

April 22, 2013



To the Members of Executive Committee  
City of Toronto  
100 Queen Street W.  
Toronto, Ontario

Dear Members of the Executive Committee:

**Re: Staff Report "Quality Jobs, Living Wages and Fair Wages in Toronto"**

The Toronto & York Region Labour Council was founded in 1871. Since that time, it has served to give voice to generations of immigrants and refugees who came to this city seeking to create a better life for themselves and their families. From the very beginning, labour in Toronto has called for everyone working for public institutions to be paid a family-supporting wage. Within a few years, the City adopted a Fair Wage policy to ensure that companies could not secure public contracts by exploiting new immigrants to undercut prevailing wage standards.

That objective has not changed, and in fact with the growth of precarious work and income inequality has become even more necessary. During the debates in 2012 over contracting out City cleaning work, many voices were raised warning that contract cleaners are paid poverty wages. It has turned out that the contracted out work of cleaning police stations is now performed by new Canadians earning little over the minimum wage. This is a shameful situation.

The proposal to update the Fair Wage policy to cover contract service work such as cleaners and security guards is long overdue. However, increasing the schedule to the rates proposed will still result in almost all of these employees working for poverty wages.

The Labour Council supports the concept of a "Living Wage" policy for these jobs. This sets an income level that allows families to not just survive, but also to participate in basic social interactions. Living Wage policies have been adopted in a number of cities across North America and the United Kingdom. The generally accepted Living Wage calculations in Canada are undertaken by the Canadian Centre for Policy Alternatives, and differ from city to city depending on a variety of cost factors.

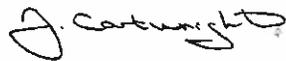
With the recent release of the report on Precarious Employment by the United Way, it is obvious that the massive expansion of insecure and low-wage work needs to be checked. The fact is that contracting out service jobs such as cleaning essentially results in decent, secure jobs being turned into precarious poverty-wage jobs. We know from our affiliates which organize in this sector that many people end up working two or three jobs in order to make ends meet. And we further know that this stress on families has a direct impact on the children and their ability to forge a decent future for themselves.

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Therefore we disagree with the recommendation to continue outsourcing and remove Council's oversight of the process. City cleaning and custodial employees make a family-supporting wage, even though it is less than the average income in Toronto or the GTA. An approach that bases budgetary savings on turning good jobs into poverty-wage jobs is unacceptable for the City of Toronto. Instead, the City should be setting an example as an employer that rejects precarious work within its business operation. We would urge you to make all decisions relating to this issue based on that principle.

Sincerely,

A handwritten signature in black ink, appearing to read "J. Cartwright". The signature is fluid and cursive, with a small registered trademark symbol (®) at the end.

John Cartwright  
President

cc. City Council  
Affiliates

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