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(A) The Purpose of Fair Wage Policy:

The Fair Wage Policy has a central principle the prohibition of the City doing business with contractors and suppliers who discriminate against their workers. Originally implemented in 1893 to ensure that contractors for the City paid their workers the union rates or, for non-union workers, the prevailing wages and benefits in their field, the Fair Wage Policy has expanded over the years to other non-construction classifications such as clerical workers. The Policy also requires compliance with acceptable number of working hours and conditions of work in order to protect the rights of workers.

The intent of the Fair Wage Policy can be summarized as follows:

- to produce stable labour relations with minimal disruption;
- to compromise between the wage differentials of organized and unorganized labour;
- to create a level playing field in competitions for City work;
- to protect the public; and
- to enhance the reputation of the City for ethical and fair business dealings.

Establishing fair wage rates and schedules are intended to minimize potential conflicts between organized and unorganized labour in the tendering and awarding of civic contracts. Fair Wage rates are established through discussion with employee and employer groups and associations (having both union and non-union members). These rates are voted on by the above-noted groups and are recommended to Council for approval every three years. Certain designated construction related rates are based on the lowest rate established by collective bargaining, while the wage rates for other classifications are based on market and industrial surveys in accordance with the prevailing wages for non-union workers in the geographic area. Similarly, the City encourages contractors to hire and train apprentices under approved programs. In this regard, guidance on appropriate fair wage rates will be sought from employee and employer groups as part of establishing Fair Wage Schedules.

The fair wage rates do not apply to small businesses, typically those with owner-operators, or partnerships, or principals of companies as long as they undertake the work themselves.

(B) City of Toronto Council Reference:

The City of Toronto Council on October 1 and 2, 1998, adopted the recommendation of the Corporate Services Committee (Report 13, Clause 1) which states: “the Fair Wage Policy ... be adopted for all City Departments, Agencies, Boards and Commissions and replace all existing fair wage policies of the former local municipalities”

It should be noted that under the above authority, the conditions of the Fair Wage Policy cannot be waived, unless authorized by Council to do so.

(C) Fair Wage Definitions:

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| (i) Field Work: | “field work” shall mean all work in performance of the Contract that is not shop work; |
| (ii) Shop Work: | “shop work” shall mean any work in performance of the Contract that is done in or at any factory, foundry, shop or place of manufacture not located at or upon the site of the work, and not operated solely for the purpose of work; |
| (iii) Workers: | “workers” shall include mechanics, workers, labourers, owners and drivers of a truck or other vehicle employed in the execution of the Contract by the Contractor or by any subcontractor under them and clerical staff. |
| (iv) Fair Wage Schedule: | “Fair Wage Schedule” shall mean stipulated rates of pay for different classifications of work produced and obtainable from the Fair Wage and Labour Trades Office. |
| (v) Fringe Benefits: | “Fringe Benefits” shall include such benefits as company pension plans, extended health care benefits, dental and prescription plans, etc. It does NOT include payroll burden deductions such as C.P.P., E.H.T., W.S.I.B. or E.I.C. |

(D) Fair Wage Policy and Provisions:

- (a) The Contractor shall not discriminate against workers or applicants for employment as workers because of race, creed, colour, national origin, political or religious affiliation, sex, sexual orientation, age, marital status, family relationship, and disability.

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(D) (con't) Fair Wage Policy and Provisions:

- (b) The contractor shall at all times comply with the Occupational Health and Safety Act and its regulations and take every precaution reasonable in the circumstances for the protection of workers. If the Contractor sub-contracts any or all of the work or services to be performed, the contractor will ensure the sub-contractors are qualified to perform the work or services and comply with the Occupational Health and Safety Act and its regulations.
- (c) The Contractor shall pay or cause to be paid weekly or biweekly to every worker employed in the execution of the Contract (and shall see that every owner of a truck or other vehicle employed by the Contractor or by any subcontractor in the execution of the Contract shall pay, or cause to be paid, weekly or biweekly to each of the owner's drivers) wages at the following rates, namely:
- (i) for workers employed in shop work, the Union rate of wages in the particular district or locality in which the work is undertaken for any class of work in respect of which there is such Union rate, and for any class of work for which there is no such Union rate, the rate of wages shall be the rate of wages prevailing in the particular district or locality in which the work is undertaken.
 - (ii) for workers employed in field work:
 - (a) where the Contractor is in contractual relationship with a Union recognized by the Ontario Labour Relations Board as the bargaining agent for the relevant workers, the applicable rate of wages set out in the collective agreement; and
 - (b) where there is no such contractual relationship, a rate not less than that set out for such work in the Schedule of Wage Rates filed by the Manager, Fair Wage and Labour Trades Office, with the City Clerk of the Corporation after being first approved by Toronto Council (hereinafter called "the Fair Wage Schedule"),

and for the purpose of this paragraph, "wages" or "rate of wages" shall include any applicable amount for fringe benefits shown in the current Fair Wage Schedule, to be paid to the worker as part of the worker's wages or for the worker's benefit as provided in any collective agreement as aforesaid applicable to such worker.

- (d) The Contractor shall:
- (i) at all times keep a list of the names of all workers employed in the Work and a record of the amounts paid to each;
 - (ii) from time to time, if demanded by the Manager, Fair Wage and Labour Trades Office, furnish a certified copy of all paysheets, lists, records and books relating to the work and keep the originals thereof open at all times for examination by the Manager; and
 - (iii) at all times furnish and disclose to the said Manager any other information respecting wages of workers that may be desired by the Manager in connection with the Work.
- (e) In case of a jurisdictional dispute or dispute as to rate of wages to be paid under the Contract or as to the amount to be paid to any worker, the decision of the Manager, Fair Wage and Labour Trades Office, shall be final and binding upon all parties.
- (f) The Contractor shall not compel or permit any worker engaged for the Work to work more than the number of hours per day and the number of hours per week set out in the Fair Wage Schedule for the particular type of work involved except in the case of emergency, and then only with the written permission of the Commissioner or head of the Department having charge of the Work or the person then acting as such.
- (g) If the Contractor fails to pay any worker (or if any owner of a truck or other vehicle fails to pay any driver) wages at the rate called for in paragraph (D), the Corporation may pay the balance necessary to make up the amount that should have been paid and may charge such balance, together with an administrative fee not in excess of ten per cent of such balance, to the Contractor.
- (h) If the Contract is to be for the purchase of supplies or materials to which the provisions in paragraph (D) respecting the rates of wages to be paid to workers engaged in shop work and field work do not apply, Toronto Council will, before awarding same, cause to be secured from the Manager, Fair Wage and Labour Trades Office, a report as to whether or not the Tenderer or Bidder maintains a fair wage level.
- (i) Workers engaged in clerical office work are to be paid a rate of wage no less than the surveyed standard for each classification of worker for the particular industry at the time of tendering.
- (j) The Contractor MUST display legible copies of this "Fair Wage Policy" in a prominent position in his/her workshop(s), accessible to all employees.

THE CONTRACTOR SHALL ATTACH TO ALL ACCOUNTS RENDERED FOR PAYMENT OF MONEY UPON THE CONTRACT, A STATUTORY DECLARATION AFFIRMING THAT THE REQUIREMENTS OF THE FOREGOING PARAGRAPHS HAVE BEEN FULLY COMPLIED WITH.