



Bill 124

An Act to implement moderation measures in respect of compensation in Ontario's public sector.

Brief to the Standing Committee on General Government

By

Executive

Interfaith Social Assistance Reform Coalition | ISARC

November 4, 2019

The Executive of the *Interfaith Social Assistance Reform Coalition (ISARC)* welcomes this opportunity to have a voice in considering whether to adopt Bill 124.

Our ISARC coalition represents Christian, Jewish, Muslim and other faith communities across Ontario, including but not limited to the Anglican Diocese of Toronto, the Anglican Provincial Synod of Ontario, the Assembly of Catholic Bishops of Ontario, the Canadian Unitarian Council, Catholic Charities of the Archdiocese of Toronto, Congregation Darchei Noam, the Council of Imams, the Council of Canadian Hindus, the Eastern Synod of the Evangelical Lutheran Church in Canada, the Eastern Ontario District of the Pentecostal Assemblies of Canada, the Islamic Humanitarian Service, Mennonite Central Committee Ontario, the Presbyterian Church in Canada, the Society of St. Vincent de Paul, the Toronto Board of Rabbis, and the United Church of Canada.

ISARC has worked for more than 30 years to promote public policies that safeguard the basic human dignity of all persons. Rabbi Dow Marmur, Rabbi Emeritus of Holy Blossom Temple, a renowned international scholar, a past member of ISARC and now a Toronto Star columnist said in a recent column that he “found common ground with colleagues in the Interfaith Social Assistance Reform Coalition (**ISARC**) that aptly describes itself as representing ‘the solidarity of the diverse faith communities in Ontario engaged in advocacy efforts for the elimination of poverty’ in this province.”

It is through that shared lens of common respect and mutual concern for “neighbour” that we speak to you today.

1. We question the seriousness of the stated Government rationale for needing this piece of legislation.
2. We feel it is unfair to target public sector workers in this manner in order to achieve the government's financial objectives.
3. We question the constitutionality of the legislation.
4. We point out one internally inconsistent targeting of a group of low paid workers.

Our submissions are as follows:

1. Is there really a budget crisis?
 - a. When the current government first took office they claimed that the budget deficit was ballooning, well in excess of the levels stated by the previous government. More recently the current government has conceded that the government finances and the economy in general are performing well and that the deficit is far below even the pre-election forecasts.

2. Is restraining compensation for public sector workers an effective or the best way to achieve the stated objective?
 - a. Most public sector workers, especially ones that are unionized, are not paid excessively. They spend their wages on current needs. That spending sustains economic growth and thus assists public finances. Restraining their wages will restrain economic growth.
 - b. In any event, government decisions in relation to allocation of government expenditures and revenues reflect values. We believe that the value that should be pre-eminent in government decisions should be to protect the most vulnerable in society.
3. Will the legislation violate the Charter of Rights and Freedoms?
 - a. The Supreme Court of Canada has ruled that Freedom of Association includes the right to bargain collectively, with the authority of governments to limit that right only if there is access to impartial arbitration without unjustified restrictions. Imposing a wage cap may be found to breach that constitutional exemption of government. We believe that the government will have difficulty in justifying the restraints, especially in light of the factors set out in points 1 and 2 above.
 - b. The legislation does not make an exception for first contract rounds of bargaining. This creates a breach of the equality right as non-union employees are a historically disadvantaged group.
4. Why should the legislation single out one group of workers looking after our seniors in long term care homes for inclusion in the restraints legislation, when all other workers doing identical work are exempt?
 - a. There are three types of long term care homes: municipal, “for profit” and “not for profit”. Each type of home provides identical services and currently receives funding from the province under the same funding formula. The workers at each type of home perform identical work.
 - b. The Bill seeks to cover employees working for “not for profit” homes and expressly excludes workers performing identical duties employed by municipal and “for profit” homes. “Not for profit” homes are historically disadvantaged. Prior to 1993 they received lower levels of government funding. Subsequent to 1995, expansion of the long term care sector has been primarily in the “for profit” area with “not for profits” granted proportionately fewer new beds. Singling out employees of “not for profit” homes may breach Section 15 of the Charter.
 - c. Including employees of “not for profit” employees in the scope of the legislation will have a perverse effect. It will distort the compensation levels of persons doing identical work and create a disincentive for health care workers to work in

“not for profit” homes, as working for the other types of homes will provide greater compensation. The Bill appears to limit compensation improvements to 1% annually. This 1% will become the floor for compensation increases in the other types of long term care homes. Access to unrestricted collective bargaining and impartial arbitration will likely result in greater compensation increases. Indeed the initial set of bargaining outcomes in “for profit” long term care homes has resulted in annual wage increases of 1.5% as well as other compensation increases.

IN CONCLUSION

As the Legislature considers the clause by clause provisions of Bill 124, we urge it to be guided by the belief that legislation is not simply about the allocation of funding for programs and services but rather about people and ensuring that *everyone* is included and that *no one* is excluded from being full participants in society. When we invest in people, we all benefit.

We therefore urge the Legislature to decline to adopt Bill 124, at least in its present form. Should the Legislature wish to adopt some form of Bill 124, we urge this Committee to first hold hearings throughout the province to receive directly the views of residents of Ontario as to how they feel about allocation of government funding and levels of taxes.

“The way in which we treat our most vulnerable neighbours...speaks volumes about the very nature of our society. Ethically and morally, a society is judged by how it treats its most vulnerable and marginalized members.... we have a long way to go before we can claim with any honesty that we are applying moral treatment in dealing with the least fortunate among us.” - *Persistent Poverty*

Thank you for the opportunity of making submissions on this Bill.

Reverend Susan Eagle – Chair

Rabbi Shalom Schachter – Lead, Employment Policy Working Group