

A Workplace that Works

Introduction

Talking about the type of workplace that we want and don't want is an ongoing topic of conversation in the trade union movement. Even the weather would not exceed it in terms of the frequency with which it is discussed.

At the Canadian Labour Congress (CLC), it is a topic that is addressed with great regularity. But, it is a topic that usually gets addressed one sub-topic at a time. Thus, we talk about working-time issues in one committee meeting or document, about issues facing equality-seeking groups in another, and about training needs in yet another. In recent years there have been a few occasions when the issues are brought together in a reasonably comprehensive way. One example would be the "Workplace" theme document that was prepared for the 2002 CLC convention. Another would be the *Is Work Working for You?* document prepared originally in 2001. Despite these examples, it remains generally true that the CLC's views on the type of workplace we would like are presented in a number of partial views.

This document, *A Workplace that Works* brings these views together into a single comprehensive perspective on the type of workplace that works for working people. The document builds on many familiar themes and perspectives. But, it not only brings these together in a unified way, it is a forward-looking perspective on a workplace that works. It identifies many key workplace issues that will be with us in the years ahead and it identifies necessary responses to them.

In discussing appropriate responses to workplace issues, *A Workplace that Works* addresses both public policy needs and needs for trade union action. In doing so, the issues are kept at the level of policy and principle. For readers who are interested in the detail of what the CLC has proposed on various issues, *A Workplace that Works* includes a list of CLC documents at the back that provide a much more detailed look at the issues as well as CLC policy proposals.

This booklet has been prepared with financial support from the Labour Branch of Human Resources Development Canada. The Labour Branch sought a comprehensive statement of trade union views on the kind of workplace that works for working people. Such a statement will be of help in discussing issues of workplace change and regulation both within government, and in wider public forums. The CLC was happy to prepare this document and is grateful for the support provided by the Labour Branch.

A Workplace that Works

We want a fair, healthy and democratic workplace that values workers' rights and improves their quality of life – a dynamic place where meeting the needs and interests of workers will lead to higher productivity.

This workplace will put the interest of workers first and foremost with “good jobs” that have job security, decent pay, good benefits, training, advancement and bargaining power.

Workers will find opportunities for growth in their employment and education; to meet and balance their other life responsibilities; to contribute meaningfully to their communities and to build a society we want.

It is a workplace where workers will embrace new realities and welcome new opportunities to shape the future of work without sacrificing their rights.

Some of the new realities that require forward thinking and action include:

- the growing number of people in precarious jobs (part-time, contract and self-employment with high risk of unemployment and low pay);
- the growing difficulties that many people face in balancing work and family responsibilities;
- the increasing diversity of Canadian workers in terms of gender and ethnic origin;
- the increasing need to consider the environmental sustainability of workplaces and the related issue of workplace health and safety; and,
- the growing demand for lifelong learning in view of continuing technological change.

In a workplace that works, workers will have the skills and education to ready themselves for the advances of these new realities. Their ideas, innovation and commitment will bring leadership to shaping the future of workplaces that work in a rapidly changing world.

We want a workplace that will be discrimination-free, inclusive and respectful. It will provide real opportunities for all workers to grow, develop and reach their potential – to be their very best at work. Workers’ potential in their work and productivity will not be limited because they are women; racial minorities; lesbian, gay, bisexual, transgendered and two-spirited; or persons with disabilities.

A workplace that works will continuously strive to better employment standards and improve the quality of life of workers. It will be a place where workers will find growth, hope and confidence in the future.

Economic Growth and Productivity of a Workplace that Works

Workplaces that work will support and generate economic growth and higher productivity. Recent World Development Reports by the World Bank have started to note a positive relationship between equality and economic growth. More equal income distribution can support economic growth and so can investment in human and social capital. (Human capital is created through formal investment in people such as learning, literacy, training and apprenticeship; whereas social capital is created when people have trust relationships, co-operation and networks.)

Some European countries have shown that social capital can be created through higher collective bargaining coverage and employment standards that lead to more equal wages and less low-waged jobs. Job creation can be enhanced through limited wage increases, reduced work time and negotiated flexibility.

Studies that compared the economic and social performance of seven countries in the 1990s found no positive relationship between high inequality and high economic growth. In fact, the Netherlands and Denmark, two countries with relatively higher levels of equality, performed well in economic and social terms. The accomplishments of these two countries were achieved through a combination of regulated labour markets, a generous welfare state, a broad base of public services, and higher collective bargaining coverage.

These studies indicate that workplaces that work can have social equity measures and generate economic growth and higher productivity at the same time.

New Realities and Change

We want a dynamic workplace that empowers workers to reinvent work that will effectively respond to the new realities and change around us.

The 1990s was instrumental in changing how and where we work. It was a decade of free trade, deregulation, privatization, budget and deficit cutting where high unemployment, downsizing and contracting out were common. During this period, there was a significant casualization of work; a large portion of new jobs created were precarious jobs. Among workers with precarious jobs, many were women, visible minorities, youth, older workers, Aboriginal people and people with disabilities.

At the same time, rapid technological changes and the shift to a new knowledge-based economy have reshaped the labour market and economy. Today, most jobs demand workers with high education and skill levels.

Other key changes in the labour market include:

- the working age population has more older workers; and,
- immigrants provide most of the labour force growth.

In 2001, Canadians 37 to 55 years of age made up 47% of the labour force. By 2011, half of these workers will be 55 or over, including 18% who will be over the age of 60. The needs and issues of an ageing workforce have to be meaningfully and concretely addressed by government, employers and workers.

In the meantime, immigrants who came to Canada in the 1990s accounted for almost 70% of the total growth of the labour force, and likely 100% by 2011. Women are a large and permanent part of the Canadian labour force – accounting for about half of both the employed workforce and all union members.

Canada is also changing as a society and a country. Eighty percent of us live in urban centres. People of colour will soon represent a majority of the population in some of Canada's largest cities. The Aboriginal population is growing and young – one-third are 14 years and under – a situation opposite to the trend in the general population.

Getting to a Workplace that Works

Getting to a workplace that works needs the combination of:

- (i) the “what” – unions, broader coverage of collective bargaining, and legislated protection for workers; and,
- (ii) the “how” – road map of working conditions, standards and rights.

Legacy of Unions

In the last 100 years, the efforts of unions have improved the standard of living and the quality of life of all working Canadians. Unions have been fighting hard for gains in the workplace and for social and economic justice.

In 2000, about 1 out of 3 paid employees belonged to a union in Canada. Workers have gained through the union membership. Union workers earn better wages and have better benefits, vacations and paid holidays than non-union workers. In 1995, unionized workers were generally two times more likely than non-unionized workers to have pension, medical and dental plans. In fact, unions negotiated 75% of all existing pension plans. Unions also negotiated known rules at work and almost all unionized workers have access to grievance procedures to enforce these rules.

Unions and a Workplace that Works

Unions have improved the way we work and the way work works for us – and this needs to continue in an environment of new realities and change.

Issues

Since the 1990s, there has been an erosion of bargaining power that has affected workers rights and standards.

Many precarious jobs were created, and continue to this day. Low wages, few if any benefits and low job security are typical in precarious jobs. Precarious jobs are often found in parts of the private sector areas such as: retail, accommodation and food services, financial and business services – where only 10% of workers belong to a union. One of the most striking facts is that 7 out of 10 workers with precarious jobs are women.

Providing a union membership to workers with precarious jobs is difficult as they may face frequent and short periods of employment and unemployment, and many workers hold two or more jobs with different employers. This is further complicated by the shift of

employment from larger to smaller scale operations, smaller employers and self-employment.

Finally, globalized trade has pitched workers against each other in the race for the lowest priced work.

Actions for a Workplace that Works

It is important that the legislative framework of workers’s rights be reviewed to make sure that it has responded appropriately to the evolution of employer-employee relationships in recent years. All of collective bargaining legislation, labour standards and human rights legislation need to be reviewed with this end in mind.

The organizing efforts and structures of trade unions need to be reviewed with the same issue in mind.

Working Conditions, Standards and Rights, and a Workplace that Works

The road map to how we get to a workplace that works will be through meaningful and innovative improvements to current working conditions, standards and rights.

Wages, Benefits and Labour Standards

Issues

Wages were stalled while the value of goods and services produced by Canadian workers increased by 1.2% a year per worker during the 1990s. During this decade, both job security and decent working conditions were eroded.

Low wages is obviously a problem for workers who work long hours just to get by. It increases their vulnerability to poverty, social exclusion and inequality in the workplace and in society. But, low wages can also limit the process of economic growth by reducing consumer demand. Low wages can also contribute to lowering government revenues and increasing expenditures.

Table 1 - Incidence of Low Wage by Job Type, Union/Non-union

	Union	Non-Union	Wage gap for Non-Union
All paid jobs	6%	30%	-24%
Full-time	4%	22%	-18%
Part-time	20%	64%	-44%
Permanent Jobs	6%	26%	-20%
Full-time	4%	20%	-16%
Part-time	20%	62%	-42%
Temporary Jobs	11%	53%	-42%
Full-time	21%	41%	-29%
Part-time	7%	71%	-64%

Source: Labour Force Survey (2000)

Further, there are still wage gaps for certain groups of people. Women only earn 81 cents to every \$1 earned by a man. Visible minorities, despite more years of education, earn only 78 cents to every \$1 earned by the general workforce.

A number of immigrants who are shut out of the labour market because their foreign credentials, education, skills and experience are not recognized in Canada become self-employed to make a living. They join many people who turned to self-employment when they were laid off during the 1990s.

Self-employed Canadians generally earned less than workers on employers' payroll. In 1998, sixty percent of all the self-employed made under \$20,000.00 compared to 41% of employees. Self-employed Canadians also have to pay for the benefits they need, and do not earn any income when they do not work e.g. illness, vacations, family emergencies, etc.

It is not surprising then that benefits are an increasingly valuable part of the wage package since they make a big difference in the quality of life for workers. Small firms, which often generate a great deal of non-standard work, face a higher cost in providing benefits compared to larger workplaces.

In light of the rapidly changing labour market and economy, legislative protection for workers has to be closely monitored and adjusted to meet today's realities and tomorrow's challenges.

Actions for a workplace that works

Consideration needs to be given to legislative measures to raise the wage floor and to close the income gaps among different groups of participants in the labour market. The balance between the provision of social protection at individual workplaces versus through society-wide programs needs to be considered.

Job Quality

Issues

Job quality is important for workers in terms of health and safety, a good workplace, morale, retention and job satisfaction. The key areas that affect job quality are:

- work pace and stress;
- opportunities for worker input and participation;
- job and employment security;
- working time;
- work-life balance;
- workplace relationships;
- individual development at work; and,
- physical conditions of work.

Job quality for workers has been negatively affected by the increased pace and demands of work, and organizational restructuring. At the same time, employers are introducing new technological changes to the workplace, often without consideration of the impact of change on workers or for training (see: *Lifelong Learning*). Although these types of changes are made to increase productivity, they can lower both the job quality of workers and productivity.

Job quality for workers can be improved through strong and on-going communication with employers on the best ways to deal with rapid changes that affect the workplace. This type of communication tends to work better in unionized compared to non-unionized workplaces because of the safe guards against intimidation and harassment by employers. Another reason is the steward structures in unionized workplaces that is organized to have worker-identified issues aired with employers by a workers' representative.

The strength of workplace relationships is another aspect of job quality that matters not only for workers but also for employers. Legally the workplace relationship between employers and workers is spelled out in agreements. Unionized workers have contracts/ collective agreements but only half of non-unionized workers have written agreements with their employers. In addition, the social aspects of workplace relationships, such as trust, commitment, co-operation and communication, are developed when both workers' and employers' interests are met.

Actions for a workplace that works

It is important that research and data gathering on work organization receive attention as an important issue in its own right. Part of this effort should focus on the relationship between work organization and economic performance. In addition, the needs and preferences of older workers need attention.

Working Time

Issues

Many workers in Canada cannot get the hours of work that they want and need. Others take on too much work, have compulsory overtime or extra hours to make a living. Almost 16% of Canadians over the age of 24 worked more than 50 hours a week in 2002. Growing inequality in hours worked contributed to growing inequality in employment income in much of the latter part of the last century.

Actions for a workplace that works

The legislative framework for hours worked on all of a daily, weekly, annual and lifetime basis need to be reviewed to make sure they reflect the needs and aspirations of today's workforce. It is particularly important to make sure that appropriate time off is available for parenting, caring for family members and for training/learning. It is also important to make sure that general issues related to the intensity of work and health are addressed, along with issues related to the effects of the inequality of working time.

A review of the legislative framework should take account of both regulatory law (i.e. employment standards provisions) and tax measures (e.g. maximum earnings limits for EI premiums).

Balancing Work and Family

Issues

Many people are working longer, with more job demands, less job security and more stress – yet they are earning less. And, 6 out of 10 families in Canada are two-income households. There are also additional demands to care for family (children, parents, partners) and home, especially for women who still do most of this work.

There is a loss of income for those who provide care for their family members in times of crisis, disability and illness. At the same time, Canadians and their families do not have access to quality and adequate support services that are fairly priced or affordable.

It is important to make it as easy as possible for people to balance their work and family responsibilities. It is important for the sake of children and other family members who need support from employed adults. It is also important for economic activity overall which now requires the active participation of many parents.

The hours of work issue just discussed is vitally important to the balancing issues.

Actions for a workplace that works

It is important that parental and other caregiving responsibilities be recognized with necessary paid time off work, income support and strong public service support.

The collective bargaining efforts of unions need to supplement public initiatives in these areas.

Equality in the Workplace

Issues

Key factors that create workplace inequalities for workers who are women, visible minorities, Aboriginal and people with disabilities are consistently lower wages/earnings and benefits, harassment and workplace inequities. In addition, many workers in precarious jobs are from the equality seeking groups (see: *Wages, Benefits and Labour Standards*).

Inequities in workplace structures, policies and procedures create systemic barriers for these workers in their access, retention and advancement in their jobs. In addition, these inequities are worsened when racism and discrimination exist in workplaces.

In 2002, 9% of all workers, and nearly a quarter of visible minorities reported racial harassment or discrimination; while 8% of workers, representing 12% of women reported sexual harassment or discrimination at work.

Programs designed to overcome the historic disadvantage of equality-seeking groups (e.g. pay and employment equity and anti-harassment and discrimination programs) offer protection and a safe environment for workers from the equality-seeking groups. However, public programs provide greater equality coverage in workplaces that benefit all workers and increase productivity across the board compared to programs offered only by specific workplaces.

Actions for a workplace that works

The adequacy of existing measures to protect members of equality-seeking groups needs to be reviewed including the adequacy of enforcement measures. In addition, a good deal of work can be done on raising awareness of anti-harassment and discrimination measures and activities at the level of individual workplaces. As noted above, measures to close the wage gap faced by equality-seeking groups need to be adopted.

It is important in this area that the efforts of unions supplement what is achieved by the law.

Lifelong Learning

Issues

Broad-based and comprehensive lifelong learning programs with continual upgrading of education and skills are critical to workers in maintaining and increasing their standard of living in a knowledge-based economy.

Larger firms and parts of the public sector provide most of the employer-paid training, with these opportunities going mainly to workers with higher pay and education.

Table 2 - Mean Annual Number of Hours Spent on Job-Related Training Per Employee Participant by Employer-Sponsored and Non-Employer Sponsored Training Canada, 1991, 1993 and 1997

	1991	1993	1997
Employer sponsored	71	76	92
Non-employer sponsored	219	246	354
Total	118	126	158

Source: Adult Education and Training Survey (AETS)

Access to training programs is very limited for older workers and those in precarious jobs – including many women, recent immigrants, Aboriginal people and persons with disabilities. Further, the non-recognition of foreign credentials, skills and experience essentially deskills immigrants, and results in a loss of their training and Canada’s productivity.

Many factors hinder lifelong learning programs for workers and employers. Key barriers to lifelong learning programs for workers include:

- the lack of time because of long work days, growing work-family conflicts and the norm of two-income households;
- inability to get time off from their employers to attend training;
- high and rising fees for training; and,

- the difficulty of co-ordinating outside training with work and family demands.

Key barriers to lifelong learning programs for employers include:

- the “poaching” of newly-trained workers by other employers which discourages employers from spending on training;
- the lack of incentives for firms to invest in lifelong learning programs;
- the present excess of highly trained workers – a situation that will be reversed in future by decreasing labour force growth; and,
- the high training costs for lower paid workers who would benefit most.

Actions for a workplace that works

It is important that workers’ access to training begin to be treated as a right of workers and that they have access to: appropriate amounts of time off work for training; training with low fees or no fees; training that meets recognized standards; and, income support during training. It is also important that training institutions recognize workers’ prior experience and foreign credentials.

Unions will have to use their bargaining efforts to fill the gaps left in public programming.

Environmentally Sustainable Workplaces

Issues

Workplaces are the sites where environmental problems occur e.g. resource inputs and use, energy use and environmental pollution. Many jobs will be lost because of unsustainable production, environmental degradation, and resource exhaustion. These can be offset by jobs generated through the move towards sustainable production. But, workers should not suffer in the transition towards sustainable production.

Examples of workplaces and communities that become environmentally unsustainable include environmental changes in small one-industry towns; environmental racism when hazardous waste and pollutants are left next to poor racial minority and Aboriginal communities; and polluting and habitat destroying industries.

Actions for a workplace that works

More “green jobs” have to be created and so do programs that move people from existing polluting jobs to “green jobs”.

Health and Safety

Issues

Federal, provincial and territorial laws provide workers with the right to participate in decisions affecting their health and safety through their representatives on workplace health and safety committees. Workplace health and safety is jeopardized by:

- very high job strain and stress around job insecurity;
- alienating and authoritarian workplaces;

- inequality in the workplace such as violence and harassment; and,
- poor equipment and workplace design that are causing an epidemic of muscle-skeletal injuries.

Actions for a workplace that works

Looking ahead, the actions required for a safe and healthy workplace include: the strong enforcement of existing health and safety law; the establishment of ergonomics regulations; gathering more and better information on the determinants of health in the workplace; the strengthening of existing workplace health and safety committees; and, the creation of workplace equality committees.

Income and Social Protection in a Dynamic Economy

Issues

In a modern economy, people change jobs on a regular basis. Although this is essential to continued economic progress, it also presents challenges and opportunities for individual workers.

Thankfully most employment laws apply to people in old and new employment as they change jobs. But, the progress of change also includes the potential for disruption that may lead to resistance to change. Other reasons for workers' resistance to change include:

- the lack of well-paid jobs;
- the lack of strong income support and adjustment programs;
- the potential loss of social protection.

Actions for a workplace that works

Maintaining full employment, raising the wage floor and strengthening social security are vital to addressing the concerns that workers have when changing jobs. In addition, a strong program of unemployment insurance and effective labour adjustment programs are important to facilitating transition from job to job.

A Future with a Workplace that Works

A workplace that works will open doors to the future of work with strong productivity and economic growth for all Canadians. It is the most strategic and viable solution to maximizing the opportunities of a future filled with uncertainty, rapid change and new realities.

A workplace that works will put the interest of workers first and foremost and continually strive to improve their quality of life. It will be a fair, healthy, inclusive and democratic workplace that values workers' rights. A workplace that works will have "good jobs" and a culture that invests in the future by investing in the potential of all working Canadians.

To get to the workplace that works we need a vehicle that will lead the way, a "road map" that can guide us, collaboration and goodwill to travel the road.

Unions are prime vehicles to provide leadership toward achieving a workplace that works. The “road map” or how we get to a workplace that works must include new legislated protection, changes to employment standards and responsive government program supports. Lastly, workers, employers and government need to work together in innovative and creative ways to make the workplace that works possible.

A future of growth, hope and confidence is ours to have!

Related CLC Documents:

- *Is Work Working for You?*
- *Women’s Work - A Report*
- *Report of the Anti-Racism Task Force*
- *The Unhealthy Canadian Workplace* (Research Paper #19)
- *Is Work Working for Workers of Colour?* (Research Paper #18)
- *Is Work Working for Women?* (Research Paper #22)

Related Web Sites:

www.clc-ctc.ca
www.workrights.ca
www.jobsetc.ca

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