



**Canadian Union of
Public Employees**

34 St. Patrick Street
Toronto, Ontario
M5T 1V1
Tel: (416) 977-1629
Fax: (416) 977-9546
www.cupelocal79.org

Executive Committee:

President:
Tim Maguire

First Vice-President:
Nancy Murphy

*Vice-President - Chief
Steward:*
Jason Desjardins

Vice-President Equity:
Ainsworth Hamilton

Recording Secretary:
Sofia Reno

Membership Secretary:
Linda Rose

Treasurer:
Lily Chang

**Assigned CUPE
Representatives:**

Derek Lue
Janet McIvor
Sharon Rodgers
Don Styles
Charles VanVliet

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 EMAIL AND REGULAR MAIL

October 20, 2015

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

Dear Mayor Tory and Members of the Executive Committee:

RE: EX9.5 TO Prosperity - Toronto Poverty Reduction Strategy

On behalf of the Members of CUPE Local 79 who deliver services across Toronto, including to some of its most vulnerable, I am happy once again, to speak to Toronto's Poverty Reduction Strategy, and in particular, express my support for recommendations in the "Quality Jobs & Liveable Incomes" section.

According to the 2015 Toronto Vital Signs Report, the gap between the richest and poorest has increased by a staggering 96% since amalgamation. At the neighbourhood level, the average household income for the richest grew by 80% whereas the poorest grew only by 2%.

Contributing to these conditions is an increasing casualization of what used to be full-time work and a reliance on part-time, low wage work with its accompanying loss of worker representation, health benefits, predictable scheduling and overall security. This shift has led to a rise in precarious employment - characterized by its unpredictability and insecurity.

The 2013 report by McMaster University, United Way Toronto and the Poverty and Employment Precarity in Southern Ontario group, titled "It's More than Poverty", showed that not only is precarious employment increasingly common, it negatively affects people's ability to participate in family and community activities, isolates people socially, and contributes to many social ills.

In the GTA alone nearly half (43%) of all workers are precariously employed. Continued reliance on precarious employment practice is only increasing. Canadian firms who participated in the Vital Signs survey indicate they plan to increase their use of "contingent, outsourced, contract, or part-time workers" over the next three to five years.

It is in the face of this trend I commend the City's goal to become a living wage employer, create a job quality assessment tool, and implement a social

procurement strategy. However, I want to stress that these strategies are good for ALL workers, not just Local 79 members.

1) Quality jobs and becoming a model employer ought to be at the centre of the City's approach.

Recommendation #11 calls for the creation of employment opportunities for low-income groups with high unemployment rates. Recommendation #13 promotes leveraging the economic power of the City to stimulate job growth, support local businesses, and drive inclusive economic growth.

The Poverty Reduction Strategy states that "a good job is the best path out of poverty". It provides the "income and stability required to meet current needs and build a prosperous future".

Despite Council approving a full complement of staff in 2014, there were 2,442.8 vacant Capital and Operating positions. By filling vacant staff positions, the City can leverage its economic power to stimulate job growth. Putting Torontonians to work in good, stable jobs that pay a living wage can reduce poverty and precarious employment rates. In this way, the City can make the Poverty Reduction Strategy successful and become a model employer at the same time. It just makes good economic and social sense.

The City of Toronto can further become a model employer by looking at where living wages ought to apply to current City employees. This year, the Canadian Centre for Policy Alternatives (CCPA) report, "Making Ends Meet", updated Toronto's living wage rate to \$18.52 an hour.

Recommendation #12.4 reaffirms the City's commitment to develop a job quality assessment tool and apply it to City jobs, City contractor jobs, and procurement processes.

The City needs to act on its commitment to create a job quality assessment tool.

The impact of the 2014 staffing vacancies was mitigated by having existing staff members work extra hours to cover 24/7 operations and through a reliance on external contractors to support operations. Over-burdening staff by refusing to fill positions and promoting precarious employment through the use of contracted services does not provide a good employment model.

One way the City can fulfill its recommendations in the Poverty Reduction Strategy is by implementing indicators such as stable and predictable hours of work and minimum guaranteed hours of work as part of its job quality assessment tool. For example, Local 79 has raised concerns about scheduling part-time staff in City-run shelters. Although Shelter staff are not guaranteed any particular number of hours, Shelter Management has demanded that staff be available on a 24 hour schedule. These unreasonable scheduling demands make it nearly impossible to find supplementary work when many employees must rely on second jobs. It also disrupts families, and makes arranging childcare extremely difficult.

The City also needs to consider a forward thinking approach to sick time benefits as part of their job quality assessment tool. Many jurisdictions are re-instating paid sick time because they realize the importance of this issue.

United States President Barack Obama in this year's Labour Day Speech signed an Executive Order requiring paid sick leave for employees of federal contractors, including 300,000 workers

who currently receive none. In the U.S., roughly 44 million private-sector workers do not get paid sick leave – which is about 40% of the private-sector workforce.

Canada prides itself on being more progressive than the United States yet we may be directing individuals who are precariously employed and living in poverty to make the very difficult decision to come into work sick. The World Health Organization reports that chronic disease and poverty are interconnected. Poor people are more vulnerable for several reasons, including greater exposure to risks and decreased access to health services. Therefore, the City's approach to becoming a model employer requires two key components – a living wage, and job quality measures that include stable, predictable hours and health benefits with paid sick days.

2) The City needs to continue efforts to change Provincial Labour Laws that best protect workers in an economy where employers increasingly rely on part-time, low wage work.

Recommendation #12.3 advocates supporting provincial efforts to strengthen employment standards.

Extending card based certification to industries where many workers find themselves in precarious and non-traditional work settings will make worker organizing and representation easier. Providing minimum guaranteed hours for part-time workers and re-introducing restrictions on the use of replacement workers during labour disputes will provide predictability and security. On this front, Local 79 has advocated strongly for workplace improvements that include a submission to the Ministry of Labour's Review of the Labour Relations and Employment Standards Act (attached).

3) The City needs to continue to drive systemic change.

Recommendation #16 is to engage City staff and residents on poverty reduction efforts, promote a poverty sensitive culture, and champion poverty reduction with business and government. Recommendation #13.2 calls for implementation of a City social procurement policy.

The use of equity tools such as applying a 'poverty lens' to day-to-day operations and decision-making would make reducing poverty and income inequality a matter of doing business with the City. Similarly, social procurement policies that ensure agencies and contractors be required to pay their workers a living wage go beyond advocacy and put concrete pressure on all employers.

4) The City needs to align budget choices with poverty reduction strategies.

Recommendation #17.1 calls for the City to assess the impact of budget choices on poverty reduction in City Council's decision making processes.

The 2014 year end Operating Variance reported that City Divisions relied on hiring delays and under-spending in salaries and benefits to meet unrealistically tight budget targets. The Mayor's current proposed 2% cut across the board will put further pressure on Divisions as they try to fill staff vacancies and continue to provide for an increased demand and need for services.

Recommendation 14.6 prioritizes the need to protect and increase service levels for the provision of effective services and infrastructure for vulnerable residents.

Budget and service cuts fundamentally contradict poverty reduction strategies.

Low income residents often require individualized services due to the complex nature of poverty. Tightening budgets will disproportionately affect vulnerable residents who rely on personalized services, as those services will become increasingly difficult to provide. Even more concerning is that the TO Prosperity 2016 Work Plan (attachment C) shows that over half of next year's targeted initiatives will be delivered within existing City resources. Given existing budget and staffing constraints, it is difficult to conceive how the City will protect and increase service levels as one of its poverty reduction goals.

Given these considerations, the City should apply a 'poverty reduction lens' to its 2016 budget and decision making process.

5) The City needs a strategy for diverse and growing revenue sources.

Recommendation #17.2 is to explore stable and sustainable funding options, including new revenue tools, to invest in reducing poverty.

Last month the City initiated its five-year review of the City of Toronto Act. I am deeply disappointed in the City's decision to postpone consideration of new revenue tools in the review. With the release of the Poverty Reduction Strategy, the City's financial sustainability is more critical than ever if it is going to achieve its poverty reduction goals.

In its report "Toronto's Taxing Questions," the CCPA estimates that the City of Toronto is forgoing \$600 million dollars in revenue. City Council supported recommendations contained in this report, and therefore, should make use of the tools identified by the CCPA and explore other options for stable revenue resources to combat poverty.

The City must also push for its fair share of sustainable and growing revenue from federal and provincial tax revenues. The City and its residents cannot afford a continued reliance on the property tax revenue stream. Toronto is proud of its reputation as a world class city, but in this years' Vital Signs report, we now have the dubious distinction of being named "Canada's capital of working poverty."

In closing, I want to commend City Staff and Council on the leadership shown in bringing forward the Poverty Reduction Strategy. I believe there may be opportunities for ongoing consultation as the City implements this strategy. I want to extend my commitment on behalf of Local 79 Members to work through this process with Council and City Staff. As a strong advocate against poverty and inequality in our City, I will continue to advocate for living wages and quality, stable jobs as the centre of this approach.

Yours truly,



Tim Maguire
President