



**CANADIAN FEDERATION OF  
INDEPENDENT BUSINESS**

**Submission to Employment Standards Code Review**

**Advancing a Fair and Flexible Approach  
to Manitoba Employment Standards**

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## 1.0 INTRODUCTION: SMALL BUSINESS IS MANITOBA'S ECONOMIC ENGINE

Any review of important legislation, such as Manitoba's Employment Standards Code must take into consideration the views and opinions of the province's job creators – small- and medium-sized businesses. Only 25 years ago, Canada's small- and medium-sized enterprises (SMEs) contributed 25 per cent of our gross domestic product (GDP). Today, SMEs account for almost half of our GDP and employ six out of ten Canadians.

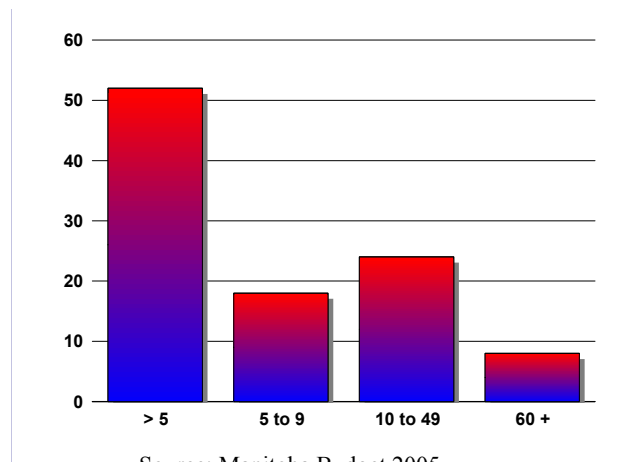
According to Statistics Canada, firms with fewer than 50 employees accounted for 94 per cent of Manitoba businesses. About 52 per cent of Manitoba businesses had fewer than 5 employees while another 18 per cent had 5 – 9 employees. As noted in Manitoba Budget 2005, *"...small businesses are vital to the health of the provincial economy . . . Continued development of Manitoba small businesses will be closely linked with Manitoba's future prosperity."*

It is important also to note that not only are SMEs at the heart of the Manitoba economy, they are also viewed more favourably by the public than either government or multi-nationals. Two-thirds of Canadians indicated that they trust small- and medium-sized business to create jobs, see Figure 2.

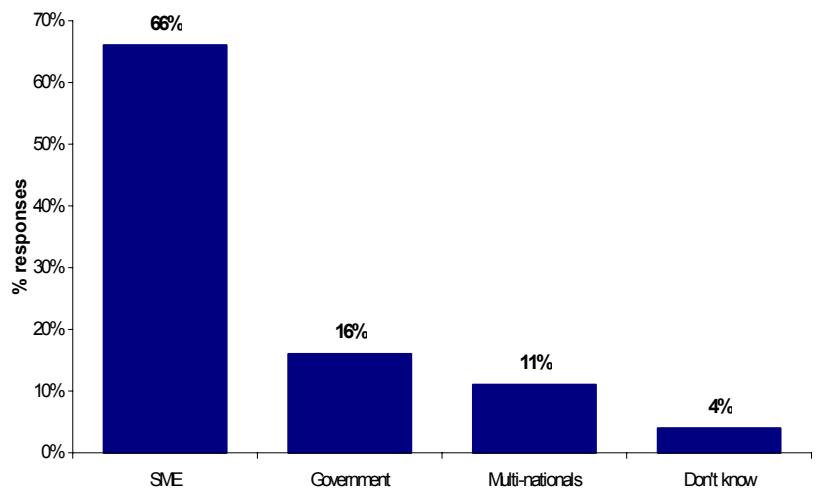
With both the provincial government and the general public recognizing the important and trusted role the small- and medium-sized business community plays, it is imperative that any review of the Employment Standards Code reflects their priorities and concerns.

While CFIB recognizes that it has been a number of years since the *Employment Standards Act* has been reviewed we are of the opinion that the planned consultation process fails to adequately provide stakeholder groups, employers and employees with a full and free opportunity for consultation and discussion.

**Figure 1  
Manitoba Business by  
Number of Employees**



**Figure 2  
Who do you trust more to create jobs?**



Source: Leger Marketing, Confidence in Canadians on Job Creation and Social Responsibilities, May 2005, 1502 responses

Advising interested parties three weeks prior to the first public hearing on December 1st and initially concluding those hearings by December 12<sup>th</sup> with discussion ending by January 16, 2006 limits input on a piece of legislation that directly impacts the majority of employers. In addition, as the discussion guide was only released approximately one week prior to the first public hearing, employers and their associations were limited in their ability to understand the scope of the issues

under discussion by government. Finally, WCB is undertaking a public review regarding the expansion of coverage during the same timeframe, all against a backdrop of a very busy holiday season and federal election. Expecting employers to participate in two separate reviews on complex policy issues at this time will seriously undermine their participation.

## 2.0 ADVANCING A FAIR AND FLEXIBLE APPROACH TO MANITOBA EMPLOYMENT STANDARDS

Manitoba's Employment Standards Code is one of the most important pieces of legislation affecting the province's entrepreneurs. Employment standards fall as the third most onerous area of provincial regulatory concern for Manitoba's small businesses, only after the provincial sales tax and workers' compensation and safety rules.

Labour laws, of which employment standards are a major component, are viewed as a greater concern to businesses in Manitoba than in any other province except Saskatchewan, see Figure 3.

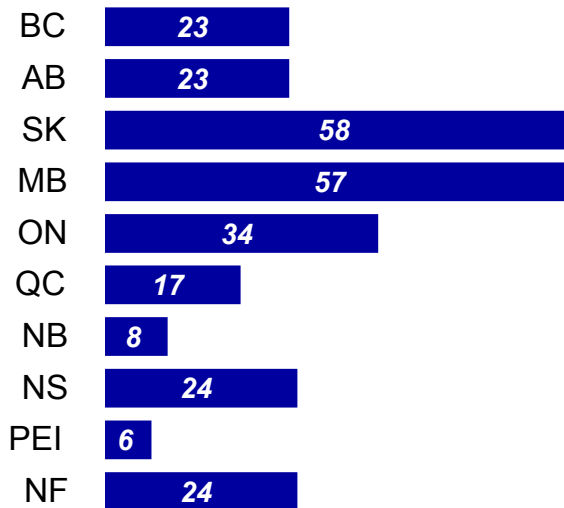
While Employment Standards were created primarily to protect the interest of employees, it must be considered that the world of work has changed dramatically since they were originally drafted and even since the Code was last reviewed.

Changing population and industry demographics coupled with Manitoba's low unemployment rate and increased demands for better work-life balance, means that the world of work in Manitoba today is very different than what it was 20 years ago, and even five years ago. Both employers and their employees have been responding to these changes and government must create a flexible environment to keep pace.

With current labour shortages and prospects these shortages will continue for some time. The balance of power has shifted so that often, it is the employee driving the working relationship. Ensuring that Employment Standards are fair to both employers and employees is critical going forward. More importantly, employers and employees are seeking more flexibility in their workplace arrangements, and the relevant legislation needs to keep up with these demands.

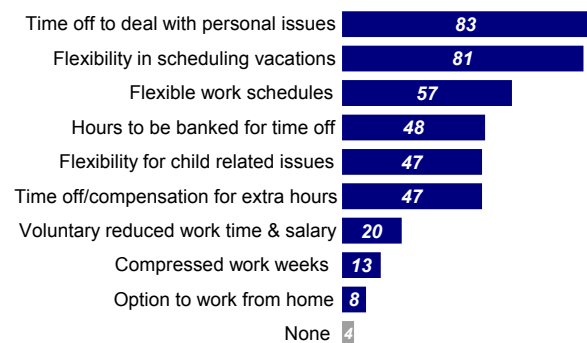
Manitoba firms recognize the importance of supporting employees with balancing their work and family responsibilities. A recent CFIB

**Figure 3**  
**Concern over provincial labour laws**



Source: CFIB OMO, January 2006

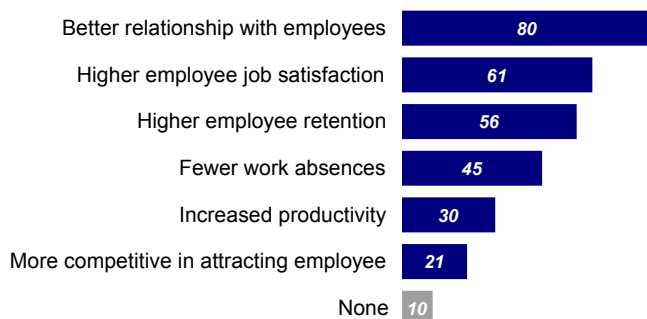
**Figure 4**  
**Types of Workplace Practices Available in Small Businesses**



Source: *Fostering Flexibility: Results of CFIB survey on Workplace Practices*, September 2004 – 486 Manitoba responses

study on work/family balance issues revealed the vast majority (94 per cent) of Manitoba firms have taken steps to improve their employees' balance of work and family responsibilities. What is even more interesting is that it is not the competition for labour due to labour shortages that is driving Manitoba's small- and medium-sized enterprises (SMEs) into providing these types of flexible workplace practices. Instead a majority of SMEs cited building better relationships with employees, higher employee job satisfaction and retention, and fewer work absences among the reasons they provide flexibility in the workplace (see Figure 5). A copy of the full report - *Fostering Flexibility: Results of CFIB survey on Workplace Practices* can be found in Appendix.

**Figure 5  
Benefits of Flexible Workplaces**



Source: *Fostering Flexibility: Results of CFIB survey on Workplace Practices*, September 2004 – 486 Manitoba responses

While SME employers provide flexibility in their workplaces to assist their employees with balancing their work and family, there is usually little thought given as to how SME owners themselves are balancing their work and family life. It is often the SME owners that are the ones that have to fill in when employees are not able to work or do not show up for their shift. This is often in addition to the more than 60 hours that the majority of entrepreneurs work every week according to Statistics Canada. CFIB's own research found that less than half of business owners (46 per cent) had taken a one-week vacation more than twice in the last three years and about one-in-seven (16 per cent) had not taken any vacation within the last three years (see *Fostering Flexibility* report – appendix).

These results clearly show that government needs to recognize that many SME owners are already under a tremendous amount of strain. Most employers provide as much flexibility as they can to their employees within the limitations of the business operations and their own work/family balance. Adding new requirements intended to provide more flexibility to employees may have the perverse effect of making it even more difficult for the business owner to operate and add even greater demands on their time. Given the growth of entrepreneurs in Manitoba, government has to recognize the added strain being imposed on SME owners and help them by allowing employers and employees to come to mutual agreement on the workplace practices that work best for them. Without this level of flexibility, we fear that the burden will continue to fall entirely on business owners and could result in fewer people wanting to make the leap into starting their own business.

CFIB's input comes from a variety of surveys and member inquiries over the last several years, as well as from a survey specific to this consultation. The CFIB Employment Standards Survey responses were received between December 1<sup>st</sup> and December 20<sup>th</sup> and resulted in 389 responses. This means that responses are accurate within +/- 5.4 percentage points, 19 times out of 20. Also attached in Appendix are member comments from the survey that provide context and depth to the survey results. The submission will follow the subjects of greatest interest to CFIB members as outlined in the discussion guide as well as respond to other issues raised by organized labour.

### 3.0 HOURS OF WORK AND OVERTIME

#### 3.1 Hours of Work

As part of this review, some have suggested Manitoba examine a shorter workweek as a means of creating jobs or allowing employees to better balance work and family lives. In a recent brief to

Cabinet from the Manitoba Federation of Labour suggests that government consider reducing the workweek to 37.5 hours or lower.

Obviously, in an environment of a tight labour market where firms are struggling to find employees to meet their existing demand, such a suggestion causes great concern. Two-thirds of CFIB members, see Figure 6, did not see any need for change to this provision and almost one-third suggested the workweek be lengthened. CFIB stresses the importance of allowing employers and employees the flexibility of reaching mutual agreement on what works best for their workplace.

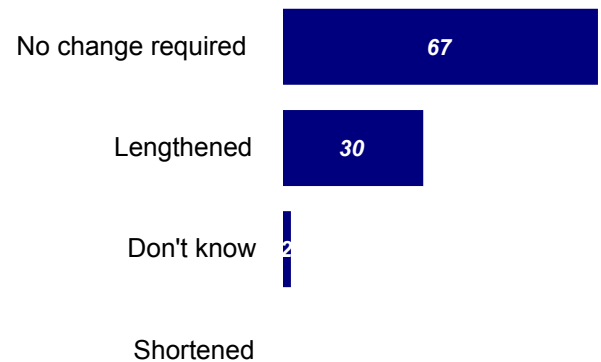
**CFIB Recommendation** - CFIB agrees with the suggestion made in the Discussion Guide that shifting the administrative responsibility to the Director of Employment Standards would help streamline the process for requesting and granting variances to the standard work week. As well, CFIB urges the rejection of any attempt to shorten the workweek as has been previously advocated by the Manitoba Federation of Labour.

### 3.2 Overtime

Allowing employees equal time off for hours worked can provide a small business with the flexibility needed to accommodate the needs of employees. Eighty-six per cent, see Figure 7, of CFIB members support the addition of a provision currently in use in Alberta which allows employers and employees to sign an overtime agreement allowing overtime hours to be banked and later taken off with pay, hour for hour, during regular work hours. We have heard from several members who have not been permitted to implement such a practice despite the support of 100 per cent of the employees.

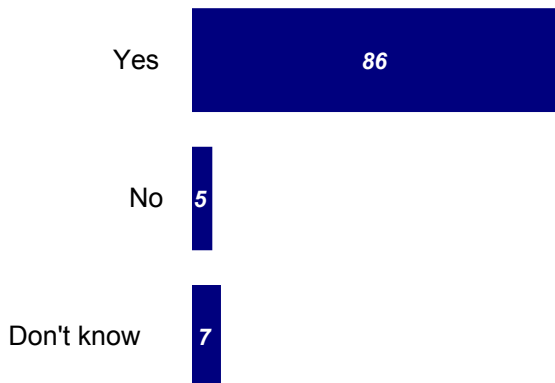
As one member noted, *“We allowed employees to bank time so they could take days off with pay during the off-season. We never had a complaint, but at an information meeting we were told we had to apply for a variance to employment standards to continue this practice. Our application was turned down and everyone is upset.”*

**Figure 6**  
What changes, if any, should be made to the definition of the work week?



Source: Manitoba *Employment Standards Survey*, December 2005

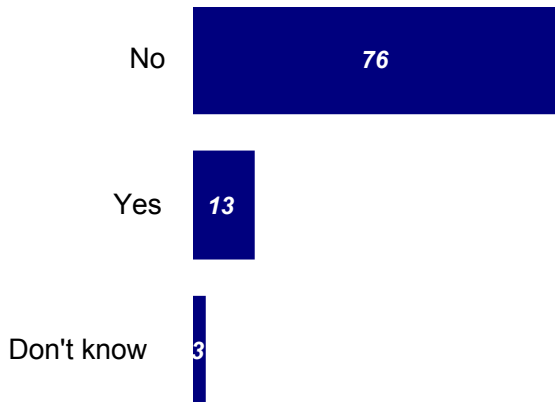
**Figure 7**  
Should Manitoba introduce overtime agreements to allow overtime to be traded on a one to one basis?



Source: Manitoba *Employment Standards Survey*, December 2005

On the issue of overtime payments to salaried employees, incentive-based workers and managers, CFIB notes that many of these employees have greater flexibility within their jobs and the expectation to work overtime is often part of their overall negotiated compensation. As well, paying overtime to these employees would require employers to become far more vigilant in monitoring working time, leading to higher costs and lost productivity. Over three quarters of CFIB members rejected the idea of requiring employers to pay overtime to salaried employees, see Figure 8. Any attempt to rigidly define categories of workers becomes difficult and will ultimately fail to capture all types of employment relationships that currently exist and those that will emerge in the future.

**Figure 8**  
Should Manitoba employers be required to pay overtime to salaried employees?



Source: Manitoba *Employment Standards Survey*, December 2005

**CFIB Recommendation** – Introduce overtime agreements to allow overtime to be traded on a one-to-one basis. CFIB urges consideration of a provision in Newfoundland and Labrador’s Code which allows that if an employer approves a written request from one or more employees and this change results in affected employee(s) working more than 40 hours in a week, the employer is not required to pay overtime to the employees involved. Furthermore, specific provisions are not required for salaried employees, managers or incentive-based workers and they should be excluded under the Code. Finally, government should reject any suggestion that overtime be further capped or the premium increased.

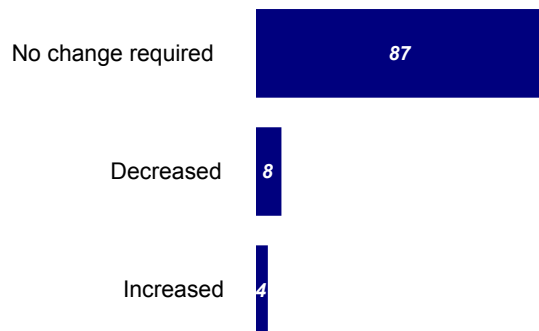
**4.0 VACATIONS AND VACATION PAY**

**4.1 Vacation allowance**

CFIB’s survey, see Figure 9, found that members were overwhelmingly in favour of current vacation entitlement provisions, with 87 per cent supporting the allowance for 2 weeks vacation after one year and 3 weeks vacation after 5 years. Any potential increase to minimum vacation provisions would be met with strong opposition, as the costs can be significant.

**CFIB Recommendation** – Maintain the status quo on vacation entitlements.

**Figure 9**  
What changes, if any, should be made to the minimum vacation allowance?



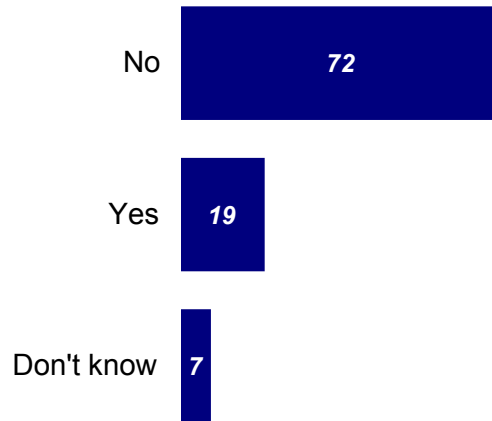
Source: Manitoba *Employment Standards Survey*, December 2005

#### 4.2 Additional statutory holidays

The current number of statutory holidays available in Manitoba is on par with other provincial jurisdictions. CFIB also strongly urges the Review Committee to reject recommendations made by the Manitoba Federation of Labour to designate four additional General Holidays (August Civic Holiday, Boxing Day, either Easter Sunday or Easter Monday and a Heritage Day in February). A simple calculation of the lost GDP over these four additional days suggests that the cost to Manitoba's economy would be in excess of \$630 million, something neither the province or small- and medium-sized employers can afford. CFIB's survey, see Figure 10, found that 72 per cent of members reject the idea of additional statutory holidays.

**CFIB Recommendation** – Maintain the current number of statutory holidays available in Manitoba.

**Figure 10**  
**Should Manitoba introduce additional statutory holidays?**



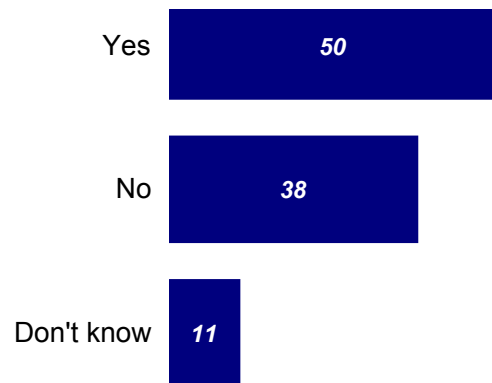
Source: Manitoba *Employment Standards Survey*, December 2005

#### 4.3 Allocation of statutory holidays

Depending on when a statutory holiday falls during the week, employers and employees often would rather take a day off closer to a weekend or attached to an extended vacation. CFIB's survey, see Figure 11, found that 50 per cent of members agreed, while 38 per cent disagreed, that employers and employees should be allowed to allocate statutory holidays in a manner that best suits their needs.

**CFIB Recommendation** – Give consideration to allowing employers and employees to allocate statutory holidays as they see best.

**Figure 11**  
**Should employers and employees be allowed to allocate statutory holidays in a manner that best suits their own needs?**



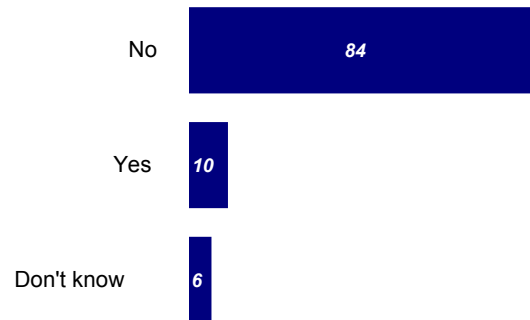
Source: Manitoba *Employment Standards Survey*, December 2005

#### 4.4 Statutory holiday pay for part-time workers

Manitoba's Code currently requires an employee to earn wages for 15 of the 30 days prior to a statutory holiday to qualify for holiday pay, potentially making some part-time employees ineligible. CFIB surveyed its members to determine their views on changing the eligibility requirement to make it easier for part-time employees to qualify for statutory holiday pay (see Figure 12). The survey found that 84 per cent of respondents disagreed with changing the Code for this purpose.

**CFIB Recommendation** – Maintain the status quo on eligibility requirements to qualify for statutory holiday pay.

**Figure 12**  
**Should the Code change the eligibility requirement to make it easier for part-time workers to qualify for statutory holiday pay?**



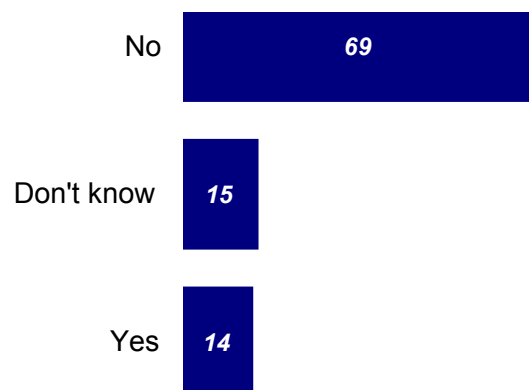
Source: Manitoba *Employment Standards Survey*, December 2005

#### 5.0 PAID AND UNPAID LEAVES

One of the most difficult challenges imposed on small firms in recent years has been the increased allowance for maternity and parental leave. Small business owners recognize the importance of family and work hard to provide their employees with the flexibility needed to have and raise a family. However, the impact of losing a key employee for an extended period of time has been significant to the production and day-to-day activities of many small firms. Some small businesses have also raised concerns with the added financial burden they have had to endure to train temporary employees, and in some cases, also retrain returning employees after they are gone for a year. This has been especially difficult for firms located in those areas where shortages of qualified labour are the most severe and in those industries where specialized training is required.

In 2004, CFIB released a report, *Fostering Flexibility*, which looked at the results of a survey on workplace practices among small- and medium-sized firms (Manitoba data attached in Appendix). The survey found that the vast majority of firms in Manitoba are already providing some kind of flexibility to their employees. In fact, 83 per cent provide employees with time off to deal with personal issues, significantly higher than the national average of 74 per cent, which includes many provinces that already require employers to provide for some types of personal leave. Given that the nature of some business operations may not easily allow for employees to take time off at a moment's notice – this is an impressive number of firms stating that they provide this flexibility to their employees, without any legal requirements to do so.

**Figure 13**  
**Should Employment Standards provide more unpaid leaves such as bereavement, family responsibility and illness?**



Source: Manitoba *Employment Standards Survey*, December 2005

Given the broad acceptance of personal leave in many Manitoba firms, whether on a formal or informal basis, it is no surprise that a majority (69 per cent) rejected the idea of adding a provision requiring employers to provide unpaid general leave, see Figure 13. In fact, requiring that

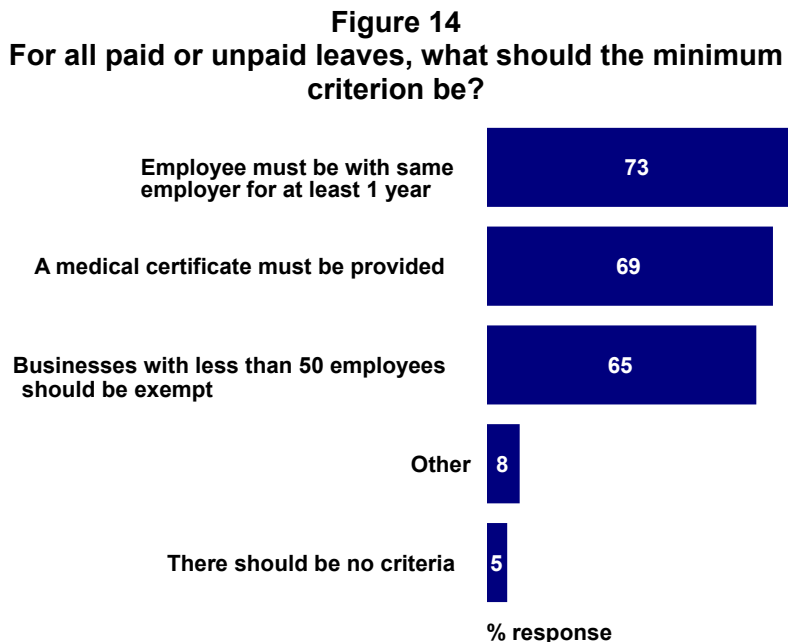


employers provide for unpaid general leave may have the perverse effect of making it more inflexible for some employees as many may get paid time off and/or may receive more time than would be required under the law. By setting a minimum standard, some employers may choose to formalize the process at their firm by abiding by the standards set by government. Allowing employers and employees to work together on an arrangement that best suits the circumstances of the individual employee and the operations of the business, is really the best solution.

The CFIB survey also asked about what criteria should be included if additional paid or unpaid leave is introduced (see Figure 14). Almost three-quarters of respondents believe that an employee must be with the same employer for at least one year, if not longer, before they are eligible for leave.

Almost as many firms (69 per cent) also believe that a medical certificate must be provided indicating that the family member is ill. Among the comments provided, there were many that also stipulated that “family member” be strictly defined to include only immediate family members (eg. parent, spouse, sibling or child).

About two-thirds also believe that smaller businesses, those with fewer than 50 employees, be exempt from this provision as it would have a disproportionate burden on them. Many who did not choose this option did comment that there should be an exemption for smaller firms but that the limit should be lower, perhaps firms with 20 or fewer employees. Further comments on potential criteria for all forms of leave can be found in Appendix.



Source: Manitoba *Employment Standards Survey*, December 2005

**CFIB Recommendation** – Do not introduce a provision requiring employers to provide paid or unpaid general leave such as bereavement, family responsibility and illness. Recognize that most firms already provide employees with time off for personal reasons and allow employers and employees to work together to come up with the best solution for their particular circumstances. All forms of leave should include strict eligibility requirements as noted above.

## 6.0 SPECIAL SITUATIONS

### 6.1 Exemptions – Farm and Ranch Employees

Considering many agri-operators are already having a difficult time attracting and retaining qualified employees, the vast majority of our agri-business members remain dedicated to providing a safe and flexible workplace for their employees. CFIB strongly believes a movement by government to introduce restrictive rules and regulations to agriculture could deter investment and growth, particularly in the livestock sector, a significant contributor to Manitoba’s economy.

CFIB members in the farming and ranching sector firmly oppose the removal of this exemption (see Figure 15). In a survey of our agri-business members, 68 per cent felt that expanding labour legislation (including employment standards) to agriculture would have a negative impact on their business. Only 11 per cent felt it would be a positive move, with 11 per cent stating there would be no impact and 11 per cent stating that they did not know. While it has been suggested that certain types of farming operations may be included under employment standards rules, trying to define the difference between a family farm and an industrialized operation will not be easy and may very well end up including family farms in the end.

For example, if a family farm hires a dozen or so non-family employees to assist with harvest, does that make them an “industrialized operation”? Further, should a family farming operation hire a non-family member to manage the farm’s operations, does that make it an “industrialized” operation? Trying to categorize the wide variety of farms within Manitoba would be fraught with difficulties and will only cause confusion. Many members noted the challenges in applying employment standards in a farm situation. As another example, dairy cows still require milking on statutory holidays and harvesting can often only be conducted in a very short period of time before killing frosts, requiring farmers and ranch hands to work extra hours.

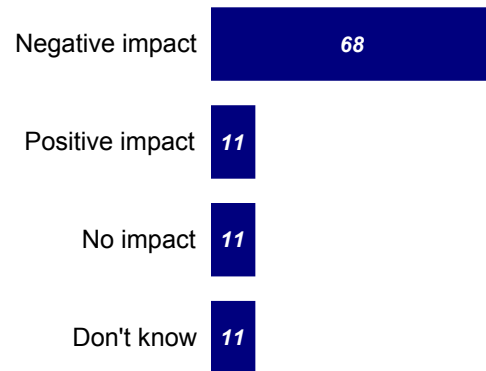
It is clear that an overwhelming majority of CFIB agri-business members across the province agree that additional rules and regulations will not help foster a more healthy and vibrant agricultural industry. As noted in Figure 16, 92 per cent of our agri-business members do not support the inclusion of agri-business under employment and labour standards legislation.

**CFIB Recommendation** – Preserve exceptions for ALL farm and ranch employees, regardless of where they work.

### 6.2 Exemptions – Other Occupations

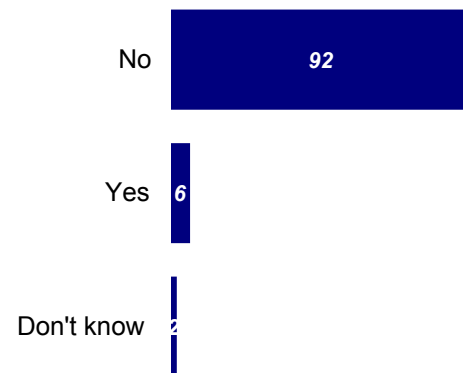
Other exemptions exist because there is a need for some occupations to be exempt from certain aspects of the Employment Standards Code due to the nature of the work involved. These exceptions indicate that there is an understanding by government that for some sectors to operate efficiently, certain exemptions must be considered. This goes to the heart of the need for greater flexibility in the application of employment standards as it is virtually impossible to create legislation that will be easily adapted to every business operation in the province.

**Figure 15**  
**If the provincial government were to expand labour legislation including employment standards to agriculture, what impact would it have on your operation?**



Source: CFIB Agri-business Bottom Line December 2003

**Figure 16**  
**Do you support the mandatory inclusion of agri-business under employment standards legislation?**



Source: CFIB Agri-business Bottom Line December 2003

This philosophy should be expanded to the individual workplaces. As one member commented, “*By mutual written agreement, employers and employees should be able to alter any employment standard.*” This approach would allow for ultimate flexibility in the workplace and places the responsibility for defining workplace practices and standards within the hands of those that will actually be affected by it – employers and their employees. Only they know what will work best for their workplace based on the needs of the employee and the capacity of the employer to accommodate them. CFIB believes that government should seriously consider this as an option.

One positive aspect of Alberta’s current practice is the ability for individual employers to make a request to be exempted from certain aspects of the Code without having to go through legislative changes or exemptions. This flexibility works well as it balances employee protection with the best interests of the workplace involved.

As Manitoba is the only jurisdictions in Canada where the hours of work variance is dealt with by an adjudicative body, the Labour Board, rather than by the Director of Employment Standards CFIB encourages government to review the Alberta model and expand this process to allow for exemptions/changes of the Employment Standard Code if there is a mutual written agreement between employers and employees. This process would allow employers and employees to work out the best solution for their workplace. This is particularly important when it comes to hours of work, overtime and days of rest provisions.

**CFIB Recommendation** – Continue to allow for exceptions already in place and consider allowing a broader ability to include exceptions for situations achieved through mutual agreement between employers and employees at individual workplaces. The Director of Employment Standards should have permitting authority to grant exceptions to minimum standards.

## **7.0 MINIMUM WAGE**

Currently Manitoba’s minimum wage of \$7.25/hour, which has increased \$1.25 since 2000, is well within the range provided by other jurisdictions. Minimum wage in Canada ranges from \$8.00/hour in British Columbia to \$6.25/hour in Newfoundland and Labrador. As well, according to the Manitoba Department of Labour, of the 4.1 per cent of Manitobans who earn minimum wage:

- 77 per cent were aged between 15 and 24;
- 58 per cent attended school;
- 69 per cent worked in accommodation and food service or retail trade;
- 67 per cent worked part-time; and,
- 20 per cent were the head of their household.

Labour is subject to the same economic constraints of supply and demand as other goods. When the price of normal goods increases, demand decreases. As the price of labour increases, employers demand fewer labour hours. Yet whether it be extra spending money, money for school, or money to put food on the table, these positions are important to the people who hold them. Given the statistics above, it follows that the burden of job losses and reduced hours will be heavily born by entry-level, unskilled or inexperienced workers.

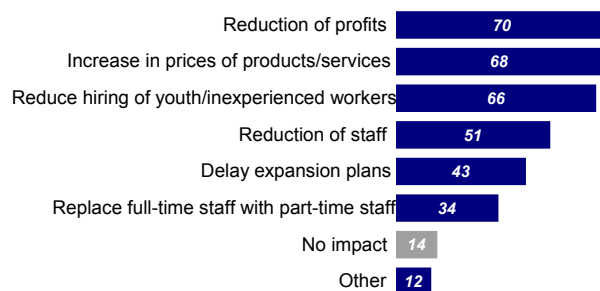
As labour costs go up, employers may choose to raise prices. Ironically, as consumers, inflationary pressure has more of an impact on low-income earners due to less extra financial capacity.

Further, businesses that pay minimum wage normally exist in very competitive industries. In these industries it is sometimes not possible to raise prices, requiring firms to absorb the cost internally. This leads to other costs savings like replacing employees with labour saving machinery. More concerning is that absorbing the costs internally leaves fewer resources for further growth and expansion.

With organizations such as the Manitoba Federation of Labour requesting a substantial increase in the minimum wage, CFIB surveyed its members on the potential impact of such an increase (see Figure 17).

Among respondents, 70 per cent indicated it would result in a reduction of profits. As well, 68 per cent of respondents said it would result in higher prices for consumers while 66 per cent indicated they would reduce the hiring of youth and inexperienced workers. These firms often use the minimum wage as a starting base while a new employee is in training and gaining experience. The logic is that new employees are

**Figure 17**  
**What impact would a \$3 increase in minimum wage have on your business?**



Source: Manitoba *Employment Standards Survey*, December 2005

Not yet fully productive and must be trained to reach full productivity. Training at this level often includes basic employability skills that require extra time and effort on the part of the employer and are usually above and beyond the basic skill requirements of the job. During this training process, firms often increase wages gradually to provide the employee-in-training with some incentives.

With the rising minimum wage, CFIB encourages government to consider introducing lower minimum wages for certain categories of workers (those under 18, those earning gratuities or a “training wage”) as is the case in many other jurisdictions. For example, Manitoba should examine a first job/entry-level wage rate similar to the system in British Columbia and Nova Scotia whereby new employees are paid a lower than minimum wage rate for a prescribed period of time. This system allows an employer to pay a little less during a period when their training costs are higher and the employee tends to function at lower productivity. In Ontario and Quebec there is a lower wage for those earning gratuities, recognizing that a substantial amount of their income comes from another source. In Ontario, there is also a lower minimum wage for those under 18. In all these jurisdictions, minimum wage is currently less than \$7.00 for all three types of workers.

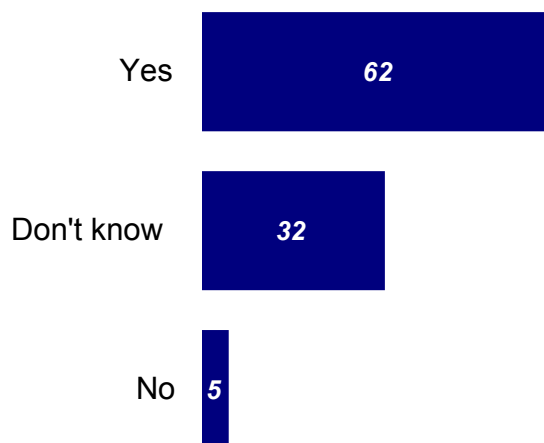
**CFIB Recommendation** – The provincial government should reject any substantial increase to the minimum wage such as that being requested by the Manitoba Federation of Labour. As well, consideration should be given to following the lead of other jurisdictions and consider introducing lower minimum wages for certain categories of workers, such as those under 18, earning gratuities or new to the workforce.

## 8.0 DEDUCTIONS FROM EARNINGS

For the most part, CFIB members are less concerned with provisions regarding deductions from earnings; however, there is some concern with certain types of deductions. CFIB did ask about whether employers should continue to be required to deduct union dues from employee paycheques, unless they have previously agreed to do so. Almost two-thirds (62 per cent), see Figure 16, support a change to the legislation that would no longer require employers to collect union dues from their employees.

**CFIB Recommendation** – Change legislation to no longer require employers to collect union dues from employees unless they have specifically agreed to do so.

**Figure 16**  
**Should legislation be changed to no longer require employers to collect union dues from their employees?**



Source: Manitoba *Employment Standards Survey*, December 2005

## 9.0 TERMINATION OF EMPLOYMENT

Termination of employment is one of the biggest areas of concern for employers as employment standards governing termination can be further complicated by employment law rulings. Many employers fear the repercussions of termination and often go out of their way to generously compensate an employee to avoid any negative fallout. At the same time, it is in the area of termination that the greatest shift in the power balance has occurred. Some small business employers have found themselves the victim where a departing employee takes advantage of the situation just as they are frantically trying to find enough workers to keep their business operational. In addition, we have seen more and more employers finding themselves without enough staff to fill a shift as workers simply stop showing up without any warning or advance notice. Often workers have moved to other positions that may pay slightly more but neglect to advise the employer, much less provide notice.

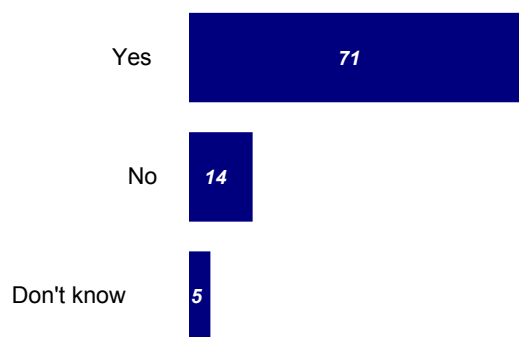
This is also the area of employment standards where in practice the onus is almost exclusively on the employer, yet the employee also has power to terminate their position (by quitting) with very little responsibility to the employer in the process. This can be especially frustrating as the abrupt departure of an employee can put a small business in some jeopardy, and this, in turn, could result in the employer having to rely more heavily on other employees, delay a project, and more often than not, they (or a family member) take on extra duties and end up working even longer hours than they normally do. CFIB strongly believes that something needs to be done to balance the scales and better reflect the difficulties small business face when dealing with termination issues. Two key areas are to enhance fairness of termination rules and to look at ways to strengthen the provisions requiring employees to provide notice of their intention to leave so an employer can at least plan for their departure.

Currently, employers and employees are required to provide termination notice, or pay instead of notice, of not less than one pay period. When asked about whether notice period requirements should be the same for both employers and employees, over three quarters (81 per cent) of small business respondents believed that they should be the same (see Figure 17).

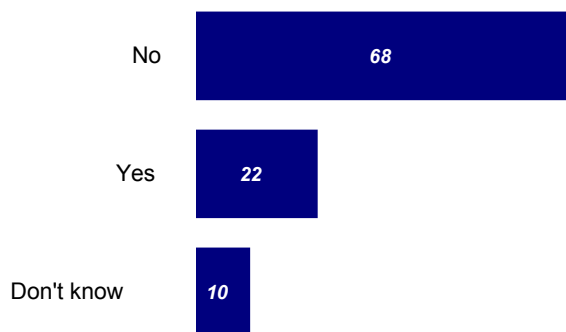
CFIB strongly supports the unique Manitoba legislation that requires employees to provide notice to their employer as it recognizes the need for balance between employer and employee responsibilities. However, on a practical level many employers have found this provision to be extremely difficult to enforce.

The current reality is that minimum notice period requirements are mostly followed by employers when dealing with employees who have been working for only a short period of time (eg. up to a couple of years). For longer standing employees, employers usually provide far more generous pay in lieu of notice than is defined in the Employment Standards Code. This flexibility needs to be maintained as circumstances will vary from business to business. In the interest of fairness, however, employers and employees should be required to provide the same minimum notice periods in preparing for termination. Furthermore, over two-thirds of CFIB respondents rejected the introduction of a “graduated notice” provision (see Figure 18).

**Figure 17**  
Should the notice period requirement for terminating the employment relationship be the same for employers and employees?



**Figure 18**  
Should Manitoba introduce a “graduated notice” provision where a longer period of notice based on the worker’s length of service is required?



Source: Manitoba *Employment Standards Survey*, December 2005

CFIB is alarmed with suggestions by the Manitoba Federation of Labour that government should introduce extra termination policies governing group terminations, statutory severance pay and a new closure and merger tax to help fund termination and retraining. Small firms most often attempt to do anything they can to avoid layoffs, including reducing the owner’s pay or profit. Limiting a firm’s ability to reduce some of its costs during hard times may make the firm more vulnerable to bankruptcy, affecting a far greater number of workers.

**CFIB Recommendation** – The Manitoba government should reject the notion of a “graduated notice” provision. CFIB recommends that the amount of termination notice be the same for both employers and employees and that provisions requiring notice from employees to employers be strengthened and promoted. Reject calls from the Manitoba Federation of Labour to introduce new termination policies and taxes.

## 10.0 PROMOTING COMPLIANCE

CFIB recognizes that the Code's effectiveness is determined in large part by the level of compliance displayed by employers and employees. It must be recognized that owners of smaller firms are often wearing many hats from operations to marketing to buying of products and human resources. As a result, many may not be in a position to know all of the intricacies of employment standards, unlike larger firms that may have an entire department dedicated to human resources. As a result, honest mistakes can be made and consideration must be given in these circumstances when considering penalties. It may be of interest to know that interpreting employment standards rules are one of the most frequent types of calls to CFIB from our members.

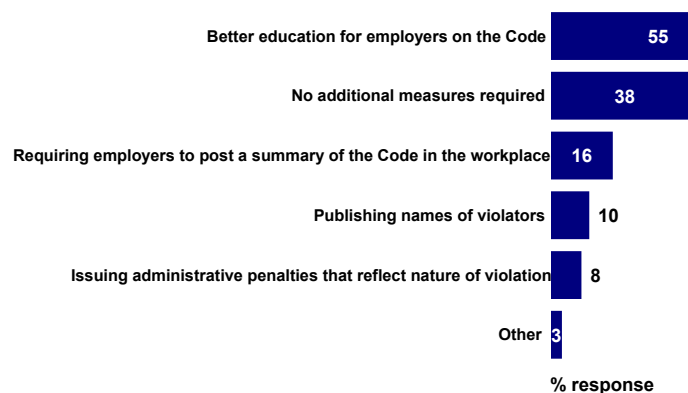
Improving compliance of the Code through punitive means is an area CFIB believes should be treated carefully. Fines are used not only to penalize a firm that has been convicted of violating an employment standard, but also as a deterrent to not living up to the legislation. The maximum level of fines is less relevant to smaller firms as the impact of fines is relative to the size of the firm. CFIB firmly believes that consideration must be given to the size of the firm when deciding on the amount of the fine.

Before any fines are considered, CFIB believes employers should be given an opportunity to learn from the mistake, understand their obligations and be given time to rectify the situation. CFIB also believes that the government should provide a written document outlining how the employer can be in compliance, the timelines for compliance, and the expected outcomes.

CFIB has surveyed its members on measures that could be incorporated to enhance compliance with Manitoba's Employment Standards Code (see Figure 19). Better education for employers on the Code was cited by 55 per cent of respondents as the number one measure that could be undertaken to promote compliance. It is clear from this result that the majority of violations of the Code are not the result of wilful non-compliance, but the result of not having the appropriate information. CFIB agrees with the Manitoba Federation of Labour suggestion that the Code be written in plain language to allow both employers and employees a better understanding.

**CFIB Recommendation** – CFIB is firmly opposed to any increases to the current level of fines that fail to take into account the size of business and the reality that honest mistakes do, on occasion, occur. CFIB urges the Government of Manitoba to use this review process and any future changes to the legislation as an opportunity to reach out to the employer community to better educate them on employment standards. Partnerships and collaboration are more preferable actions than punitive, top-down compliance measures.

**Figure 19**  
**Which of the following measures to enhance compliance does your business support?**



Source: MB *Employment Standards Survey*, December 2005

## 11.0 NON-TRADITIONAL AND SELF EMPLOYMENT

For many reasons, Canada has witnessed a significant increase in self-employment. Survey after survey shows that the self-employed are the most satisfied with their overall working lives, demonstrating the benefits and freedom of entrepreneurship exceed the additional risks and uncertainties. A recent CFIB survey on the Canada Labour Code found that 66 per cent of Manitoba members suggest that labour legislation should not cover self-employed individuals.

Working relationships in Canada continue to evolve in large part due to requests from individual employees who are looking for tailored situations to help them balance work and other responsibilities. Part-time work can be extremely beneficial for students, parents or caregivers and should not be viewed in a negative light. CFIB rejects calls for additional regulations governing part-time work, self-employment or new and creative forms of work. We fear that such a move would serve to limit the flexibility employers, and more importantly, employees are seeking. CFIB fought against recent Saskatchewan legislation to introduce "seniority rights" for part-time workers in distributing additional working hours.

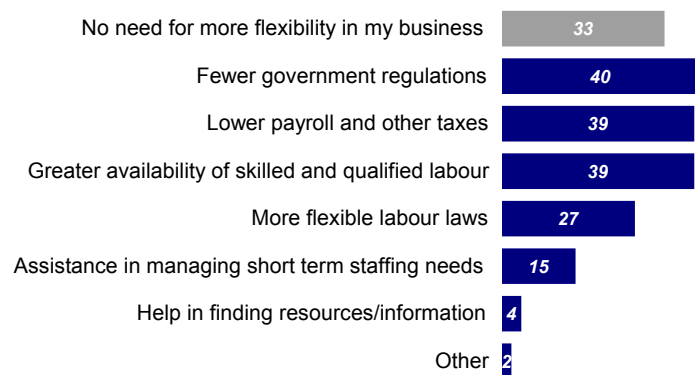
**CFIB Recommendation** - Do not introduce new regulations or definitions that would serve to limit self-employment, part-time or new and creative forms of working relationships.

## 12.0 CONCLUSION

Given the shortage of qualified labour in Manitoba, employers who do not provide some flexibility to employees would soon find themselves without a proper staff. The economic structure of the province has changed so that the power has shifted – allowing employees to dictate the circumstances of their work arrangements to a much greater degree than in the past. Employment Standards need to be formulated to recognize this new reality. Creating new regulations and/or adding new provisions around how Manitoba workplaces should be structured risks making them even more rigid – completely contrary to the philosophy of supporting more flexibility in the workplace. When Manitoba members were asked about measures that would help them in enabling even more flexible workplace practices, among the responses was the desire to see **fewer** government regulations and more flexible labour laws (see Figure 20).

CFIB believes that any changes to Manitoba's Employment Standards Code should strive to create flexible workplace arrangements that allow employers and employees to make arrangements that best suit their mutual needs. Increasing labour shortages means increasing protection to employees who can walk down the street to another employer offering a greater work-life balance. Increasing diversity among Manitoba's businesses demands increased flexibility to meet the unique circumstances of the province's workplaces. More than ever before, there is simply no "one-size

**Figure 20**  
**Measures that Would Help SMEs in Enabling Flexible Workplaces**



Source: *Fostering Flexibility: Results of CFIB survey on Workplace Practices*, September 2004 – 486 Manitoba responses



fits all” approach for either employers and employees and we hope that any changes will reflect this new reality.

CFIB urges the government to consider the recommendations listed here as they come straight from the province’s major job creators and drivers of economic prosperity. Their input should be strongly considered so that Manitoba’s small firms can continue to provide flexible workplaces to benefit their employees.

## **EXECUTIVE SUMMARY**

### **CFIB Recommendations to the Manitoba Employment Standards Code Review**

#### **HOURS OF WORK AND OVERTIME**

CFIB agrees with the suggestion made in the Discussion Guide that shifting the administrative responsibility to the Director of Employment Standards would help streamline the process for requesting and granting variances to the standard work week. As well, CFIB urges the rejection of any attempt to shorten the workweek as has been previously advocated by the Manitoba Federation of Labour.

Introduce overtime agreements to allow overtime to be traded on a one to one basis. CFIB urges consideration of a provision in Newfoundland and Labrador's Code which allows that if an employer approves a written request from one or more employees and this change results in affected employee(s) working more than 40 hours in a week, the employer is not required to pay overtime to the employees involved. Furthermore, specific provisions are not required for salaried employees, managers or incentive-based workers and they should be excluded under the Code. Finally, government should reject any suggestion that overtime be further capped or the premium increased.

#### **VACATION ALLOWANCE**

Maintain the status quo on vacation entitlements.

#### **ADDITIONAL STATUTORY HOLIDAYS**

Maintain the current number of statutory holidays available in Manitoba.

#### **ALLOCATION OF STATUTORY HOLIDAYS**

Give consideration to allowing employers and employees to allocate statutory holidays as they see best.

#### **STATUTORY HOLIDAY PAY FOR PART-TIME WORKERS**

Maintain the status quo on eligibility requirements to qualify for statutory holiday pay.

#### **PAID AND UNPAID LEAVES**

Do not introduce a provision requiring employers to provide paid or unpaid general leave such as bereavement, family responsibility and illness. Recognize that most firms already provide employees with time off for personal reasons and allow employers and employees to work together to come up with the best solution for their particular circumstances. All forms of leave should include strict eligibility requirements as noted above.

#### **EXCLUSION – FARM AND RANCH EMPLOYEES**

Preserve exclusions for ALL farm and ranch employees, regardless of where they work.

#### **EXCLUSION – OTHER OCCUPATIONS**

Continue to allow for exclusions already in place and consider allowing a broader ability to include exclusions for situations achieved through mutual agreement between employers and employees at

individual workplaces. The Director of Employment Standards should have permitting authority to grant exceptions to minimum standards.

### **MINIMUM WAGE**

The provincial government should reject any substantial increase to the minimum wage such as that being requested by the Manitoba Federation of Labour. As well, consideration should be given to following the lead of other jurisdictions and consider introducing lower minimum wages for certain categories of workers, such as those under 18, earning gratuities or new to the workforce.

### **DEDUCTIONS FROM EARNINGS**

Change legislation to no longer require employers to collect union dues from employees unless they have specifically agreed to do so.

### **TERMINATION OF EMPLOYMENT**

The Manitoba government should reject the notion of a “graduated notice” provision. CFIB recommends that the amount of termination notice be the same for both employers and employees and that provisions requiring notice from employees to employers be strengthened and promoted. Reject calls from the Manitoba Federation of Labour to introduce new termination policies and taxes.

### **PROMOTING COMPLIANCE**

CFIB is firmly opposed to any increases to the current level of fines that fail to take into account the size of business and the reality that honest mistakes do, on occasion, occur. CFIB urges the Government of Manitoba to use this review process and any future changes to the legislation as an opportunity to reach out to the employer community to better educate them on employment standards. Partnerships and collaboration are more preferable actions than punitive, top-down compliance measures.

### **NON-TRADITIONAL AND SELF EMPLOYMENT**

Do not introduce new regulations or definitions that would serve to limit self-employment, part-time or new and creative forms of working relationships.

## **APPENDIX 1: General Comments on Employment Standards**

*"The Labor Board's authority exceeds reason. Much like the Human Rights Commission, complaints to the Labor Board should be deferred if the employer is not given a chance to rectify and if the employee's complaint is vexatious then there should be a penalty for the employee. The labor board also charges an administrative fee to the employer for issuing an order where the employer has had no opportunity to mediate with the employee. There should be consideration in the act for inexperienced workers, tipped employees and wages for training."*

*"Unfortunately, in the past, length of notice for termination has been one sided. I have yet to know of a case where the employee was penalized for termination without notice."*

*"Extending holidays beyond the current standards would only cause myself as a business owner and my managers to work longer and harder. We are already giving 110% and would be unfair to us to extend the holidays of all employees."*

*"Manitoba is not an employer friendly province. Not all employers have the resources of government at their disposal and with shrinkage in profits and increases to employer pressure, less emphasis on employee responsibilities, there is little incentive to remain in business."*

*"Any changes to labour legislation will be motivated and written by government employees who of course are all unionized. The NDP government will implement the unions' wishes no matter what anyone else says."*

*"We already have enough to deal with on the regular minimum wage increases. Remember, small business is the economy!"*

*"Instead of the government forcing wages going to the point where staff would have to be cut to the bare bone, how about they look at the common sense approach of reducing the burden of income tax on the wage earners out there now. If they want to be serious about putting extra money in the low wage earners pocket, quit taking so much off their cheques to start with. If poverty level is considered to be \$14,000 of wages per year then let the government federal and provincial get their hand off his paycheque and look at how much extra dollars he would have. On the other hand give him an extra 2 or \$3 per hour and see how much of that is left by the time the government is done with him. Let business give some extra incentives such as dental, health care, short term long term disability, life insurance etc, without having to show some of these things as income (taxed again). As a small town Manitoba business I am already looking at the possibility of laying off all staff and down sizing to get away from all the hassles of dealing with so many uncertainties of the economy, BSE, grain pricing, fuel prices, wages. etc."*

*"I feel that increasing the minimum wage drastically would be very detrimental to numerous small businesses and cause many to close, which would of course increase the unemployment lines. Maybe the government should look at ways to help the minimum wage employee by more attractive tax breaks."*

*"Instead of more stat days we need stat days where all possible businesses are closed, so that all families have a common day off, not just government and office staff. Retail should be closed on most stat days, so that a stat does not just mean another shopping day!"*

*"It is hard enough in today's tight markets to maintain a small business without more government involvement. What about employee work standards when is the employer protected? We are the ones putting out the money and taking the chances to employee these people."*

*"The labour market is tight enough now that if good employees are not given perks voluntarily by employers, we may lose them anyway. I don't want to give further entitlements to marginal employees. I am also frustrated having government organizations outbid me with my own money for talent. My children are uninterested in getting involved in my business (I don't blame them) as they start at very high wages immediately after university graduation, with many perks I cannot afford to give them."*

*"Each business should have their own guidelines for employees. Signed papers by employees makes them agreeable to that business standards."*

*"If these questions are indicative of proposed legislation, there will be a further erosion of manufacturing jobs in Manitoba. Some of the suggested changes are nothing short of punitive to employers. The Manitoba Government has created an anti - business environment to the extent that we have effectively closed the doors to new business entering the province."*

*"Small businesses already have a tough time financially."*

*"If the government has their way of adding all these added employee benefits, I can assure you it will directly affect the economy. It will affect the bottom line of all businesses and that will cause them to make serious changes to their operations. Many will not be able to stay open any longer. Government has to look at the standard of living people are enjoying here in Manitoba, and I assure you in general it is quite good."*

*"Just look at Germany today with unemployment at 13 to 20%. This legislation would drive us to the same problem."*

*"I think that in all fairness that big business employees should not get better benefits than a small business employee. Small business is just as vital to "making the world go round" as big business. Small business has enough of a problem staying afloat without forcing them into paying "union" benefits. It is not because they wouldn't like to, but they can't afford to stay alive. Government has destroyed enough small businesses because of their overall decisions."*

*"The current rules are heavily weighted in the employee's favour. Why does this province continue to try and make it HARDER to do business here?"*

*"Increasing the minimum wage would make it extremely difficult for small businesses like ours to make any profits in a "low profit" business such as ours. Many companies make up for the minimum wage by paying out "commissions". Minimum wage increases would probably force many businesses to close and prices in products to go up in Manitoba."*

*"To pay for nonproductive time is ridiculous, and is not sustainable in the long run, also adding significantly to inflation. Manitoba is already over burdened with legislation and high taxes. Few businesses want to relocate to our "have-not province", and if I had a choice, I would get out too."*

*"Manitoba should consider becoming an "at-will" employment province. "At will" means that both employees and employers have the right to terminate employment at any time, with or without advance notice, and with or without cause. Manitoba's current notice process is detrimental to employers who need to dismiss problem employees. Employers cannot afford to pay duplicate wages (in lieu of notice payments to problem employee and regular wage to replacement employee)."*

*"We are becoming TOO legislated. We need guidelines and standards, however, there must be some flexibility for negotiation between small business employers and employees. The standards*

*are there to protect the rights of both parties. As a small business we must be able to start an untrained employee at a realistic rate as it takes time to build their skills and have limitations on what a customer will pay - experience is what should increase the wages."*

*"It is very expensive to replace workers whether it is for a permanent position or just a temporary or 'leave' position, especially when several weeks of training and certifications are involved. A lot of us aren't just teaching someone to punch a till or give better service. All businesses have to and should be operating prudently and within all regulations. If vacations, overtime operating hours and 'leaves' are going to be changed in any way, this will definitely result in higher operating costs, which of course will be passed on to the end user. No further ahead. Improve on efficiency of government and cut waste, allow a better business environment and the benefits will be passed on to everyone within the province."*

*"The key here is the losers with the proposed changes would be the long term employees as increases as suggested would force me to go to more part time people and reducing full time hours would lower their annual income."*

*"Re: extra stat holidays --we believe one day only in Feb is sufficient as its a long stretch without anything in January, February and March."*

*"Employers are taken advantage of in this province! New labour standards set forth would cause abuse of system by employees. Minimum wage increase would put us out of business. Lowering or adjusting the payroll tax where credits are given to employers who use payroll tax payments to increase employee wages!"*

*"The thought of increased statutory holidays, increased vacation time with pay and such a huge increase in minimum wage (even if over two or three years) is infuriating. Governments have already destroyed the small business climate in this province, increasing our costs with these measures will have a variety of effects. Many small businesses will close down or drastically reduce staffing levels. This means that the businesses that remain will now have owners working 70 to 80 hours a week instead of our regular 60 plus hours. When do they think they should start thinking about the business people that provide 60% to 70% of all new jobs in this country? Where is their concern for the drastically overworked and over taxed owners? We have enough paid holidays!!! My small business pays over \$10,000 per year to staff to stay home and enjoy the day off while I go in to catch up. This is money paid out with out any revenue coming in on those days. Now they want to add to this expense. Small business constantly complains about the lack of good help with a work ethic. Giving more time off with pay does not promote a good work ethic. It promotes more of a "how much more can I get for doing as little as possible" attitude. Since when do employees have a God given right for the employer to pay for 4, 5, or 6 weeks of holidays. Why don't they come to the employers and say "Thanks for all the work you do, the jobs you provide and the taxes you and your employees pay . We need to figure out how you also can have a holiday paid for by someone else!" The public also needs to realize any of these proposed costs to business are massively inflationary and are the government's way of hiding taxes by forcing businesses to increase costs which spins off into more government revenues. We don't need a minimum wage increase. The market dictates fair wages. We have always started employees at close to two dollars over the minimum wage because we want to attract better people. We have very high paid employees for a small grocery store."*

*"The government needs to give its head a shake, and figure out that only part time students with no training are getting the minimum wage. Anyone who gets a good part timer working for them is going to go at least \$1 - \$2 over the minimum to keep them, likewise for full time people. We don't have a single full time person earning less than \$9 per hr and they have less than a year*

*experience. With the cost of living here there is no need for us to have the highest minimum wage in the country.”*

*“The labour code should permit employers to sign an agreement with the employee for payroll deduction in cases where an employee has done something that cost money or damage which was their fault. Especially where the employee wishes to make a payroll deduction over a period of time.”*

*“At a time when all other input costs are rising I believe that raising the minimum wage will lead to more part-time employees and ultimately lead to higher unemployment.”*

*“Too much legislation stifles growth which is the point of generating employment.”*

*“The suggestion of an increase of minimum wage from \$7.25 to \$10.25 really scares me.”*

*“As in Alberta, holiday pay should not be paid to Commission sales people (on their commission earnings). They are operating much like their own business, with write-offs and perks that the average worker does not have.”*

*“Government should provide compensation to small and Businesses for the handling and managing of all this sort of government red tape.”*

*“Over-regulation tends to lead to huge bureaucracies, whose focus quickly becomes one of job preservation (their own!), often to the detriment of more efficient and less costly government services.”*

*“OT should kick in after 80 hrs per pay period or 10 hrs / day instead of 8. On giving notice, current practice is that employers are held accountable for this and employees are not. When someone wants to leave it is not constructive to force them to stick around.”*

*“Give employers and employees as much flexibility as possible. Employer/employee relationships have matured over many decades and employers have to be competitive and employees are more skilled and assertive in asking for favourable concessions and terms.”*

*“Every time minimum wage is increased, we struggle to adjust our cost of manufacturing, since the minimum wage increase has a ripple effect all the way up the pay line. With the high Canadian dollar, exorbitant fuel surcharges on freight and the rising cost of labour, our competitiveness over American companies is being hacked away at. The effect - we are changing our product mix to reduce the amount of labour required, using more automated equipment and looking at outsourcing overseas. Ultimately, this means fewer jobs for the Manitoba economy.”*

*“The whole atmosphere in Manitoba for small businesses is actually going downhill. Almost all of the industry expansion and jobs are public and or industries that many other areas do not want very badly. Our young people are moving out and I am very disillusioned with the direction that this province is going. example: Most of our work is out of town and seasonal. In the past we rarely laid anyone off in the off-season. We had allowed our crews to work longer hours each day and to take longer weekends as long as they put in the hours. We also allowed employees to bank time so they could take days off with pay during the off-season. We never had a complaint, but at an information meeting we were told we had to apply for a variance to employment standards to allow us to continue this practice. Our application was turned down and everyone is upset. Now if employees want to work 4-10 hour days and take Friday off like many government employees do instead of 5-8 when out of town, we would have to pay overtime for 8 of the forty hours. Obviously we cannot afford to do this so people work 5 days.”*

*“The 40 hours per week or 8 hours per day should read only 40 hours per week as some employees only work 3-12 hour shifts and would be eligible for overtime under this wording”*

*If this Government continues to jump in bed with the unions that will make it too costly to manufacture products at a profitable rate, then businesses will move on to different provinces then we will have a retirement province with no industry to keep working people from paying for costs to run a province.”*

*“MB Employment Standards should not be involved in this providing leave. Really this should be left up to the discretion of each employer and the employee. If the company is too rigid then the employee would either quit or remain or try to set up a union. It is in the best interests of the company to be as flexible as possible in order to retain the best employees.”*



## **APPENDIX 2: Members' suggested criteria for paid/unpaid leave**

*"Employee must be with same employer for at least 6 months"*

*"Through agreement between employee & employer"*

*"Allow an employer to request documentation to support time off"*

*"Unpaid leave should be negotiated - no minimum length of service; Paid leave - at least one year employment."*

*"There is a big difference between paid & unpaid leave; small companies cannot afford paid leave"*

*"Should be based on circumstances"*

*"There should be agreements between employee and employer allowed"*

*"Personal (one on one) communication with employee and employer to negotiate needed time off"*

*"Up to the discretion of the employer. We don't need additional rules forced onto responsible business owners who are more than fair and compassionate."*

*"Smaller firms less than 10 employees should be exempt"*

*"Mutually agreed upon"*

*"Sick time should be lengthened"*

*"Through agreement between employer and employee"*

*"No criteria - negotiation item between employer & employee"*

*"Only for a death in family or immediate family medical emergency"*

*"At the employer's discretion"*

*"There should be a limit of the number of unpaid leaves and also the number of days in total."*

*"A maximum time needs to be added"*

*"For serious family illness only "*

*"Through mutual agreement between both parties"*

*"Three years with same employer"*

*"Each circumstance probably different so hard to make something concrete"*

*"1-2 week period of notice should be required"*

### **APPENDIX 3: Other potential impacts on increasing the minimum wage to \$10.25/hr**

*"I will close business absolutely!"*

*"I will increase existing employees rate of pay by the same increase"*

*"I would work more than 55 hours/week"*

*"Local service providers may fold"*

*"Staff other than shareholders would be terminated immediately"*

*"I would go out of business"*

*"Minimum wage jobs were never intended to be the sole income for running a household - that is the reason for education - to get a better job - if min wage is \$10.25, that would decrease the incentive for a better education."*

*"Layoffs, bankrupt"*

*"It would cause the smaller businesses to go out of business as the employer contributions would increase as well."*

*"Extremely good possibility of closure"*

*"Possible loss of customers that go under as a result"*

*"Possibly close departments and lay off some employees"*

*"Half of the staff would have to do the job of the rest"*

*"Would seriously think of closing the doors for good of our business"*

*"It would put me out of business"*

*"Increase salaries that are already above minimum wage"*

*"Any increase in minimum wages would have to reflect on everyone's wages to be fair. A \$3.00 across the board increase would be devastating to my business. Minimum wage is a guideline and depending on available staffing and type of work, more often exceeds the amount set up by employment standards anyways."*

*"In agribusiness special crop exporting we have no room for added costs as they are proposing. We are already reeling from the stronger Canadian dollar and the cost of transportation. If we get all these added costs of having employees tacked on, then farmers will essentially get paid even less for their product. They are already hurting quite badly. The government is essentially making sure employees are better treated than employers and that they make more money in the end. Makes me feel like selling everything off, getting a job for 8 hours a day and have no more headaches. They are killing the entrepreneurial spirit in agriculture as we are one of the only industries that cannot pass on our costs to consumers. Prices paid to growers are the same or less as 35 years ago. I wonder how city people would feel if they hadn't received a raise in 35 years."*

*"You can't have a \$10.25 rate for employment entry, people getting minimum wages usually live at home with their parents."*

*"It may cause us to leave the province"*

*"We'd sell the business"*

*"More owner hours instead of staff"*

*"Again driving the inflation rate up as it would affect costs."*

*"Alberta, here we come!!"*

*"Business Closure/250-500 layoffs!!"*

*"This would increase costs in our production causing lost business as we would be far more expensive than our Ontario or American competitors. A person on staff now earning \$10 would expect \$13 and someone earning \$15 would want \$18 per hour - some would have to be terminated as they would not be worth the extra money especially when business would decline."*

*"It would mean the reduction or even the elimination of the corporate benefits which are fairly substantial in our firm at this time."*

*"In agriculture we are at the mercy of the market and we cannot raise the price of pork just because our labor goes up by 30%. This would be quite detrimental to everyone as it puts the cost of living so high and inflation would be drastic!"*

*"Unable to afford any staff"*

*"It could literally bankrupt us!"*

*"I would shut my business down"*

*"Possible closure"*

*"Will reduce competitiveness for export, reduce ability to attract workers (we currently pay higher than minimum wage and therefore do not have to compete with fast food restaurants for labour)"*

*"Disaster"*

*"Move out of this province like three of my major competitors have during the last two years."*

*"We would be out of business."*

Appendix 4 – Attached as two separate documents

**Fostering Flexibility: Work and Family  
Results of the CFIB Survey on Workplace  
Practices**

**AND**

**Manitoba SMEs - Fostering Flexibility  
Results of the CFIB Survey on Workplace Practices**