

Rescinding Workers' Rights will Plunge Children and Families Back into Deeper Poverty

With no clear poverty reduction strategy from the Ontario government, the proposed amendments to Ontario's labour laws are a setback for families trying to lift themselves out of poverty. Ontario Campaign 2000 is deeply concerned by the Ontario government's recent announcements related to the *Making Ontario Open for Business Act*. Recent reforms to the Labour Relations Act (LRA) and Employment Standards Act (ESA) sought to improve worker's rights, particularly for those in precarious jobs. With the suggested changes, working families' livelihoods and pathways to a healthy and prosperous life are now again in jeopardy.

The government states that job creation and stimulating investment are their economic priority. For them, this means freezing the \$14 minimum wage until 2020, returning to three days of unpaid sick leave, and cancelling equal pay for part-time and casual workers. Other changes include lower maximum penalties for contravention, divided emergency leave days, and difficulty for low-wage workers to join and keep their unions. The reversals make fighting child and family poverty more difficult since many of the workplace rights would have put food on the table and diapers in the cupboards for low-income families.

Poverty discriminates against marginalized people with Indigenous peoples, women, lone-parent families, newcomers and immigrants disproportionately affected. Many of these families work in precarious jobs with few or no benefits and with inadequate access to collective bargaining. The 2017 reforms to the LRA and ESA ensured improved basic and universal workers' rights, which meant:

- Boosting the minimum wage by \$1 to \$15/hour in January 2019 to help families cover the rising costs housing, healthcare related expenditures, childcare, and food
- Increasing personal emergency leave (PEL) as a step towards better job security for low-income families
- Equal pay for equal work ensuring that part-time and temporary workers receive fair compensation and companies have an incentive not to create precarious jobs.

In Ontario, 475,000 children under the age of 18 live in poverty and 1 in 8 families are affected by food insecurity. Many children who live in poverty have parents working full-time and full year-round, correlated to the increase in part-time, temporary precarious work which means many low-income families must make difficult choices on how to spend their income¹ – paying rent or sending children on field trips? Filling the cupboard or purchasing medicine?

A recent report finds that increasing the minimum wage reduces income inequality dividing low income and wealthy families². – This in turn reduces food insecurity.³ Public policies that decrease the income inequality gap and uphold workers' rights are key to helping low-income families out of poverty. Growing the economy should not come at the expense of children and families in poverty. Improving working conditions for employees who should earn fair, living wages, benefits and the ability to fight collectively for their rights must be incorporated within the LRA and ESA to help eradicate poverty for all Ontarians.

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¹ Jessica Mustachi, (2017), *Fair Workplaces, Better Jobs Act Submission to the Standing Committee on Finance and Economic Affairs*. Retrieved from: https://ontariocampaign2000.ca/wp-content/uploads/2017/02/ONC2000_Fair-Workplaces-Better-Jobs-Act_Submission_Final.pdf

² Canada, Office of the Parliamentary Budget Office, *Labour Market Assessment - 2018* (Ottawa: Office of the Parliamentary Budget Office, 2018).

³ For more information about income equality and food insecurity reduction, see <http://proof.utoronto.ca/resources/fact-sheets/#publicpolicy>.