect the diversity of working Ontarians at large. They work in the private and public sector, in unionized and non-unionized jobs, and in both the goods and services industries. About half are employees with full-time permanent jobs while the rest are employed in part-time, temporary and short-term work or are self-employed.

Another eight participants (13 percent) are unemployed and receive either Employment Insurance or short-term welfare (General Welfare Assistance). Twelve participants (19 percent) are not presently in the labour market; they are retired or ill or are collecting workers’ compensation or long-term welfare. The remaining six participants (10 percent) - all women - are difficult to classify. They are not employed and may not have been seeking work at the time of the interviews, but most have had at least an intermittent relationship to the labour market. Some have experienced long-term unemployment that made them ineligible for Employment Insurance. One has chosen not to work at present but is inter-

![Figure 1 PARTICIPANTS BY EMPLOYMENT STATUS](image)
ested in finding work in the future. Others mentioned difficulties balancing work and family responsibilities or being recently laid off and now doing unpaid work.

Like many Ontarians, our participants are grappling with the trend towards ‘nonstandard work’ - i.e., work that offers fewer guarantees for full-time, full-year jobs and offers few if any benefits [Wells 1997: 35]. Many find only part-time and contract employment and some hold down multiple jobs of this type. Numerous participants, especially those working in the service sector, find their work hours dwindling. Others work longer hours and more days per week, yet feel little job security.

**contract and part-time work**

Michelle has been looking for work for months after being laid off from a large telecommunications corporation. She speaks of how the company’s drive to increase productivity and become more competitive has altered her expectations of work. Her response to the shift is telling: “I find nowadays a lot of jobs are based on a contract, so you just have to motivate yourself to not take it personally.” By ‘not taking it personally,’ Michelle acknowledges a trend towards nonstandard work which is occurring not because of deficiencies in workers’ qualifications or performance but because of measures taken by employers supposedly to ‘increase productivity’ and ‘lower production costs.’

Participants working in the private and public sectors alike talk about ‘restructuring,’ ‘budget constraints’ and ‘privatization.’

Rick, a full-time unionized worker in the transportation industry, notices the shift to part-time work. He attributes it to employers’ reluctance to invest in workers:

> With downsizing they turn around, they only hire part-time. The companies now don’t want to pay benefits. They’d rather turn around and wipe you out, and say: ‘No more full-time, let’s have part-time. That way we don’t pay benefits.’ And they’ll call them in when they need them. They have to be on standby most of the time. If they’re not there they could end up losing their job. It’s a total abuse. It’s an abuse of a human being.

The trend he cites is becoming known as ‘just-in-time’ labour, which aims to reduce labour costs the same way ‘just-in-time’ manufacturing aims to reduce inventory costs. Part-time workers increasingly are being used as a pool of expendable labour willing to work highly irregular hours for lower wages and few, if any, benefits [Dagg 1997: 5]. Rick foresees that the move to more part-time work will drive down the wages and benefits of full-time employees and undermine the security of all workers.

**multiple jobs**

To offset falling earnings due to both lower wage rates and fewer hours of work, some people resort to multiple jobs. Sabrina’s is one of three households we interviewed that piece together a number of contract and part-time positions into a tenuous patchwork of employment. Cutbacks to her agency’s funding caused her to be laid off as a full-time case manager. Unable to secure employment in her field of qualification, she now holds down three insecure jobs: two part-time contract positions and one temporary part-time position. Although these three jobs add up to more than 30 hours a week, Sabrina does not regard them as equivalent to full-time employment.

Despite her specialized knowledge and years of work experience, Sabrina is unable to
find work that pays a living wage. With three part-time jobs, she still qualifies for a welfare ‘top-up’ (i.e., a welfare supplement for working people with very low incomes). The need for a top-up demonstrates the inability of work to sustain Sabrina financially and runs contrary to conventional wisdom that assumes anyone employed full-time, full-year will not be poor. The market has failed to support low-wage workers, many of whom still fall well below the poverty line. Despite the number of jobs and the hours she works, Sabrina is left poor by the marketplace.

The ‘flexibility’ of nonstandard work has two sides. Members of one middle-income household employed in specialized, well-paid work welcome the flexibility of part-time contract work. For underemployed workers like Sabrina, however, nonstandard work offers less job security, lower pay and fewer fringe benefits.

polarization of work time

Participants also report changes in the number of hours they work. Some work fewer hours, while others exceed the standard 40-hour work week. Increasingly, workers appear to be divided between those working shorter hours and others working longer hours than used to be considered standard. As Figure 2 shows, among our participants longer hours are more common in some sectors, such as manufacturing, while shorter hours are more common in other sectors, such as community service.

In addition to longer hours in some sectors and shorter hours in others, we also found striking variations within the community service sector. Here, participants’ hours vary widely, from four to 45 hours a week, as shown in Figure 3. This variation reflects, in part, the spread of part-time, contract and temporary work in this sector.

The polarization of work time is reflected in the comments of the following two households. Aida, employed as a community worker, notes that an increasing number of co-workers are working fewer hours. She works part time for about 16 hours a month and finds her current hours are being cut back from two two-hour shifts a week to two one-hour shifts. She says:

It’s very little, but as I don’t have anything I can’t tell them goodbye. It is miserable, it’s 200 and something dollars a month, but what should I do? I received a memo that says they are thinking of reducing the shifts to one hour: reduce the salary - imagine how this government is now contracting - for one day! I am going to apply for this job - but it infuriates me - so that I can work one day a week!

On the other hand, Rick, who spoke earlier about the rise of part-time work, remarks that his company (in the transportation, storage and communication sector), while encouraging just-in-time labour, is also lengthening the work week:

I mainly work six days a week just to try to keep up with the finances, with the bills and all that. It’s really tough. So you’re mainly put into that bracket where you have to work six days a week because five days is still not enough. Even with making $18.05 an hour, it just goes towards bills, the house, maintenance, food, the kids, all the way around. And we struggle. We’re supposed to be a middle-class society here. I’m supposed to be a middle-class citizen, but I feel more like a pauper than anything.

The contrast between Aida’s case and Rick’s illustrates the issue of unequal distribution of work. The labour force increasingly is divided between those forced to work more and those forced to work less. Yet, for both, the outcome is heightened insecurity.
self-employment

Our interviews also demonstrated what self-employment means for some people. Five of the employed adults in the study are self-employed. The small businesses in our study include in-home daycares, craft manufacturing, a cleaning business and a home painting business. Most of these entrepreneurs cite the unavailability of regular employment as a factor in their decision to work for themselves. Many echo the same concerns about job stability as those in full-year, full-time ‘secure’ jobs.

Indeed, our self-employed participants are made more insecure by unreliable income, irregular working hours and lack of benefits. Mark, a self-employed small manufacturer and artist, expresses the difficulty of trying to get financing at the bank: “If you’re self-employed, your income is considered unreliable.” Gary, a self-employed painter, and his wife Olivia speak of their continual struggle to make ends meet, especially since the work tends to be sporadic and seasonal. Self-employment makes them ineligible for most of the minimal supports that may be available to other workers. “Self-employment means we live day to day, not paycheque to pay-cheque,” says Olivia. Janet, who runs a cleaning business, makes herself available to customers at irregular times:

“Clients phone me at eight o’clock, nine o’clock at night and want me to do something.” Is the experience of the participants common to other Ontario workers?

Having listened to our study’s participants, we wanted to see how their experiences compare to those of other workers in Ontario.

Participants’ insecurity corroborates research findings that only a minority of workers in Canada today hold ‘good jobs’ - i.e., full-time, full-year jobs that pay at or above the average industrial wage [Dagg 1997: 76]. Ontario workers are having to adjust their expectations to reflect this new workplace reality as more and more of them move from ‘good jobs’ to jobs that are ‘nonstandard.’

When Michelle and Rick talk about the rise of contract and part-time work, they are pointing out an important trend in the labour market: In Ontario, over the last 20 years, the rate of part-time employment has grown from 14 percent to 19 percent [Statistics Canada, 1997b: 163;1997c].

Sabrina is not alone in managing her multiple jobs. She is part of the fastest-growing group of multiple job holders: women aged 25 to 54. In the last 20 years, the rate of multiple job holders has shifted from one in 50 workers, to one in 20. Women now make up the slight majority of multiple job holders, compared to 20 years ago when men in this category outnumbered women three to one [Statistics Canada 1997a: 33].

For Aida and Sabrina, working part time is not a choice. They are among a growing proportion of women whose participation rates in part-time work have tripled because they are unable to secure full-time jobs. While part-time work has increased in recent years, so has the proportion of full-time workers who exceed the number of hours in a standard work week - indicating the polarization of work time we observed earlier. The unequal distribution of work hours is partly reflective of the shift of jobs from the goods-producing industries to the service sector, and of how jobs within these sectors have shifted away from full-time towards contract and temporary work. Consequently, the growth and distribution of non-standard jobs affect levels and patterns of labour market inequality [Krahn 1996: 35].
Rick’s job is an example of blue-collar work that is mostly male-dominated and increasingly reliant on a core group of workers, often working more than full-time hours. The numbers tell us that, for men, longer work weeks are more common for those working in transportation, storage and communications, business services, educational services and public administration. As Rick said, encouraging full-timers to increase their workload is cheaper for management than training new workers on a full- or part-time basis [Statistics Canada 1997a: 15-16].

Parts of the service sector, where many of our participants like Aida work, are female-dominated; these include food and accommodation, social services and health services. These occupations demonstrate a trend towards shorter hours [Statistics Canada 1997a: 16].

The experiences of participants closely reflect labour market trends. We turn now to a closer examination of what employment indicators really tell us about working in Ontario today.

**Labour market insecurity**

Growth in the economy, in exports and in household spending all seem to indicate that the province’s economy is booming and consumer confidence is strong. The Conservative government is crediting this economic upswing to its ‘Open for Business’ platform, which ushered in a number of legislative changes intent on promoting job creation and economic growth. These measures were aimed at removing business disincentives by cutting bureaucratic red tape, reducing taxes and eliminating obstacles to the operation of the private sector.

**unemployment**

But has this ‘period of economic growth’ improved the employment picture in the province? No. Economic indicators show that work continues to be insecure, as Conservative policies fail to lower unemployment rates or offset the growth and negative impacts of nonstandard work. The unemployment rate in Ontario has remained relatively constant under the Harris regime. At the time of the Conservative government’s election in June 1995, there were 499,000 unemployed Ontarians. In November 1997, 502,000 people were unemployed. The official unemployment rate in June 1995 was 8.8 percent; as of November 1997, the rate was 8.4 percent [Statistics Canada 1997d].

The official unemployment figures underestimate the true extent of the problem. The real unemployment rate is much higher if we include those who have given up actively looking for work and part-time workers who want full-time jobs. According to the Ontario Federation of Labour, if discouraged workers are taken into consideration, true unemployment in the province exceeded 14 percent every year since 1992 [Ontario Federation of Labour 1997: 53].

Labour force participation is another aspect of the employment picture. The proportion of working age Ontarians recorded as being in the labour force (i.e., working or actively looking for work) has fallen steadily from a peak of 70.5 percent in 1989 to 65.8 percent by 1996 [Statistics Canada 1997b: 46]. These declining levels of labour force participation, reflecting increasing numbers of people who have given up looking for work, speak to the ‘jobless recovery’ that has occurred in Ontario in the latter half of the decade and cast doubt on whether
real gains were made in reducing unemployment. A declining labour force participation rate by itself will ‘reduce unemployment’ (i.e., the official jobless rate), even if no jobs are created.

**quality of jobs**

Employment quality usually is measured by three indicators: employment stability (the average length of time a worker keeps a job), compensation (rates of pay) and the proportion of full-time to part-time employment in new jobs created.

The evidence about these indicators reveals the polarization of Ontario workers: On a year-over-year basis, in the second quarter of 1997, the employment stability index rose by 3.9 percent in professional and managerial occupations while it fell by 2.0 percent in low-skilled, less stable, service-oriented jobs. Job turnover is growing among the latter. The compensation index increased by 4.1 percent, reflecting the increased proportion of jobs in well-paid industries such as manufacturing (especially transportation equipment and electrical products) but only modest gains in the low-paid industries such as retail [Canadian Imperial Bank of Commerce 1997].

**vulnerable workers**

Unemployment rates remain high and the economy is failing to produce good jobs. In the past, a strong safety net cushioned some of the instability of the labour market and provided some security for those most affected by ongoing fluctuations. However, those traditional assurances are in jeopardy as government reduces and withdraws from its role in supporting workers.

While changes in the labour market have had sweeping effects, our interviews indicate that those most affected are the unemployed and underemployed. Among people caught in precarious and poorly-paid work we find women, young people, visible minority workers and people with disabilities. The opportunities for skill development and advancement within this work are virtually nonexistent. As a result, many workers find themselves caught in a flux of unemployment and short-term, low-skill jobs with no future. Ironically, those forsaken by the job market are also being neglected by social programs which are less and less able to support them.

**erosion of social programs**

For those who are underemployed or facing unemployment, social programs used to play a critical role in alleviating job and income insecurity. Participants identify training, education, subsidized child care, apprenticeship programs and affordable housing as necessary supports to help people get and keep jobs. As these social programs deteriorate, some participants report feeling more frustrated with the job market.

Patrick, who has been looking for work for some time, explains how the erosion of Employment Insurance contributes to insecurity:

*There are no rights. They’ve stripped those rights. You can no longer quit your job without being affected through EI.*

Patrick’s comments reveal how more stringent rules for Employment Insurance can keep some workers trapped in ‘bad’ jobs. Some people feel their choices regarding job mobility or advancement are hampered by the denial of benefits to workers who quit a job ‘without just cause.’ Unemployed workers who manage to qualify for Employment Insurance receive lower payments than in the past in most cases, and for a shorter period because of a reduction in the
maximum length of benefits. Moving from contract to contract, fewer workers are able to amass enough hours of work to qualify for Employment Insurance. The Employment Insurance system’s coverage of unemployed workers has shrunk dramatically in recent years. In 1990, 64 percent of the unemployed in Ontario received regular benefits; by 1996, coverage had fallen to just 34 percent.

Given the changes to Employment Insurance, more workers find themselves relying on other income support programs such as welfare during periods of unemployment or underemployment. Some working people are turning to welfare top-ups to sustain themselves and their families.

Kate has a full-time job as a telemarketer that offers neither stability nor income security. As Kate and her partner Carl can attest, work is not always a vehicle for self-sufficiency and autonomy:

Kate: ‘[My pay is], I don’t know, anywhere [up to] $500 [every two weeks].

Carl: Yes, if they don’t send you home.

Kate: Yes, a lot of times I get sent home at night.

Q: Why is that?

Kate: It’s telemarketing. So if the numbers aren’t good, if you don’t have good numbers then there’s no sense in keeping you, they can’t keep you.

Carl: If you aren’t making money there’s no point.

Depending on the immediate returns to Kate’s employer, she is shifted back to welfare for a top-up. She supports two children and remains frustrated with how her dream of a college education is impossible while working as a telemarketer. Kate feels trapped in a cycle of bad jobs and reliance on welfare, when her life goals require the support necessary to further her education:

You want to better your life, let it be going to work, let it be going to school, why not allow it? Isn’t that what they want? They want us off FBA, they want us off welfare. Well, with a grade nine education, I’m not going to get a really good job.

an employers’ market

The growth of bad jobs and cuts to social programs serve to open up the job market further to the needs of employers, creating an ‘employers’ market’ characterized by low-wage labour and a flexible labour force. Participants believe recent government policies, including labour legislation, public sector cuts and the introduction of workfare, will make an employers’ market a penannent fixture of working life in Ontario. Patrick says: “I’ve been told time and time again that in this day and age, it’s the employers’ field.”

Like him, other participants are quick to point out that the labour market has swung in favour of the employer. Sustained levels of high unemployment create a large supply of labour and a climate favourable to employers. Rick says:

The owner will look an employee straight in the face and say ‘take it or leave it’ because a thousand more workers out there are lined up ready to take that job. It’s as simple as that.

In a time of high unemployment when a large and eager labour supply exists, a ‘bad jobs economy’ can be created by lowering wages
and contracting out. The search for cheap labour remains a powerful cost-cutting strategy for business. Government is actively supporting this strategy by removing business ‘disincentives,’ claiming this approach leads to economic growth and job creation. Our households challenge this claim, emphasizing the working person’s loss of negotiating power.

The employers’ market notion deeply influences how people feel about work and affects the terms and conditions of employment. When people are unable to negotiate any of their own terms, they can be vulnerable to unfair labour practices. Patrick’s understanding of this new work environment is shaped by a friend’s experience:

*She had gone for an interview at a doughnut shop. The owners put her through two interviews, then they tried her out for three days. They only paid her half the money they said they were going to. They said it was probationary, that they didn’t have to. If this happens to her, how many other people and how many other employers are thinking this? These are jobs for the interim, jobs where the employer can take advantage of the employee.*

The employers’ market is reinforced by the growth of nonstandard work, continuing high unemployment and cuts to social programs. The views of our participants reflect their own experiences and biases, and certainly do not offer uniform support for, or opposition to, anyone policy. We hear from a unionized worker who is angry with new labour legislation, yet sees workfare as a policy that will get ‘welfare bums’ back to work. A single mother on welfare welcomes workfare as a strategy that will save the government money by replacing unionized workers with welfare recipients. Yet these contrary views reveal the close relationship between jobs and public policy. Working people are well aware of the effect on their lives of the funding cuts to the public and nonprofit sectors and of the government’s ready adoption of downsizing and deficit cutting.

**Ontario government policies and jobs**

We turn now to three areas in which provincial policy changes are adding to the difficulties and concerns of working people: cuts in funding to the public and nonprofit sectors, changes to labour legislation and the implementation of workfare.

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**summary**

Government reports of economic gains and growth contrast sharply with the reality of working people. Ontarians are faced with an increase in non-standard work, which in turn affects their level of job and income security. Unemployment rates have shown little change in the province since the Harris government began its ‘Common Sense Revolution. ‘Cutbacks to federal Employment Insurance, provincial welfare and other social programs (such as training) are adding to the insecurity of workers already failed by a labour market that is not producing enough good jobs. While the Ontario government hopes to foster an employers’ market, people in our households describe an employers’ market that already thrives without requiring further help.

**insecurity and stress in the public and nonprofit sectors**

Participants continue to look to government to buffer the job insecurity created by
nonstandard work and high unemployment. Instead, they find the Ontario government to be an instigator of insecurity.

In 1996, 10,000 jobs were lost in the public sector in Ontario. Estimates suggest that by the end of the Conservative government’s first term, 70,000 public sector jobs will have been eliminated [Ontario Federation of Labour 1997: 23].

Our participants who work in the public and nonprofit sectors as teachers, nurses, social workers, elder care providers, community workers, health care aides, outreach workers and counsellors provide a wide range of important human services. They speak about the stress of working under conditions of increasingly limited resources and heightened uncertainty. As jobs are cut, service delivery is inevitably affected by funding cutbacks; providers and clients speak about the problems that arise as a result. We also hear from those who formerly worked in public service agencies and are now unemployed. They find it more difficult to obtain employment in the fields in which they can use their skills and experience.

Ashley is looking for work in the social service field. She describes the difficulty of her job search:

Cuts to all the social service agencies have affected me because I would have had a job by now. Even though I don’t have a piece of paper, I still have friends in the area who could slot me into working with seniors or doing recreational-type things, but those jobs don’t exist anymore. So that policy has cut those jobs.

Denise experienced a reduction in hours as a full-time support worker after her agency funding was cut. Contractors were hired instead:

I was working about 36 to 40 hours a week. And what the government did was cut funding and hire contractors. They hired all these new contractors and gave them four or six hours a week. So the government figures we’re all happy. We’re not all happy.

In the field of adult education, Melanie has seen her wages drop during the last year after numerous negotiations. She is currently earning less than she did in 1987. She describes the growing instability of working as an English as a Second Language (ESL) instructor:

ESL has got to be one of the most unstable areas of employment I’ve had in my 18 years of doing [adult education]. I’ve had six different employers and this is the longest job I’ve ever held. I held this job for 10 years and this is as close to permanent as it ever gets with what I do. I would never recommend my way of earning a living to a younger person, ever. It’s a wonderful job and it’s great fun and everything, but it’s very, very unstable. Unemployment is always a concern. It’s always around the corner. It’s always looming up on the horizon, and of course the older you get, the uglier it is.

Our participants have found that funding cutbacks lead to variable hours, less secure jobs and more stressful work. The privatization and contracting-out of public services usually result in a sharp deterioration in the quality of jobs in terms of pay, working conditions and access to benefits [Dagg, 1997: 8].

Besides the insecurity created by a corporate agenda of downsizing, our participants speak about unusual work pressures. In the name of ‘deficit reduction,’ challenges are being mounted to the mandates of agencies and the merits of programs. Scarce funding dollars
have increased the competition among agencies and ultimately between ‘social causes.’ Front-line workers are fearful their work soon will fall out of favour and not be considered a priority for the government of the day. They speak of burnout and overwork as their positions became more tenuous. Others feel it difficult to reconcile the aims of ‘restructuring’ with the goal of helping people in need.

Carl, a front-line worker in a community health centre, has noticed a drastic change in the atmosphere of his workplace over the last two years:

I’ve talked to other people who work in the field, and quite a number of them have burnt out just by the spirit of the government. It makes my job much more difficult. It makes life much more difficult and I take it out on my home life. Then there’s just even thinking about and hearing all the cuts that are happening elsewhere. You’ve got to wonder about job security. Clients would come in and ask me if this program is going to be cut or end, and I don’t have any answers.

Michael has been working for years in community agencies and tells about the environment of cutbacks:

Since the Tory government’s been elected, it’s funny, we went through this heightened sitting on pins and needles to a comfortable sitting on pins and needles. We avoided any massive cut-backs, but you always hear these whispers through position papers - ‘amalgamation of services and restructuring’ - and you hear all these words and nothing seems to happen. I get overwhelmed by the secrecy, the quietness and then all of a sudden: boom. Something will happen. That’s what worries me.

Aida works with people with mental health problems. Over the last year, her agency has been cutting the number of hours devoted to clients while expecting the same amount of work to be done. She feels taken advantage of, and yet her employer denies there are any problems:

The employer is irresponsible because they put us into a program where the responsibilities are too much, and where it is impossible to do everything in the 14 hours [allotted]. And do you know what the response is? ‘No one is oblig-ing you to work more than 14 hours.’ And so I am the one who is apparently irresponsible.

Not only workers feel the pinch. So do the clients. Cuts to public services, like homes for the aged, can have brutal effects, as Josie tells us. After 20 years of working in this sector, she sees a return to the days when low staffing levels meant increased isolation and deteriorating hygiene. Bedsores are reappearing as care declines. Sons and daughters of residents argue with staff, while staff themselves find their patience wearing thin about funding issues over which they have no control.

Jackie tells about the impact of cuts on her son when she took him to the hospital:

With all the cutbacks, a lot of the nurses get bumped to a new floor if they have seniority. Some nurses have never worked in pediatrics before. [My son] had a problem with his intravenous and a nurse came in and said: ‘Well, I can’t really tell if that’s a problem.’ In fact, the intravenous wasn’t even in his vein! It was pumping fluid into his tissues!

summary

The experiences of interviewees show how massive cuts to the public sector shift
workers from full-time employment into the growing ranks of non-standard work, cause further reductions to minimal contract hours and reduce the number of available jobs. The working environment is damaged when people fear for their jobs and for the viability of agencies and programs. Not surprisingly, the level and quality of service decline.

**labour legislation: open for business**

The Conservative government’s ‘Open for Business’ platform has implications for workers’ rights in Ontario. Part of this platform supposedly is to ‘undo the damage’ of its predecessor by repealing some labour-related legislation. Accordingly, a number of Acts have been repealed or nullified on the pretext that they infringed on private labour relations. The Harris government contends that one of the sources of chronic unemployment is the over-regulation of Ontario’s labour market. To reduce unemployment, the Conservatives believe, it is necessary to reduce the role of government in the economy. In their view, the function of government is to provide an appropriate environment for the private sector to create jobs. Premier Harris is intent on promoting such an environment through indirect approaches, such as tax cuts and environmental deregulation, and through more direct approaches including the following significant changes to labour legislation:

- **Bill 7**, *Labour Relations and Employment Statute Law Amendment Act*, repealed a law that banned the use of strikebreakers and made it easier for unions to organize.

- **Bill 8**, *Job Quotas Repeal Act*, eliminated the employment equity program which required employers to set goals and timetables for hiring women, people with disabilities, Aboriginals and visible minorities.

- **Bill 15**, *Workers’ Compensation and Occupational Health and Safety Amendment Act*, streamlined the administration of the Workers’ Compensation Board and reduced its role in supporting injured workers.

- **Bill 26**, *Savings and Restructuring Act*, eliminated or changed more than 40 pieces of social legislation including eliminating the use of the proxy method (a method for developing pay equity plans for women in the lowest-paid, predominately female-dominated jobs).

- **Bill 49**, *Employment Standards Improvement Act*, a Red Tape Review Commission proposal, introduced amendments to the Act that would change the standards for hours of work, overtime pay and severance pay.

- **Bill 99**, *Workplace Safety and Insurance Act*, reduced workers’ compensation benefits paid to injured workers and eliminated some potential claims.

- **Bill 136**, *Public Sector Labour Relations Transition Act*, attempted to establish a Dispute Resolution Commission to oversee the changes and prohibit strikes during the transition. Changes to this legislation have occurred since its introduction.

Ontario may be open for business. But is it closed to the people of Ontario? Although participants were not asked to comment on employment legislation, some identified the changes to legislation as affecting their level of job security. The discussion of legislative changes below is not meant to be comprehensive, but rather highlights those items on which participants focussed. Participants inside and outside the labour market shared their insights about the future of work under deregulation. People
spoke most about three areas of legislative changes: workers’ rights, equity and workplace safety.

I. workers’ rights

a. labour relations

Bill 7, the *Labour Relations and Employment Statute Law Amendment Act*, repealed most of the reforms contained in the previous *Labour Relations Act*. Bill 7 withdrew ‘anti-scab’ provisions, altered the rules governing union certification and decertification, amended the *Labour Relations Act* and the *Employment Standards Act*, eliminated successorship protection of employees in the contract service sector, reduced entitlements under the Employee Wage Protection Fund and diminished the role of trade unions.

Former Labour Minister Elizabeth Witmer introduced Bill 7 as a way to “restore balance and stability to labour relations and to promote economic prosperity” [Government of Ontario 1995b: 1]. Far from restoring balance and stability, one of our participants argued, the changes have intensified feelings of insecurity by undermining workers’ power to negotiate with employers. Employed in a primary industry in Northern Ontario, Bert is one of the nine unionized workers within our group who speaks strongly against Bill 7. He is most concerned about the repeal of the ‘anti-scab’ provision which would undermine the workers’ side in labour disputes. At the time of the interview, Bert had returned to work after a strike over diminishing benefits. The fear of hiring replacement workers under Bill 7 was a significant factor in the membership’s decision to ratify an agreement with management. Bert recounts:

*The strike would still be going on if it wasn’t for the company going over our heads for a court order and bringing in scab labour. The same thing that they did with B&F tires. B&F had an employee list of 9,000 people, and they replaced them in two years with scab labour. So that’s what is going through our minds. We’re on strike. Do we vote to get what we think we should get? Or, do we take a little bit and say we’d better not push any more because he’s got Barris on his side? The government’s sitting in his corner. So it’s one of the concerns that’s scary. I really think, if that law hadn’t have been there, we probably would have voted [the offer] down and still had a better contract in a week’s time. You’re in a Catch 22 situation. Do you vote it down one more time? Do you spin the wheel or roll the dice one more time, or take a chance on them doing that? If they do that, we could be out for a year because they have enough contractors around here.*

For Bert, Bill 7 is yet another tool in his employer’s arsenal to destabilize workers. Clearly, the loss of workers’ abilities to negotiate is responsible for Bert’s heightened feelings of insecurity. His comments speak to the difficulty labour groups and unions face in protecting workers’ rights in the presence of anti-labour legislation.

Another unionized worker views the legislation as a tool to erode the protective powers of unions, challenging their ability to represent workers. Rick calls into question the role of unions in an environment of deregulation:

*With these cutbacks and getting rid of Bill 40 [the Labour Relations and Employment Statute Amendment Act], there’s not much protection any more, even with the unions. So all these*
and I mean absolutely no chance - of getting hired on full time.

Rick’s bleak comment points to another distressing trend: the inability of unions to protect those already on the fringes - part-time workers. In the absence of legislation which safeguards workers’ interests, those employed in nonstandard work may fare even worse under these changes.

The introduction of Bill 7 did not happen in a vacuum. It occurred while other changes were taking place in the labour market. The shift to self-employment and employment in small workplaces in the non-unionized sector parallels the increase in precarious, low-paid jobs. Undermining union powers will exacerbate the negative impact created by these trends. Instead of providing parity of treatment for nonstandard workers in the hope of raising the floor of the labour market, the changes encourage a ‘race to the bottom’ as workers in traditional safe havens, such as unions, watch employment standards fall. Rick talks about the repeal of Bill 40 and resulting tensions between unionized and non-unionized workers:

I don’t believe that the government should have taken [Bill40] out at all ... Bill 40 used to protect workers a little bit. They were able to strike, and employers weren’t allowed to use scab labourers. Now the government wiped that out. The company can turn around and bring in labourers, and that causes civil strife right here. And it causes a fight between two people who shouldn’t be fighting each other. And who pits them against each other but the government itself, which eliminated Bill 40, and the owners of the big businesses, who want to turn around and use the people against each other.

And they’ll sit in their oval offices and watch it through the windows as these people battle it out.

2. attack on equity

a. minimum wage

Besides undermining unions, the Conservative government has made it harder for the working poor to earn a decent wage. The minimum wage is frozen at $6.85 an hour for five years. The minimum wage always has been an important protection for those working in the low-wage labour market, where women and young workers are concentrated. However, the present minimum wage is not sufficient to pull families out of poverty.¹

Our participants who work in low-wage jobs emphasize the difficulty of providing for themselves and their families. Four households, although having employed family members, are unable to meet their needs and have to supplement their employment incomes with welfare top-ups. The failure of work to provide a living wage and protect people from poverty is breaking down the connection between work and self-sufficiency. Freezing the minimum wage will erode its value, which will decline each year by the amount of inflation. A frozen minimum wage also threatens to pull other low-income working families into poverty as new minimum-wage jobs are created. Participants anticipate further hardships and more reliance on social support programs. But such increased need comes at a time of government reduction and withdrawal from such programs.

b. employment equity

The Harris election campaign promised to repeal the Employment Equity Act of 1993.
Established under the previous NDP government, the purpose of the Act was to achieve equality in the workplace so that no person would be denied employment opportunities or benefits for reasons unrelated to ability. The Act aimed to correct the conditions of disadvantage in employment experienced by women, Aboriginals, persons with disabilities and persons who are, because of their race or color, members of a visible minority in Canada. Employment equity means more than treating persons in the same way: It requires special measures and the accommodation of differences.

Using the rationale that employment equity undermines the merit principle in hiring and entangles employers in needless red tape, Bill 8 was introduced to repeal ‘job quotas’ and to restore ‘merit-based’ employment practices in Ontario [Government of Ontario 1995a]. Bill 8 also repealed the provisions of the Human Rights Code and The Police Services Act that relate to employment equity and the provisions of the Education Act that pertain to employment equity and affirmative action.

Although the Harris government acknowledges that some individuals have been unfairly denied equal opportunity because of discrimination, it considers the corrective mechanisms proposed by the employment equity legislation to be unacceptable, claiming they create new or ‘reverse’ forms of discrimination [Vickers 1990: 325]. The responsibility for the resolution of equity issues no longer lies with the province but with individuals. The Conservatives argue there is no need for government intervention because it is in employers’ best interest to address and rectify discrimination against minorities themselves.

The labour market, however, has failed to rectify these inequities. For example, it still remains strongly divided into women’s work and men’s work, a situation that has remained remarkably stable even though the female share of the labour force has more than doubled since 1941 [Armstrong and Armstrong 1990: 275].

One household echoed the government’s focus on ‘job quotas,’ welcoming the restoration of ‘meritocratic’ hiring practices. Others understood the repeal of employment equity as a tool that would intensify the vulnerability of ‘target groups.’ Rick and Elizabeth represent these opposing views in their discussion of Bill 8.

Elizabeth, a social worker, questions whether the government understands how systemic and institutional racism work to heighten minority workers’ insecurity:

*Do you know anything about employment equity? Do you understand the system like racism? Do you think there are no qualified black people in the world? That really horrified me and I think for a long time I was just frozen. All I could do was do my job and that was it.*

Rick’s viewpoint is consistent with the Common Sense Revolution discourse on reverse racism:

*It is well known, [that] a white Canadian male has less chance of getting a job, no matter what kind of an education he’s got, than anybody... who walks into this country right now. The white Canadian male has a major problem. And that is not a racist statement. That is a fact. That is a point blank fact that the government has pushed on our people here. I’ve seen it happen where a white Canadian male can walk in and apply for a job but because of government policies, certain policies and everything else that they have to hire so many ethnics, it doesn’t make any difference, women, whatever the case may be, the simple fact is that guy goes without his job.*
Rick believes that the Employment Equity Act fostered an environment in which the best candidate was overlooked in favour of less qualified candidates from the targeted groups. According to Rick, the white male goes without a job not because there are fewer opportunities, as employment creation figures seem to indicate, but because ‘ethnics’ and women are parachuted into positions. However, Rick may be responding to the general lack of opportunity in the job market. A government that is determined to help business drive down labour costs while passively waiting for job creation to happen, can benefit from divisions among working people. By constructing the problem of the white male as an ‘us and them’ phenomenon, the realities of the labour market are obscured and workers are pitted against each other. The ensuing unease intensifies workplace insecurity for all workers.

Our interviews show that even some people who traditionally are in highly employable groups, such as white males, professionals and the well-educated, are being left outside the job market. Steven, a 26-year-old who finished his first undergraduate degree several years ago, remains unemployed. Having returned to his parents’ home while pursuing a second degree, he is fortunate to have a network of supports that protect him from poverty, although not joblessness. The reason for this exclusion has nothing to do with equity legislation (which was repealed over two years ago) and much to do with the lack of opportunity.

Yet another participant, Michael, speaks of the repeal of employment equity as threatening the opportunities for advancement of target groups, particularly in a climate of fiscal restraint. He describes how, in light of scarce funding dollars, faculty at the community college where he teaches are being laid off. He points out that women’ and minorities are particularly vulner-able to these layoffs since many lack seniority. The adage ‘last hired, first fired’ holds a degree of truth for minorities and women, whose numbers are under-represented in tenured faculty positions. Michael recounts that in the latest round of funding cuts to colleges, a visible minority colleague in his department was laid off. He speaks of the resulting tension in the academic community:

In my program for example, the child and youth work program, probably 40 to 50 percent of the students are nonwhite. None of the faculty are. There was one woman and she was laid off after last year’s cuts. And I think those kids come in and they say: ‘who are these people that are teaching us? They’re not from our communities, who are they?’ And it creates a tension.

c. pay equity

Pay equity - the principle that men and women should be paid the same for work of equal value - also has been undermined by the government, though not outright eliminated. Section J of Bill 26, the Omnibus Bill, ended the proxy method for determining pay equity [Kitchen 1997: 105]. About 100,000 women thereby stand to lose $81 million in pay equity payments [Rusk 1997a: AI; A6]. The government argues that a direct comparison between women’s and men’s pay scales is impossible, and insists that wage levels are determined by the market in traditional low-paid service sectors such as child care, nursing homes, cafeterias and domestic work.

Further changes to pay equity were made or proposed. In addition to using legislation to eliminate the proxy method, the Conservatives capped pay equity payments and cut $50 million from the pay equity program. In February 1997, the government expressed interest in eliminating the stand-alone Pay Equity Commission
and integrating its functions into the Ministry of Labour. No final decision has been announced to date. Later, when the government introduced Bill 136, the Public Sector Labour Relations Transitions Act, it included sections to permit purchasers of privatized public services to replace existing pay equity plans with lower-wage pay equity plans of their own, and it removed people who provide private home child care from coverage under the Pay Equity Act.

Christine is a participant who works in the traditionally low-paid service sector as a self-employed, private home child care provider. She is involved in a pay equity legal case to determine whether or not she was an employee of her former agency, for purposes of pay equity. Her case was put in abeyance while Bill 136 went through the legislative process. She remarks:

*In 1996, the pay equity review office came down with a judgment in my favour. I won. The municipality of course appealed it. And we’re currently involved in hearings which I felt were going very well when Elizabeth Witmer snuck her legislation in with home child care providers, denying us rights for pay equity. I’ve written to my MPP, Marilyn Churley and Lyn McLeod and asked: Where is due process? Where is democracy? And where is justice? That’s discriminatory. They’re discriminating against me based on my employment and the fact that I’m a woman. They single out daycare providers and say we can’t get pay equity. So I say I’m really upset. I mean it’s never been a level playing field and it never will be.*

Due to strong external pressure, the legislation was amended. Private home child care providers like Christine can continue fighting to gain employee status, but the section on replacement plans for privatized services remains in Bill 136.

In September 1997, the Ontario Supreme Court struck down the government’s attempt to eliminate pay equity increases for women working for such employers as nursing homes, child care centres and social service organizations. Judge O’Leary found the government acted unconstitutionally when a section of the Omnibus legislation ended the use of the proxy method as a way of determining equitable pay in the broader public sector [Rusk 1997a: AI:A6]. The government has decided not to appeal the decision of the provincial court. Even so, this victory may be only a moral one because workers expecting settlements may not be awarded their increases. Community agencies, such as the Red Cross, are requesting to be exempted from the provisions of the Act on the grounds that they are already under intense funding pressure. Complying with the legislation, they say, will make them uncompetitive and may result in withdrawal of services, massive lay-offs or both [Rusk 1997b: A9].

### 3. work place safety

Bill 15, the Workers’ Compensation and Occupational Health and Safety Amendment Act, streamlines the administration of the Workers’ Compensation Board and limits its role in supporting injured workers. The Act reduces workers’ compensation benefits paid to injured employees by three percent, while reducing premiums paid by employers by three percent. The Act also ushered in changes to the composition of the Workers’ Compensation Board’s directors, moving from equal membership of employees and employers to an employer-dominated board. In tandem with these changes, the budget of the Ministry of Labour was cut in half. As a result, 20 percent of the Health and Safety inspectors and a
third of the Employment Standards inspectors will be laid off.

Bill 99, the *Workplace Safety and Insurance Act*, a follow-up to Bill 15, introduced further changes to workplace safety and to the support of injured workers. The move to redefine work-related injury means that repetitive strain injuries, strains, sprains, chronic pain, back pain and occupational stress could be next to impossible to claim. In addition to eliminating some potential claims, such as those for chronic mental stress, the Act limits benefits for chronic pain that persists beyond the ‘usual healing time’ for an injury. The level of benefits will fall from 90 percent to 85 percent of take-home pay.

One of our participants, Randy, reports following the legislative changes with some trepidation. He was injured at the workplace several years ago and is currently receiving workers’ compensation. His experience with the Board to date has left him fearful of the move to reduced benefits and stricter eligibility requirements. He recounts feeling pressured by the Board to return to the line of work that had caused his injury in the first place. He likens the receipt of benefits to a form of workfare, where injured workers are forced to work to collect their benefits despite their injuries. Randy is concerned about the long-term implications of these legislative changes for his health and for the financial security of his family.

The change in name and function from the Workers’ Compensation Board to the Workplace Safety and Insurance Board also concerns some of our households. The new role of the Board in developing and implementing injury and illness prevention for Ontario workplaces will place more power in the hands of employers. These measures seek to speed up the return to work of injured employees, whose cooperation is mandatory. According to the government, making workers share with employers the responsibility for preventing injuries and managing the consequences of workplace injuries will encourage both injury prevention and disability management. This claim overlooks the difference between the company and workers in their power to control workplace safety.

The changes allow employers to control payment of workers’ compensation claims for the first six weeks of injury. This could enable employers to exert pressure on injured workers not to file a claim and instead use sickness or vacation days [Watson 1997:38]. Workers’ compensation thus would become the insurer of last resort, and injured workers first would have to apply for other benefits such as private disability insurance, Employment Insurance and Canada Pension Plan disability benefits.

Bert tells how his employer dealt with the injury of a co-worker:

*He was called into the superintendent’s office and they said if he got hurt again, he wouldn’t have a job here. This is their way of dealing with [safety], to try to keep their [the company’s] injuries down: scaring people into not reporting them. And then if the guy does get hurt, he’s got the Compensation Board to deal with. And, you know, nobody wants to get hurt and deal with Compensation.*

Bert’s comments describe the no-win situation imposed on injured workers. There is no longer adequate legislative protection against dangerous workplace practices, and the Ministry of Labour has lost the power to investigate and prohibit such practices. Workers are now more at risk. The reduction in
workers’ compensation and the redefinition of work-related injury all stand to roll back gains workers have made in the struggle for occupational health and safety.

**summary**

Union and non-union workers alike among our participants see the new Ontario labour legislation as an attack on workers’ rights and workplace safety. Participants feel that changes in labour legislation are tilting the balance of power between employees and employers overwhelmingly in favour of employers. Participants are concerned that the protection of workers has ceased to be a concern of government. The reforms support what is best for business, at the expense of what is best for ordinary working people. Changes to legislation are intensifying workplace insecurity, particularly among those in nonstandard jobs. Our participants believe the impact will be felt by all workers.

**the Social Assistance Reform Act: workfare**

Accompanied by widespread changes to welfare legislation, workfare institutes a mandatory work program while shredding the last-resort social safety net in Ontario. At the time of our interviews in the summer of 1997, the government had not yet released the *Social Assistance Reform Act*, in which the new *Ontario Works Act* and *Ontario Disability Support Plan* will replace the current *General Welfare Assistance Act* and *Family Benefits Act*. Nonetheless, people were familiar with the idea of ‘workfare’ and with some of the upcoming changes to welfare legislation, partly because of the central role of these issues in the election. While we are not attempting here a comprehensive look at this new policy, we include participants’ views on how workfare may contribute to the insecurity of those in and outside of the job market.

**I. selling workfare in Ontario**

Ontario Works has been advertised as “new and innovative programs to help those most in need and those who genuinely want a hand up, not a hand out” [Ontario Progressive Conservative Party 1995:9]. This statement implies that people receiving social assistance choose to remain impoverished and unemployed. Following the election came the brutal 21.6 percent cut to monthly welfare cheques in October 1995. Welfare recipients have been cast as a drain on the economy. This negative view of people on welfare is shared by some of our participants, such as Rick, who spoke earlier about the harm new labour legislation unleashes on unionized workers:

*I don’t know whether it [the 21.6 percent welfare cut] really did anything to them though. It still never gave them any initiative to work because they’re still laying on their butt, still collecting the welfare, and they’re still in housing. So I really don’t know how much it honestly affected them."

The *Social Assistance Reform Act* includes disciplinary measures such as the reinstatement of ‘spouse in the house’ rules, the introduction of fingerprinting mechanisms, fraud-reporting telephone lines, payments to third parties, payback schemes and more restrictive eligibility for the income support program of ‘last resort.’ Publicity about dependency and out-of-control fraud in the welfare system often targets ‘single moms’ and ‘immigrants.’

The powerful negative stereotypes of welfare recipients are widespread in the public consciousness. The images are invoked by
Denise, a 39-year-old who lives with her partner and their four teenage children:

_Harris is sick of these young girls turning around and saying: ‘Well, I’ll just have two or three kids and the government will take care of them. I’ll get my baby bonus. I’ll get this: I’ll get that.’ He saw it. Everybody saw it._

Later on in the interview, her partner added:

_They allow any kind of immigrant to come over to this country, to do what? Collect welfare? To stand in line so the government [can] give them a house? The welfare scam is so bad, and it’s happening with people who are coming from other countries._

But other participants challenge these views. For example, 32-year-old Patrick, who receives General Welfare Assistance and is looking for work, says:

_Welfare cheats, that’s what they go for, right? They don’t tell about the people who are trying to make it, because that doesn’t sell._

Patrick believes the government exploited negative images of welfare recipients in order to promote the idea of workfare.

2. why do some people on welfare support workfare?

The selling of workfare found a willing and eager audience among some welfare recipients and other low-income Ontarians in our study. The fact that welfare recipients are interested in working and participating in work placements challenges the view that a compulsory program is needed to force them to work. Contrary to the harsh stereotypes, in our interviews we found that welfare recipients are making exhaustive - sometimes desperate - attempts to find work, qualify for training and education programs, and join job clubs that possibly may lead to some hope of work. The problem is not the lack of will of the recipients: It is the lack of training and job opportunities and, after the welfare cuts, sometimes the lack of transit fares and other basic means for an effective job search. Workfare is attractive to some recipients because it purports to give them a better chance at training and a job.

The Conservative government is not alone in its dissatisfaction with the welfare system. Many people in our households have participated in numerous job search and training programs or remain on yet another waiting list. In some cases, these programs have been inappropriate or unnecessary, yet have been attended in order to hold onto daycare subsidies or placate welfare administrators. People on welfare want to work and they struggle to be connected to the labour market in a variety of ways.

Denzel, 25 years old, finds himself on social assistance after two years of university. He hopes workfare will be:

_Work experience that makes me marketable. It gets my foot in the door ... in the working world and closer to what’s going on in society._

Anne is in her twenties, recently left an abusive husband and has struggled to maintain the safety of her four children, two of whom suffer from serious health problems. Although she still has a young baby at home, the pressures of finding work or training are weighing on her:

_I’m hoping to go back to school in September and get the baby into daycare if I can hold onto my subsidy. He’s_
so little, but I’m a single mom and you know I don’t want to rely on the system forever.

3. why do some people on welfare have reservations about workfare?

a. child care

People need numerous supports to participate in the labour market. Our participants talk about the supports that are vital for people trying to find work.

The women in our households describe how the need for child care limits the training programs parents can attend. Rosa, age 32, is on welfare and supports her two year-old daughter. She has a college education yet is enrolled in high school physics to maintain her daycare subsidy:

Right now I am unemployed, but I go to high school for upgrading. I’m looking for a job, right? So until I find a job I have to stay in upgrading in order to keep my daughter in daycare.

Although single mothers with young children are exempt from workfare, the Social Assistance Reform Act states that sole-support parents with school-age children must participate and will be given assistance with child care expenses. Such assistance has been slow to come. Earlier in the year, the government suggested parents leave their children with friends or neighbours. But it now seems clear that “the province has no intention of providing anywhere near the number of child care spaces that would be needed to provide for all the single mothers who will be entering the program” [Mitchell1997: 3].

b. training

Many of our interviewees remain on long waiting lists for training or educational upgrading, or find their skills are completely mismatched with training programs they attend. Before her high school upgrading, Rosa says she participated in a program in which:

They teach you how to do the interviewing skills. I know how to do that. Resume writing. I know how to do that already. They want you to take the yellow pages, open it up and cold call the people. That’s their job search technique.

Patrick has experienced the full range of training programs. Often placed in programs unrelated to his skills and experience, last year he was convinced he had found the program he was looking for, but:

Little did we know we just jumped through hoops, basically. There were only supposed to be about 10 people and they ended up with 23 ..... It became a self-study course, which wasn’t anything like it was to begin with.

Experiences such as these, where training programs are mismatched with the skills of the individual or do not deliver what participants are expecting, mirror the findings of a large-scale study of the population on social assistance in Ontario. As with our households, recipients need education upgrading and skills training, but what they get are job search skills, resume preparation and making contacts: things that don’t seem priorities to them [Ornstein 1995: 69].

The Ontario Works program consists of three streams: Employment Supports (basic education, job search assistance and job-specific training), Employment Placement (private and
nonprofit sector agencies placing recipients in paid jobs) and Community Participation (unpaid work for welfare - i.e., workfare). While in some municipalities only the workfare stream is compulsory, Metro Toronto’s Ontario Works Business Plan states that mandatory participation applies to anyone of the streams, allowing participants some choice. However, it now appears that education and training, which recipients prefer, will be limited in favour of “an aggressive focus on job search skills and resume writing” [Mitchell 1997: 37]. The likely reason for Metro’s reluctance to offer more mandatory placements and training is a shortage of quality placements and training funds.

Inadequate training hinders attempts to get off welfare and into a job. A government truly interested in offering Ontario workers a ‘hand up’ would be looking for additional ways to invest in relevant training programs. Yet the Harris government has done the opposite. In October 1995, the Ontario Training and Adjustment Board was cut by $20 million and further cuts of around $150 million have followed. The government cancelled jobs-Ontario, an incentive for employers to hire and provide on-the-job training for people who were on welfare or whose Unemployment Insurance had run out. In November 1995, school board funding was cut by $1 billion [Dare 1997: 21-22].

Teresa is on a disability benefit and is concerned about the cuts to adult education:

*I watch the news every day and I’m just waiting for the next blow. In education, now they’re thinking of cutting back all the adult learning programs. I’m in some of those.*

According to Patrick, the quality of training is bound to deteriorate when limited resources are invested in a program demanding mass participation:

*Government funding has been cut back. The programs that they offer have basically all been depleted, dried up ... and with this farming out, the accountability and poor quality of programs that are going to exist ... basically, the government is interested in quantity not quality, right? They want to herd everybody out like cattle, get them all to work and show people how great this government is. But you know a year later these people are all going to be back on the system because of these poor quality programs.*

Rather than dealing with job creation or investing in training, the government has chosen instead to cut funding while imposing mandatory work placements. If there is one lesson from the American experience with workfare, it is that high-quality programs help people get permanent employment; low-quality programs with no real investment just cycle people through numbing and dead-end punishments [Torjman 1996].

c. job availability and job quality

Rosa argues that to retrain skilled workers is pointless in an era of no jobs or jobs not paying a living wage. If jobs are not created, the training wheel will continue spinning for some time:

*You take a course and they try to build you up to think: Yes, I can get out there and get a job. And then the reality is ... No. Most of the people who were taking this had degrees and such.*
A recent study of Metro Toronto’s employable caseload supports Rosa’s view. It found that massive economic restructuring is the primary reason forcing most people onto social assistance [Hill 1997: 33-34]. A substantial number of people in the General Welfare Assistance (i.e., short-term welfare) caseload have strong labour market attachments, including many who are working but who are entitled to a top-up because of their extremely low earnings.

Sabrina is an employable person on social assistance. Her dilemma illustrates the structural aspects of unemployment that remain obscured by stereotypes of welfare recipients. Recent public sector cutbacks have driven her into nonstandard work and made her fearful: “I am going to have to get retrained or something, something I’m not even interested in.”

Both Rosa and Sabrina cite the vicious circle of training in an environment of high unemployment. Although workfare has employment as its focus, the realities of the labour market facing welfare recipients appear not to have been considered in preparation of the new legislation [Mitchell 1997: 1].

Other participants fear there simply are not enough jobs in the first place. Denzel is hoping to get into the employment placement stream, but he is concerned:

I don’t think there’s going to be enough jobs. I’ve heard they don’t even have spaces for [com-munity participation]. But it will be regional things I think. For one thing it’ll be auxiliary police service; the police are always looking for volunteers to help out. And then there’ll be the poor guy who has to clean the highway with his stick. I don’t even think so, because that’s a paying job. They can’t take a paying job away. And that’s where they are going to find their biggest constraint. But I’m not going to worry about it. Plus, I think they’ll probably do the right thing in trying to get me work that is close to my skills.

Although Denzel hopes they will ‘do the right thing,’ there isn’t the money to assess candidates properly. Welfare workers themselves are undergoing training to quickly become employment counsellors, but guidelines “forbid in-depth employment career assessments or in-depth career counselling” [Mitchell 1997: 3]. Participation agreements, to be negotiated between workers and clients, once signed leave little room for changes or flexibility. New legislation states that “someone who refuses a job offer may lose his or her Ontario Works Act income support” - yet there is no qualification proposed to ensure the job offer was reasonable or appropriate” [Beatty 1997: 42].

Denzel is correct in questioning the viability of Ontario Works. Are there enough jobs out there?

In June 1997, there were nearly 31,000 job vacancies in the Toronto region, according to Human Resources Development Canada. In the previous month, there were 207,000 officially unemployed who were actively looking for work [Mitchell 1997: 3]. In other words, there may be “seven or more job seekers for every job available to most social assistance recipients” [Mitchell 1997: 4].

Richard, who has AIDS and is on welfare, lives with a friend who also acts as his caregiver. He emphasizes the lack of jobs:

Workfare, of course, concerns me, but where are they going to get the jobs? You know there’s no work now. So how are they going to create jobs? I think it’s a total joke. I think they should keep people in school a little longer ... because maybe there will be jobs then. And now that Chretien’s back in, I don’t think they’re going to do anything more ... I’ve not seen more jobs at any level of government.
4. replacing jobs and the downward push on wages

After years of cutbacks, and now with the added costs of downloading from the province to local governments over the next few years, municipalities may be forced to replace public sector jobs with unpaid workfare labour. The *Ontario Works Act* states that workfare candidates should not replace public sector jobs. Nevertheless, in New York, despite similar program rules, most of the 21,000 workfare placements were located in the Parks Department, the Department of General Services and the Sanitation Department [Workfare Watch 1997a: 1]. As Anne, a single mother, points out:

I support that to a certain point ... the government could save money from [having] city people doing all the work. They could get people like us, who are getting public assistance, to clean up our city or to fix those potholes in the road.

The public and nonprofit sectors are expected to absorb workfare placements somehow, along with providing employment supports and employment placements. As we have seen earlier, these sectors already are reeling from the loss of funding. While some hope to transform workfare into an ‘opportu-nity,’ our participants foresee job displacement, fear increased tensions in the workplace and expect difficulties with the blurring of roles between paid and unpaid labour in dealing with staff, volunteers and workfare candidates.

Jessie tells a story that illustrates the worry of workers now earning a decent salary:

A woman was getting an award for the work she had done in crisis housing. She thanked them for the recognition, but said that, in fact, they were recognizing her job in crisis housing.

“This is my job,” she said, “and, by the way, crisis housing has lost its funding. I am now unemployed, so I will be a workfare candidate.”

Participants express deeper concerns about workfare than are heard in a simple ‘approve or dis-approve’ opinion poll.

Workfare also brings fears of wages being pushed down. Employment placements with Ontario Works, says Kate, will bring:

...a lowering of our standards, so people can say: “I’ll go to work for you and you can pay me the same amount as on welfare.” If you were to apply for that job not through workfare, you could get a lot more. It’s degrading enough being on assistance. It’s even more degrading going in and—working where you could have gotten 10, 12 bucks an hour.

Kate’s concern has been realized in the United States, where the working poor “will see their wages drop by 11.9 percent as welfare recipients are ejected into the workforce” [Ehrenreich 1997: 52].

Rosa, the single mother who is upgrading in high school physics, raised the larger issue of restructuring the labour force. Workfare, she says, is being implemented to create a “permanent pool of low wage people.” Instead of a ‘hand up,’ she foresees an end-less cycle of low-wage jobs and minimal assistance that will keep people like herself permanently impoverished.

5. workfare rights?

What happens to workfare participants if they decide they cannot bear their job or if their
community placement is not working out? If they are treated poorly by other employees, clients or volun-teers, where do they turn? Under the proposed legislation, workfare was to be exempted from most employment protection in Ontario. This section of the Bill implementing workfare did not pass, because of a procedural error by government members, but it almost certainly will be reintroduced as soon as possible, so this is merely a postponement, rather than a reprieve [Torjman 1997]. If participation agreements are violated, benefits can be reduced or terminated for up to three months for the first offence, and six months for the second offence. No appeals will go forward until there is an internal review, during which benefits are withheld indefinitely. Many of the specifics of the new legislation are left up to regulation, which precludes public discussion or debate. Important matters remain unsettled: the internal appeal process, assessment and evaluation criteria, decision-making powers, and mechanisms of accountability and reporting.

summary
Some of the people we interviewed support workfare because they hope it will lead welfare recipients into full-time work. But workfare as it is being designed in Ontario will not even replace the training opportunities that were cancelled. Larger issues of high unemployment and job quality must be addressed in conjunction with new training schemes and income support programs. Our review of non-standard work shows that the labour market is unprepared for new workfare candidates. Pushing them into the workplace certainly will place new strains on the public and nonprofit sectors. While some people still retain hope for new opportunities through workfare, others see little chance that workfare will do more than pass the time of most participants and not lead to decent jobs. But by substituting for paid labour and creating new workers paid substandard wages, workfare will put more pressure on low-wage workers everywhere.

Conclusion
Participants in our study drew attention to three policy areas which together have a significant impact on jobs in Ontario. We learned how changes to labour legislation, public and nonprofit sector cut-backs and workfare interact with one another, combining to increase employment insecurity in Ontario. A full-time permanent job with decent benefits is becoming less of a possibility for many people. Generally, people in our households expect that government should resist the growth of ‘bad jobs’ and find ways to offset some of the worst effects of tough labour markets during times of high unemployment. But the Harris government is moving in the opposite direction.

The public and nonprofit sectors have borne the brunt of widespread cuts leading to job loss and to the shift of people from full-time employment into the growing ranks of non-standard workers. A troubled working environment ensues when people fear for their jobs and the viability of agencies and programs: “the secrecy, the quietness, and then all of a sudden: boom. Something will happen.” Changes to legislation are intensifying workplace in-security and opening the door for nonstandard work and the restructuring of the public and nonprofit sectors. With fewer rights for workers, those attempting to find work are faced with workfare and the fraying social safety net.

We have heard Ontario’s Finance Minister claim that “there is no better evidence that we are on the right track than this news about
jobs and economic growth. Ontarians are optimistic about the future and rightly so” [Minister of Finance 1997: 1]. But Ontario’s growth in jobs has been limited, and the economic miracle is still waiting to happen. We have had the opportunity to do in-depth interviews with 38 households in Ontario, and we have not found the quiet confidence in a better future one would expect at a time when the economy is reported to be performing well. Contrary to the Minister of Finance’s assertions, we have found that people in Ontario are grappling with work insecurity and the role of government in addressing this insecurity. This finding is summarized by Mark’s questions for government:

What is your role, and why are you slashing that role? Why are corporations on welfare? You don’t have any problem with giving a corporation billions of dollars in welfare but you have a problem with giving a few million dollars to the people, the life of our country, and that really, really annoys me. And I know I am not alone in this.
I Ontario’s minimum wage of $6.85 an hour pays at most $14,248 a year (assuming 40 hours a week for 52 weeks). Statistics Canada’s low income cut-off for a single person in a metropolitan centre of 500,000 or larger was $17,132 in 1996, and increases with additional household members.

References


Reports available from the Speaking Out Project

Speaking Out Project Description: Research Strategy and Methodology December 1997

Speaking Out Project Periodic Report #1
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