

Canadian Union of Public Employees

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Bargaining Units:

Bridgepoint Hospital

- Nurses & Paramedical Units

- Service Units

City of Toronto

- Full-Time - Long-Term Care Homes

& Services Part-Time

- Recreation Workers

Part-Time

- Unit B Part-Time

Toronto Community Housing Corporation

SERVING OUR MEMBERS SINCE 1942

DELIVERED BY HAND, REGULAR MAIL AND E-MAIL

April 23, 2013

Mayor Rob Ford, Chair and Members of the Executive Committee 10th Floor, West Tower City Hall 100 Queen Street West Toronto, ON M5H 2N2

Dear Mayor Ford and Members of the Executive Committee:

RE: EX31.12 Quality Jobs, Living Wages and Fair Wages in Toronto

My name is Nancy Murphy and I am the First Vice-President of CUPE Local 79. We represent approximately 20,000 employees in the City of Toronto, Toronto Community Housing Corporation and Bridgepoint Hospital delivering a wide range of services, including cleaning in many of the City's facilities.

It's a relief to see that after a decade, there are recommendations to update the City's fair wage policy and to update it regularly. During that time some wages have fallen more than 20% behind basic market standards. Surprisingly, the wage for light-duty cleaners is 40 cents below the Provincial Minimum Wage.

Local 79 hopes that the recommendation by staff to create a "quality job assessment tool" will help the City take a more proactive approach. Toronto's Fair Wage Policy *only* establishes that contractors pay employees a basic market rate. It doesn't guarantee that it will be a decent wage, and it doesn't guarantee that employees will receive stable, full-time work.

We know that the cleaning industry is rife with unstable, low-wage, part-time and temporary jobs. As a City, we need a tool that considers a job's quality, in terms that matter to those trying to live off of those jobs.

It *is* about supporting living wages in Toronto, which, according to the Canadian Centre for Policy Alternatives, is more like \$17 dollars per hour than the \$12 dollars per hour recommended in the Fair Wage Policy. But a good hourly wage means a lot less to someone who doesn't know how many hours they will work each week. It's difficult to make sure your bills are paid when you don't know how much money you are going to make.

The City needs a tool that helps it measure the quality of a job in terms of its stability and security ensuring whether someone works for the City or for a company contracted by the City, they have a quality job they can count on. It would also be helpful for the tool to reflect the cost of contracting-out services when it fuels the creation of low wage, low quality jobs.

The United Way and McMaster University recently released a report showing that half of Toronto's working population has precarious employment, a large part of which is driven by a lack of stable secure jobs.

For those in the cleaning sector, precarious employment has been a long-standing condition. They are often oncall, meaning they can't make commitments to other jobs, but have no control over how many hours they will work. The jobs are often temporary or contract so they have no employment security, and very little protection under the *Employment Standards Act*.

Toronto is in a low-wage job crisis. The staff report clearly outlines that Toronto is experiencing the fastest decline in quality jobs in the Province.

Toronto is the least equitable city in Canada, and by 2025 almost 60% of Toronto neighbourhoods will be low income.

The steep rise in low-wage, low-quality jobs means more people will need additional supports and services to make ends meet. City services like public health, social assistance, recreation, housing, and childcare will be more heavily burdened than ever.

Outsourcing decisions don't take *these* costs into account.

Last year, the City contracted-out cleaning in its police stations. Information we have gathered shows that the quality of service has been questionable, and that light-duty cleaners hired under the contract make barely over minimum wage.

If those cleaners are fortunate enough to be full-time, they are making \$22,000.00 dollars a year, which is the Low-Income Cut-Off (LICO) for an individual living in Toronto. If that worker has a child or other dependent they are earning below LICO.

Toronto City Council was trying to avoid this kind of outcome when it put in place a higher level of scrutiny on proposals to contract-out cleaning jobs.

We disagree with the recommendation that City Council delegate the authority to outsource and to subcontract work in custodial services as Divisions deem appropriate.

We believe that Council should defer any outsourcing proposals that could lead to low-wage jobs until the "job quality assessment tool" is in place to assure that good jobs don't get replaced by poverty jobs.

At the very least, City Council must maintain its oversight of any outsourcing proposals for cleaning jobs until staff define what a good-quality job is, and how the City can better evaluate outsourcing proposals with respect to supporting good quality jobs.

Yours truly,

Nancy Murphy First Vice-President