

Final Report and
Recommendations of
the Commission on
Improving Work
Opportunities
for Saskatchewan
Residents



February 2006

February 2006

Honourable David Forbes
Minister of Labour
Room 208, Legislative Building
REGINA SK S4S 0B3

Dear Minister Forbes:

We are pleased to submit to you the final report of the *Commission on Improving Work Opportunities for Saskatchewan Residents*. This report completes our work with respect to the request for recommendations that would improve access by part-time and vulnerable workers to employment income, employment benefits and work opportunities in Saskatchewan.

The Commission, announced in February of 2005, began its work in April. Since that time we have concentrated on gaining a fuller understanding of the issues surrounding vulnerable workers. Towards this end, we engaged in a public consultation process where we heard from a broad spectrum of stakeholders representing the interests of employers, workers, organized labour, community-based organizations and interested individuals.

Information gathered as a result of these consultations, along with a review of relevant research and best employment practices, were instrumental in developing recommendations that would balance the need for reducing vulnerability while enhancing economic prosperity for all Saskatchewan residents.

The mandate given to the Commission was very broad and asked us to consider issues that have been concerns for many years. It quickly became obvious that there were no easy solutions to addressing the circumstances of vulnerable workers. However, as a Commission, we have worked towards

reasonable recommendations that are both achievable and practical. It is clear that as a society working together, we have the collective ability to improve the quality of life for those workers who are most vulnerable.

In closing, we thank you for the opportunity to consider this important and complex issue. We look forward to what will certainly be an interesting public discussion of this report.

Sincerely,



A handwritten signature in black ink that reads "V. Pearson".

V. Lynne Pearson



A handwritten signature in black ink that reads "F. Cuddington".

Frederick H. Cuddington



A handwritten signature in black ink that reads "Deb Thorn".

Deb Thorn



Dedication

The *Commission on Improving Work Opportunities for Saskatchewan Residents* would like to dedicate this report to the many vulnerable workers who took the time to meet with us, and to the thousands of vulnerable workers we did not have the opportunity to meet – we are hopeful that you will benefit from our analysis and recommendations.



Acknowledgements

The *Commission on Improving Work Opportunities for Saskatchewan Residents* could not have done its work without the formal presentations and submissions from business, labour, community groups and private individuals. Thank you for the time and effort taken to assist us with our deliberations.

The analysis of the situation of vulnerable workers would not have been as thorough without the research done for us by Ron Saunders of the Canadian Policy Research Networks, Doug Elliott of SaskTrends Monitor, Judith Martin of Saskatchewan Labour and Ian Peach of the Saskatchewan Institute of Public Policy.

Cheryl Senecal provided valuable assistance in research, logistics, editing and gentle advice. We would also like to thank Bill Craik, Jim Nicol and Ted Dybwad from the Department of Labour for their assistance.

The three Commission members, particularly the two with full-time jobs, owe their spouses an enormous thank you for their patience and support. Thank you George, Jim and Linda.

Table of Contents

| | |
|---|-----|
| Executive Summary | 11 |
| Chapter 1: Introductory Comments | 17 |
| Chapter 2: Low Income Workers | 25 |
| Chapter 3: Aboriginal Employment | 39 |
| Chapter 4: Training and Employment | 63 |
| Chapter 5: Part-Time Workers | 79 |
| Chapter 6: Labour Legislation | 89 |
| Chapter 7: Childcare/Balancing Work and Family | 93 |
| Chapter 8: Post-Commission Process | 111 |
| Appendix 1: Commission Mandate and Process | 113 |
| Appendix 2: Themes We Heard | 117 |
| Appendix 3: Best Employment Practices | 141 |
| Appendix 4: Background Analysis | 145 |
| Appendix 5: Summary of Presentations/Submissions and Meetings | 161 |

List of Tables

| | | |
|-------------------|---|-----|
| <i>Table 1 -</i> | Aboriginal & Non-Aboriginal Employment in Saskatchewan, 2000, by Employment Type | 41 |
| <i>Table 2 -</i> | Employment of On-Reserve and Off-Reserve Aboriginal People in Saskatchewan, 2000, by Employment Type | 41 |
| <i>Table 3 -</i> | Income Sources for Aboriginal and Non-Aboriginal People in Saskatchewan, 2000 | 42 |
| <i>Table 4 -</i> | Educational Attainment of Aboriginal and Non-Aboriginal People in Saskatchewan, 2001 Census, by Highest Level Achieved | 43 |
| <i>Table 5 -</i> | Educational Attainment of Aboriginal People Age 15-24 and 25-44 in Saskatchewan, 2001 Census, by Highest Level Achieved | 43 |
| <i>Table 6 -</i> | Mobility of Aboriginal and Non-Aboriginal Persons in Saskatchewan Within One Year Prior to 2001 Census | 45 |
| <i>Table 7 -</i> | Mobility of Aboriginal and Non-Aboriginal Persons in Saskatchewan Within Five Years Prior to 2001 Census | 46 |
| <i>Table 8 -</i> | Saskatchewan Population, 2001-2004 (000s) | 145 |
| <i>Table 9 -</i> | Saskatchewan Labour Force, 2001-2004 (000s) | 146 |
| <i>Table 10 -</i> | Saskatchewan Employment, 2001-2004 (000s) | 146 |
| <i>Table 11 -</i> | Saskatchewan Labour Force Participation Rate, 2001-2004 (% - Women) | 148 |
| <i>Table 12 -</i> | Saskatchewan Labour Force Participation Rate, 2001-2004 (% - Men) | 148 |
| <i>Table 13 -</i> | Saskatchewan Part-Time Employment, 2001-2004 (000s) | 149 |
| <i>Table 14 -</i> | Saskatchewan Hourly Wage Distributions, 2001-2004 (000s) | 151 |
| <i>Table 15 -</i> | Education Levels of the Saskatchewan Population, 2001-2004 (000s) | 154 |
| <i>Table 16 -</i> | Education Levels of Saskatchewan Women, 2001-2004 (000s) | 155 |
| <i>Table 17 -</i> | Education Levels of Part-Time Employees, Both Sexes (000s) | 156 |
| <i>Table 18 -</i> | Education Levels of Part-Time Employees, Women (000s) | 156 |
| <i>Table 19 -</i> | Number of Employers in Saskatchewan, December 2003 | 157 |



Executive Summary

The *Commission on Improving Work Opportunities for Saskatchewan Residents* was established to make recommendations to help improve access by part-time and vulnerable workers to job opportunities, employment income and benefits.

Worker vulnerability is a complex issue without quick or simple solutions. The Commission determined that a multi-faceted approach has to be taken. Worker vulnerability is not about an individual's inability or lack of motivation to do a job. It is clear that the circumstances of an individual's life are what make them vulnerable.

The Commission worked to ensure a consultation process that provided interested stakeholders with an opportunity to engage in a constructive public policy discussion. A central part of its work has been to gain an accurate and realistic understanding of vulnerable workers in Saskatchewan by considering research and a broad range of input from employers, employees, organized labour, community-based organizations and the public.

The Commission has carefully considered this diverse feedback, and used it as a means of identifying a balance of public policy options that we view as helping to reduce worker vulnerability while also ensuring a vibrant provincial economy. Our final recommendations are based on the desire to see them

achieve high impact results that are both practical and reasonable to implement.

Towards this end, the Commission has developed a series of recommendations, outlined below, focusing on: low income workers; Aboriginal employment; training and employment; labour legislation; and childcare.

A Summary of Recommendations

Low Income Workers

1. In its next review of the minimum wage, the Minimum Wage Board and the government:
 - a) increase the minimum wage to the then current level of the low income cutoff, and
 - b) tie subsequent adjustments to yearly inflationary increases based on the Consumer Price Index.
2. The Minister of Labour, in consultation with his colleagues, develop a plan to encourage the federal government to make legislative or regulatory changes to the Employment Insurance Act that would improve access to employment insurance benefits for vulnerable workers.
3. Government fund a program to provide supplementary medical benefits such as prescription drugs, dental and optical, for vulnerable workers.
4. Government offer a defined contribution pension plan in which vulnerable workers earning within 20 per cent of the minimum wage can participate, with government funding the worker's contribution.
5. Within 90 days of this report, the government establish a task force of various agencies that operate benefit plans for the government to determine the most feasible and cost-effective way of providing non-wage benefits to vulnerable workers.

Aboriginal Employment

6. SIAST, the University of Saskatchewan, the University of Regina, and Regional Colleges establish a process to assess the extent to which student support programs help ensure that Aboriginal students are successful graduates, and to address any deficiencies in these programs, where they are determined to exist.
7. Government ensure that some of the money available for early learning and childcare under the Canada-Saskatchewan Agreement be made available for establishing, expanding, or improving childcare facilities at educational institutions and at Aboriginal controlled childcare institutions.
8. All employers work with the Saskatchewan First Nations and Métis Relations Aboriginal Employment Development Program to develop partnership agreements and adopt representative workforce strategies. This would include:
 - a) providing all employees with Aboriginal cultural awareness, anti-racism, and harassment prevention training;
 - b) helping Aboriginal employees to upgrade their skills and education for career advancement.
9. For a period of three years or until the number of employees of Aboriginal ancestry in the public service of the Government of Saskatchewan reaches 13.5 per cent of its workforce, the government institute the following policies:
 - a) If an Aboriginal person applies for a professional position in the public service or Crown Corporations and meets the qualifications, he/she will be hired. If more than one Aboriginal person applies, the candidate deemed most qualified will be hired. Qualifications for the position will not be artificially inflated. Managers will be held accountable for results.
 - b) One-quarter of all entry level positions in the public service and Crown Corporations will be filled with Aboriginal people.

10. The Human Rights Commission strengthen its monitoring of employment equity plans and results. Monitoring is to be done on a departmental basis in the public service, and on an individual basis for each Crown Corporation.
11. Unions help employers to institute greater efforts to facilitate the employment of Aboriginal people.

Training and Employment

12. Government commit additional resources to collect, analyze and disseminate more relevant and timely labour market information, and enhance communications with business, workers and the educational system as part of these processes.
13. Government provide greater coordination of employment and training services. Employers and training providers should ensure that the skills developed are in demand and that training results in employment. In addition, government should identify possible ways to better match vulnerable workers with available jobs.
14. Government establish a comprehensive needs assessment program designed specifically for vulnerable workers, incorporating individualized plans that place greater emphasis on education/upgrading, training, counseling and transition-to-work support services.
15. Essential skills and soft skills be integrated into training programs where appropriate, including technical trades training, with a structure in place to oversee proper funding and implementation.

16. Government establish and fund two programs to encourage employers to train vulnerable employees, including Aboriginal people:
 - a) Apprentice Training Subsidy – to be paid to employers who hire and train apprentices.
 - b) Vulnerable Worker Training Subsidy – to be paid to employers who invest in hard and/or soft and/or essential skills training of their low-paid workers, targeting those earning within 20 per cent of the minimum wage. Employers will be required to have qualified trainers and job coaches.
17. Employers review the qualifications identified in job advertisements to ensure they reflect the actual knowledge, skills and abilities required to perform them. Recognition of Prior Learning (RPL) should be used where a potential employee does not have the formal certification.
18. Increased efforts must be made to emphasize the importance of work readiness programs in high schools, and to ensure that trades are offered as a viable career option. Saskatchewan should pursue the concept of giving high school students introductory level apprenticeship training and credit for working in an apprenticeship trade.

Labour Legislation

19. The Department of Labour provide enhanced educational materials and processes to ensure that employers and employees understand their rights and obligations under *The Labour Standards Act*.
20. Efforts be made to ensure that more substantial fines and penalties are applied to repeat offenders of *The Labour Standards Act*.

Childcare/Balancing Work and Family

21. Government raise the gross family income level below which families are eligible for subsidy. Government increase the amount of the subsidy so that approximately 80 per cent of the average cost of childcare is covered.
22. Government adjust the policy and regulations concerning subsidy eligibility and amount of subsidy to facilitate usage of part-time childcare spaces by vulnerable employees. Institute a number of part-time spaces in licensed child day care centres and family care homes to be advertised for part-time usage. The Child Day Care Branch work with and support selected local childcare centres to better assess the needs of vulnerable workers related to hours of operation.
23. The Minister of Labour, in consultation with his colleagues, develop a plan for approaching the federal government regarding the matter of inequities within the utilization rates of maternity and parental leave benefits.
24. The Department of Labour establish work and family balance pilot projects in five workplaces that have significant numbers of low wage, part-time employees. These workplaces will receive a grant for workplace audits, training for supervisors and staff, experimenting with new work arrangements, etc. to assist them to develop policy, practices and workplace culture that is responsive to the needs of employees with family responsibilities.

Post-Commission Process

25. The government establish a post-commission process that includes the development of an implementation plan, continuation of the website, and opportunity for the Commission members to review progress on the implementation plan.



Introductory Comments

1 Why a Commission Focused on Vulnerable Workers?

The Commission on Improving Work Opportunities for Saskatchewan Residents has focused on vulnerable workers. This focus is important because Saskatchewan has a large number of people who are working, but without the financial resources to adequately care for themselves and their families. Many have limited access to benefits or coverage by labour legislation. Many experience unstable employment and lack the education and training that can lead to job advancement.

The Commission has done research and met with many organizations that have a stake in what happens to vulnerable workers in the province - businesses and business organizations, labour unions and labour groups, community organizations and individuals. As it began its work, it was clear to the Commission that the situation of vulnerable workers is very complex. There are no simple or quick solutions to deal with the circumstances of those who are facing barriers to employment. This report better defines the situation of vulnerable workers in Saskatchewan and makes recommendations that the Commission believes will help to improve their circumstances.

Addressed within this report are issues related to low income and lack of benefits; childcare; employment and training to better match skills with available work; part-time work; and employment opportunities for Aboriginal peoples. Background information is also included on why Saskatchewan has comparatively more vulnerable workers than some other jurisdictions. Saskatchewan demographics, labour force projections and economic trends are also discussed.

Setting the Context

Historically, workplaces operated on a set of assumptions that full-time, permanent jobs would remain the norm, and that one salary per household would always support a family. For most people, a high school diploma would adequately prepare them for the job market, with the vast majority of paid workers being white men. Women typically participated in unpaid work, looking after the home and caring for children or extended family members.

Today, few households can prosper on a single income, and finding well-paid work in our rapidly expanding knowledge-based economy requires advanced education, training and lifelong learning. Women, Aboriginal peoples, persons with disabilities and visible minorities constitute an ever-increasing proportion of job seekers. A greater number of two-income families, combined with an aging population, have increased the demand to better balance work and family responsibilities, including access to services for child and elder care.

Part-time and other non-standard work can be mutually advantageous to both employers and employees. Some choose to work in non-standard work because it provides flexibility and accommodates lifestyle choices. Others choose this option as a means of balancing family responsibilities with the need to work. Young people often work in part-time or seasonal jobs to gain valuable work experience while they are completing high school or pursuing

post-secondary education. Self-employment is becoming a preferred option for many workers who see it as a rewarding and fulfilling career choice. Highly skilled contract workers also benefit from not being limited to working for a single employer. Part-time work can be an effective strategy for some who are re-entering the workforce or moving towards a full-time position.

However, for many part-time and other non-standard workers, this form of employment presents a variety of socio-economic challenges. Typically, these workers are low-paid and do not have access to extended health or pension benefits. A lack of access to safe, affordable childcare and reliable transportation can also pose on-going barriers to their continued employment. Individuals working in part-time positions may be juggling two or more jobs just to make ends meet. Often there is little if any opportunity for individuals working in non-standard work arrangements to move into higher positions or to access any form of additional training or upgrading that will help them to advance their careers.

This comparison helps to reveal that the increased incidence of non-standard work is beneficial for some. However, at the same time, it is widely accepted that there is a segment of people engaged in non-standard work who can best be described as “vulnerable.”

What makes workers vulnerable is the circumstances that surround their lives.



Who is a Vulnerable Worker?

Research focusing on vulnerable workers in Saskatchewan was done for the Commission by the Canadian Policy Research Networks (CPRN). The CPRN is recognized for the comprehensive study it has undertaken in the past three years to explore vulnerable workers in Canada.

In its research, the CPRN notes that workers are not vulnerable because they lack the capacity or willingness to do a job. What makes workers vulnerable is the circumstances that surround their lives.¹ Not all individuals in the following

categories are necessarily vulnerable. However, it is suggested that vulnerable workers typically include those who are more likely to have more than one of the following characterizations:

- chronically low-paid;
- experiencing precarious employment with few opportunities for advancement;
- working outside the scope of employment standards legislation (such as farm labourers and the self-employed);
- covered by employment standards legislation, but are unaware of their rights or who lack the confidence to complain for fear of losing their job;
- without access to benefits such as extended medical insurance, dental plans, disability coverage or pension plans;
- unable to qualify for Employment Insurance benefits;
- lacking access to safe, affordable housing and childcare services;
- without the protection of collective representation, including that offered through union membership or advocacy groups;
- women, Aboriginal peoples, people with disabilities, recent immigrants or young workers;
- lacking education and training; and
- facing either racial and/or gender discrimination.

A Snapshot of Vulnerable Workers in Saskatchewan

In Saskatchewan, statistical information reveals that there are workers who experience varying degrees of vulnerability. Based on 2004 rates of pay, 89,500 workers in Saskatchewan, or 23.4 per cent of the total number of paid employees (383,100) earned less than \$10.00 per hour.² Of these, approximately 62 per cent were women. Just over 7,100 workers report working for minimum wage in Saskatchewan. Of these, 4,400 are women, 5,700 are under 25 years of age and 3,400 identify themselves as students.³

The average weekly wage in Saskatchewan, based on 2004 statistics, was \$645.56. This is lower than the Canadian average of \$705.68, but higher than the weekly wage in Prince Edward Island, Nova Scotia, New Brunswick, and Manitoba. The remaining provinces and territories had higher average weekly wages than Saskatchewan in 2004.⁴

In 2004, a total of 26,000, or 28 per cent of all part-time workers, indicated that they wanted full-time work.⁵ Women were again over-represented in this category, comprising 71 per cent of the total. Approximately 27,000 part-time workers reported having less than Grade 12 education.⁶

Saskatchewan's Opportunity

With an aging workforce, continuing youth out-migration, and limited immigration, Saskatchewan's skilled labour force shortage is predicted to grow. This being the case, Saskatchewan also finds itself in a unique situation that creates an enormous opportunity. The province has a growing population of Aboriginal youth who want training and education and who want to strengthen their connection with the labour force. There are both Aboriginal and non-Aboriginal people who are currently underemployed or unemployed and who are seeking opportunities to advance their training and employment options. There is an availability of jobs in the Saskatchewan labour market, and projections indicate this will increase in the future. There are people in the province who want to work. This report makes recommendations that will help bring willing people and available jobs together. If we are to maintain an economy that supports its citizens, we need to ensure that everyone has the opportunity to contribute. The costs associated with not taking steps to ensure there are more opportunities for the vulnerable to participate in the labour force are high and far out weigh what it would cost to actually rectify the circumstances of vulnerable workers.

If we are to maintain an economy that supports its citizens, we need to ensure that everyone has the opportunity to contribute.



In order to act on this opportunity, all segments of Saskatchewan society must work together. Business has a role to play by providing jobs and a supportive work environment. Unions have a role to play by ensuring that their collective agreements facilitate the entrance of all available people into jobs. Employees and potential employees have a role to play by seeking opportunities and demonstrating their skills. Government has a role to play by making a range of incentives and support mechanisms available to both employees and employers. Finally, it is important that government demonstrate leadership as an employer.

Saskatchewan's Challenge

According to the Institute of Chartered Accountants of Saskatchewan, the province continues to have a net out-migration of people. They note that "(k)eeping people means creating jobs."⁷ In order to ensure more and better jobs are made available to vulnerable workers in the province, greater investment and more job creation is needed. The challenge for Saskatchewan is to put the kind of strategies in place that will actually result in the creation of new jobs.

The government has recently received two reports that reinforce the need for more investment and job creation. For example, the Saskatchewan Business Tax Review Committee states that:

...capital and income tax reductions will raise the after-tax return on capital and thus stimulate investment, particularly in the primary and goods producing sectors. The higher rate of return on capital will also promote increased savings and higher labour force participation. In the long term, higher savings and investment will lead to increased capital, output, consumption and wages.

These indicators imply both strong demand for labour (due to strong investment growth) as well as powerful incentives for labour force

participation (through higher wages). It can also be expected to significantly increase the economic well-being of Saskatchewan residents...⁸

The Training System Review Panel also references this issue, particularly as it applies to First Nations and Métis peoples, in its final report:

The key to success for First Nations and Métis people is increased employment; employment is the key means by which these incredible gaps in income can be closed. Without closing the income gaps, Aboriginal people will continue to be denied the benefits of provincial economic growth and prosperity.⁹

In Saskatchewan, business and labour do not have a strong record of working together to solve problems. As noted previously, dealing with the issues of vulnerable workers, particularly those who are Aboriginal, will require co-operation from all segments of our society. Towards this end, approaches will need to be found to overcome the challenges posed by this historical lack of co-operation.

As a Commission, we believe that our discussion about vulnerable workers is ultimately about the people and their desire to live productive, independent lives. Our work has been about creating opportunities and alternatives for the working poor. It's about creating individual successes, which will bridge the gap from dependence to independence, and moving people from disadvantage to full participation in the economy of Saskatchewan.

The majority of stakeholders may agree with these statements. The real challenge, however, for the work of this Commission has come with identifying the exact balance of public policy instruments that will help to address the circumstances of vulnerable workers while also ensuring a robust economic environment for all the citizens of Saskatchewan. We believe that the recommendations of this Commission will help us to achieve that goal.

Notes to Chapter 1

¹ Saunders, "Risk and Opportunity: Creating Options for Vulnerable Workers," unpublished report, 2 September 2005, pp. 4.

² Statistics Canada, "Labour Force Historical Review, 2004," Catalogue number 71F0004XCB.

³ Sask Trends Monitor, *Minimum Wage Database*, prepared for the Saskatchewan Minimum Wage Board, 28 March 2005.

⁴ Statistics Canada, "Employment, Earnings and Hours, 2005," Table 9, Catalogue number 72-002-XIB.

⁵ Statistics Canada, "Labour Force Historical Review, 2004," Catalogue number 71F0004XCB.

⁶ Statistics Canada, "Labour Force Historical Review, 2004," Catalogue number 71F0004XCB.

⁷ The Institute of Chartered Accountants of Saskatchewan, "Saskatchewan as a place to work; Saskatchewan check-up," 17 October 2005.

⁸ Final Report of the Saskatchewan Business Tax Review Committee, November 2005, pp. 86.

⁹ Final Report of the 2005 Training System Review Panel, pp. 47.



Low Income Workers

2 Introduction

One of the central issues in the mandate of this Commission was to consider the work-related conditions of people in the province who are defined as vulnerable and whose livelihoods are dependant on precarious employment. A significant number of workers and their families live on very low incomes. Consequently, they are often confronted with decisions as to whether or not it is financially worthwhile for them to work rather than participate in government-sponsored income support programs.

Very disparate groups, including business, labour, community groups, and academics, as well as governments, both nationally and provincially, have acknowledged the need to address the issues of the working poor. The living conditions of Aboriginal people in Saskatchewan have been characterized as third world. However, there continues to be divergent views about the existence and extent of this group of vulnerable workers. Despite these differing opinions, the majority of stakeholders who presented to the Commission agreed that there is a contingent of vulnerable workers in the province.

There is a range of public policy options that are typically considered as a means of addressing issues relevant to the working poor. The minimum wage,

as well as other forms of income supports, including extended health care benefits, are among those public policy instruments that have been considered by the Commission.

Discussion of Key Issues

Low Income Cutoff (LICO)

With few exceptions, a broad cross-section of stakeholders felt that individuals working 40 hours a week all year should not live below the poverty level.

Invariably, the discussion about vulnerable workers requires a common understanding about the definition of poverty. Although there is no official measure of poverty in Canada, Statistics Canada's measure of low-income is certainly the best known and most widely used. Statistics Canada does not claim to measure poverty, but it does define a set of income cutoffs that are usually applied to people who earn less than the cutoffs, and who are then said to be living in straitened or difficult economic circumstances. Virtually all of the benchmarks applied to low-income earners in Canada by most organizations trying to measure poverty come from Statistics Canada's annual survey of incomes. These low income cutoffs (LICOs) are published annually by Statistics Canada and are provided on the basis of size of community and size of family.¹

In the course of its deliberations, the Commission has applied LICO as its own gauge.

Minimum Wage

A great deal of documented research and social commentary speaks to the importance of considering the minimum wage as a mechanism for helping to

ensure a minimum or basic standard of living. Minimum wage adjustments can have a significant impact on the economic well being of low-income workers. The level of the minimum wage is of consequence in expanding working opportunities for Saskatchewan people. The Canadian Policy Research Networks (CPRN), for example, has noted:

Increasing the minimum wage would help make work pay, improve the incentive to move from welfare to work, and possibly enhance productivity and investment in skills development. The evidence suggests that sizeable increases in the minimum wage are possible without adversely affecting the employment of adults over the age of 24. While some of the benefits go to people living in well-off households, higher minimum wages disproportionately benefit the less well off (Fortin and Lemieux, 2000). Moreover, if the increases in the minimum wage are staged, the risks of negative employment effects are mitigated. Based on the evidence and historical experience in Canada, moving quickly (but in steps) to a minimum wage of about \$9.00 per hour seems warranted in jurisdictions with large urban centres. In Saskatchewan, a lower target of about \$8.00 per hour (with further increases over time to keep up with inflation) would be appropriate.

It will be important to continue regular increases in the minimum wage after 2000, at least to keep up with increases in the cost of living.

Reaching a minimum wage at that level will not, by itself, be sufficient to ensure that the incomes of full-time workers rise above the Low Income Cutoff threshold. However, to go much beyond the target level would mean a risk of employment losses among low wage adults.²

The Minimum Wage Board has a specific mandate in relation to advising the government about the minimum wage. The mandate of the Minimum Wage

Board is established in subsections 15 (4), (5), and (6) of *The Labour Standards Act* as follows:

- a) Review and make recommendations to the Minister of Labour at least once every two years respecting the minimum wage;
- b) Review and make recommendations to the Minister on those matters pursuant to section 15.1 of the Act; and
- c) Make inquiries and investigations respecting all matters pertaining to Part 11 of the Act related to minimum wages.

In June 2005, the government announced its intentions regarding the province's minimum wage based on a report of the Minimum Wage Board. As part of its analysis, the board made the following statements:

The spin-off benefits of any increase in the minimum wage must also be taken into consideration because aggregate levels of economic activity and employment change following adjustments in the wage structure. Increased spending power of employees earning the minimum wage can be expected to generate higher local consumption of goods and services.

The trade-offs associated with these changes in economic activity and business costs must be balanced with the objective of maintaining a minimum acceptable standard of living for low-income individuals and families, and the reduction of poverty levels in the community.³

In looking at minimum wage levels, the board recommended to government that the minimum wage be increased from the then \$6.65 per hour to \$7.30 on June 1, 2005 and further to \$7.95 effective June 1, 2006. The \$6.65 had been established November 1, 2002. In order to provide sufficient time for change, the government modified those recommendations and provided increases in three stages from the 2002 level of \$6.65 per hour to:

- \$7.05 per hour (annualized \$14,664.00) on September 1, 2005;
- \$7.55 (annualized \$15,704.00) on March 1, 2006; and
- \$7.95 (annualized \$16,536.00) on March 1, 2007.

At the time the Minimum Wage Board was examining these matters, the 2004 LICO was \$16,979 per year for a single individual in a city the size of Regina or Saskatoon. Using a 40-hour work week, the LICO can be expressed as a monthly, weekly, and hourly wage requirement. On a monthly basis, to reach the LICO a worker would need to earn at least \$1,414.91; on a weekly basis at least \$326.52, and on an hourly basis at least \$8.16. Saskatchewan's minimum wage (even after planned increases) remains below the Low Income Cutoff.

Some submissions to this Commission suggested that there should be several minimum wage levels based on different key characteristics. In the past, provinces made use of two-tiered minimum wages based solely on age. Young workers under the age of 16, for example, received a second tier minimum wage that was in all cases lower than the general adult minimum wage. With the introduction of the Canadian Charter of Rights and Freedoms, all of the age-related minimum wage systems have subsequently been withdrawn. What remains today in Canada are some two-tier systems based on experience (British Columbia); receipt of gratuities (Ontario and Quebec); industrial sectors (Nova Scotia); and education status (Ontario). The Commission has considered and does not support the implementation of different-tiered minimum wages in Saskatchewan.

It is the view of this Commission that proposals for different minimum wages would not be fair to those having to provide for themselves and their families on minimum wage employment. The differences between rural and urban living is generally off-set by increased transportation costs to access services for those living in rural areas. A substantial portion of minimum wage earners are women and this would likely contribute to wage discrimination. Lastly, since students also comprise a substantial portion of minimum wage earners and there have already been concerns expressed about the recruitment and retention of youth, such wage differentials would only serve to increase concerns for those who have to work in order to finance their education. In our opinion, different minimum wages do not set an optimistic tone in relation to

employment and could contribute to increased out-migration from the province.

Increasingly, it is the case in large urban centres that employers have to pay more than minimum wage in order to recruit and retain employees. This is true in many jurisdictions across the country. This circumstance causes the debate about minimum wage to be somewhat academic in some contexts and creates a dilemma for many employers. This is evidenced by the fact that prior to the most-recent increases to Saskatchewan's minimum wage, 88.2 per cent of workers in the province were paid above the minimum wage with 11.8 per cent either below (1.5 per cent), at (1.9 per cent), or near (8.4 per cent) the previous minimum wage. The near minimum wage group is comprised of those who were paid between \$6.75 and \$7.75 per hour, which essentially leaves a very small portion of the workforce at or below the minimum wage (3.4 per cent). Many employers already have to pay more than minimum wage to recruit and retain employees.⁴

Conclusions/Recommendations Regarding Minimum Wage:

The Commission did not have a specific mandate in relation to advising the government on the minimum wage, although this issue was raised throughout the public consultation process. Some argued it should be further increased, while others felt it should not be altered. The Commission is not recommending further immediate increases to the minimum wage. The government has recently introduced changes which have not yet been completed. Employers are free to increase pay beyond minimum wage levels to the extent that is necessary to recruit and retain employees in a competitive labour market environment. In fact, it appears that many employers in the province are already paying their employees beyond minimum wage levels.

The Commission feels it would be beneficial for vulnerable workers to bring the minimum wage in line with increases in LICO. Any such increases are the prerogative of the government. The rate of increase, along with the timing and

application of increases, should coincide with changes in the LICO as announced by Statistics Canada.

The rationale for indexing the minimum wage to inflation is straightforward. Submissions to the Minimum Wage Board and to the Commission evidence the contentiousness of reviewing the minimum wage. It is hard to achieve a balance in the consideration of these matters. In fairness, employers have acknowledged the difficulties associated with vulnerable workers. The contentious debate that surrounds each consideration of increases in minimum wage could be avoided. Regularly scheduled increases would assist both employers and employees to plan ahead. Such an approach may not only improve the lives of earners, but it may also help to address some of the recruitment and retention concerns of employers.

Recommendation #1: In its next review of the minimum wage, the Minimum Wage Board and the government should:

- a) increase the minimum wage to the then current level of the low income cutoff, and
- b) tie subsequent adjustments to yearly inflationary increases based on the Consumer Price Index.

Income Supplements

The Canadian Policy Research Networks (CPRN) proposed the use of income supplements as a means of closing the gap between the working poor and higher paid workers. The following analysis was provided to the Commission:

A modest income supplement, delivered by the federal government through a tax credit, could directly increase incomes of the working poor and improve participation of single parents in the labour force. An income supplement with a maximum benefit of \$200 to \$250 per month, coupled with a minimum wage in the range identified above,⁵ would go a long way towards meeting the objective of avoiding poverty for full-time workers.

It is important that an income supplement be coupled with higher minimum wages and that we not rely on income supplements alone to raise the incomes of low-paid workers. A heavy reliance on income supplements to alleviate poverty among working people could generate high marginal tax rates in the range of income where the supplement is being clawed back. It could also result in a lowering of market wages for less-skilled workers and become a kind of subsidy to employers who pay low wages. These problems with income supplements are mitigated, however, if they are accompanied by sizeable increases in the minimum wage.⁶

Changes to the Tax System

The Commission heard from several stakeholders that vulnerable workers should be assisted through the tax system, particularly by raising the basic personal exemption. The arguments were that this would provide additional disposable income for workers who are below the Low Income Cutoff (LICO). This issue was also raised with the Minimum Wage Board.

The Commission explored the possibility of using the tax system to increase disposable income for low income workers. Unfortunately, it appears that this is not a particularly viable option. When the tax exemption is raised, it is applicable to all taxpayers, not just those who are low income. We were informed that for every \$500 of exemption for individuals, the cost to the provincial treasury would be between \$25 and \$26 million. Instituting a \$500 exemption would translate into only a \$55 per year benefit for each low income individual. The vast majority of benefits would fall to higher income individuals. Upon reflection, this did not seem workable since it would provide only a small benefit to an individual low income person, but at a large cost.

The Commission also considered whether or not the exemption could be raised on a needs testing basis. Several years ago, as a result of the Saskatchewan Personal Income Tax Review Committee Report, the personal income tax system was simplified. In addition, it removed tens of thousands of

low income earners from the tax rolls. It did provide increased deductions for people with dependants, i.e. families most of whom now do not have to pay taxes. In discussions with officials from Saskatchewan Finance, and from positions put forth by tax experts such as Jack Vicq, their desire appears to be that the personal income tax system should remain simple and not become more complicated. It was the conclusion of this Commission, therefore, that raising the basic exemption with income testing did not appear to be a workable option.

Employment Insurance

During the 1990s, several changes were made to the Employment Insurance Act (or its predecessor, the Unemployment Insurance Act). These changes have resulted in a major reduction in the number of unemployed people who qualify for benefits. "The ratio of regular EI beneficiaries to the number of unemployed (the B/U ratio) declined steadily in the 1990s, from 83.7 per cent in 1989 to 43.5 per cent in 1997."⁷ The impact of the changes has varied between high and low unemployment regions of Canada. However, the changes generally consisted of increases in the minimum number of weeks of employment needed to qualify for employment insurance; a reduction in the maximum number of weeks of benefits that can be received by an unemployed person; and penalties and exclusions for those who quit jobs "voluntarily." While people working fewer than 15 hours of work per week became eligible to qualify for benefits in 1996, regular part-time workers required 400 to 700 hours of work (depending on the region of the country) to qualify, and new entrants and re-entrants to the workforce required 910 hours of work to qualify. Consequently, vulnerable workers have very little ability to access employment insurance.

Recommendation #2: The Minister of Labour, in consultation with his colleagues, develop a plan to encourage the federal government to make legislative or regulatory changes to the Employment Insurance Act that would improve access to employment insurance benefits for vulnerable workers.

Expanded Benefits

As an alternative to making changes to the taxation system, the Commission considered other supports for low-income people and their families. Expenses in relation to prescription drugs, dental and optical care can be devastating to the families of the working poor. Public assistance in this regard is already provided for a period of time on a limited basis to social assistance recipients and for those transitioning into employment. All citizens are presently protected by subsidies in relation to excessive prescription drug costs. Some, who can afford to do so, make contributions to the Saskatchewan Pension Plan. The Commission envisages the continuance and expansion of those forms of assistance to the less well off.

The Canadian Policy Research Networks suggests that low-paid workers need more than decent pay or income supplements. They need access to benefits and supports that allow them to meet special needs without impoverishing their families. This involves better access to:

- coverage for drug and dental costs;
- affordable childcare services;
- affordable housing; and
- employment insurance.

In particular, there is a strong case for basic dental care and coverage for catastrophic drug costs to be made available on a universal or progressive universal (with some claw-back of the benefit at high incomes) basis.

Conclusions/Recommendations Regarding Expanded Benefits:

The Commission has concluded that the provision of benefit coverage, particularly in relation to drug and dental costs, is generally regarded as essential for low-paid workers. Saskatchewan has led the nation in providing such assistance in regard to welfare recipients as a means of moving to employment rather than social assistance. The government has successfully instituted programs that allow social assistance recipients to receive

Extended health care benefits are a means of helping to ensure that “work pays,” and assisting low-paid workers to continue working.



supplementary medical benefits to cover the costs of prescription drugs, dental care, and optical care while employed. This is based on the assumption that it is better for people to be employed and earning a wage. Extended health care benefits are a means of helping to ensure that “work pays,” and assisting low-paid workers to continue working.

In order to keep people employed, the level of total compensation is critical. The Commission sees a need to enhance the compensation of low-paid workers in order to make employment more beneficial. The recommendation below is particularly advantageous to employees and employers in small businesses that constitute a large segment of the Saskatchewan economy and its workforce.

Employers in small firms have difficulty providing benefits as proposed here because of the costs and the inability to access reasonably priced benefit plans due to the size and the nature of their operations. This puts them at a considerable competitive disadvantage in recruiting and retaining employees. There may be limits to the extent to which Saskatchewan is able to compete with other jurisdictions solely based on wage levels. Extension of the benefit plans may assist. Due to the circumstances of low-income people and the instances of labour shortages presently being encountered, these benefit plans should be developed and implemented as soon as possible following the release of this report. The government, in consultation with various stakeholders, should determine the precise timing, sequencing, and benefit levels.

We are aware that the government has an infrastructure for the operation of pensions, dental and prescription drug plans in relation to its own employees in the regular public service, Crown Corporations and other entities in the public sector, as well as for those on social assistance. The Department of Finance administers a Saskatchewan Pension Plan on behalf of citizens of the Province. Vulnerable employees experience instability in the workplace with many experiencing frequent job changes. The plans should provide for portability as employees move between jobs. Therefore, in order to ensure

portability, these benefits are best provided by government and by using a centralized delivery mechanism.

Government and insurance companies, in close consultation, will determine the best model for providing these benefits. It will also be necessary to contemplate accessibility of other groups beyond our mandate so as to create economies of scale with regard to the administration of extended benefits. As noted previously, this could be a universal plan with various arrangements to pay or not pay premiums, with the claw-back of benefits as income for the higher paid similar to the handling of Employment Insurance benefits. We are concerned that provisions of these benefits not detrimentally affect the tax position of lower paid workers.

People who earn a low income have difficulty putting away money for a pension plan. In most cases, even if these individuals want to contribute towards a pension plan, their employers do not offer a plan in which they can participate.

Recommendation #3: Government fund a program to provide supplementary medical benefits such as prescription drugs, dental and optical, for vulnerable workers.

Recommendation #4: Government offer a defined contribution pension plan in which vulnerable workers earning within 20 per cent of the minimum wage can participate, with government funding the worker's contribution.

Recommendation #5: Within 90 days of this report, the government establish a task force of various agencies that operate benefit plans for the government to determine the most feasible and cost-effective way of providing non-wage benefits to vulnerable workers.

Notes to Chapter 2

¹ For a detailed description of LICOs and their determination see, Statistics Canada, "Low income cut-offs for 2004 and low income measures for 2002," Catalogue Number 75F0002MIE - No. 003.

² "Low-paid Workers in Saskatchewan: A Report to the Commission on Improving Work Opportunities for Saskatchewan Residents," (Canadian Policy Research Networks Inc., 2005), pp. 17-18.

³ "Report to the Minister of Labour on the Minimum Wage and Other Matters under section 15 of *The Labour Standards Act*" <www.labour.gov.sk.ca> (April 2005), pp. 14.

⁴ Sask Trends Monitor , Minimum Wage Database, prepared for the Saskatchewan Minimum Wage Board, 28 March 2005.

⁵ The CPRN suggests a minimum wage of about \$9.00/hour in large urban centres, and a lower target of about \$8.00/hour in Saskatchewan (with increases over time to keep up with inflation).

⁶ "Low-paid Workers in Saskatchewan: A Report to the Commission on Improving Work Opportunities for Saskatchewan Residents," (Canadian Policy Research Networks Inc., 2005), pp. 18.

⁷ Canadian Policy Research Networks, "Risk and Opportunity: Creating Options for Vulnerable Workers," January 2005, pp. 23.



Aboriginal Employment

3

Introduction

According to the 2001 census, 130,185 of Saskatchewan's 963,155 people identify themselves as Aboriginal.¹ This means that 13.5 per cent of Saskatchewan's people are Aboriginal, the second highest percentage among provincial jurisdictions.² The median age of the Aboriginal population in the province is 20.1 years, compared to a median age for the non-Aboriginal population of 38.8 years.³ As a substantial population that is relatively young and growing more quickly than the non-Aboriginal population, Aboriginal peoples represent a significant potential workforce available to replace non-Aboriginal workers who will be retiring in the near future. Too often, however, there are structural barriers that prevent Aboriginal peoples from entering the workplace, securing stable employment, or securing career advancements.

These barriers are two-fold. Aboriginal employees in vulnerable work situations share many of the characteristics of other vulnerable workers, and the recommendations to create more stable work environments for all vulnerable workers apply to Aboriginal workers as much as to others. Aboriginal workers, however, also experience a variety of problems that are either unique to them or that they experience more intensely than other people. This is due to differences in such things as educational attainment, family structure, and high rates of mobility. This chapter will focus on

recommendations to address these barriers and to help to realize the opportunities Aboriginal peoples offer the Saskatchewan economy.

Understanding the Reality of Aboriginal Peoples: Some Key Statistics

This statistical overview makes it clear that the experience of Aboriginal peoples is different from that of other residents in the province. They have more difficulty becoming part of the workforce and have lower incomes than their non-Aboriginal counterparts. They have lower educational attainment, higher rates of lone-parent households, and move more frequently than the non-Aboriginal population. These distinct realities need to be kept in mind when considering how to ensure that Aboriginal peoples can take their rightful place in the provincial workforce.

Employment and Labour Market Participation

The unemployment rate for Aboriginal peoples was 23 per cent. This compares to an unemployment rate for the non-Aboriginal population of only 4.8 per cent. (2001 Census of Canada).

Of the 78,655 Aboriginal people 15 years of age and older in the province, only 42,885, or 54.5 per cent, were participating in the labour force in 2001.⁴ The unemployment rate for Aboriginal peoples (percentage of the labour force that is unemployed) was 23 per cent. This compares to a participation rate for the non-Aboriginal population 15 years and older in the province of 69.3 per cent, and an unemployment rate of only 4.8 per cent. Table 1 provides a breakdown of employment status for Aboriginal peoples 15 and older in 2000 and compares it to the equivalent non-Aboriginal population.⁵

Aboriginal peoples represent a significant potential workforce available to replace non-Aboriginal workers who will be retiring in the near future.



Table 1 - Aboriginal & Non-Aboriginal Employment in Saskatchewan, 2000, by Employment Type

| <i>Type of work</i> | <i>Aboriginal 15+</i> | <i>Non-Aboriginal 15+</i> |
|------------------------|-----------------------|---------------------------|
| Full-time, full year | 20.6% | 39.8% |
| Part-time or part-year | 34.4% | 32.8% |
| Did not work | 45.0% | 27.4% |

When these numbers are broken down by location, the level of under-employment on-reserve when compared to Aboriginal peoples who live off-reserve, let alone non-Aboriginal residents of the province, is obvious. The labour force participation rate on-reserve is 43 per cent, compared to 60.5 per cent for those living off-reserve. The unemployment rate for those in the labour force, living on-reserve, is 33 per cent, compared to 19.1 per cent for those who live off-reserve.⁶

Table 2 provides a comparison employment patterns in 2000 of the on-reserve and off-reserve Aboriginal populations.⁷

Table 2 - Employment of On-Reserve and Off-Reserve Aboriginal People in Saskatchewan, 2000, by Employment Type

| <i>Type of work</i> | <i>On-reserve Aboriginal 15+</i> | <i>Off-reserve Aboriginal 15+</i> |
|------------------------|----------------------------------|-----------------------------------|
| Full-time, full year | 14.0% | 24.1% |
| Part-time or part-year | 29.0% | 37.3% |
| Did not work | 57.0% | 38.6% |

While the total Aboriginal identity population 15 years and older living on-reserves is only about half of the Aboriginal population 15 years and older living off-reserve (27,500 compared to 51,155), their lower participation rate and higher unemployment rate demonstrates a lack of employment opportunities for reserve residents that has serious implications for the entire province.

The Commission was concerned about the fact that Aboriginal people on-reserve are not included in the monthly Provincial Labour Force Study produced by Statistics Canada. As a consequence, both employment and unemployment figures for Saskatchewan are understated and the true situation is not reflected. This also impacts all workers in Saskatchewan because the unemployment rates are used to determine the number of weeks that an individual must work in order to be eligible for Employment Insurance benefits.

Income

Aboriginal peoples, 15 years and older, earned \$15,961, compared to \$26,914 for the non-Aboriginal population. (2001 Census of Canada).

The income characteristics of Aboriginal peoples also reflect their disadvantage compared to non-Aboriginal residents of the province. The average income of Aboriginal people 15 years and older in 2000 was \$15,961, compared to \$26,914 for the non-Aboriginal population.⁸ Once again, when income characteristics are broken down by location, the relative non-participation of reserve residents in the economy is clear. The average employment income for Aboriginal people living on-reserve was \$11,550, compared to \$18,409 for those living off-reserve.

Table 3 identifies the proportion of total income that was derived from employment income as well as the proportion obtained through government transfers. Comparisons are drawn between all Aboriginal peoples in the province including, reserve residents, off-reserve Aboriginal people, and the non-Aboriginal population.⁹

Table 3 - Income Sources for Aboriginal and Non-Aboriginal people in Saskatchewan, 2000

| <i>Income source</i> | <i>All Aboriginal</i> | <i>On-reserve Aboriginal</i> | <i>Off-reserve Aboriginal</i> | <i>Non-Aboriginal</i> |
|----------------------|-----------------------|------------------------------|-------------------------------|-----------------------|
| Employment | 68.9% | 57.5% | 72.9% | 73.9% |
| Transfers | 27.7% | 40.4% | 23.3% | 13.8% |

Educational Attainment

More than 70 per cent of Aboriginal people, aged 15 to 24 years of age, have less than a high school diploma. However, a substantial number are returning to the education system as mature students, after having been out of school for a period of time. Of those between 25 and 44 years of age, 11.8 per cent were in school full-time. This compares to a rate of only 4.2 per cent for their non-Aboriginal cohorts who report attending school full-time. (2001 Census of Canada)

Recognizing the disadvantage of Aboriginal people in educational attainment is important in developing a strategy to end the non-participation of Aboriginal peoples in the labour market. Table 4 compares educational attainment for Aboriginal and non-Aboriginal people in the province at the time of the 2001 census.¹⁰

Table 4 - Educational Attainment of Aboriginal and Non-Aboriginal People in Saskatchewan, 2001 Census, by Highest Level Achieved

| <i>Level of Achievement</i> | <i>Aboriginal 15+</i> | <i>Non-Aboriginal 15+</i> |
|----------------------------------|-----------------------|---------------------------|
| Less than high school graduation | 52.6% | 37.8% |
| Trades certificate or diploma | 11.0% | 12.7% |
| College certificate or diploma | 8.8% | 12.6% |
| University degree | 4.6% | 11.8% |

When these numbers are broken down by age, certain important educational patterns of Aboriginal people become clear. Table 5 compares the maximum educational attainment of Aboriginal people age 15 to 24 with Aboriginal people age 25 to 44.¹¹

Table 5 - Educational Attainment of Aboriginal People Age 15-24 and 25-44 in Saskatchewan, 2001 Census, by Highest Level Achieved

| <i>Level of Achievement</i> | <i>Aboriginal 15-24</i> | <i>Aboriginal 25-44</i> |
|----------------------------------|-------------------------|-------------------------|
| Less than high school graduation | 70.2% | 38.0% |
| Trades certificate or diploma | 4.1% | 14.7% |
| College certificate or diploma | 2.9% | 13.1% |
| University degree | 1.0% | 6.5% |

There is a much larger increase in the attainment of university degrees, for example, between age cohorts than for the equivalent age cohorts among non-Aboriginal people. Where the increase is from 4.7 per cent for those aged 15 to 24, it is 17.2 per cent for those aged 25 to 44. All of these statistics suggest that a substantial number of Aboriginal residents return to the education system, likely in flexible learning arrangements, after leaving it for a period of time.

This conclusion is further supported by looking at the census data on school attendance. Among Aboriginal people aged 15 to 24, 48.1 per cent were in school full-time, barely more than the 48 per cent who were not attending school at all, and the 3.9 per cent who were in school part-time.¹² This compares to 53.1 per cent of the non-Aboriginal population of the same age who were in school full-time, 41.9 per cent who were not attending school, and 4.9 per cent who were attending school part-time. When one looks at the statistics for the 25 to 44 year old age group, however, one sees that 11.8 per cent of Aboriginal people in this age cohort were in school full-time, far above the 4.2 per cent of the non-Aboriginal population who were.

Family Composition

More than 26 per cent of Aboriginal households with children were headed by lone parents, compared to only 6.6 per cent of non-Aboriginal households being led by single parents. (2001 Census of Canada)

Family composition, meaning whether people are living in two-parent families, lone-parent families, childless couples, or alone, influences the challenges that people face in balancing personal responsibilities with labour market participation. Thus, if one is seeking to encourage Aboriginal people to participate more fully in the labour market, creating supports that respond to the family responsibilities of Aboriginal workers will be an important part of the

strategy. Of the 114,590 Aboriginal people in families at the time of the 2001 census, 12,900 were lone parents, 35,905 were either married or in common-law partnerships, and 65,785 were children.¹³ This means that 26.4 per cent of Aboriginal households with children were headed by single parents, compared to 6.6 per cent of non-Aboriginal households. Clearly, the availability of supports to assist parents in meeting their family responsibilities while participating in the labour market, such as adequate early learning and care for their children and flexible educational options, would be of significant benefit to Aboriginal parents who, because of their higher lone-parent status, are likely to have fewer options available to them than others.

Mobility

Aboriginal people show far higher rates of mobility than the non-Aboriginal population. For example, approximately 75 per cent of Aboriginal people reported living in the same location, in the year prior to the census, compared to over 87 per cent of the non-Aboriginal population who reported doing so. (2001 Census of Canada)

Household mobility is a matter of concern because of its effect on the educational attainment of children in the family and, by extension, their eventual labour market participation. Aboriginal people are far more mobile than other residents of the province. Tables 6 and 7 compare the mobility of Aboriginal and non-Aboriginal people in the province in the year prior to and the five years prior to the 2001 census.¹⁴

Table 6 - Mobility of Aboriginal and Non-Aboriginal Persons in Saskatchewan Within One Year Prior to 2001 Census

| <i>Place of residence 1 year ago</i> | <i>Aboriginal</i> | <i>Non-Aboriginal</i> |
|--------------------------------------|-------------------|-----------------------|
| Same location | 74.7% | 87.3% |
| Different location in same community | 16.2% | 7.5% |
| Different community | 7.4% | 3.4% |

Table 7 - Mobility of Aboriginal and Non-Aboriginal Persons in Saskatchewan Within Five Years Prior to 2001 Census

| <i>Place of residence 5 years ago</i> | <i>Aboriginal</i> | <i>Non-Aboriginal</i> |
|---------------------------------------|-------------------|-----------------------|
| Same Location | 46.7% | 63.8% |
| Different location in same community | 32.0% | 19.5% |
| Different Community | 16.6% | 10.8% |

The Costs of Aboriginal Unemployment

The costs associated with Aboriginal unemployment can be estimated by considering the savings that would result out of a representative workforce combined with a reduction in the need for social programs.

The starting point for this analysis is identifying the proportion of the population that is Aboriginal. In Saskatchewan, that proportion is 13.5 per cent. The main social program costs are in the provincial Department of Community Resources and Employment, Indian and Northern Affairs Canada, and in the combined federal and provincial justice and corrections systems. By reducing the Aboriginal participation rates in these programs to their proportion of the population, it is then possible to calculate the cost savings that would occur if Aboriginal needs were reduced by virtue of their greater participation in a truly representative workforce.

According to the Department of Community Resources and Employment, utilization rates for Aboriginal peoples in social programs was 42 per cent in the Family Benefits program, 41 per cent in the Social Assistance Plan (SAP), 46 per cent for children in care, 50 per cent for the Employment Services Program, and 30 per cent in Child and Family Services.¹⁵ Reducing these participation rates to 13.5 per cent would result in a savings of \$4 million in the Family Benefits program, \$61.7 million in SAP, \$22.9 million for children in care, \$33.8 million in the Employment Services Program, and \$310,000 in Child and Family Services. This would result in a total savings of \$122.7 million to the Department of Community Resources and Employment alone.

If the participation rates of Aboriginal peoples in various social support and justice-related programs was reduced to their proportion of the population, the total cost savings is estimated to be more than \$500 million dollars per year.



If Indian and Northern Affairs Canada, which likely spends approximately \$125 million per year in Saskatchewan on social development, were to have the same savings rate as the Department of Community Resources and Employment, they would save \$102.7 million.

Looking next at the justice system, the Commission on First Nations and Métis People and the Justice System estimated that 59.7 per cent of all federal and provincial justice, corrections, and prosecutions costs in Saskatchewan were spent on Aboriginal peoples, for a total cost of \$309 million in 2003-04.¹⁶ If the Aboriginal participation rate in these areas was brought down to their proportion of the population, the cost savings in the justice system would be \$277 million. Adding this to the social program cost savings for the Department of Community Resources and Employment and Indian and Northern Affairs Canada would result in a total annual saving of \$502.4 million. There is also the potential of additional cost savings for local government in areas of health care and housing. Finally, there would also be an increase in tax revenues. This constitutes a substantial saving that we as a province are missing out on because of the current underemployment of Aboriginal peoples.

Discussion of Key Issues

There are many barriers that prevent Aboriginal peoples from fully participating in the labour market. These issues include education and training needs, the difficulty of achieving work and family balance, childcare needs, lack of knowledge of existing and future employment opportunities, recruitment issues, the need for workplace supports, inflated job qualifications, union and collective agreement issues, and racism. There are some very promising initiatives that exist in Saskatchewan and elsewhere that could provide templates for other employers, educational institutions, governments, and service providers to use as part of a multi-faceted approach to improve work opportunities for Aboriginal peoples in this province. They are discussed as follows.

Education

Ensuring access for Aboriginal people to education and training is a major issue of concern for both educational institutions and employers.

A 2004 report prepared by R.A. Malatest and Associates Ltd. for the Canada Millennium Scholarship Foundation, entitled *Aboriginal Peoples and Post-Secondary Education: What Educators Have Learned*, identifies a number of best practices. These best practices contribute to overcoming the historical, social, geographic, demographic, cultural, and personal barriers that Aboriginal people face in entering and remaining in post-secondary education.¹⁷

The report identifies five key strategies. Access programs provide orientation, guidance, and support for the transition to university. The report notes that Manitoban post-secondary institutions have had access programs since the 1970s, and they have been successful in improving Aboriginal participation in post-secondary education.¹⁸

The second of these best practices includes community delivery options that enable Aboriginal students to stay in their home communities to participate in post-secondary education. The report notes that this is a crucial part of Aboriginal education.¹⁹ In Saskatchewan, the Northern Teacher Education Program (NORTEP), the Northern Professional Access College (NORPAC), and the Saskatchewan Urban Native Teacher Education Program (SUNTEP) are examples of programs that use a community delivery approach.

A third strategy is Aboriginal-designed and Aboriginal-controlled institutions. The report notes that whenever Aboriginal students are given control over their own programs and institutions, they have achieved higher rates of enrolment and graduation.²⁰

The fourth strategy involves partnerships between Aboriginal and non-Aboriginal institutions that allow Aboriginal communities to draw on the expertise of existing institutions while providing culturally relevant educational

opportunities for Aboriginal students. In the seven programs operated under the First Nations Partnership Program, student retention and program completion is twice the national average for Aboriginal post-secondary education.²¹

The last strategy identified is student support that addresses the needs of Aboriginal people. For example, the Saskatchewan Indian Institute of Technology (SIIT) offers noon hour addictions workshops to both students and their spouses.²² Another example involves The First Nations University of Canada where a number of culturally-sensitive programs and supports, including guidance by elders, are made available to both students and staff.

Despite the existence of various support initiatives across the country, the report notes that these types of student supports are underfunded. At the same time, there is also a lack of support for Aboriginal women, especially single mothers, and those with special health needs.²³

Conclusions/Recommendations Regarding Education:

It is clear that Aboriginal enrolments in universities have accelerated in recent years to the point where the percentage of students enrolled who are Aboriginal has nearly reached their percentage of the provincial population. Aboriginal enrolments in apprenticeships and training institutions, such as SIAST and regional colleges, however, continue to lag. In this regard, the Commission recommends a subsidy to employers to encourage them to increase their hiring of Aboriginal apprentices. (Please see Recommendation #16, Chapter 4: Training and Employment.)

Recommendation #6: SIAST, the University of Saskatchewan, the University of Regina, and Regional Colleges establish a process to assess the extent to which student support programs help ensure that Aboriginal students are successful graduates, and to address any deficiencies in these programs, where they are determined to exist.

Balancing Work and Family Responsibilities

Balancing work and family responsibilities is a significant issue for all vulnerable workers with family responsibilities, but particularly for Aboriginal peoples. Aboriginal workers are more frequently single parents. They often have responsibility for extended family members who have been disabled by chronic diseases such as diabetes. While higher-income people are more able to buy work and family balance by outsourcing care, cleaning and meal preparation, low-income people typically do not have the same options available to them.

The circumstances of family responsibilities can change quickly. For example, if something suddenly happens to a childcare arrangement or a dependent relative suddenly becomes ill, few workers have access to paid family leave. Thus, low income people are too often faced with a conundrum: miss a day of work and a day's pay, or leave a child or other relative in need with inadequate care. In addition, part-time workers often lack access to maternity leave, as they do not have enough hours to obtain EI and maternity benefits. Even if they do have access, the 55 per cent of a low wage earner's pay that is provided as an EI benefit is insufficient to live on.

In response, some presenters recommended that workers be provided with as many as 12 days leave to care for immediate family members. One presenter suggested that employees should form a group to share the responsibilities for childcare when a child is sick or not in school. In a larger workplace, when such circumstances arise, there would generally be several children being cared for by one care provider. A care group such as this could distribute the costs of family responsibilities and ensure that more employees are at work than if each employee looks after only their own children. Thus, such a scheme would benefit both employees and employers.

Conclusions/Recommendations Regarding Work and Family Responsibilities:

Access to adequate childcare is essential to balancing work and family responsibilities. Aboriginal parents also need that care to be provided in a culturally relevant environment that would help to improve a child's sense of self-esteem and confidence. The Canada-Saskatchewan Agreement on Early Learning and Childcare signed in April 2005 provides the government of Saskatchewan with a new opportunity to provide quality, accessible early learning and care for all children who need it.

Recommendation #7: Government ensure that some of the money available for early learning and childcare under the Canada-Saskatchewan Agreement be made available for establishing, expanding, or improving childcare facilities at educational institutions and at Aboriginal controlled childcare institutions.

Creating New Employment Opportunities

One important way to provide good, stable employment opportunities for First Nations and Métis peoples is to create new Aboriginal-owned business ventures. Cameco is leading the way in creating opportunities for Aboriginal-owned businesses to provide services to Cameco's operations. Their Northern Preferred Supplier program seeks to replace southern service providers with either partially northerner-owned joint ventures or entirely northerner-owned businesses. Cameco now has 18 suppliers under this program, including such businesses as Athabasca Catering and Northern Resource Trucking. As well, the Saskatoon Health Region (SHR) assists with business development opportunities with Aboriginal organizations and encourages their staff to ensure that every corporate contract they sign includes a representative workforce commitment.

Aboriginal-owned businesses and other businesses committed to having a representative workforce are important sources of employment opportunities for Aboriginal people. There are many successful Aboriginal-owned businesses in this province, and employers such as Cameco, the Saskatchewan Gaming Corporation (SGC) and the SHR are using their buying power to encourage economic development for Aboriginal peoples. The Government of Saskatchewan has also, on occasion, used its regulatory power to encourage the development of Aboriginal-owned businesses and Aboriginal-industry joint ventures, such as in the forestry sector. These are worthy of further consideration.

Access to Employment Opportunities and Recruitment

Access issues were also very significant in the minds of those we heard from. Métis Employment and Training of Saskatchewan Inc. (METSI) noted that 22 per cent of working age Métis surveyed did not have enough information about available jobs. Several presenters noted that jobs in government are sometimes not advertised. They also noted that employers hire the most paper qualified candidates without recognizing that Aboriginal applicants may have the skills to do the job, but lack the formal certification. One presenter also noted that it is very difficult for Aboriginal people, and especially Aboriginal women, to find work in the construction trades, despite having taken training in the trade.

The Saskatchewan Gaming Corporation (SGC) is committed to accelerating the pace at which it employs Aboriginal people. Even though it is currently at 50 per cent Aboriginal employment, the SGC is in the process of redefining screening criteria for entry-level positions in order to help remove barriers to employment. They also noted that recruitment strategies need to be different for Métis and First Nations people in order to respond to their distinct backgrounds.

There are many successful ... businesses in this province ... [that] are using their buying power to encourage economic development for Aboriginal peoples.



The Government of Canada is also involved in assisting METSI and Saskatchewan Indian Institute of Technologies (SIIT) to establish Corporate Circles. These bring together First Nations and/or Métis organizations, employers, and government to focus on targeted actions that will increase employment and career advancement for Aboriginal peoples. The Corporate Circles jointly develop strategies for recruitment, provide job-matching services to unemployed people, offer coaching and mentorship, coordinate job fairs, implement work experience programs, and deliver career promotion initiatives in high schools. Corporate Circles are effective because they serve both Aboriginal people seeking employment and corporations seeking employees. The Federation of Saskatchewan Indian Nations (FSIN) also has a Corporate Circle.

The Government of Saskatchewan is also engaged in promoting Aboriginal employment through the Aboriginal Employment Development Program (AEDP). This program uses partnership agreements with employers to promote the hiring of Aboriginal people by identifying jobs, linking competencies with available jobs, and informing potential Aboriginal employees of what jobs are available, along with the training requirements.

The SHR noted that, as the largest employer in Saskatchewan, it has 2700 job openings per year. It was also the first employer in the province to have a partnership agreement under the AEDP, which it renewed in June 2005. The SHR along with 17 affiliates, the provincial government, the Saskatchewan Association of Health Organizations, and all three unions participate in this agreement. To date, the SHR has hired over 500 Aboriginal people. It has established a Representative Workforce Advisory Committee on Aboriginal Initiatives and is actively engaged in reviewing its human resource practices, promoting self-declaration by Aboriginal people and providing recruitment process training. Representatives from the SHR commented that the keys to future success include continuing to build meaningful partnerships with Aboriginal organizations, securing adequate funding for increased opportunities to expose Aboriginal people to health careers through summer

employment, providing work experiences and internships, and ensuring that supports are in place to help Aboriginal workers manage the sometimes costly transition from casual, part-time jobs to full-time employment.

Conclusions/Recommendations Regarding Access to Employment:

Aboriginal peoples experience many barriers to employment. Several initiatives are currently in place that aim to overcome these barriers and create a representative workforce in Saskatchewan. The Commission has identified the work being undertaken by the Aboriginal Employment Development Program as a best practice that should be expanded.

Recommendation #8: All employers work with the Saskatchewan First Nations and Métis Relations Aboriginal Employment Development Program to develop partnership agreements and adopt representative workforce strategies. This would include:

- a) providing all employees with Aboriginal cultural awareness, anti-racism, and harassment prevention training;
- b) helping Aboriginal employees to upgrade their skills and education for career advancement.

Government as Employer

The provincial government, including the Crown corporations, is a major employer in this province. The government is positioned to influence the employment environment in Saskatchewan by demonstrating leadership and instituting best practices.

The Public Service Commission notes that 10.7 per cent of all jobs in the Saskatchewan civil service were filled by Aboriginal people as of July 31, 2005, but only 8.2 per cent of permanent, full-time jobs were filled by Aboriginal people.²⁴ Aboriginal peoples are significantly under-represented in management, supervisory, and professional positions, with the highest

participation rate in those groups being 7.6 per cent participation in professional classifications.²⁵

While new Aboriginal hiring in 2004-05 into permanent, full-time positions was ahead of Aboriginal peoples' current representation (10.4 per cent of all hires), more Aboriginal people left permanent, full-time civil service jobs in 2004-05 than entered them (114 separations, compared to 101 new hirings).

The promotion rate, at 6.1 per cent of all promotions, was well below the representation of Aboriginal peoples in the provincial population.²⁶ The Crown Investments Corporation of Saskatchewan has yet to report publicly on the proportion of Aboriginal staff. However, it has set a target of 7.6 per cent Aboriginal staff, well below the representative Aboriginal population.²⁷

Conclusions/Recommendations Regarding Government as Employer:

The Commission strongly supports the work of the Aboriginal Employment Development Program (AEDP) delivered by the Department of First Nations and Métis Relations. Support for the AEDP and for employee and management sensitization about the misconceptions related to Aboriginal people is viewed highly by both those in government and the private sector. As noted earlier, increasingly there are more Aboriginal people graduating with post-secondary credentials. However the Commission does not see sufficient actual hiring of Aboriginal people taking place that will ensure their full and representative participation in the current provincial workforce. The Commission, therefore, believes that the government needs to play a leadership role in hiring and retaining Aboriginal people as part of the public service.

There is significant resistance to setting targets for Aboriginal employment. However, the Commission notes the success of companies, such as Cameco and the Saskatchewan Gaming Corporation, that have been required to establish targets for hiring and retaining Aboriginal people as a pre-requisite to

receiving a licence to operate in the province. We note that these organizations have found effective ways to recruit, train, retain and advance Aboriginal people that will have a significant impact on increasing their rates of employment.

The government and Crowns have had policies to encourage the hiring of Aboriginal people, people with disabilities, visible minorities and women in non-traditional jobs. It is important that efforts to hire and retain people from these groups continue. The Commission believes that the province of Saskatchewan is at a serious crossroads and must make special efforts, in the next few years, to ensure that Aboriginal people are hired and retained in the public sector.

The one concern that the Commission has about the recommendations that follow is that there may be a backlash, and people may feel that Aboriginal people are not obtaining jobs on the basis of merit. There are Aboriginal people who are qualified for existing job vacancies. Special efforts are needed to ensure that they obtain employment.

Again, we are not suggesting that qualifications for employment should be ignored but, rather, that qualifications be realistically related to the job and not artificially inflated or mechanically adhered to. Frequently, inflated qualifications are used to disqualify Aboriginal candidates. If the concern is lack of experience, employers should consider instituting on-the-job training to ensure Aboriginal candidates gain that experience. This would provide not only an opportunity for employment, but also help to ensure a successful work experience. A re-examination of jobs should be done as to whether it is feasible to acquire the experience over time while on the job. Suitable provisional appointments (to allow time to acquire experience/training) could be utilized. Special efforts to recruit will be necessary to overcome the reluctance of Aboriginal people to apply. A 'critical mass' of Aboriginal people in workplaces will contribute significantly to their success as employees.

Recommendation #9: For a period of three years or until the number of employees of Aboriginal ancestry in the public service of the Government of Saskatchewan reaches 13.5 per cent of its workforce, the government institute the following policies:

- a) If an Aboriginal person applies for a professional position in the public service or Crown Corporations and meets the qualifications, he/she will be hired. If more than one Aboriginal person applies, the candidate deemed most qualified will be hired. Qualifications for the position will not be artificially inflated. Managers will be held accountable for results.
- b) One-quarter of all entry level positions in the public service and Crown Corporations will be filled with Aboriginal people.

Recommendation #10: The Human Rights Commission strengthen its monitoring of employment equity plans and results. Monitoring is to be done on a department basis in the public service, and on an individual basis for each Crown Corporation.

Retention, Advancement and Workplace Issues

Once Aboriginal people are in the workplace, it is vitally important that they have the opportunity to remain and advance. Equally as critical is that the workplace is free of harassment and discrimination. Unfortunately, this is not always the case due to cultural insensitivity or outright racism in the workplace. Unfair practices on the part of employers, structural barriers to advancement, and a lack of the necessary supports to help new employees or newly-promoted employees to succeed in the workplace are among the barriers that Aboriginal people experience. Some businesses told us that Aboriginal employees are an investment, not a cost.

Presenters emphasized the need for cultural awareness and diversity training for people already in the workplace as a way of creating a work environment in which Aboriginal employees will want to remain. Provincial government officials involved with the AEDP identified “misconception training” as an

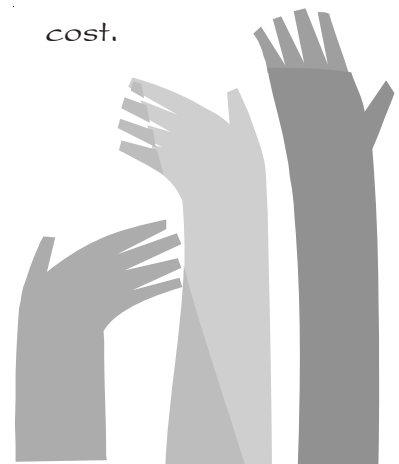
important vehicle to battle racism in the workplace. As well, communicating to all employees the importance of having a representative workforce will help Aboriginal employees to feel accepted and valued.

Ensuring opportunities for employees to provide feedback on their work experience is invaluable information to the employer. For example, the SGC is developing an employee satisfaction index and the SHR interviews newly-hired Aboriginal people 30 days after they begin work, to increase management's awareness of any workplace issues that could create barriers to the retention of Aboriginal employees. As well, having a program in place to mentor employees, to support their educational upgrading, and to provide them with developmental workplace assignments, such as SGC's Aboriginal Management Development Program, provides Aboriginal employees the opportunity to advance and succeed in increasingly senior positions in the workplace. Further, the existence of such a program, and the employer's commitment to ensure Aboriginal people advance, is likely to encourage the retention of Aboriginal employees even if they are not currently interested in advancing. The SHR also undertakes career laddering initiatives that help individuals to advance into more challenging positions.

Employers need to take seriously their obligation to provide a workplace in which Aboriginal workers feel valued and to provide them with opportunities to advance in their careers. Recruiting Aboriginal workers will not address the underemployment of Aboriginal peoples if those workers do not remain in the workforce. An Aboriginal workforce retention strategy should address both the needs of Aboriginal workers and the need for the workplace itself to respect diversity. As well, workplaces, including Aboriginal businesses and all levels of government, need to ensure that all employees are respected and treated fairly.

In order to retain Aboriginal employees, it is important that employers, including government, develop strategies to provide them with mentorship,

Aboriginal employees are an investment, not a cost.



developmental work assignments, and job shadowing, as well as access to counseling and personal supports. It is also important to provide all employees, beginning with management, with Aboriginal cultural awareness, anti-racism, and harassment prevention training.

Aboriginal employees themselves are an important source of information on the quality of the workplace and how it affects their intention to remain with an employer. It is also extremely important to understand why departing employees are leaving. On the positive side, an employee may leave a workplace in order to assume a more senior position, appreciating the skills and knowledge they have been able to acquire. On the other hand, an employee who has not had a positive experience in the workplace poses some serious issues that are incumbent on the employer to address.

Union and Collective Agreement Issues

Unions and collective agreements are often seen by Aboriginal peoples as barriers to entering the workplace and being promoted. Aboriginal people often distrust unions, feel that union doors are closed to them and, as a consequence, prefer not to participate. The SHR also noted that the high unionization and seniority-driven hiring practices in the health sector create barriers to employing and retaining vulnerable workers.

On the other hand, barriers such as seniority provisions can be overcome, at least in some cases, if employers, unions and Aboriginal peoples work to address the barriers collective agreements create for achieving a representative workforce. Cameco, for example, noted that special provisions have been negotiated in their collective agreements allowing them to implement their Aboriginal-preferred policies. The SHR noted that the health sector is building language about achieving a representative workforce into its collective agreements. It also emphasized that union collaboration is absolutely key to succeeding in creating a representative workforce in

unionized environments. We understand that the training of union staff and members regarding the misconceptions that exist about Aboriginal people is done as part of the Representative Workforce approach. We strongly recommend that this be continued.

Recommendation #11: Unions help employers to institute greater efforts to facilitate the employment of Aboriginal people.

Notes to Chapter 3

¹ Statistics Canada, "Aboriginal Identity Population, 2001 Counts, for Canada, Provinces and Territories - 20% Sample Data," *2001 Census of Population* (Ottawa: Statistics Canada, 2003). Census figures for the Aboriginal identity population will be used throughout, except where otherwise noted, for consistency. Statistics Canada notes, however, that Aboriginal population figures may be somewhat under-reported due to the difficulty in enumerating some reserves in the province.

² Manitoba, the province with the highest percentage, has 13.6 per cent.

³ Statistics Canada, "Aboriginal Identity Population, Median Age, for Canada, Provinces and Territories - 20% Sample Data," *2001 Census of Population* (Ottawa: Statistics Canada, 2003).

⁴ Statistics Canada, "Selected Labour Force Characteristics (50), Aboriginal Identity (8), Age Groups (5A), Sex (3) and Area of Residence (7) for Population 15 Years and Over, for Canada, Provinces and Territories, 2001 Census - 20% Sample Data," (Ottawa: Statistics Canada, 19 November 2003) *2001 Census of Canada*, Catalogue number 97F0011XCB2001044. Numbers have been converted to percentages.

⁵ Statistics Canada, "Selected Income Characteristics (35A), Aboriginal Identity (8), Age Groups (6), Sex (3) and Area of Residence (7) for Population 15 Years and Over, for Canada, Provinces and Territories, 2001 Census - 20% Sample Data," (Ottawa: Statistics Canada, 10 December 2003) *2001 Census of Canada*, Catalogue number 97F0011XCB2001046. Numbers have been converted to percentages.

⁶ Statistics Canada, "Selected Labour Force Characteristics." It is interesting to note that the participation rate for Aboriginal residents of all off-reserve locations is slightly higher than the participation rate for Aboriginal residents of urban areas, which is 59.1 per cent, and the unemployment rate for Aboriginal residents of all off-reserve locations is lower than the unemployment rate for Aboriginal residents of urban areas, which is 20.3 per cent.

⁷ Statistics Canada, "Selected Income Characteristics."

⁸ Ibid.

⁹ Ibid.

¹⁰ Statistics Canada, "Selected Educational Characteristics (29), Aboriginal Identity (8), Age Groups (5A), Sex (3) and Area of Residence (7) for Population 15 Years and Over, for Canada, Provinces and Territories, 2001 Census - 20% Sample Data," (Ottawa: Statistics Canada, 19 November 2003) *2001 Census of Canada*, Catalogue number 97F0011XCB2001042. Numbers converted to percentages.

¹¹ Ibid.

¹² Ibid.

¹³ Statistics Canada, "Selected Demographic and Cultural Characteristics (205), Aboriginal Identity (8), Age Groups (6), Sex (3) and Area of Residence (7) for Population, for Canada, Provinces and Territories, 2001 Census - 20% Sample Data," (Ottawa: Statistics Canada, 10 December 2003) *2001 Census of Canada*, Catalogue number 97F0011XCB2001040. Numbers converted to percentages.

- ¹⁴ Ibid. A higher percentage of non-Aboriginal people (5.9 per cent) than Aboriginal people (4.8 per cent) lived in a different jurisdiction in Canada or another country within the five years prior to the census. This seems to support the assertion that Aboriginal people are less likely to leave their province of residence than other Canadians, even though they are more mobile within the province.
- ¹⁵ Saskatchewan Institute of Public Policy, "Economic Benefits of Increased Aboriginal Employment," *Opportunities Work, Connecting Communities*, presentation at Provincial Aboriginal Representative Workforce Council Annual Conference, Saskatoon, SK, 18 October 2005.
- ¹⁶ Ibid.
- ¹⁷ R.A. Malatest & Associates Ltd., *Aboriginal Peoples and Post-Secondary Education: What Educators Have Learned*, (Montreal: Canada Millennium Scholarship Foundation, 2004).
- ¹⁸ Ibid., pp. 24.
- ¹⁹ Ibid., pp. 26.
- ²⁰ Ibid., pp. 28.
- ²¹ Ibid., pp. 32.
- ²² Ibid., pp. 37.
- ²³ Ibid., pp. 38.
- ²⁴ Public Service Commission, "Saskatchewan Government Representation of Aboriginal Peoples," <http://www.gov.sk.ca/psc/diversity/stats/all_govt/repofaboriginal.pdf> accessed 27 November 2005.
- ²⁵ Public Service Commission, "Workforce Analysis by Occupational Group," <<http://www.gov.sk.ca/psc/diversity/stats/workforceanalysis.pdf>> accessed 27 November 27 2005.
- ²⁶ Public Service Commission, "Summary for Hires, Promotions and Separations," <<http://www.gov.sk.ca/psc/diversity/stats/summary.pdf>> accessed 27 November 2005.
- ²⁷ Crown Investments Corporation, *Annual Report 2004* (Regina: Crown Investments Corporation, 2005), pp. 36.



Training and Employment

4

Introduction

Training improves employment opportunities and increases the likelihood of financial rewards for those who participate in the labour force. In the *Final Report of the 2005 Training System Review Panel*, it is noted that, as a public policy mechanism, training helps to achieve equality of opportunity.¹ The report also reveals that income disparities are closely related to the differences that exist between individuals' levels of training and education.

Approximately 28 per cent of Saskatchewan residents over the age of 15 have less than a Grade 12 education. Compared to their cohorts across the country, Saskatchewan adults are less likely to have successfully completed Grade 12. Today, approximately 51 per cent of the Saskatchewan population has at least some post-secondary education, compared to the Canadian average of 56.3 per cent.² Statistics also reveal that Saskatchewan Aboriginal people have not attained the same level of education as the overall provincial population. For Aboriginal people, 52.6 per cent have less than Grade 12, while 39.2 per cent have at least some post-secondary education.³

The Training System Review Panel notes that approximately 93 per cent of future job openings will require at least a high school diploma and two-thirds (66 per cent) will require post-secondary credentials. Estimates suggest that an increase of over 30 per cent in technical certificate and diploma graduates

per year will be required over the next five years. Similar increases are expected for work-based training, including apprenticeship training, adult basic education (including literacy) and essential skills training.⁴

There is an increasing demand for workers with high literacy levels along with knowledge of computer skills and technology applications. Increasingly, even traditionally lower skilled jobs are requiring higher levels of education and training. Typically, workers who have lower skills levels are less likely to be able to access the additional education or training that would help them to access better jobs and earn more money.

More emphasis needs to be placed on improving access to education and training as a means of reducing the longer-term costs that result from chronic low pay. Saskatchewan residents should be able to participate in the workforce and have the opportunity to prosper as a result of their efforts.

Some business stakeholders told the Commission that they were prepared to work with government to target methods for improving training and educational opportunities for vulnerable workers. To improve their employment opportunities, education and training must be tailored to meet the diverse needs of all learners, including Aboriginal persons, visible minorities, people with disabilities, low-income individuals and those with special needs.

Discussion of Key Issues

Need for Labour Market Information

Currently, there appears to be a lack of useful and timely labour market information available to assist vulnerable workers in finding meaningful employment. Labour market information must identify where jobs are now and where they are projected to be in the future. It is also essential that training be undertaken to ensure that any potential future shortages are avoided. With the enhanced ability to know when and where shortages are anticipated, training

... education and training must be tailored to meet the diverse needs of all learners, including Aboriginal persons, visible minorities, people with disabilities, low-income individuals and those with special needs.



can be tailored for real jobs. Some presentations that were made to the Commission focused on this issue. For example, the Regina Chamber of Commerce proposed that a comprehensive “qualitative workforce analysis” be undertaken correlating a detailed demographic and sector-specific analysis of the Saskatchewan workforce.

Labour market information must be accessible by training institutions, guidance counselors, students, workers, and employers. For career planning to be successful, access to the most up to date labour market information becomes critical. Career planning assists individuals in determining what work is right for them, what skills they have, and what additional skills they need to acquire in order to access suitable employment. More and better information, as well as increased access to existing sources of labour market information, is needed for all sectors.

The Commission learned that Saskatchewan Learning currently supports the collection, analysis and distribution of labour market information (LMI). The department undertakes labour market research to produce a variety of career and labour market information documents that support strategic policy and labour market planning, provision of career and employment services and individual decision making. Examples include: the *Overview of the Saskatchewan Economy and Labour Market* that provides economic, demographic and labour market trends and the annual *Saskatchewan Job Chart* that profiles various occupational opportunities in Saskatchewan. The Commission notes that this document is distributed to all Grade 10, 11 and 12 students in the province as well as to post-secondary institutions, government departments and regional Canada-Saskatchewan Career and Employment Centres. *Saskatchewan Job Futures* provides a more detailed online version of the job chart, as well as comprehensive wage information. The *Saskatchewan Job Futures* website is a partnership initiative between Saskatchewan Learning and Service Canada that includes Aboriginal-specific and trade profiles for Saskatchewan. Saskatchewan Learning's *SaskNetWork* website provides occupational, career and employment information and resources for job seekers, employers, entrepreneurs, students and youth.

The leadership and effort demonstrated by Saskatchewan Learning to collect, analyze and disseminate labour market information is impressive and deserves credit. On the other hand, the fact that several presenters to the Commission identified the need for more timely, better quality, and relevant labour market information suggests there is room for improvement. The Commission concluded that a revised communications strategy may be needed in order to target labour market information towards those individuals who need it the most and to ensure that they are able to use it effectively.

The Training System Review Panel made recommendations related to strengthening provincial planning processes that forecast occupational and skill requirements, identify emerging training demands and create potential solutions to meet pressures that will help improve the quality of LMI, resulting in more informed decision making.⁵ We understand that, in the coming months, Saskatchewan Learning plans to work with its institutional partners to develop a new *Job Ready Saskatchewan* strategy. The Commission urges business and sector associations to engage in this new endeavor.

Recommendation #12: Government commit additional resources to collect, analyze and disseminate more relevant and timely labour market information, and enhance communications with business, workers and the educational system as part of these processes.

Coordination of Services

Training and education are critical to improving the circumstances of vulnerable workers. The Commission agrees with the Training System Review Panel and its observation that there is a need for stronger linkages between education and employment. Toward this end, the Commission believes there is a need for the Departments of Learning, Community Resources and Employment, and Labour to work collaboratively towards ensuring that adequate resources are deployed to meet the specific needs of both workers

and employers. These include: employment and training services; labour market information services; and financial support for training (targeting both vulnerable workers and employers).

Business stakeholders advised the Commission that there are job vacancies, but too often the available workers are without the necessary education and skills to be considered for the positions. According to a survey conducted by the Canadian Federation of Independent Business, 43 per cent of all Saskatchewan respondents reported having difficulty hiring due to both a skills shortage and a labour shortage.⁶ This demonstrates a mismatch between the skills that are required and the skills that individuals bring with them to the job search. Developing a systematic approach to match jobs with those who are unemployed and under-employed can help to fill these labour shortages.

Saskatchewan has employers who need to fill job vacancies. We have people in Saskatchewan who have a strong desire to work. However, there appears to be a lack of ability to connect employment opportunities with willing workers. Therefore, it is essential to fill these gaps by developing a formal system or clearing house that connects unemployed and underemployed workers, after they have acquired relevant training, with real jobs. As highlighted previously, better intelligence on the labour market will help participants make better choices by linking identified needs with scarce resources. Furthermore, Saskatchewan would benefit from a state of the art job bank and job placement service to bring employers and employees together, such as Alberta's special job bank that assists job seekers with disabilities to connect directly with employers.

Recommendation #13: Government provide greater coordination of employment and training services. Employers and training providers should ensure that the skills developed are in demand and that training results in employment. In addition, government should identify possible ways to better match vulnerable workers with available jobs.

Needs Assessment of Vulnerable Workers

Government must ensure vulnerable workers who are involved with income support programs are provided with a long-term employment support program, including one-on-one needs assessment as well as pre-employment and post-employment support services.

Vulnerable workers clarified to the Commission that they were often in the position of moving repeatedly between income support programs and various short-term training courses. Creating an individualized long-term plan that incorporates follow-up and transitional support services is essential to ensure that the particular interests and abilities of an individual are connected with meaningful and ongoing work opportunities.

The Commission was told that the federal government's current use of a province-wide call centre often prompts applicants to respond "yes" to the question "are you ready and able to work." Presenters to the Commission revealed that the current self-assessment process may inappropriately classify individual applicants as being job ready when immediate upgrading, and/or further training and counseling or job-coaching would be advantageous and, in the long-run, likely more cost effective.

Childcare that is affordable, available, flexible, and accessible was the "top need" expressed by vulnerable workers trying to secure employment after having completed training. The Commission learned that this was especially true for single parent women, many of whom are Aboriginal and who often have limited, if any, family support. Transitional services for low-income individuals and for those who are moving off of social assistance are essential, including support for bus passes, appropriate clothing, childcare, on the job coaching and follow-up counseling. The Commission heard that providing assistance to cover the costs of childcare, transportation and utilities should be considered for a longer period of time in order to help vulnerable workers achieve independence.

The Commission also understands that vulnerable workers often have limited access to reliable transportation. As part of its deliberations, the Commission considered recommending that a transit subsidy be instituted for low-income residents. Recently the government announced that it would be expanding such a subsidy program that has provided discounted bus passes to residents in Regina who are receiving the Saskatchewan Assistance Plan, the Transitional Employment Allowance, the Saskatchewan Employment Allowance and the Provincial Training Allowance. The Commission is pleased to know that the Communities of Yorkton, Moose Jaw, Saskatoon and Prince Albert are now being invited to participate in this program.

Recommendation #14: Government establish a comprehensive needs assessment program designed specifically for vulnerable workers, incorporating individualized plans that place greater emphasis on education/upgrading, training, counseling and transition-to-work support services.

The Commission supports the analysis put forward by the *Training System Review Panel* that argued training institutions need additional resources for both capital investments and day-to-day operations.



Accessing Training

Unless the capacity of the training system is expanded, Saskatchewan will have increasingly fewer trained workers to fill the growing number of anticipated job vacancies. To help ensure Saskatchewan's future prosperity, the number of individuals advancing through the training system needs to significantly increase.

There are long waiting lists for people to get into post-secondary educational institutions due to a lack of training capacity. According to the *Training System Review Panel*, SIAST and Regional College waitlists, some as long as five years, are many times greater than the number of students accepted. The existing apprenticeship system reported that the training system is not meeting the demand for trades workers.⁷ Adult Basic Education (ABE) and General Equivalency Diplomas programs are also reported to have substantial waitlists.

Vulnerable workers should not be forced to wait for long periods of time to access training due to a lack of capacity in the training system. Training must be able to respond to the needs of vulnerable workers in rural, northern and urban areas of the province. The particular training needs of First Nations and Métis peoples must also be addressed. In this regard, the Commission supports the analysis put forward by the *Training System Review Panel* that argued training institutions need additional resources for both capital investments and day-to-day operations.⁸ The Commission also strongly agrees with the Panel's recommendation calling for sustainable, adequate, long-term federal and provincial funding for Aboriginal educational initiatives.⁹

Low wage workers should also have affordable options to access training programs that will help them to improve their employment situations. For example, the North Saskatoon Business Association suggested establishing a loan fund to increase the affordability and accessibility of post-secondary education and skills training for low wage workers. The successful completion of training could be rewarded by partial or complete forgiveness of the loan provided the recipients remain and work in Saskatchewan.

Work-based Skills Training

Vulnerable workers typically have very little access to training, including employer sponsored training and skills training, that would assist them in finding less precarious work.

To help vulnerable workers improve their access to training and upgrading, consideration should be given to hiring people who are not job-ready. In particular, large employers and government should consider providing literacy, essential skills training and employment-readiness (soft skills) training. Existing JobStart/Future Skills programs that incorporate soft and essential skills are available to help enhance work-readiness and employment success for new hires.¹⁰

The Commission identified need for the following types of work-based training and support services, including essential skills and soft skills, as they relate to vulnerable workers.

Essential Skills – Essential skills are enabling skills that people use to learn technical skills, perform required tasks and adapt in the work place. They include reading text (documents); writing; numeracy; working cooperatively with others; continuous learning; communicating orally and in writing; computer use; thinking skills (i.e. problem solving and decision making); job task planning and organizing; significant use of memory; and finding information.

The changing world of work, including the increased integration of new technologies into workplaces, the increase in job complexity and the shift in demand for workers with higher skills in communication, literacy and problem-solving, has placed a tremendous level of importance on essential skills.

The Canadian Construction Association claims that there is a lack of understanding by the public and teachers as to how important essential skills are to the construction trades. In 2004, the report *Accessing and Completing Apprenticeship Training in Canada - Perceptions of Barriers*¹¹ found that the most significant barrier to an individual being able to access and complete apprenticeship training was a lack of essential skills. Low levels of literacy and mathematics were of particular concern. It is the Commission's understanding that SIAST is currently working to include essential skills in all of its programs.

Soft Skills – Soft skills assist people to be employment ready. From the perspective of vulnerable workers, employment readiness skills are probably the most important in being successful in the workplace. They include punctuality, personal hygiene and appropriate dress, work ethic, a focus on customer service, and conflict resolution skills. Employers need productive workers who have the ability to work as a part of a team, to think and solve problems, and to learn independently.

One stakeholder commented during the public hearings that people don't fail at a job because they lack the hard skills, like how to weld, or how to drive a forklift, or how to cook – they fail because they don't have the soft skills. We also need to concentrate on teaching the soft skills so workers are better able to succeed on the job. These are the skills needed to enter, remain, and progress through the world of work.

Large employers, including government, should institute literacy, essential skills and employment readiness training in their organizations, and hire employees, particularly Aboriginal peoples, who are not employment-ready and who would benefit from such initiatives.

Recommendation #15: Essential skills and soft skills be integrated into training programs where appropriate, including technical trades training, with a structure in place to oversee proper funding and implementation.

In addition, the Commission encourages the expansion of apprenticeship training because there is also an ongoing need to train certified workers to replace the large group of people who will be retiring from trades occupations in the future. Unfortunately, there may be resistance on the part of employers to invest in the up-front training costs associated with training apprentices due to the risk that other employers who do not invest in this training will poach these newly trained and certified workers.

The Commission agrees that government needs to enhance financial incentives in order for employers and employees to participate in apprenticeship training programs. The Commission supports the recommendation of the Saskatchewan Apprenticeship and Trade Certification Commission to provide a training tax credit to employers for training of this nature. However, the Commission proposes an even broader program of work-based training, and believes that support for apprenticeship training should be provided in the form of a training subsidy rather than a tax credit.

Workplaces, especially those engaged in an apprenticeship program, need to have qualified trainers. Workplace based training requires skilled trainers who have an understanding of the subject area. It is equally important that trainers also have a theoretical understanding of the learning process as well as practical experience working with adult learners. Many industrial trainers do not have this combination of knowledge and experience. To address this deficit, workplaces should promote the use of Train the Trainer certification programs.

Recommendation #16: Government establish and fund two programs to encourage employers to train vulnerable employees, including Aboriginal people:

- a) Apprentice Training Subsidy – to be paid to employers who hire and train apprentices.
- b) Vulnerable Worker Training Subsidy – to be paid to employers who invest in hard and/or soft and/or essential skills training of their low-paid workers, targeting those earning within 20 per cent of the minimum wage. Employers will be required to have qualified trainers and job coaches.

Training Initiatives for Aboriginal Workers

The Training System Review Panel pointed out that training must be undertaken in an environment that supports and encourages the participation of First Nations and Métis peoples, including those in urban and rural settings. Training must also be targeted towards those living on-reserve. The Saskatchewan Indian Institute of Technology (SIIT) has been an important vehicle that serves the training needs of First Nations, but jurisdictional concerns and fears of further federal government off-loading has limited provincial funding to SIIT. This has seriously hampered the ability of SIIT to mobilize and prepare First Nations people for employment. The Commission concurs with the Training System Review Panel's recommendation that SIIT

receive a share of provincial operating funds for training First Nations students, based on the establishment of a funding agreement with Saskatchewan Learning.¹²

Mobilizing First Nations and Métis communities to participate fully in the provincial economy must be given the highest priority. The Saskatchewan Construction Association reports a lack of skilled workers. At the same time, this shortage could be addressed by accessing the untapped potential of Aboriginal workers. There is a need to market the trades to Aboriginal youth; to identify job opportunities and to link them directly into jobs. The SCA is closing this gap through its successful *Construction Career Project*, which provides training and secures employment for First Nations and Métis peoples in the construction industry.

Job Credentials and Recognition of Prior Learning

Recognition of Prior Learning (RPL) is a process that has been developed to recognize transferable knowledge as well as the specific skills and knowledge that people have acquired outside the formal education system through learning on the job and life experience. Recognition of Prior Learning (RPL), also referred to as Prior Learning Assessment and Recognition (PLAR), should be used as tools to help vulnerable workers gain entry into both jobs and skills training.

RPL would help facilitate access to programs by vulnerable workers who have not completed high school or who are without post-secondary education. The Saskatchewan Federation of Labour (SFL), in its submission to the Commission, emphasized that increasing access to RPL “could greatly assist vulnerable workers to develop career paths for themselves.”¹³ In turn, this would help Saskatchewan face the competitive challenges of the future.

Employers need to look more broadly than Grade 12 as the entry requirement. For some entry-level jobs, credentials should not be so widely and rigidly used

so as to exclusively determine suitability for job vacancies. There is a need to identify and recognize the actual knowledge, skills and abilities required for the job, rather than requiring a particular certificate of candidates. Employers should revise job credentials in order to help ensure that more workers are able to qualify for a greater variety of positions.

Saskatchewan has been a relatively small recipient of skilled immigrants other than medical professionals. There is the potential that rates of immigration in Saskatchewan may increase in the future. Therefore, it is expected that there will be increased demand for literacy and language training, as well as RPL assessments. The Commission heard that there is also a need to undertake RPL in a much more timely manner for skilled immigrants, and a need to recognize the credentials of other provinces.

Recommendation #17: Employers review the qualifications identified in job advertisements to ensure they reflect the actual knowledge, skills and abilities required to perform them. Recognition of Prior Learning (RPL) should be used where a potential employee does not have the formal certification.

Preparing Youth

Internships, cooperative education, workplace experience and entrepreneurship offer promising mechanisms for helping to prepare young people to participate in Saskatchewan's future labour force. Ensuring that the school system devotes more time towards increasing the employability skills of young people will, in turn, help them to engage in the labour force. There is a reported need to strengthen practical and applied arts courses in middle and high schools. Toward this end, programs that help prepare young people for the workplace, such as Ready for Work¹⁴ and courses such as service plus and food safe, should be expanded in Saskatchewan high schools.

The Department of Learning, in co-operation with the Saskatchewan Apprentices and Trades Certification Commission (SATCC), piloted the Youth Apprenticeship Program. They recently announced an expansion of the

program to include six additional sites in urban, rural, northern and band schools. Province-wide implementation is expected to take place sometime during 2006 and 2007. The pilot program entailed a five to six hour apprenticeship awareness course that was offered to students in Grade 11 and 12 as an optional extra-curricular activity and as part of the Career Guidance class to Grade 9 students.

Saskatchewan Learning is working to improve the transition of students in high school to non-university program opportunities and has approved articulation agreements with SIAST in several trade-related programs.

In Saskatchewan, a significant number of young people are leaving school before completing Grade 12. These young people will be the vulnerable workers of the future. Many of the most vulnerable come from homes where their family members may not have attended school regularly or were high school drop outs. This pattern of behaviour has continued from one generation to another and, for many, has created a cycle of poverty. For parents, the fundamental importance of having their children attend school and complete Grade 12 must be reinforced. It is also important for the education system to increase their efforts to keep young people in school.

The Commission noted that other jurisdictions are implementing policies to encourage students to graduate from high school. For example, the Commission understands that the province of Ontario intends to take away drivers' licenses if young people don't stay in school and complete Grade 12. The Commission considered the possibility of providing a financial incentive to families in receipt of social assistance to help ensure their children maintain good school attendance. However, this approach may not be workable. The Commission encourages the government to identify further ways in which students can be encouraged to stay in school and graduate with their Grade 12 diploma.

Recommendation #18: Increased efforts must be made to emphasize the importance of work readiness programs in high schools, and to ensure that trades are offered as a viable career option. Saskatchewan should pursue the concept of giving high school students introductory level apprenticeship training and credit for working in an apprenticeship trade.

Notes to Chapter 4

¹ Final Report of the 2005 Training System Review Panel.

² Statistics Canada, "Labour Force Historical Review, 2004," Catalogue number 71F0004XCB.

³ Statistics Canada, "Selected Educational Characteristics (29), Aboriginal Identity (8), Age Groups (5A), Sex (3) and Area of Residence (7) for Population 15 Years and Over, for Canada, Provinces and Territories, 2001 Census. Catalogue number 97F0011XCB2001042.

⁴ Final Report of the 2005 Training System Review Panel, pp. 4.

⁵ *Ibid.*, pp. 125 - 129.

⁶ Canadian Federation of Independent Business, Survey on Shortage of Qualified Labour, August 2005.

⁷ Final Report of the 2005 Training System Review Panel, pp. 239 and 240.

⁸ *Ibid.*, pp. 10.

⁹ *Ibid.*, pp. 143.

¹⁰ This is a joint initiative of the government of Saskatchewan and the government of Canada. It provides funding for trainees, instructors, supplies and facilities to promote training, which will lead to employment in new positions with prospects for ongoing, full-time employment. Training subsidies are available for 50 per cent of approved training costs for training conducted on a real or simulated job site to a maximum of between \$3,500 and \$5,000.

¹¹ Canadian Labour and Business Centre, "Concerns about Apprentices' Basic and Essential Skills," *Accessing and Completing Apprenticeship Training in Canada – Perceptions of Barriers*, 2003, pp. 42.

¹² Final Report of the Training System Review Panel, pp. 138-149.

¹³ Saskatchewan Federation of Labour, "What Should be Done? Improving Life and Work Opportunities for Vulnerable Workers in Saskatchewan," Submission to the *Commission on Improving Work Opportunities for Saskatchewan Residents*, October 6, 2005, pp. 16.

¹⁴ Ready for Work is a comprehensive curriculum-based program of educational resources on Occupational Health and Safety and Labour Standards offered to young and new workers.



Part-Time Workers

5

Introduction

The Saskatchewan workplace has changed significantly since labour standards legislation was originally put in place. In the 1980s, governments in Canada initially expressed concern about the expansion of part-time work and its effects on the economy and, in particular, the effect of part-time work on workers and their families. Since then, part-time work has continued to expand, and to an even greater extent in Saskatchewan.

Discussion of Key Issues

Historical Perspective of Part-time Work in Saskatchewan

In 1981, Statistics Canada's *Labour Force Survey* reported that in Saskatchewan 15.3 per cent of total employment was part-time. By 2004, part-time employment had grown to 19.5 per cent of employment with Saskatchewan having the second highest percentage of part-time employment in the country. There has been very little change in the proportion of part-time workers who are women, with it being near 70 per cent for the last two

decades. In comparison, the proportion of work that is part-time among those 15 to 24 years of age has increased from 20 to 25 per cent in the mid 1970s to 36 per cent in 2004.¹

There is an on-going debate as to how to define part-time. We do not propose to set out that debate extensively but, rather, note that the definition of part-time work used by Statistics Canada includes anyone who works less than 30 hours per week.²

In the early 1980s, a commission was struck by the Federal Government to examine the phenomenon of increasing part-time work. The Commission of Inquiry, chaired by Ms. Joan Wallace, tabled a comprehensive study of the then relatively new, but wide spread phenomenon of part-time work. The Wallace Commission accurately predicted the expansion of part-time employment that we see today.

In the early 1990s, the Saskatchewan Government undertook an examination of labour legislation, policies and practices that prompted the introduction of legislative changes related to part-time work. There were several amendments to *The Labour Standards Act* - most notably provisions that provided pro-rated benefit plans to part-time workers if an employer (who employed 10 or more full-time equivalent employees) was providing the benefits to full-time employees (those working more than 30 hours per week). There was a further threshold that required the part-time worker to work 15 hours per week and 390 hours in 26 weeks of work. Further changes in part-time employment have occurred since these studies took place.

As competition increased, hours of operation changed and employers expanded the use of part-time workers. Part-time work helps to respond to the ebb and flow of customer demands. It also provides cost savings as part-timers do not have to be paid during periods of low activity. There are additional savings for employers as part-time workers are typically lower paid. Most part-time employees are also excluded from benefits, entitlements and other forms of compensation that generally apply to full-time employees.

By 2004, part-time employment had grown to 19.5 per cent of employment with Saskatchewan having the second highest percentage of part-time employment in the country.



Most unions are opposed to part-time work, viewing it as an erosion of full-time employment along with the rights and conditions that are attached to it. In many cases, unions have been slow to negotiate provisions for part-time employees because it would have appeared that they supported the practice. The Wallace Commission stated, “the union view seems to be torn between their responsibility to protect the rights of workers who choose to work part-time and a continuing fear that the proliferation of part-time work threatens full-time employment.”³

Both employers and unions saw the sheer instability of part-time work, and the apparent transience of young people and others, as a basis for lesser consideration than that applied to full-time employment. Over time it became clear that this form of employment was not going to disappear and more attention had to be paid to issues related to the conditions of part-time workers. Most labour standards legislation did not address such employment. In unionized workplaces, many collective agreements did not deal with conditions associated with part-time work. The debate that arose in the 1970s and 1980s has persisted over many years and continues today.

Research shows that approximately 65 to 70 per cent of part-time workers could be characterized as voluntarily part-time, while it is estimated that approximately 25 to 30 per cent of all part-time workers are looking for full-time employment.⁴ Among those looking for full-time work, a significant portion are mothers who do not have access to safe, affordable childcare. Since the Wallace Commission examined these issues in the early 1980s, these figures, on average, appear to be constant although there is debate as to whether the self-employed should be included in these numbers.⁵ It is also the case that some employees who are “part-time” or “casual” actually work full-time hours. For example, part-time nurses, in large urban centres, may work in several different facilities with the same employer. Therefore, it is difficult to determine how nurses, working in these circumstances, would characterize themselves. This debate involves consideration of the need for flexibility on the part of both employees and employers. It entails consideration of the conditions that are

attached to part-time work. The Commission is aware of the fact that there are some individuals who are only interested in part-time work, while others approach it as a stepping-stone to full-time, continuing employment.

Changes in conditions of employment have evolved in an ad-hoc fashion. Over several years, based on the state of the economy, there have been fluctuations that appear to either increase or decrease the proportion of those seeking full-time work. It is clear that, to some degree, the issues related to part-time work are slowly being resolved in the workplace, particularly in unionized settings where there are large numbers of female part-time workers. Conditions and compensation for women who work part-time in unionized settings, such as nursing, have noticeably improved. However, this has not occurred to the same degree in other part-time settings. Consequently, there is unevenness in the terms and conditions of employment particularly as relates to part-time workers.

Most Available Hours Legislation

In addition to wages, the number of hours of work is an important consideration for part-time employees. One of the responses to the issue of part-time workers made by the Saskatchewan Government in the early 1990s was the scheduling of part-time hours. In this regard, legislation related to the scheduling of part-time hours were developed and passed by the legislature, but not proclaimed. Initially, this legislation was referred to as “most available hours,” and later as “additional hours.” Regulations for scheduling hours of work were drafted in 2004, but the legislation itself was repealed following consultations with stakeholders.

In the Commission’s view, the ensuing debate associated with the most available hours concept was not a useful discussion of public policy. There was little balance in the public discourse.

The scheduling of additional hours was originally intended to help ensure that part-time employees would be able to access and maintain more hours of work based on an assumption that full-time jobs are best for employees and for employers. However, while some part-time employees would benefit from expanded hours, others could lose access to part-time hours as a result. Some employees were not in a position to work full-time hours. Unions, whose members for various reasons did not want to work full-time, also took exception to the regulations. Employers were concerned that government was telling them how to run their businesses.

Although many employers already tend to schedule more experienced and senior employees first, most employers reacted negatively. There was fear that trade union concepts like seniority rights were to be introduced into non-union settings. Because the provisions to be put into effect only dealt with hours of work and no other questions, the regulations presented a one-dimensional response to a serious and complex set of issues affecting part-time workers. Ultimately, government withdrew its proposed regulations and repealed the legislation.

Part-time Employment

... part-time work often gives rise to vulnerability.



The government then established this Commission, giving it the mandate to study the issues and look for solutions related to part-time and vulnerable workers. Issues related to part-time employment have been examined due to the fact that part-time work often gives rise to vulnerability. However, we are dealing with it on a much broader basis. The issues related to part-time work need to be examined and addressed or some employees will continue to experience difficulty with the precariousness of part-time work.

Future labour shortages may provide a potential solution to the concerns of part-time workers. For example, if projected shortages materialize, the only

part-time workers may be those who specifically want to work less than full-time hours. In this way, the precariousness of part-time work may be much less of an issue. At the same time, however, impending labour shortages may result in businesses not being able to recruit and retain the number of part-time workers that they require.

The reasons why employers use part-time workers are clear. They provide greater flexibility and are less costly. From the employee's point of view, based on the research of this Commission, part-time employment is a necessity for many entering the workforce. It is also an attractive option for many preparing to exit the workforce and for those who have personal and family responsibilities that limit the time they have to work outside the home. Mothers who continue to shoulder most of the burden of child rearing often cannot work full-time. Caring for elderly parents also causes many to work part-time. Students may need part-time work during the school year in order to support themselves. For approximately 65 to 70 per cent of part-time workers, this is a choice that suits their needs and circumstances at particular times in their lives. Other broader, societal concerns make decisions related to work difficult. For example, the absence of affordable quality childcare causes some mothers to work part-time. (Please see Chapter 7 - Childcare/Balancing Work and Family.)

Research indicates that a part-time worker, on average, is paid less per hour than someone working full-time. Full-time workers have an average hourly wage that is 51 per cent higher than part-time workers who have less supplementary healthcare coverage and are generally without pension benefits.⁶ Full-time employees have entitlements, but various types of thresholds limit part-time workers' access to those entitlements. Research shows that two-thirds of full-time workers have workplace benefit plans that include some of the following: pensions, medical, dental and paid sick leave benefits, while fewer than one-fifth of part-timers have the same benefits.⁷

The Canadian Policy Research Networks reveals that "people who are in low-paid jobs have considerably less access to non-wage benefits (such as

extended medical coverage, dental insurance, and pension plans) than do better-paid workers. The low-paid tend to have more precarious work arrangements, less access to employer-sponsored training, and relatively low union coverage.”⁸

They go on to report that “only 22 per cent of part-time workers have access to a registered pension plan as opposed to 52 per cent of full-time workers. At the same time, 17 per cent of part-time workers have access to extended medical, dental, life/disability insurance as contrasted with 58 per cent of full-time workers.”⁹

Part-time employment provides increased flexibility from the point of view of both the employer and the employee. In many cases, it is very difficult to determine who is afforded the most flexibility and advantage from such employment. This is a debate that will continue for some period of time. There is no consensus for resolving these differences of opinion.

The primary concern of the Commission is not to intervene in a prescriptive fashion so as to increase or decrease the incidence of part-time employment. Rather, our goal is to ensure that those who desire full-time employment have the opportunity to secure it and those who choose to work part-time have access to some of the entitlements of full-time employees. While the Commission is not making specific recommendations regarding part-time work, we believe that the recommendations related to minimum wage, extended health benefits for vulnerable workers, training, access to employment and childcare will be the best approach to assist part-time workers.

Youth Employment

While the mandate of the Commission did not provide for an examination of youth employment, other than that they comprise a substantial portion of part-time workers, the out-migration of youth was frequently raised in public consultations.

Numerous submissions made reference to the adverse short and long-term affects that out-migration has had on the economy. Occupations where there are shortages of workers or where education and training costs are significant were of particular concern. Long-term concerns, such as the provincial tax base and the general effect of "losing the best and the brightest," were frequently voiced. While there has been a pattern of out-migration in the province, it has taken on recent significance as labour shortages increase.

The Commission heard that the single most significant cause of this out-migration is the lack of stable permanent full-time jobs. Youth consultation groups have consistently reported this to the Department of Culture, Youth and Recreation. Some presenters also stated that providing such jobs is difficult in the private sector. The Commission has noted announcements of a recent provincial nurses' collective agreement that provides for the creation of more full-time nursing positions. While we have not been able to conduct an exhaustive examination of all the issues and circumstances related to youth employment in the private sector, we have noted research in relation to employment in the Provincial Government and Crown Corporations.

We do not mean to suggest that qualifications for employment should be ignored. Rather, we do suggest that qualifications be realistically related to the job and not artificially inflated or mechanically adhered to. If the concern is lack of experience, employers should consider instituting on-the-job training in order for young workers to gain that experience. This would provide not only an opportunity for employment, but also help to ensure young workers have a positive work experience. Suitable provisional appointments that would allow time to acquire work experience and training could also be utilized.

Establishing targets for increasing the hiring of youth are necessary to address this issue. For purposes of hiring, youth could be acknowledged as a target group similar to other designated equity seeking groups. Mechanisms for reporting employment statistics, as set out elsewhere in this document in

relation to Aboriginal employment, could also be applied to this issue. These reports would demonstrate whether suitable efforts have been made to improve rates of youth employment in the province.

Since the issue of youth employment is outside the mandate of this Commission, no recommendations are being made in relation to it. However, it is suggested that an examination be undertaken to determine steps that can be taken to address the issue of youth employment.

Conclusions:

While employers have a need for part-time employees, recruitment and retention is becoming an issue for employers of part-time workers. Training costs increase and inexperienced employees can affect efficiencies in any operation. Employees at particular stages in their lives may need part-time work. The debate ultimately is reduced to one of increased costs for employers versus the needs of part-time employees.

Compensation is a key consideration. It is generally the case that part-time employees will earn a lower hourly wage than full-time employees. One significant instance of differential treatment that results in part-time employees being treated less favorably than full-time employees is their lack of access to benefits.

In order to provide less precariousness with regard to part-time employment, the Commission reinforces the need to provide health benefits for all part-time employees as discussed elsewhere in this report.

As noted previously, it is essential that the government show leadership to address the issue of Aboriginal employment. Similarly, it is our view that government and Crown Corporations should provide similar leadership in relation to youth employment. Other employers in the province should be encouraged to follow this leadership.

Notes to Chapter 5

- ¹ Statistics Canada, "Labour Force Historical Review 2004," Catalogue number 71F0004XCB.
- ² Statistics Canada, "Guide to the Labour Force Survey," Catalogue number 71-543-GIE, pp. 17.
- ³ Labour Canada, "Part-time Work in Canada," *Report of the Commission into part-time work*, 1983.
- ⁴ Statistics Canada, "Labour Force Historical Review, 2004," *Table: Part-time employment by reason for part-time work*, Catalogue number 71F0004XCB.
- ⁵ Labour Canada, "Part-time Work in Canada," *Report of the Commission into part-time work*, 1983.
- ⁶ Sask Trends Monitor, "Part-time Workers in Saskatchewan," June 2005, pp. 54.
- ⁷ A. Jackson, D. Robinson, B. Baldwin, & C. Wiggins, "Falling behind: The state of working in Canada," (Ottawa: Canadian Centre for Social Policy), 2000.
- ⁸ Canadian Policy Research Network, "Low-paid Workers in Saskatchewan," August 2005, pp. 16.
- ⁹ Canadian Policy Research Network, Presentation to the Commissioners by Ron Saunders, September 22, 2005.



Labour Legislation

6

Introduction

As has been noted elsewhere in this report, the mandate of this Commission was very broad, but it did not include a comprehensive review of labour legislation. The Commission has followed the review of the *Canada Labour Code* currently being conducted by the Arthurs Commission and notes that the review will take several years and will cost several millions of dollars to complete. As well, the contentiousness of issues related to labour law was clear in the period prior to the appointment of this Commission.

The Commission has been mindful of how important labour legislation, such as *The Labour Standards Act* and *The Trade Union Act*, is to employment in the province. It has also been noted that neither has been reviewed for more than ten years. In light of the submissions and research that were deliberated by the Commission, we believe that both pieces of legislation are in need of a very considered examination at some point in the future. This Commission and the Arthurs Commission have both noted that the workplace has changed substantially since current labour legislation was originally drafted.

The Commission's mandate centered on working opportunities for Saskatchewan residents, in particular vulnerable people. The Commission's focus on vulnerable workers has provided a forum for consideration of some of the issues relevant to Saskatchewan employers and employees. A wide

variety of organizations made submissions as part of this Commission's public consultation process. While there were differences of opinion, the views and perspectives expressed were presented in a fashion that ensured a reasoned consideration of the issues at hand.

Labour Standards Education and Compliance

The CPRN in the report, *New Approaches in Achieving Compliance with Statutory Employment Standards*, makes the following observation:

All the main social actors benefit from a set of minimum standards of employment. Workers' well being is protected, and in turn employers find that workers who believe they are treated fairly are more productive: absenteeism and turnover rates are lower. A floor set of standards also provides a level playing field, so that fair employers cannot be undercut by those offering substandard terms of employment. Taxpayers are better off because of savings in social programs when workers who are paid adequately are less likely to turn to social assistance.

The circumstances of vulnerable workers in relation to *The Labour Standards Act* are cause for concern. We have been informed by research and some of those who made submissions to the Commission, as well as officials in the Department of Labour, that, for a variety of reasons, vulnerable workers have considerable difficulty accessing minimum protections that are provided in *The Labour Standards Act*. They are usually not represented by unions and, therefore, are often left to deal with these matters independently. Others may have to rely on their employers or government officials to provide them with assistance. As a result, they may be unaware of their rights. Some may be misled with regard to their status as employees by information that would suggest they are independent contractors. Still others may be concerned that an attempt to assert their rights could lead to termination. According to

The workplace has changed substantially since current labour legislation was originally drafted.



Saskatchewan Labour, the vast majority of individuals file complaints only after leaving their jobs.

The CPRN has conducted comprehensive research on compliance with labour standards for several provinces, including Saskatchewan. They suggest that a combination of mechanisms can help to promote compliance with labour standards legislation, including:

- Partner with business organizations, labour, school boards, and community-based organizations on awareness initiatives;
- Provide broad awareness campaigns on key standards, and targeted awareness initiatives focused on high-risk sectors, youth, and recent immigrants;
- Allow complaints to be made anonymously (as a potential trigger to a broad workplace investigation), and using mediation judiciously;
- Conduct broad workplace audits when complaints occur in high-risk sectors or in workplaces with a poor previous record of compliance;
- Share information about non-compliant workplaces across regulatory agencies;
- Conduct random audits in key sectors using the information generated to track compliance over time;
- Provide a range of tools to apply penalties and ensure that penalties are applied in the case of serious offences; and
- Train enforcement staff to ensure consistent procedures.

This research and other developments have prompted a number of new initiatives by Saskatchewan Labour in the past several years:

- A call centre to expedite the investigation and resolution of claims;
- The department engaged in a joint project with the Canadian Restaurant and Foodservices Association in Saskatchewan to produce an educational kit designed to promote awareness in the industry; and
- The Labour Standards Compliance and Review Unit investigates anonymous or third party complaints where there is specific evidence to suggest non-compliance with *The Labour Standards Act* and *Regulations*.

The variety and nature of these tools indicates that there is no single answer to ensure compliance with *The Labour Standards Act*. We are particularly concerned about repeat offenders. Business argues that they are at a disadvantage if counterparts are not complying with provisions in *The Labour Standards Act*. While it is hoped that all of these measures will in time produce more effective compliance with the Act, they are not sufficient to move us to “a culture of compliance.” Additional measures are necessary and will require additional resources to enact. Towards this end, additional education is necessary to help deal with complaints from unorganized workers.

Recommendation #19: The Department of Labour provide enhanced educational materials and processes to ensure that employers and employees understand their rights and obligations under *The Labour Standards Act*.

Recommendation #20: Efforts be made to ensure that more substantial fines and penalties are applied to repeat offenders of *The Labour Standards Act*.

Future Review of Labour Standards Legislation

The Commission believes it is not an appropriate time to conduct a comprehensive review of *The Labour Standards Act* and *The Trade Union Act*. Such reviews would require the representation, participation and co-operation of both business and labour. As comprehensive undertakings, they would need to be well resourced and designed in such a way as to ensure a balanced approach to the issues being raised. Research would be critical. In our view, the contentiousness evidenced in the public debate prior to this Commission was damaging to the province both in terms of attracting business and attracting workers. In the future, the province would benefit from stakeholders bringing a more cooperative attitude to proceedings. There is a need for greater education with regard to various aspects of these Acts.



Childcare / Balancing Work and Family

7 Introduction

There is no doubt that low-waged, low-income employees face additional difficulties if they are parenting young children or caring for elderly parents. Securing good quality childcare at a reasonable cost is a problem. Finding a job in a workplace that is family-friendly or being able to access public programs that can help to ease work and family responsibilities is, in many cases, almost impossible.

The problems faced by these employees arise out of two profound changes in Canadian society – the structure of families and the structure of employment and wages. Both are essential components of the argument that public policy experts make for a new social design that incorporates these structural changes. In recent decades, new policies have been emerging. However, Canada's post war social policy framework, premised on the two-parent, one-earner household where adult males held full-time permanent jobs, still affects public attitudes and the way in which policies and social supports are designed.

The changes that have occurred in the last three decades in the structure of the Canadian family are among the most profound changes that Western societies have faced since the industrial revolution. During this time, the Canadian family has changed in many ways – including higher divorce rates,

later age of marriage, fewer children per family, same sex marriage and less inclusion of extended family. Among these changes, the most significant consequences have been the emergence of dual-income families. Women's participation in the labour market is an irreversible trend.

In gaining a clearer understanding of the particular challenges faced by mothers working outside of the home, the Commission had the opportunity to meet with four Aboriginal women who were participating in a training program sponsored by the Saskatchewan Tourism and Education Council. It involved an eight-week in-class training session leading towards participants earning various certificates relating to the food and beverage industry. In-class training was followed by a three-week practical work experience where participants had the opportunity to apply their newly-acquired skills in a restaurant setting. Each of the 17 participants completed the program and secured a job. While wages would be low, the four women who met with the Commission were looking forward to being in the work force and to being role models for their children. We learned about their backgrounds, their aspirations and the challenges that they faced. We asked them: "If you could change one thing in your life right now, what would it be?" Each answered: "Childcare." They were referring to the lack of available spaces, the cost and the difficulty they had securing childcare during the hours that they worked.

Among the most profound of these changes to the family structure is the number of mothers of young children who are now in the labour force. In Saskatchewan 65 per cent of mothers with children five and under are employed. From 1976 to the mid 1990s, the labour force participation of mothers with children under three increased from 32 per cent to 62 per cent. Furthermore, we see that a larger number of families with children are headed by lone parents, increasing from 13.2 per cent in 1991 to 23.4 per cent in 1996. In Saskatchewan 69 per cent of female lone parents with children are employed.¹ Employers increasingly have to take these circumstances into account."

These structural changes in the family have resulted in the vast majority of children now being raised by parents working outside of the home. How society as well as workplaces support people being both effective employees and parents is critical when looking at the lives of vulnerable workers.

Childcare Needs and Vulnerable Workers

Many women work part-time or seek other types of non-standard work arrangements in order to stay home and care for their children. Recent research of full-time employed mothers in Saskatchewan who had pre-school children reveals that 40 per cent worked 46 hours per week.² Employed mothers with partners in Saskatchewan tend to do most of the childcare and house work.³

Statistics for the period between 2001 and 2003 reveal that of Saskatchewan women with children from infant to 12 years of age, a total of 19,946 reported working on a part-time basis. Of these, about 77 per cent reported that they did so on a voluntary basis. Of those claiming to work part-time voluntarily, approximately 67 per cent indicated that the reason for their part-time employment was because of "caring for children."⁴

A number of submissions to the Commission raised issues relative to the childcare and work-family needs of vulnerable employees. These submissions help to reveal the complexity of these needs, given the instability and variability in the types of non-standard work that vulnerable workers are typically engaged in doing. In some situations, these parents need to accommodate the demands placed on them by juggling two or three part-time jobs. Often childcare must be accessed without the assistance of a partner or a reliable and accessible means of transportation. In many instances, the childcare arrangements that parents are able to secure are inadequate.

The failure of licensed childcare to adequately support parents in non-standard employment has been well documented in Canada. For example, the 1986 *Report of the Task Force on Child Care* found that most families in which one parent worked part-time have difficulties finding regular part-time childcare arrangements:

"...particularly if they work irregular hours, as is common in the retail business. Affordability can also be a problem, since part-time incomes are so much lower than full-time ones... [I]n a survey conducted for the Task Force on parents' needs and preferences for childcare, it was found that 33 per cent of employed mothers had work schedules that included one or both week-end days, regular or rotating shifts of non-standard hours or irregular work hours."⁵

In *The Canadian National Childcare Study*,⁶ it is noted that:

- Fifty-five per cent of working parents had a standard workweek schedule (Monday to Fridays only, with fixed daytime hours predominantly between 8:00 a.m. and 6:00 p.m.);
- Twenty eight per cent of working parents who had primary responsibility for arranging alternate childcare worked at least one day on the weekend;
- Parents who worked part-time, particularly women, were more likely to work non-standard hours. About one-half of parents working part-time worked non-standard hours; and
- Forty per cent of working parents worked varying schedules, and as many as 14 per cent reported they did not know about schedule changes in advance.

More recently, studies have revealed an increased need for more flexible childcare. A 1995 report on after hours childcare, *Care Around the Clock*,⁷ reported that:

- The need for non-standard hours childcare is continuing to grow;
- Flexible childcare programs are expensive and an employer subsidy is often needed;

"... 33 per cent of employed mothers had work schedules that included one or both week-end days, regular or rotating shifts of non-standard hours or irregular work hours."



- Existing providers are not willing to provide the extra hours of care;
- There are different models of care available;
- Developing models to meet the needs of non-standard workers takes time and must address the needs of all stakeholders;
- Employers who allow more flexible work schedules help parents balance work and family demands; and
- Addressing childcare needs will help all sectors of the workforce.

Even more recently, the Quebec model of childcare services, for example, has been described as “one-dimensional.” While it adequately serves the needs of those working full-time and with regular day shifts, parents who work part-time or who are engaged in other types of non-standard employment are excluded from the system.⁸

Discussion of Key Issues

Public pressure from women’s groups, childcare advocates, work-family advocates, family well-being associations, and trade unions has continued to influence the public policy agenda in regards to creating flexible and accessible childcare options that meet the changing needs of Canadian families. Over the last three decades, individual Canadians and policy makers have struggled to develop a policy framework and create program options that can accommodate these changing family structures.

In analyzing how effective these policies and programs are for vulnerable employees, the following programs and policies will be discussed: childcare; family care leave; dependent care responsibilities and hours of work exemptions; maternity, adoptive, paternity and parental leave and benefits; compassionate care leave/benefits and the work-family balance programming.

Childcare

The Saskatchewan Early Learning and Childcare program provides access to licensed childcare services that are eligible for a monthly subsidy to assist parents in paying for children to attend a child day care centre or a childcare home. This subsidy varies according to gross family income. In most cases, low-waged, part-time employees in one-income households would qualify for a full subsidy. Based on current rates, this subsidy would cover, on average, 58 per cent of the associated centre or home fee. For example, the average fee (for a 4-year-old) in a childcare centre in the province (as of November 2005) is \$425.00 per month. The relative subsidy would be at a maximum rate of \$275.00, leaving a balance of \$150.00 per month to be paid by the parent.⁹ These costs are problematic for vulnerable workers.

In addition, it is difficult to obtain a part-time space in a centre due to how childcare homes and centres are funded.¹⁰ There is a lack of incentives for facilities to accommodate part-time users at part-time fees as this generates less revenue for the providers. There is also a lack of part-time subsidies. Furthermore, there is a shortage of homes and centres that offer extended hours or 24-hour care. Currently, nine childcare centres in the province offer extended hours.

Childcare homes may offer more potential spaces for children of part-time employees as some offer more flexibility and adapt to non-standard work hours. Currently there are 41 childcare homes in the province that offer extended hours or 24-hour care. If an employee were able to access a space in one of these homes they would be eligible for the subsidy as described above. There is some flexibility in the subsidy if a parent loses a job or has another child.¹¹ Currently Canadian income tax provisions include a deduction of receipted fees paid for childcare, up to a maximum of \$7,000 for each child born after 1997.

How well does this policy and program work for low-waged, low-income employees?

As noted above, while part-time, low wage employees (especially if they are the only earner in the family) would qualify for the maximum subsidy for licensed childcare, they may not be able to access this subsidy because of the difficulty in accessing licensed childcare on a part-time basis, and because of the cost. The province's childcare system is in a time of significant expansion and enhancement. Hopefully these changes hold the promise of better meeting the needs of children of part-time, low wage employees.

Conclusions/Recommendations Regarding Childcare:

To put in place an effective policy and program mix that provides vulnerable employees access to high quality, affordable, flexible care, is complex and will cost money. The following recommendations focus on adjusting the existing childcare system and on initiating innovative approaches to provide a broader range of flexible options for vulnerable employees.

Recommendation #21: Government raise the gross family income level below which families are eligible for subsidy. Government increase the amount of the subsidy so that approximately 80 per cent of the average cost of childcare is covered.

Recommendation #22: Government adjust the policy and regulations concerning subsidy eligibility and amount of subsidy to facilitate usage of part-time childcare spaces by vulnerable employees. Institute a number of part-time spaces in licensed child day care centres and family care homes to be advertised for part-time usage. The Child Day Care Branch work with and support selected local childcare centres to better assess the needs of vulnerable workers related to hours of operation.

Family Care Leave

Labour Standards legislation in Saskatchewan does not include specific Family Responsibility Leave. There are, however, job protection provisions under section 44.2(1) of *The Labour Standards Act* for employees when an illness or injury in his or her family arises. An employee who has been employed for at least 13 consecutive weeks cannot be dismissed, suspended, laid off, demoted, or disciplined because they have had to be absent due to the illness or injury to the employee or a member of the employee's immediate family who is dependent on the employee. Under section 44.2(1) working people have up to 12 weeks of job-protected leave (unpaid) in a year to recover from a serious illness or injury or to care for a seriously ill or injured family member. In the case of a less serious illness or injury, employees have up to 12 days of job-protected leave (unpaid) for themselves or to care for an ill or injured dependent family member.¹²

How well does this policy work for low wage, low-income employees?

There seems to be a general lack of awareness in the province about this provision within Labour Standards. Low-income, busy employees who are managing care for young children are perhaps more likely to be unaware of their rights in this regard. While this part of the labour code protects one's job, the employer retains the ability to deny an employee's request for leave. A clear-cut provision that allows a worker to access family responsibility leave would be more effective. While some other Canadian jurisdictions have introduced Family Responsibility Leave, such leaves are for unpaid leave.¹³ Low-income parents with insecure jobs may not be able to afford to lose a day's pay.

The nature of jobs held by many vulnerable employees makes it difficult to enforce the job protection provisions within section 44.1 of *The Labour Standards Act*. For example, it is very difficult to prove that a reduction in hours is directly linked to an employee having taken time off to care for sick children.

In the past decade, many employees in this province have come to have the right to a number of paid family care days (3 or 5) per year. Vulnerable employees usually do not have job protection if they take days to care for ill family members.

Dependent Care Responsibilities and Hours of Work Exemptions

Labour Standards in Saskatchewan includes provisions for employers to request exemptions to hours of work policy in certain circumstances. For example, some employers in the construction sector seek permits to accommodate long hours of work in the summer that is, in most cases, desired by both employees and employers. In addition to meeting policy guidelines for such exemptions, employers also need to demonstrate that they have support of at least 50 per cent plus one of their employees.

However, work and family experts point out that because employers in the retail and hospitality sectors now apply for these exemptions and, further, because there is often a mix of part-time employees in these industries, including students and mothers, policy guidelines need to consider the impact on employees' dependent care arrangements.

In April 2004, Saskatchewan Labour modified policy in this area to include the following:

"If it is brought to the Labour Standards Branch's attention that the proposed averaging permit will have a negative impact on an employee's dependent care arrangements, an accommodation as a condition of the permit may be required." (For more information on the Averaging of Hours Permit Application, please visit Saskatchewan Labour's website at www.labour.gov.sk.ca.)

How well does this policy work for low-income low wage employees?

The above is a recent change to the exemptions policy in Saskatchewan. The effectiveness of this change is not yet clear. This policy is largely dependent on an employer's commitment to considering what employees are willing to say about the impact of proposed changes on their dependent care arrangements. Whether employees feel they can raise their family care concerns is another matter. Many well educated, well paid, mother-employees report that, even today, they are not comfortable raising family care issues at work unless their supervisor is supportive. It is likely many vulnerable employees will be reluctant to discuss the complications that a shift change will create for their childcare arrangements.

Maternity, Adoptive, Paternity and Parental Leaves and Benefits

In all of Canada some workers with newborns are entitled to job protection leaves and income supports. Since the provinces and territories have primary jurisdiction over labour standards, almost all employees (except the 10 per cent who are covered by federal labour standards) in Saskatchewan have the right to maternity, adoptive, paternity and parental leave as provided within Saskatchewan Labour Standards. Income support during these leaves falls under federal jurisdiction and is administered through the Employment Insurance (EI) program.

What this means is that in Saskatchewan employees who pay into Employment Insurance and have accumulated 600 insured hours in the last 52 weeks (or since his or her last claim) can access up to 15 weeks of maternity leave (birth or surrogate mother) and 35 weeks of parental leave (biological or adoptive parents who are caring for a newborn or an adopted child). The basic income benefit is 55 per cent of the individual's average insured earnings up to a maximum amount of \$413 per week. Low-income families (net annual income up to a maximum of \$25,921) who receive the Canada Child Tax Benefit are entitled to a Family Supplement.¹⁴

Many well educated, well paid, mother-employees report that, even today, they are not comfortable raising family care issues at work unless their supervisor is supportive.



It is important to note that, in addition to these benefits, some employees have their EI benefits 'topped-up' by their employer. These additional benefits can provide a top-up of up to 95 per cent of previous earnings. This level of support can last for up to two years. Such employer-based benefits tend to be available to employees belonging to major unions and/or those who work in the public sector and/or those who have access to sick leave plans.

How well do these policies and programs meet the needs of low-income, low wage employees?

The capacity of current EI policy to provide income support for vulnerable employees *in respect to* childbearing related leave is limited.

To begin, in Saskatchewan (as opposed to Quebec)¹⁵ those who are self-employed or who work as contract workers do not contribute to EI and, therefore, are not eligible for EI maternity leave and/or parental leave income support. While we do not have data on how many vulnerable employees in this province are self-employed, on a national level, heads of poor working families are three times as likely to be self-employed than are non-poor heads of working families.¹⁶

Canadian research shows that part-time employees are much less likely to receive either basic benefits or 'top-ups' for maternity or parental leave. In the period 1994-1997, 84 per cent of employees who worked full-time received maternity benefits as opposed to 55 per cent of those who worked part-time. Of those who received 'top-ups', 27 per cent were full-time employees and 17 per cent were part-time employees. Low-waged employees are also less likely to receive maternity benefits. Of those who earned less than \$7.50 per hour, 62 per cent received EI benefits. Of those who earned \$7.50 to \$10.00 per hour, 77 per cent received EI and of those earning \$15.00 to \$25.00 per hour, 91 per cent received EI benefits.¹⁷

Whether one had a permanent job also appears as a key factor in whether mothers receive maternity and parental benefits.¹⁸ A critical factor in whether

employees utilize maternity/parental benefits, even if they qualify, is the level of benefit: employees get 55 per cent of earnings to a maximum of \$413.00 per month. Few low-income, lone parents could live on 55 per cent of \$10.00 or less per hour. Increasingly, low-income individuals tend to be partnered with other low-income individuals.¹⁹ Furthermore, we see that children of low-income employed parents tend to have less opportunity for maternal and parental care than do children born to higher-income families. An increase in benefits would produce short-term and long-term benefits for children.

Conclusions/Recommendations Regarding Maternity, Adoptive, Paternity and Parental Leaves and Benefits:

The eligibility criteria and the level of income support available from the EI program does not work well for part-time, low-waged employees. In order to get a clear picture of what is happening with Saskatchewan employees in this regard, Saskatchewan Labour is currently undertaking research on maternity and parental leave and benefits utilization by Saskatchewan employees for the period 2000-2004. This research is due for completion by March 31, 2006.

Recommendation #23: The Minister of Labour, in consultation with his colleagues, develop a plan for approaching the federal government regarding the matter of inequities within the utilization rates of maternity and parental leave benefits.

Compassionate Care Leave and Benefits

Employees in Saskatchewan who pay into Employment Insurance and need to be away from work temporarily to provide care or support to a family member who is gravely ill and at risk of dying in the next 26 weeks can receive up to eight weeks of leave and EI benefits (two-week waiting period plus six weeks of benefits) in a 26-week period, to a maximum of 16 weeks in a year. He or she must have accumulated 600 insured hours in the last 52 weeks or since his or her last claim. The basic benefit rate is 55 per cent of the individual's

average insured earnings up to a maximum amount of \$413 per week. Low-income families (net annual income up to a maximum of \$25,921) who receive the Canada Child Tax Benefit are entitled to the Family Supplement as described in the above section. (See Endnote 7)

How well does this policy and program serve the needs of low-waged, low-income employees?

Because compassionate care leave and benefits were established in 2004, there is a lack of reliable data concerning which employees have utilized this program. Nevertheless, the criteria for and structure of this benefit (based on regular EI provisions including a two week waiting period and 55 per cent of wage to a maximum of \$413 per week) would indicate that low wage, part-time employees are less likely to access compassionate care leave and benefits. As is the case of those who are in need of maternity and parental benefits, some employees are beginning to receive 'top-ups' to this benefit that includes payment for the two-week waiting period and wage 'top-ups' for the six-week benefit period. Early reports indicate that these employers are primarily in the large corporate sector or are a part of the unionized public sector.²⁰

Work and Family Balance

In April 2000, the Department of Labour established the Work and Family Unit with a mandate to:

- Co-ordinate the Government of Saskatchewan's activities aimed at lessening the negative personal and corporate consequences arising from employees' inability to balance their work and family responsibilities.
- Use a capacity-building model toward achieving the goal of having more family-friendly workplaces within the province. This approach involves providing support, motivation, knowledge, and skill development to key stakeholders within the province: (business, labour, community, and government), so that they can independently foster family-responsive workplaces.

Informed by research, initial activities in the Work and Family Unit were aimed at establishing the importance of work-family balance with mainstream employees and employers. In 2003, the program extended its resources to low wage employees and their employers.²¹

How well does this program serve low wage, low-income employees?

To date, the Work and Family Unit has focused a limited amount of direct attention on low-waged, part-time employees. Following the work with low-waged employees that began in 2003, the unit, in partnership with the Child Hunger and Education Program (CHEP) in Saskatoon, brought together a group of 14 low-waged employees to discuss their problems in balancing work and family. This modest endeavour has led to the establishment of a community advisory committee in Saskatoon to support a short-term work-family training program for employers of low wage employees.²² However, despite these recent efforts, it is reasonable to conclude that, to date, vulnerable workers have not been particularly well served by this program.

Conclusions/Recommendations:

The mobility of low wage earners into better jobs is, without doubt, a goal that is shared by the vast majority of people in this province and, most of all, by vulnerable employees themselves. There are several reasons why we need to improve work and family balance, including access to childcare, for vulnerable employees who have children.

Given that many employees with family responsibilities currently hold precarious jobs that they may very well be in for some time, it is essential that we consider how their state of vulnerability may impact their own well-being,

including their capacity to provide good quality family care. One of the critical points in this regard is that the poverty and instability these parent-employees experience puts them in a marginal position relative to most other Canadians.

Numerous studies²³ have shown the critical importance of positive and stimulating environments for young children and yet, as it now stands, some vulnerable employees do, in fact, report “propping up an 8-year-old with a pillow and a cordless phone with instructions to call her at work if it gets really bad.”²⁴ Having considered the low rate of upward mobility of vulnerable employees, especially women, and the negative impact social exclusion can have for employees and their children, our conclusion is that it is a priority to better support vulnerable employees in fulfilling their family responsibilities.

As a means of encouraging employees and employers to work together, it is useful to initiate an ‘on the ground’ approach to better understand how vulnerable employees could benefit from some of the family-friendly improvements that already exist in other workplaces. There is no ‘one size fits all’ solution that will assist vulnerable employees in balancing their work and family responsibilities. Pilot projects are proposed for policy makers, employees and employers to engage in a process that will help them to create meaningful options for addressing the needs of vulnerable workers.

Recommendation #24: The Department of Labour establish work and family balance pilot projects in five workplaces that have significant numbers of low wage, part-time employees. These workplaces will receive a grant for workplace audits, training for supervisors and staff, experimenting with new work arrangements, etc. to assist them to develop policy, practices and a workplace culture that is responsive to the needs of employees with family responsibilities.²⁵

Notes to Chapter 7

¹ Roger Sauve, *Profiling Canada's Families III* (Ottawa: The Vanier Institute of the Family), 2004.

² J. Martin, "Bringing a Critical Gender Lens to Work-Family Balance Issues in the Workplace." *Saskatchewan Law Review*, University of Saskatchewan, SK, (2004).

³ Ibid.

⁴ Statistics Canada, "Labour Force Survey 2001, 2002, 2003," special tabulation done for J.A. Martin, Ph.D.

⁵ Cooke Task Force Report.

⁶ Lero et al., 1992:13.

⁷ U.S. Department of Labour, (1995).

⁸ Pierre LeFebvre, *Options Politiques*, March 2004.

⁹ These are average provincial fees; the fees are higher in the cities - for example, in Saskatoon the fee at the YWCA day care for preschoolers is \$525 per month, and thus a parent would pay \$250. Infant and toddler care is more expensive. However, the maximum subsidization is also higher.

¹⁰ Childcare centres are licenced to provide services in a facility outside of the home. Childcare homes are licenced to provide services in a private residence.

¹¹ If an employee has a child in a licensed space and becomes unemployed or comes to have less work, they can hold space and use it according to need (to work less and/or look for more work) for up to four months, while the centre or home provider continues to receive the subsidy. Saskatchewan childcare/day care regulations also provide for two months continuation of subsidy for a mother who has had a newborn, is on maternity leave, but wants older children to continue in licensed childcare for a couple of months.

¹² The employer does need to be informed of why the employee is at home.

¹³ Work and Family Unit, Saskatchewan Labour, Government of Saskatchewan, *Jurisdictional Comparison of "Family Leave" Provisions* (2005).

¹⁴ This supplement is a federal top-up that some lower-earning workers with families are eligible to receive while accessing programs like maternity leave or parental leave benefits. Following is an example from Human Resources and Skills Development Canada of what an employee could receive from EI including the additional Family Supplement. E.g. your family net income is \$20,000 and you have three children aged 6, 8, and 10 years of age. You could receive \$86.10 per week in EI benefits plus the Family Supplement of \$4.15 per week because you have a child under seven years old. Your total EI income for four weeks would be \$361. Human Resources and Skills Development Canada <www.hrsdc.gc.ca> November 2005.

¹⁵ For a summary of differences between what parents are eligible for in terms of maternity/parental leave in Saskatchewan and Quebec go to <www.workandfamilybalance.com>.

¹⁶ Fortin, Myriam and Fleury Dominique, "A Profile of the Working Poor in Canada," (Ottawa: Social Development Canada), February 2004.

¹⁷ Richard Shillington, "Access to Maternity Benefits", *Tristat Resources*, March 2001.

¹⁸ Katherine Marshall, "Benefiting from extended parental leave," *Perspectives: Statistics Canada*, March 2003.

¹⁹ Katherine Scott, *The World We Have: Towards a New Social Architecture*, The Canadian Council on Social Development (CCSD), 2005.

²⁰ Health Council of Canada, "Compassionate Care Benefit," <http://hcccs.com/docs/Compassionate_Care_BenefitsEN.pdf>

²¹ This is not to suggest that The Work and Family Unit overlooked work-family inequities faced by low wage employees. Saskatchewan Co-chaired the Canadian Association of Administrators of Labour Legislation (CAALL) AD HOC Committee on Work-Life Balance, which acknowledged the lack of work-family balance and programs for low wage employees in *Work-Life Balance: A report to Ministers responsible for Labour in Canada* (2002). This was also acknowledged by the *Report of the Public Task Force on Balancing Work and Family*. Efforts such as Status of Women funding (federal) to include low-income women in The Balancing Work and Family Initiative of 1997-98 were also undertaken. A detailed analysis of how current models for balancing work and family impact minimum-wage workers was also prepared for the Minimum Wage Board in 2001.

²² This short-term program is sponsored by Catholic Family Services, Saskatoon, and funded by the Saskatoon United Way, the Saskatoon and District Labour Council and The Work and Family Unit, Saskatchewan Labour.

²³ Margaret McCain and Fraser Mustard, *Early Years Study* (Toronto: The Canadian Institute for Advanced Research), 1999.

²⁴ Reported at a work-family discussion group for low wage women, CHEP and The Work and Family Unit, Fall 2004.

²⁵ In developing this recommendation, we have drawn upon the experiences of Britain in implementing the Challenge Fund and Australia in inaugurating their fund.



Post-Commission Process

The Commission has spent a great deal of effort to understand the issues that relate to vulnerable workers and consequently is very concerned that their recommendations are implemented. Although the issues affecting vulnerable workers are very complex, the Commission believes its recommendations will help to improve the circumstances of vulnerable workers. As a result, we are recommending a process for the government to follow after the Commission's report is released.

During the course of this Commission, a website has been established. Stakeholders have found it to be very useful. The government should continue this website for a period of one year to allow Saskatchewan people to further consider research on vulnerable workers and to have access to the submissions that were received by the Commission, as well as to the final report of the Commission.

By June 2006, the government should develop an implementation plan to assist vulnerable workers that responds to the recommendations of the Commission. Because the recommendations relate to several departments, the government should assign responsibility for the implementation plan and follow-up accountability to the Deputy Minister to the Premier. The Implementation Plan should be posted on the website.

The Deputy Minister to the Premier, in consultation with senior officials from relevant government departments and agencies, should establish a process to encourage discussion of the issues affecting vulnerable workers involving representatives from business, labour and community-based organizations. A presentation package should be developed by the Department of Labour to inform organizations of the issues affecting vulnerable workers. The Commission members are available to assist in these initiatives as required.

By December 15, 2006, the government should ensure an opportunity for the Commissioners to meet with the Deputy Minister to the Premier, the Minister of Labour and other relevant senior officials to review progress that has been achieved on the Implementation Plan.

Recommendation #25: The government establish a post-commission process that includes the development of an implementation plan, continuation of the website, and opportunity for the Commission members to review progress on the implementation plan.

An illustration of several hands of different shades of gray, some with white outlines, reaching up and holding a banner. The banner is a dark gray shape that curves across the top left of the page, partially overlapping the main title.

Appendix 1: Commission Mandate and Process

A1

Appointment of Commission

On February 18, 2005, the Honourable Deb Higgins, Minister of Labour, announced the *Commission on Improving Work Opportunities for Saskatchewan Residents*.

V. Lynne Pearson, Dean of Commerce at the University of Saskatchewan, was appointed Chair of the three-member Commission. The other members were Fred Cuddington, Labour Relations Mediator/Arbitrator and Deb Thorn, President and Chief Executive Officer of the Temple Gardens Mineral Spa.

The Commission was established following the government's examination of a regulatory mechanism, through proposed Additional Hours of Work Regulations (section 13.4 of *The Labour Standards Act*), as a means of addressing the circumstances of part-time workers. However, following consultations with stakeholders, this regulatory approach was deemed unworkable and the legislation was repealed.

Mandate and Terms of Reference

The mandate of the Commission was to make recommendations to the Minister of Labour to improve access by part-time and vulnerable workers to employment income, employment benefits and work opportunities in Saskatchewan.

The Commission's terms of reference, as outlined by government, were to:

- Develop a demographic and labour market profile of individuals working in part-time, non-standard and/or low-paid work arrangements. This included identifying the issues faced by part-time and other employees employed in non-standard working arrangements including, but not limited to, the changing nature of work, current working conditions, wages, access to training and availability of social supports.
- Examine existing government policies and programs, including the application and enforcement of employment standards, that address these issues and that assist workers in making the transition out of non-standard or low-paid work.
- Invite and consider a broad range of perspectives with respect to the issue, including employers (government, public, private and academic sectors), employees, organized labour, community-based organizations and the public.

Information Gathering and Consultation Process

In order to gain a fuller understanding of the complexity of issues surrounding vulnerable workers, the Commission undertook a comprehensive information gathering and consultation process. This included reviewing a broad range of

relevant research and information as well as taking into account the activities and research made available through the work done by other government agencies, boards and commissions. In addition, briefings by departmental officials provided a strategic overview of government programs and services currently in place to address the needs of vulnerable workers. The Commission also dedicated considerable energy towards meeting with workplaces whose specific programs and approaches were deemed to exemplify best employment practices. (See Appendix 3: Best Employment Practices.)

The Commission's formal consultation process was initiated with a Consultation Paper, *Vulnerable Workers in Saskatchewan*, that was distributed to key stakeholders across the province, including employers, academics, organized labour, community-based organizations, individual employees and the public. Key questions were posed to prompt consideration of program, policy and legislative options that would have the potential to help improve work opportunities for Saskatchewan residents.

Public Consultation Meetings were held September 26 and 27 in Saskatoon, and October 4, 5 and 6 in Regina. Presentations were made by representatives of business, organized labour, and community-based organizations as well as by vulnerable workers themselves. In addition, the Commission accepted written briefs until October 15, 2005. (Please refer to the Appendix 5: Summary of Presentations/Submissions and Meetings.)

The Commission was cognizant of the need not to be prescriptive in terms of defining potential solutions but, rather, concentrated on providing a consultation process that would allow stakeholders to engage in a constructive public policy discussion.

Guiding Principles

In the course of its work, the Commission identified some key principles to guide its final recommendations, including the need for them to be:

- targeted towards achieving high impact results;
- practical and reasonable to implement; and
- balanced between reducing worker vulnerability while, at the same time, ensuring the economic competitiveness of business.

A stylized illustration of several hands in various shades of gray, some holding a large, bold, black 'A2' label. The hands are arranged in a way that suggests support and care.

Appendix 2: Themes We Heard

A2

*This is not a comprehensive outline of presentations made to the Commission, nor is specific reference made to all submissions. This summary identifies themes that were raised. Complete versions of all submissions can be found at www.labour.gov.sk.ca/vulnerableworkers. **Please note these are not the views of the Commission.***

Presenters expressed appreciation for the opportunity to participate in a public policy discussion about how to create employment opportunities for those most vulnerable in our communities. Their views and perspectives have been instrumental in helping the Commission to better understand the circumstances of workers who are facing employment challenges. What we were told has also helped us to consider how our society can work towards ensuring that all people are provided with meaningful opportunities to achieve independence and prosperity.

Presenters to the Commission spoke with passion about the many issues they saw characterizing vulnerable workers. Regardless of perspective, those who participated in the consultation process agreed that there were no simple solutions to the challenges experienced by vulnerable workers. Consistently, presenters were adamant about the need to develop a strategy involving the collective efforts of those in government, business, labour, learning institutions as well as community-based organizations. Furthermore, there was general agreement about the need for a combination of policy, program and social

support options being utilized as a means of optimally addressing barriers to employment. This is a summary of what we heard.

Situate vulnerable workers within a contemporary discussion of work.

A traditional or standard employment relationship has typically been described as a permanent full-time employee who has a single employer. However, a growing number of workers now find themselves in non-standard forms of employment, including part-time and temporary work, or are self-employed or involved in telework. Increasingly, workers are holding multiple jobs. This new reality of non-standard work helps to fill important needs in the economy by providing a greater level of flexibility that can benefit workers, business, families as well as communities.

At the same time, non-standard work also results in a greater number of workers having no or limited access to protections and benefits that are predicated on a traditional employer-employee relationship. The Saskatchewan Federation of Labour's recommendation to redefine the employer-employee relationship is a reflection of the need to recognize the changing nature of work and to understand how we can better ensure the well being of workers and their families. In a similar vein, Saskatchewan Government and General Employee's Union recognizes that Labour Standards legislation sets out the minimum standards to protect workers' rights. They noted, however, for some workers, particularly those doing non-standard work, this may not be the case. Therefore, the Commission was told that an analysis was needed of how non-standard workers can be better protected by Labour Standards legislation.

The Saskatchewan Abilities Council, in their work to enhance the participation of people with disabilities, also recognizes the important role that non-standard work plays in the labour market. However, at the same time, they are also concerned about the need to clarify the employment related responsibilities of

both the employer and the employee in non-standard working arrangements, thus eliminating some of the problems they see vulnerable workers facing when involved in non-standard working arrangements.

A call for instituting pro-rated benefits for all non-standard workers was reinforced by the Saskatchewan Federation of Labour, along with the Canadian Union of Public Employees - Saskatchewan, who called for eliminating the threshold that results in pro-rated benefits only being available to part-time workers who are in a workplace with 10 or more full-time equivalent employees and who work 15 or more hours. In keeping with innovative approaches to ensure access to employment benefits for low wage workers, the Grain Services Union proposed establishing a sector-based or universal group insurance benefits and pension coverage plan to be financed through payroll premium deductions.

Artists constitute a particular group of non-standard workers who are frequently self-employed or engaged in contract work without a defined workplace. Artists are often poorly paid and without access to employment insurance, health benefits, insurance or income protection. The Saskatchewan Arts Alliance brought attention to the circumstances of these workers, calling for changes that would provide artists with access to collective bargaining rights, and protection through Workers' Compensation and health and safety legislation.

*Employers must continue to do their part in providing not only living wages, but also adequate benefits for employees.
(SGEU)*



The proposed additional hours legislation continues to be supported by organized labour, which sees it as a mechanism that, according to CUPE Saskatchewan, will establish a fair system to offer additional hours to qualified part-timers without favoritism or discrimination. In the view of Saskatchewan Federation of Labour, most available hours legislation would allow for staffing adjustments during slow and busy periods, and prevent the employer from adding part-time positions that would result in more precarious work.

The Canadian Restaurant and Food Services Association presented a different view. They argued that most available hours legislation ran completely

contrary to the new world of work where the trend is toward even more self-employment and voluntary part-time work. In their estimation, and arguably a perspective shared by others in the business community, provisions outlined in the additional hours legislation were premised on an “outdated union ideology” characterized by single income household earners working a 9-to-5 standardized five-day workweek.

For many outside the organized labour movement, the entire premise of allocating additional hours based on seniority is an outdated approach that does not reflect the reality of today’s work environment. Where workers of the past tended to stay in the same job for most if not all of their working lives, today there are a greater number of workers having multiple jobs over the course of their careers. In reinforcing the need to revisit seniority clauses, the Greater Saskatoon Chamber of Commerce claims that seniority provisions within collective agreements actually harms new and young workers who are attempting to enter the workforce, many of whom have post-secondary education, but who lack sufficient seniority to be hired into full-time jobs.

The notion that not all part-time workers are vulnerable was stated by many in the business community. For example, the Saskatchewan Chamber of Commerce opposed the traditional concept of a full-time job with full benefits as being the only desirable position for job seekers. Using the traditional model of work as the basis for what constitutes “vulnerable” work is flawed considering that even some workers in traditional employment face low pay and lack benefits. Furthermore, it is important to note that part-time work allows individuals to accommodate personal lifestyle choices or to supplement their total family income. The Canadian Restaurant and Food Services Association claimed that the vast majority of entry-level part-time workers do not rely on the income from those jobs for their livelihood. Furthermore, while gratuities are often not declared as income, they can dramatically increase the amount of money a worker actually takes home at the end of the day. Many young people get their first work experience in a part-time job, while attending

high school, and continue to work part-time as they complete post-secondary education or training.

In a contemporary discussion of work, the Saskatchewan Federation of Labour brought attention to the apparent misconception that suggests the majority of Saskatchewan people who work part-time do so on a voluntary basis. They raise the point that if there was more access to safe and affordable childcare, more parents, particularly mothers, may well choose to work full-time and thereby increase their total household income. For many low-paid or part-time workers, the cost associated with accessing childcare often exceeds the financial remuneration that comes as the result of employment.

The best path out of poverty is a job. More jobs require more investment.

There was common agreement among presenters that one of the most effective mechanisms to ensure personal independence and well-being is a strong and meaningful attachment to the labour market.

To have jobs available, there must be more investment in the province of Saskatchewan. As raised by the Retail Council of Canada, Saskatchewan is often viewed as being a difficult place to do business. Regardless of whether this is in fact the case or is a perception, business groups were consistent in calling for improvements to the province's private investment climate. Towards this end, the business community believes strongly in the need for a clear and aggressive investment strategy in order to ensure a vibrant and sustainable economy. Thus, the cycle of investment, jobs and wealth creation is the single-most important factor to ensure maximum employment for all workers.

Attracting and retaining private sector investment is the key to economic growth. The Commission received a consistent message from business stakeholders that Saskatchewan should become more tax competitive in order

to attract long-term investment. Furthermore, the Regina Chamber of Commerce made the proposal of working towards a progressive taxation plan that would position Saskatchewan as the most competitive location to conduct business in Canada from a taxation perspective. A rollback in the PST from 7 per cent to 6 per cent was also suggested as an initial action that would help to demonstrate a more competitive business environment.

Optimizing economic growth is, in turn, dependent on fair labour legislation that is seen to be both flexible and balanced along with corporate and personal tax structures that are both reasonable and competitive. In keeping with a less regulatory-based environment, the need to reduce bureaucratic red tape and to eliminate regulations that are conflicting or repetitive was also seen as a priority by those in the business community. Taking steps to increase the amount of disposable income for low-income workers was identified as being central to helping target resources to those workers most in need of financial assistance.

Adjusting personal income tax rates for low-income earners was of primary concern to the Saskatchewan Party, who recommended that the basic personal exemption be increased by up to \$6,000 for anyone earning less than \$35,000/year. Concurring with this emphasis on personal taxation reform, particular courses of action presented by the Canadian Federation of Independent Business were to stop taxing people who earn just over \$8,404/year by increasing the personal tax exemption and reinstating the automatic indexation of income tax brackets to inflation.

The Commission also heard from business that the government should be prevented from competing with the private sector. In the view of the Saskatchewan Construction Association, for example, if government is serious about expanding the economy, it must discipline activities of the Crown sector to prevent them from competing directly with private business.

In contrast, organized labour suggests that the provincial taxation system needs to be made more progressive by shifting the tax burden from low-income and working people to affluent individuals and corporations. From a community-based perspective, the Regina Anti-Poverty Ministry agrees with this approach and suggests that a more equitable distribution of wealth is needed. They went on to reiterate the need for a progressive graduated tax system, designed to increase revenues based on the ability to pay and done in combination with an increase in resource royalties on non-renewable resources.

Working people should not live in poverty.

Predictably, the concept of ensuring a living wage for employees prompted a range of passionate responses. On the one hand, there are those stakeholders who adamantly believe that a legislated approach is in actuality a form of social engineering that artificially attempts to create prosperity for all workers. In other words, there are always those who will be working at the lower end of the scale in the way of wages or benefits. At the same time, there are others who argue that the minimum wage should constitute a living wage, enabling workers to adequately provide for themselves and their families.

The Saskatchewan Federation of Labour was clear in its recommendation, calling for an increase in the minimum wage to at least \$10.00 per hour, and adjusted annually to keep pace with inflation. Other union counterparts called for immediate increases to \$8.16 per hour, and then gradual increases to 75 per cent of the average industrial wage, and indexed over time to correspond with increases to the average wage. Some in the community-based sector also supported the concept of a living wage, suggesting that the minimum wage should be raised to the Low Income Cutoff (LICO) line for an individual working full-time and then indexed to the Consumer Price Index.

... focus on creating a strong, stable, and positive economic environment where businesses flourish and where jobs are created.

(Saskatchewan Construction Association)



Some in the business sector called for instituting a multi-tiered system of minimum wages as a means of increasing the employment of students and young people. The Greater Saskatoon Chamber of Commerce called for the government to enact a training wage differential, arguing that it would allow workers to maximize the number of hours worked while accommodating the practical constraint of relatively lower productivity from inexperienced workers.

Key differences exist in the analysis that surrounds the establishment of minimum wage levels. For example, the business sector argues that wages must be competitive and an increase in minimum wage has a broad “ratcheting-up” effect on all wage levels, thus reducing the overall profit margin. When moved to a higher level, these differences will have to be accommodated either through fewer jobs or by offering fewer hours of work to employees. In keeping with this analysis, the Greater Saskatoon Chamber of Commerce reinforced the need to critically analyze minimum wage laws, emphasizing that increasing minimum wages impacts the ability of business to remain competitive.

The Commission heard contrary arguments from other presenters who challenged the claims that higher minimum wages will destroy low wage jobs and increase unemployment among those that the increase is designed to help. Rather, it was argued that there are negligible negative effects as a result of raising minimum wages and, in fact, there is an overall positive impact on labour force participation and consumer spending.

Differing interpretations about Statistics Canada Low Income Cutoff (LICO) were also presented to the Commission. LICOs are routinely used as a de facto poverty line despite the fact that Canada does not now and never has had an official poverty line. In using this cut-off as a factor to determine the minimum wage, the Saskatchewan Chamber of Commerce argues that Saskatchewan has the second highest minimum wage per \$1 cost of living, while being the second least expensive place in which to live. Others skeptical

of minimum wage legislation believe that increasing the minimum wage will actually not help the intended target group of low-income earners.

Labour legislation exists to protect the most vulnerable workers.

As outlined by the Grain Services Union in its brief to the Commission, labour standards minimums are essential ingredients of a civilized and democratic society. They establish the basic minimum rights and working conditions for workers, particularly those not covered by collective agreements. It was pointed out that, historically, Saskatchewan was fertile ground for many revolutionary public policy innovations to ensure the rights of workers. However, in the estimation of the Saskatchewan Federation of Labour, while Saskatchewan may be a great place for business, it's not a great place for workers. The Commission was told that the reason for the exodus of people out of the province may well be found by looking at the number of insecure, low wage jobs that offer poor benefits and no opportunity for training or advancement. Using this as a backdrop to the current review of vulnerable workers, the Commission was encouraged to "race to the top" in creating the conditions of work that would make Saskatchewan a place that people choose to come to because it is the best place to work.

However, it is also pointed out by the Saskatchewan Federation of Labour, and supported by others involved the union movement, that mandated rights and protections do not serve their purpose without demonstrating diligence in their monitoring and enforcement. Towards this end, several presentations entailed recommendations that would see revisions made to strengthen labour legislation, including substantial fines and prosecution of employers for non-compliance as well as a broad range of administrative measures that would allow third-party complaints by unions and/or publicly funded worker advocates.

Several presentations focused on the need to encourage compliance through an enhanced education and promotion program that would help to facilitate a better understanding of the legislation and its effective application in workplaces. An extension of this would also involve making labour standards and other labour-related information available to workplaces in easy-to-read and accessible formats. Furthermore, as presented by the Retail, Wholesale and Department Store Union, and reinforced by the Grain Services Union, the rights and minimum standards outlined in labour legislation need to be enforced without the exemptions or exclusions that are currently in place. Other recommendations were presented that called for amendments that would facilitate workers joining a union of their own choice along with the ability of workers to have sectoral union representation and collective bargaining.

In contrast, the business community views labour regulations in a substantially different light. In their perspective, regulations that restrict opportunities to address competition by utilizing new methods of work will not attract the necessary capital investment to grow the private sector and create more jobs. The Commission was told to resist heavy-handed legislative changes and to be cautious about tampering with legislation. From the perspective of one private business owner, the Commission was encouraged to “make changes that would give people a reason to do the right thing.” Notwithstanding their different view of labour legislation, business groups do not support businesses that violate labour legislation.

As expressed by the Canadian Council of Grocery Distributors, labour and employment regulations should balance the rights of employees, labour groups and employers, but not act as a disincentive to business growth and investment. Towards this end, and in keeping with previous demands for changes to *The Trade Union Act*, the Regina Chamber of Commerce argued to instigate a secret ballot process for union certification and decertification and to ensure employers have the same rights as employees to communicate during an organizing drive. The Canadian Restaurant and Food Services

These are people who are facing real problems. They are not lazy or unmotivated. We need to provide the programs and the financial and social supports they need to deal with their issues. (Provincial Association of Transition Houses and Services of Saskatchewan)



Association identified key principles to guide potential amendments to labour standards legislation. These included employment laws that would be realistic in facilitating new work arrangements, flexible in adapting to the needs of customers and employees, respectful of workers' individual choices, fair and provide a basic standard of protection for workers.

The Greater Saskatoon Chamber of Commerce identified Alberta as a desirable business environment where wages and working conditions are improving as a result of growing job opportunities that see employees competing for workers by offering enhanced compensation and benefits, rather than through a complex set of labour laws. In comparison, the Chamber estimates that the regulatory climate of Saskatchewan becomes a self-fulfilling prophecy where worker's choices to access employment are limited as a result of a stagnant investment climate.

Workers are vulnerable because of the circumstances of their lives.

Presenters were clear about the need to address some of the mythology that can tend to characterize vulnerable workers as being incapable of doing a job or lacking the will to find better working situations for themselves. As stated by the Saskatchewan Federation of Labour, they face particular challenges in finding decently paid work that meets basic social norms because of the circumstances that surround them. Some of these circumstances include poor access to benefits such as Employment Insurance and extended health care and dental plans. They have poor access to social supports such as affordable day care, safe housing and transportation. As such, women, Aboriginal people, new immigrants, visible minorities and people with disabilities often face the most systemic barriers to employment.

As pointed out by several presenters, there is a substantial body of research that reveals the importance of understanding the gender aspects of worker vulnerability. Women, particularly single parent women, figure prominently

among those workers who are most vulnerable. Saskatchewan Working Women and the Women's Reference Group to the Saskatchewan Labour Force Development Board brought additional clarity to this reality by arguing that a quality, publicly-funded childcare system is a fundamental component of progressive labour market policy. In fact, because of Saskatchewan's new status as a "have" province, the Commission was encouraged to make recommendations that would ensure this became a reality for Saskatchewan families. In particular, having childcare services structured in such a way that would ensure access for those working non-standard hours (i.e. outside the typical hours of 9 a.m. to 5 p.m.) as well as for those with sick children were identified as being a high priority for vulnerable workers.

Among those who made some of the most compelling submissions to the Commission were women who had participated in the Child Hunger Education Program and who were vulnerable workers themselves. Their personal experiences of being the primary caregivers for not only their own children but for children in their extended families, moving from one government program to another and searching for employment, while trying to make ends meet, brought a stark reality to understanding the day-to-day lives of vulnerable workers. Despite the many challenges that these women face, we come back to the fact that they are vulnerable because of the circumstances of their lives, not because they are lazy or disinterested. In the words of one participant, who would clearly have preferred having full-time employment, "I would rather take whatever work opportunity than to not be employed."

The Provincial Association of Transition Houses and Services of Saskatchewan (PATHS) also brought greater clarity to the particular circumstances of women who had utilized shelter services in Saskatchewan between April 1, 2002 and March 31, 2003. Utilization statistics reveal that the vast majority were unemployed (80 per cent); without a Grade 12 education (56 per cent); Aboriginal (74 per cent); and had dependent children (85 per cent). With these factors taken into consideration, we can best describe this group of women as among those who are also vulnerable workers.

The many challenges that women who come to shelters face after leaving an abusive relationship often do not leave them in a position to be successful in employment. To quote from PATHS' submission, women leaving abusive relationships:

“are not able to meet the demands of the workforce, particularly the demands of ‘bad jobs’ where employers may not provide paid sick leave or even tolerate time off at all. Women suffering from Post Traumatic Stress Disorder often exit the labour market entirely since they find it impossible to perform their jobs adequately. Even if a woman is able to continue her job, she may have to leave due to harassment at her workplace by her partner.”

Additionally, many women accessing support to deal with violent relationships are often struggling with addictions to drugs and alcohol while also being the prime caregiver for their children. Opportunities to access post-secondary education are also limited, with the greatest barrier being the financial inability to return to school. In essence, PATHS suggests that we have a group of people who are being set up for failure in the work world, coming to it with a host of challenges and typically being able to only secure low-paying work that is part-time and temporary with poor working conditions and no benefits. PATHS concluded with a call for policy change at the macro level to provide the program, financial assistance and social supports that will enable women to successfully leave an abusive relationship and secure a future for themselves and their children.

A representative workforce is essential for the province to meet its growing employment and retention needs.

While Saskatchewan is experiencing challenges in retaining skilled employees, it is also facing a rapidly increasing Aboriginal population growth. Today, one-third of all new school entrants and 20 per cent of Saskatchewan's

labour force are Aboriginal. Yet, each year the employment gap between Aboriginal and non-Aboriginal people continues to increase.

The fact that Aboriginal peoples in Saskatchewan have the most difficulty finding employment should, in the words of one presenter, “be a wake up call” for the government. Presenters from across the spectrum voiced their deep concern about the over-representation of First Nations and Métis in the unemployment statistics as well as being among those not succeeding in or completing school. The Commission was told repeatedly that government, educational institutions, unions, the Aboriginal community and business must all come to the table and work towards sustainable solutions that will ensure that Aboriginal peoples have opportunities to fully engage in the economic life of the province.

The Representative Workforce Strategy was reinforced, by those coming from unions as well as business, as a proactive and focused approach to Aboriginal employment and economic development. The argument is that if traditional or status quo programs are not working, then a new approach is necessary. The Commission was reminded that government, employers, educational institutions, and unions, as well as Aboriginal people and organizations, all share the responsibility to bring Aboriginal people into the workforce in a respectful way. The Commission heard about the many successes that were being achieved as a result of this broad approach.

Several presenters reinforced the fact that Aboriginal peoples are among those workers who are most vulnerable due to their lack of information regarding careers and job opportunities along with a lack of supports to do effective career planning. The success rates of Aboriginal workers are further limited by poor levels of employer support along with a lack of access to other social supports, including mentors, transportation and childcare.

Commission members were acquainted with the unique aspects of the strategy, including the development of a generic menu of all positions in an organization, so that current and future job opportunities could be clearly

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(Canadian
Federation of
Independent
Business)*



identified. The opportunities and qualifications required are then shared with Aboriginal people so they can complete for current or future jobs by understanding the necessary skills and abilities required. This links education and training with future employment opportunities, based on the principles of supply and demand. Partner employers are also encouraged to perform an economic opportunities review, involving the review of goods and services required by the employer, and this information is then shared with Aboriginal organizations and business to encourage future economic development and partnership. Other key aspects of the strategy include ongoing coaching to support training efforts, mentorship and role models.

Employers who have signed Aboriginal Partnership Agreements, including Federated Co-operatives Ltd, the University of Saskatchewan, the Saskatoon Health Region and the Saskatchewan Association of Health Organizations (SAHO), spoke with conviction about the positive inroads that have been made recruiting and integrating Aboriginal workers into their respective workplaces.

The Commission was encouraged to recommend increased levels of support for the Aboriginal Representative Workforce Strategy in order to create a workforce that would see Aboriginal people employed in all job classifications in proportion to their potential labour force numbers in the population.

A disconnect exists between the current demand for skilled labour and an individual's ability to become "job ready."

Among the very broad spectrum of presentations and submissions that were made to the Commission, one common theme emerged around the essential role that education and training play in addressing the circumstances of vulnerable workers. By focusing on the root causes of a worker's vulnerability, the Retail Council of Canada suggests it is their lack of skills and attributes, not their experience of part-time work or lower pay, that is the issue.

Therefore, it is by providing vulnerable workers with the tools, through education and training, to improve their chances for career advancement that will result in positive and sustainable change. Other submissions also reinforced that a preventative approach be taken help vulnerable workers avoid becoming vulnerable in the first place. Proactive, education-based solutions that empower youth to broaden and strengthen their skills and abilities will help to make them more adaptable to changing economic times.

The Commission was interested to hear the many creative and innovative recommendations that focused on making changes to the education and training systems as a means of benefiting vulnerable workers. The North Saskatoon Business Association, for example, advocated a more integrated and user-friendly approach to training and development opportunities for those who were interested in improving their situation. Their suggestion of issuing forgivable loans to low wage workers was presented in tandem with a contractual return of service arrangement that would see government-sponsored training programs for low wage employees offered in exchange for a commitment to work in Saskatchewan for a specified period of time.

Offering additional education or trades training to involuntary part-time workers and targeting it towards areas with skills shortages was presented by the Canadian Restaurant and Foodservices Association, among others, as a preferred option. To ensure a more highly integrated approach to skills training, the Commission heard that it was critical for the government to provide better labour market information to both employers and learning institutions.

The Saskatchewan Construction Association recommended that an apprenticeship training tax credit be instituted to assist in the training of those wanting to enter the construction trades. Under this proposal, businesses that employ apprentices could receive a 25 per cent refundable tax credit on eligible salary costs. Federated Co-operatives Ltd. echoed the need to emphasize and support the development of education and skills training programs to help address the changes faced by vulnerable workers. However, in contrast, the RWDSU countered this approach by arguing that the industry

itself, and not taxpayers, should take full responsibility for funding the restoration of the province's trades workforce.

The need for skilled labour was presented by the Canadian Federation of Independent Business as a central issue for small business operators in the province. In their estimation, the shortage of qualified labour represents a tremendous opportunity for the underemployed, who have the necessary skills, to attain full-time work. For those lacking the necessary education and training, government was encouraged to provide low-income earners with easy access to suitable training programs. In addition, it was also recommended that more attention be paid to employability skills in the K-12 school system along with an expansion of co-op training and an increased recognition of informal on-the-job training. Improving the demand for low skilled workers through some form of subsidy or through public job creation is both more popular and more promising than make-work schemes, especially when balanced with incentives that are targeted towards attracting the participation of employers. Business stakeholders expressed concern over the implementation of any potential training or payroll tax to cover the costs of training.

In response to addressing the deficit of skilled workers in the province, the Saskatchewan Chamber of Commerce drew particular attention to the untapped potential that lies in the province's Aboriginal population. However, effective education and skills training are essential in order to ensure the active and full participation of First Nations and Métis people in the economy of Saskatchewan, a sentiment which was reinforced in many of the submissions made to the Commission. The Saskatchewan Party, for example, made special note of the need to encourage knowledge of the Treaties as a means of overcoming discrimination and racism. Furthermore, improving the outcomes for First Nations students will only come as a result of working in partnership with First Nations to create academic and trades programs that meet local labour force needs, resulting in higher rates of participation and completion. The potential of bringing skills training to First Nations people on-reserve was among recommendations made to the Commission. Increased

levels of support were called for to support the Construction Career Project that trains and finds employment for First Nations and Métis peoples in the construction industry.

The Saskatchewan Government and General Employees' Union reinforced the importance of education and training, making special note of the need for education programs to be flexible to allow working people to train for jobs while maintaining a source of income. The Saskatchewan Federation of Labour brought attention to the need for more accessible training in workplace essential skills such as computer skills, document literacy and numeracy. Recognition of Prior Learning that recognizes transferable and specific skills and knowledge people have acquired outside the formal education system, was highlighted as a particularly effective mechanism that could assist vulnerable workers to develop meaningful career paths.

There may be a shortage of “employment ready” people, but there is no shortage of people.

Adequate access to education and training, particularly for Aboriginal people, was a major concern for several of the presenters, who viewed it as being an issue for both educational institutions and employers to address. The Saskatchewan Construction Association indicated that there is a need for greater investment in the province's training and apprenticeship system. The Saskatchewan Gaming Corporation suggested that there is a need for innovative hiring and training practices in order to ensure that all Saskatchewan residents will be able to participate fully in the labour force.

In a discussion about the provincial government's Aboriginal Employment Development Program (AEDP), officials from the Department of First Nations and Métis Relations noted that more than half of the Aboriginal people enrolled at SIAST are taking Adult Basic Education programs, suggesting a failure on

the part of the K-12 education system to retain and adequately educate Aboriginal students.

Métis Employment and Training of Saskatchewan, Inc. (METSI), among others, also noted that the province's training capacity does not meet demand, resulting in waiting lists for many programs related to hiring and training Aboriginal people. They also emphasized that business has to invest in training. Other presenters commented on the difficulties that such issues as access to childcare present for people who wish to return to education.

METSI recommended that the educational system strengthen Practical and Applied Arts education in the middle years and high school, stream students into areas in which they have a high potential for success, expand the delivery of apprenticeship creditable training in high schools, support employer costs to train inexperienced workers, and provide more decentralized and innovative delivery of training, all as part of a strategy to promote trades and apprenticeship training. They also commented on the need to determine bona fide skills requirements for trades and jobs, rather than the sometimes-artificial requirements currently attached to jobs.

Other employers also commented on their initiatives. The Saskatchewan Gaming Corporation has an extensive training program designed to support its stated goal of ensuring that at least 50 per cent of all of its employees, at all levels, are Aboriginal. This includes in-house basic education and training, the provision of up to 100 per cent of wages while employees take post-secondary courses under the Aboriginal Management Development Program, and funding for the costs of tuition and books. The Saskatchewan Gaming Corporation clearly stated that they view these efforts as good business.

The Saskatoon Health Region noted that they provide coaching and supplementary material to support the training that their employees take. It is also continuing to work with the Saskatchewan Indian Institute of Technologies in identifying and responding to the Health Region's training needs through

... if the traditional or status quo programs are not working, then we need a new approach to doing business.

(Aboriginal Employment Development Program)



such vehicles as the Native Access Program for Nurses. In addition, the Saskatoon Health Region is also involved in a number of multi-party committees focused on training, workplace inclusion, and career pathing. As well, the Saskatchewan Construction Association promoted its Construction Career Projects as a best practice for training Aboriginal peoples and placing them in jobs in the construction industry.

The Saskatchewan Gaming Corporation is committed to accelerating the pace at which it employs Aboriginal people. Despite the fact it is currently at 50 per cent Aboriginal employment, the organization is in the process of redefining screening criteria for entry-level positions that it hopes will help remove barriers to employment. They also noted that recruitment strategies need to be different for Métis and First Nations people in order to respond to their distinct backgrounds and realities.

Workers either succeed or fail because of the soft skills. Career information, career planning and support on the job are also important.

The Commission heard from several groups about the importance of soft skills. While not dismissing the importance of literacy, numeracy, computer and technical competencies, it is the sense of a work ethic, dedication, communication skills and problem solving abilities that will ensure a person's success in the workplace. From the perspective of an employer, these employment readiness skills are rated amongst the most important.

For vulnerable workers, particularly those with disabilities, essential support services include job search assistance, access to job listings, telephones and other technology as well as information on wages and employment trends. A prime example is the fact that the Internet is increasingly used to provide timely information on job vacancies, however, vulnerable workers typically have only limited access to such technology. As part of the comprehensive

*A job kept is as important as a job found.
(Saskatchewan Abilities Council)*



career planning process, the Saskatchewan Abilities Council emphasized the need for transitional programming and career planning in order to help young people, particularly those with disabilities, make a smooth transition between high school and post-secondary institutions.

The Regina Food Bank understands the circumstances of vulnerable workers. Food Bank clients may have a job, but it is often part-time or seasonal. Typically, they lack the skills to work in a structured environment or to develop the relationships or networks that are a result of being connected to the labour market. In keeping with the concept of “School Plus,” the Regina Food Bank recommended using this model as a means of developing a collaborative approach to address the complex and diverse circumstances of vulnerable workers. In particular, funding processes and grant procedures must become less complicated. Comprehensive granting schemes that fund all aspects of an entire training program are essential. For example, money that is currently provided to support the delivery of Quick Skills programs do not provide for pre-employment skills development and nor does it provide for post-course employee/employer support. The vulnerable worker typically requires all three components of a training program in order to better ensure success in the workplace. In other words, in order to facilitate a successful transition to work for those who are most vulnerable, both “front end” (i.e. life skills and pre-employment training) and “back end” (i.e. follow-up support on the job) components must be incorporated into one comprehensive grant, thus ensuring a more holistic approach.

Through supported employment programs, people with intellectual disabilities are overcoming many of the roadblocks that have prevented them from succeeding in the workplace. Employers still struggle with understanding the need to accommodate a worker who needs performance-based employment accommodations. Among the key points raised by representatives of the Saskatchewan Association for Community Living, was that the existing employment readiness and support system is over-burdened with quotas and is unable to provide the kind of intensive one-on-one coaching and ongoing

support that many people with intellectual disabilities need to succeed. Investment in employment readiness and support programs has created new opportunities for many workers, but these programs are seldom geared towards providing intensive, ongoing supports. Transitional vocational programs, such as those offered through SIAST and funded through the Employability Assistance for Persons with Disabilities (EAPD), have created sustainable results for people with intellectual disabilities. However, more spaces are desperately needed to ensure that more people are able to participate fully in the labour market.

In keeping with the need to create supports for vulnerable workers that will better ensure their success in the workplace, the Saskatchewan Human Rights Commission draws attention to the role that equity plans have played in creating welcoming work environments with fair, accommodating employment practices that help to make retention and promotion possible. Toward this end, the Commission was encouraged to make recommendations to the government that would develop concrete, practical ways of supporting the equity initiatives of businesses, educational institutions and service providers through grants, loans and tax incentives to improve accessibility, provide human rights education and improve the hiring, retention and success of equity group members.

Those caring for the most vulnerable are often vulnerable workers themselves.

Community-based organizations (CBOs) employ workers who provide care for some of the most vulnerable in society – people with mental and physical disabilities, children and women in crisis. However, the vast majority of these

workers earn between \$8.00 and \$10.00 per hour. Many hold more than one part-time position. It is estimated, however, that their government counterparts earn, on average, 43 to 52 per cent more in wages while also having access to extended health and pension benefits that CBOs typically do not receive. A significant proportion of CBO workers also lack the security offered through extended health care plans.

The Tri-Union Community-Based Organization Coalition, representing the Canadian Union of Public Employees (CUPE), the Saskatchewan Government and General Employees' Union (SGEU) and the Service Employees' International Union (SEIU), presented a comprehensive strategy to address the wage gap between CBOs and public sector workers. In addition to establishing a multi-year plan to address the wage gap in the CBO sector, including an immediate wage increase of 3 per cent plus COLA, they also recommended moving toward a common table bargaining model. This approach would see union representatives meet with employer representatives at one table to bargain a master agreement to cover all CBO workers in unionized workplaces.

The lack of remedies to systematically address gender-based distribution of work underlines the need for a broader public policy approach. The need for pro-active pay equity legislation to address the wage inequities faced not only by CBO workers but other workers in female dominated industries was reinforced by many of those representing the interests of organized labour and community-based organizations. Among those, the Saskatchewan Joint Board, Retail, Wholesale and Department Store Union (RWDSU) called for an immediate increase of resources to the Human Rights Commission in order for it to deal with pay-equity complaints, as well as for it to be given the mandate to integrate pay equity legislation into the private sector.



Appendix 3: Best Employment Practices

A3

In the process of gaining a better understanding of how to address the issues faced by vulnerable workers, the Commission was made aware of several initiatives in Saskatchewan that they consider best employment practices. This Appendix highlights some of those best practices in the hope that they will provide employers with practical “tips” on how to successfully integrate vulnerable workers into their workplaces.

Please note that some of the following practices would be more appropriate for larger employers who are more likely to have the necessary resources and infrastructure in place to facilitate their being implemented.

Tips for Recruiting Aboriginal Employees

- Be open to hiring Aboriginal people into your organization.
- Understand that many Aboriginal individuals have the education, skills and motivation to meet current job demands; however, some other Aboriginal people may need assistance or support to succeed.
- Develop relationships with First Nations and Métis communities to familiarize them with your company or organization.
- Identify potential sources of Aboriginal candidates.
- Be proactive in getting information about available jobs to educational institutions with Aboriginal graduates and to locations where Aboriginal peoples typically access information.

- Assess jobs that are going to be available to ensure that the qualifications do not unduly limit people who can apply. For example, are you asking for a certificate when what you need are people with a specific skill set and, if that is the case, identify the specific skills that are required, rather than asking for a particular certificate.
- Do not ask candidates to self-identify as an Aboriginal person on the employment application. If you want that information, ask at the time the person is hired. Aboriginal people may be concerned about how you will use the information during the selection process.
- Visit schools at the Grade 6 to 8 levels to let students know about your company and what skills are required for your jobs. Encourage them to complete their Grade 12 and obtain post-secondary education in order to be hired into well-paying jobs.
- Consider providing training to assist Aboriginal people to be job ready - training could include essential skills such as literacy and numeracy, soft skills such as punctuality and communications, and skills specific to the jobs available.
- Consider providing post-secondary scholarships for children of employees.
- Work with the Aboriginal Employment Development Program that can provide advice on recruitment and retention strategies.
- Join an Employer's Circle to obtain other advice and learn more about connecting with potential sources of Aboriginal employees.
- Ensure that your Employee Assistance Program is culturally sensitive.

Tips for Retaining Aboriginal Employees

- Ensure that training about misconceptions related to Aboriginal people is provided to all employees, including managers and senior level personnel.

- Have more than one Aboriginal employee in a particular location.
- If appropriate, provide a job coach who can assist Aboriginal employees to resolve employment or personal issues, or work with other employees in your sector to provide a job coach.
- Ensure that Aboriginal employees receive training that is necessary to succeed in the job.
- Provide training and development that will assist Aboriginal employees to advance into other more challenging or senior positions.
- Take steps to ensure that racist actions do not happen in your workplace.
- Take the time to speak with your Aboriginal staff about how the job is going and to identify any potential problems that may require your attention.

Tips for Recruiting and Retaining Other Vulnerable Workers

- Consider hiring physically and intellectually challenged individuals. If appropriate, consider using “job carving” as a method of integrating them into the workplace. Take steps to prepare the workplace so as to better ensure their integration and success.
- Assess jobs that are going to come available to ensure that the qualifications do not unduly limit people who can apply. For example, are you asking for a certificate when what you need are people with a specific skill set. If that is the case, identify the specific skills that are required, rather than asking for a particular certificate.
- Take steps to ensure that harassment and discrimination do not happen your workplace.
- Consider flexible work schedules to help employees deal with childcare difficulties.

Appendix 4: Background Analysis

A4

Demographics

Lower fertility rates combined with rising rates of mortality rates and migration will result in Saskatchewan's population remaining near one million people, along with a gradual downward trend over time.

Population trends in Saskatchewan appear to mirror those in the rest of the country. Women in this province are choosing to have fewer children, and at a later age, than women of past generations. The most recent statistics available, for the year 2000, show that the average Saskatchewan woman now gives birth to 1.76 children in her lifetime, compared with 1.91 in 1995 and 2.08 in 1990 (Saskatchewan Labour Market Trends 2004 Update). This decline appears to be evident only for women under the age of 30. For older women, fertility rates are either stable or increasing.

Table 8 - Saskatchewan Population, 2001-2004 (000s)

| Age | 2001 | 2002 | 2003 | 2004 |
|-----------------|-------|-------|-------|-------|
| 15 years & over | 744.5 | 742.7 | 743.4 | 745.5 |
| 15 - 24 | 139.6 | 139.0 | 138.9 | 139.0 |
| 25 - 44 | 259.4 | 253.3 | 248.6 | 245.0 |
| 45 - 64 | 210.1 | 215.5 | 221.1 | 227.2 |
| 65 & over | 135.3 | 134.9 | 134.8 | 134.4 |

Table 9 - Saskatchewan Labour Force, 2001-2004* (000s)

| Age | 2001 | 2002 | 2003 | 2004 |
|-----------------|-------|-------|-------|-------|
| 15 years & over | 488.8 | 496.6 | 503.8 | 507.0 |
| 15 - 24 | 90.6 | 92.3 | 94.5 | 95.0 |
| 25 - 44 | 224.8 | 222.6 | 219.9 | 216.6 |
| 45 - 64 | 158.6 | 167.0 | 173.9 | 178.7 |
| 65 & over | 14.8 | 14.8 | 15.4 | 16.7 |

Table 10 - Saskatchewan Employment, 2001-2004* (000s)

| Age | 2001 | 2002 | 2003 | 2004 |
|-----------------|-------|-------|-------|-------|
| 15 years & over | 460.6 | 468.3 | 475.4 | 479.9 |
| 15 - 24 | 80.1 | 82.2 | 84.3 | 85.2 |
| 25 - 44 | 213.2 | 211.5 | 208.3 | 206.1 |
| 45 - 64 | 152.7 | 160.1 | 167.5 | 172.4 |
| 65 & over | 14.7 | 14.6 | 15.2 | 16.3 |

* *The difference between the labour force and employment is the number of unemployed.*

The 2001 census estimates Saskatchewan's Aboriginal population at 86,268. When compared to the general population, the Aboriginal population has a much younger profile. As well, First Nations women have higher fertility rates than other Saskatchewan women. Current rates indicate that a First Nations woman will have 2.6 children in her lifetime compared with 1.76 for women in the general Saskatchewan population. While rates are declining among First Nations women under the age of 20, for those in their 20s the rates have increased in the most recent five year period.

The younger age group, including those under 20, are projected to decline over the next number of years while the population in the 20 to 40 year age group is expected to increase. As the "baby boom" generation moves into its 50s, the 50 to 69 age group will increase steadily. Later the population over 60 is also projected to increase.

The youth population, aged 15 to 29 years of age, is expected to peak by 2008. This age group will also increase in size as it moves into its 30s. For the key labour market age group of 15 to 64 year olds, the peak population is projected to occur in 2009 and then decline slowly to 660,000 in the 2015 to 2020 period, falling more rapidly as the baby boom generation reaches age 65.

The Saskatchewan Labour Market

Characteristics of the labour market in Saskatchewan include an aging labour force and the continued out-migration of youth from the province. A growing youthful Aboriginal population that is poised to increase their participation in the labour force combined with rural depopulation leading to fewer job opportunities in rural areas creates a unique set of circumstances for the Saskatchewan job market.

October 2005 marked the second consecutive month of employment decline in Saskatchewan, following 17 consecutive months of year-over-year increases in employment.

Compared to other western provincial jurisdictions, Saskatchewan's total labour force is significantly smaller than British Columbia's (2,268,900), Alberta's (1,863,000) and Manitoba's (607,700). Most recent Saskatchewan labour market figures, based on October 2005 data, reveal a labour force of 503,000.

Of this 503,000, a total of 479,500 were employed and 23,500 were unemployed, which is reflected in an unemployment rate for Saskatchewan of 4.7 per cent for the month of October 2005. On a relative basis, this unemployment rate is 1.4 percentage points lower than the average Canadian unemployment rate of 6.1 per cent. Comparatively, Saskatchewan's unemployment rate is the fourth lowest in the country behind Alberta at 3.8 per cent, Manitoba at 4.0 per cent, and British Columbia at 4.5 per cent.

The percentage of the working age population in the labour force is slightly higher in Saskatchewan than Canada as a whole. The participation rate in Saskatchewan in October 2005 was 67.2 per cent versus 67.1 per cent for Canada. Historically, Alberta has had the highest participation rate in the country, with a rate of 72.4 per cent in October 2005. The male participation rate for October 2005 in Saskatchewan was 73.5 per cent compared to 61 per cent for women and 65 per cent for youth aged 15 to 24 years.

Table 11 - Saskatchewan Labour Force Participation Rate, 2001-2004

(% - Women)

| <i>Age</i> | <i>2001</i> | <i>2002</i> | <i>2003</i> | <i>2004</i> |
|-----------------|-------------|-------------|-------------|-------------|
| 15 years & over | 58.8 | 60.1 | 61.7 | 61.9 |
| 15 - 24 | 62.1 | 61.7 | 65.9 | 65.0 |
| 25 - 44 | 80.4 | 82.5 | 83.3 | 83.5 |
| 45 - 64 | 68.7 | 71.2 | 73.0 | 73.6 |
| 65 & over | 4.9 | 4.9 | 6.0 | 6.0 |

Table 12 - Saskatchewan Labour Force Participation Rate, 2001-2004

(% - Men)

| <i>Age</i> | <i>2001</i> | <i>2002</i> | <i>2003</i> | <i>2004</i> |
|-----------------|-------------|-------------|-------------|-------------|
| 15 years & over | 72.7 | 73.8 | 74.0 | 74.2 |
| 15 - 24 | 67.4 | 70.7 | 70.3 | 71.4 |
| 25 - 44 | 92.9 | 93.3 | 93.6 | 93.4 |
| 45 - 64 | 82.3 | 83.8 | 84.2 | 83.7 |
| 65 & over | 18.6 | 18.5 | 18.4 | 20.5 |

Considering full versus part-time employment in Saskatchewan, in October 2005 there were 381,000 workers in full-time employment and 98,400 in part-time employment. The number of part-time workers has stayed fairly constant in the 90,000 to 100,000 range for the last several years. Of part-time workers, 30,100 were male and 68,300 were female. The majority of part-time workers are concentrated in the service sector of the economy, including retail trade, accommodation and food services industries.

Table 13 - Saskatchewan Part-Time Employment, 2001-2004 (000s)

| Age | 2001 | 2002 | 2003 | 2004 |
|-----------------|------|------|------|------|
| 15 years & over | 89.2 | 95.0 | 95.8 | 93.7 |
| 15 - 24 | 32.5 | 34.6 | 34.3 | 33.9 |
| 25 - 44 | 29.7 | 29.7 | 29.6 | 27.6 |
| 45 - 64 | 22.9 | 25.1 | 26.2 | 26.6 |
| 65 & over | 4.2 | 5.6 | 5.7 | 5.6 |

Aboriginal Demographics and Labour Force Participation

Information is not particularly reliable or up to date for the total Aboriginal population. The Labour Force Survey, undertaken by Statistics Canada on a monthly basis, does not include on-reserve Aboriginals. Therefore, information for the Aboriginal labour force and participation numbers is taken from the census.

In the last year Statistics Canada has started gathering figures for off-reserve Aboriginals. These figures tend to highlight the situation of Aboriginal peoples living off-reserve in terms of their connection to the labour force. Statistics Canada adds a cautionary note to the figures regarding the Aboriginal labour force and participation rates due to the small sample size used in its survey. Large standard errors can occur when using small sample sizes.

Based on data from the 2001 Census, Aboriginal peoples made up 8.4 per cent of the Saskatchewan labour force compared with only 2.5 per cent of the Canadian labour force. During 2001 in Saskatchewan, the participation rate for Aboriginals was 55 per cent compared with the overall Saskatchewan labour force participation rate of 68 per cent. Also in 2001, the unemployment rate for the Aboriginal labour force was almost four times as high at 23 per cent, compared to only six per cent for the overall labour force. The 2001 Census also reveals that the total Aboriginal population 15 years and over in Saskatchewan stood at 78,655, representing 10.4 per cent of the total

population 15 years and over in the province. Of this 78,655, a total of 35,440 reported not working in 2000 while 16,175 individuals worked full year full-time with an average employment income of \$30,141. Another 27,040 reported working part year or part-time with an average annual income of \$12,287. Of total Aboriginal income, approximately 69 per cent came from employment income, and almost 28 per cent came from government transfers.

Figures for October 2005 show that the unemployment rate for non-Aboriginals was 4.5 per cent. In comparison, for off-reserve Aboriginal peoples, the unemployment rate was more than three times as high at 15.7 per cent. This reveals an increase of one full percentage point, in the unemployment rate, since October 2004.

Within the Aboriginal population, an unemployment rate of 20.7 per cent was even more staggering for those who identify themselves as North American Indian. For those identified as Métis the unemployment rate in October 2005 was still more than double the non-Aboriginal rate at 12.2 per cent.

An important aspect of the Saskatchewan labour force profile is the participation rates of Aboriginal versus non-Aboriginal workers. For example, in October 2005, the overall participation rate for the Saskatchewan labour force was 68.2 per cent. For the North American Indian off-reserve population, it was only 56.9 per cent. Interestingly, for the Métis population, the participation rate was actually higher than the general participation rate at 71.1 per cent.

Low-Paid and Part-time Workers

A gender analysis of non-standard employment is important given the economic context in which women experience lower than average earnings compared to men. Women are clearly overrepresented in low wage and part-time work and figure prominently among those who want to work full-time.

Low-paid workers are generally considered to be those who make less than \$10.00 per hour. In Saskatchewan in 2004, a total of 89,500 workers earned less than \$10.00 per hour. Of these 55,200, or 62 per cent, were women. Of young women workers, aged 15 to 24, 26,700 earned less than \$10.00 per hour.

Table 14 - Saskatchewan Hourly Wage Distributions, 2001-2004 (000s)

| <i>Wage</i> | <i>2001</i> | <i>2002</i> | <i>2003</i> | <i>2004</i> |
|-------------------|-------------|-------------|-------------|-------------|
| Under \$5.00 | 2.1 | 2.3 | 1.8 | 1.2 |
| \$5.00 - \$9.99 | 100.7 | 99.0 | 95.8 | 88.3 |
| \$10.00 - 15.99 | 116.2 | 115.5 | 116.1 | 121.0 |
| \$16.00 - \$23.99 | 87.4 | 89.9 | 90.9 | 94.3 |
| Over \$24.00 | 55.0 | 62.3 | 72.8 | 78.3 |
| Total Employees | 361.3 | 368.9 | 377.5 | 383.1 |

Statistics Canada's 2001 Census reveals that Saskatchewan has proportionally more full-time workers earning incomes under \$20,000 than any other jurisdiction in Canada. For Canada as a whole, the proportion of low wage workers was 17 per cent. In Saskatchewan the proportion of low wage workers was a full 10 percentage points higher at 27 per cent. This has a detrimental effect on the socioeconomic status of many Saskatchewan citizens, including an indirect impact on child poverty.

Current statistics suggest that there are just over 7,100 workers earning the minimum wage in Saskatchewan. Of those, about 4,400, or 62 per cent, are women and 2,700, or 38 per cent, are men. In terms of age, approximately 5,700 are under 25 years of age and about 3,400 identify themselves as students. Only about 17 per cent of the 7,100, or approximately 1,200, are unattached individuals without a spouse or children.

In July 2005, a full-time minimum wage worker in Saskatchewan (at that time earning \$6.65 per hour) earned a yearly income of \$13,832. For a single individual the tax threshold in 2005 is \$8,850. For a single parent with one

child, the tax threshold is \$21,100, and for a one income family with two children, the tax threshold is \$23,520. Under these scenarios, the only situation liable for income taxes is the single individual.

A single worker would be liable to pay \$511.43 in Canada Pension Plan contributions; \$269.72 in Employment Insurance premiums; \$784 in federal taxes; and \$511 in Saskatchewan income taxes. This same individual would also be eligible for \$347 in goods and services tax credits and \$102 in Saskatchewan sales tax credits. The single parent with one child or the one-income family with two children would not be liable for any income tax payments – federal or provincial.

According to Statistics Canada data, in 2004 Saskatchewan had an average of 383,100 paid employees. The total number of paid part-time employees in Saskatchewan in 2004 was 74,500. Of these, 38,800, or 52.1 per cent, earned less than \$10.00 per hour.

While the Labour Force Survey from Statistics Canada indicates employment in 2004 of 479,500, the number of paid employees is given as 383,100. The difference between the two numbers includes self-employed workers and the voluntary sector.

Again, statistics reveal that women are overrepresented in low-paid, part-time work. Consider that in 2004 women made up 54,100 of the 74,500 paid part-time employees in the province. Of the 54,100, a total of 26,500, or 49 per cent, earned under \$10.00 per hour.

Younger workers are also overrepresented in this group. Those in the 15-24 age group totaled 31,200, or 41.9 per cent, of all part-time workers. Of the 31,200 young part-time workers, 25,400, or 81.4 per cent, made less than \$10.00 per hour.

Part-Time Workers Who Want Full-Time Work

Of all part-time workers in the province in 2004, women constituted approximately 71 per cent. Of the 26,000 workers who worked part-time and wanted full-time work, a total of 18,500, or about 71 per cent, were women.

In 2004, there were an average of 93,700 part-time workers in Saskatchewan. Of these, 26,000, or 28 per cent, wanted full-time work. For another 25,000, or 27 per cent, it was a personal choice to work part-time. In addition, 25,600, or 27 per cent, worked part-time because they were going to school. The balance of individuals worked part-time for a variety of reasons including illness, family responsibilities, or other voluntary reasons.

Some people who work part-time may prefer this to full-time work. However, there are many part-time workers who are doing so on an involuntary basis. Involuntary part-time employment is much more prevalent among women than men. According to Chaykowski, (2005, page 15) approximately 40 per cent of involuntary employed part-time workers when followed-up 18 months later remain involuntarily part-time, experience unemployment or are discouraged from participating in the labour force. The involuntary part-time employment rate is highest, at almost 18 per cent, for single mothers with children.

The involuntary unemployment rate may be under-estimated, especially for women with children. Those working part-time because of a lack of affordable childcare may actually prefer full-time employment – yet report themselves as voluntarily employed part-time precisely because they lack childcare. For women, therefore, involuntary part-time employment increases with age through the prime age years before decreasing in the oldest age group. Among men, this pattern is reversed. This phenomenon is likely due to the influence of several factors, one of which is family responsibilities, particularly for women of childbearing age.

Saskatchewan Education Levels

Between 2001 and 2004, levels of education in Saskatchewan for people over the age 15, women and part-time workers continued to improve.

Education levels of the Saskatchewan population over the age of 15 continue to improve. From 2001 to 2004 the number of high school graduates in the population increased by 3,000; the number with some post-secondary increased by 3,500; the number with a post-secondary certificate or diploma increased by 11,200; and those with a bachelor's degree increased by 10,200. One negative trend is the fact that from 2001 to 2004 there were 1,000 fewer people in Saskatchewan with educational attainment beyond a bachelor's degree. In an increasingly knowledge-based economy it is important to retain those who have earned higher levels of education.

Table 15 - Education Levels of the Saskatchewan Population, 2001-2004 (000s)

| | 2001 | 2002 | 2003 | 2004 |
|--|-------|-------|-------|-------|
| Total, all ed. levels (over 15 years old) | 744.5 | 742.7 | 743.4 | 745.5 |
| 0 - 8 years | 76.6 | 74.0 | 67.0 | 63.5 |
| Some High School | 158.8 | 152.6 | 146.2 | 146.1 |
| High School Graduate | 155.1 | 156.9 | 152.0 | 158.1 |
| Some Post-secondary | 65.8 | 66.9 | 66.5 | 69.3 |
| Post-secondary certificate or diploma | 203.3 | 203.0 | 219.1 | 214.5 |
| University Degree | 84.8 | 89.4 | 92.6 | 94.0 |
| Bachelor's Degree | 61.5 | 63.2 | 67.0 | 71.7 |
| Above Bachelor's Degree | 23.3 | 26.1 | 25.6 | 22.3 |

The story is much the same for Saskatchewan women over the same period. The number of female high school graduates increased by 1,400; the number with a post-secondary certificate or diploma increased by 5,400; and the number with a university degree increased by 1,000. Again, the one negative trend is a drop of 500 in the number of females in the province with education beyond a bachelor's degree.

Table 16 - Education Levels of Saskatchewan Women, 2001-2004 (000s)

| | 2001 | 2002 | 2003 | 2004 |
|--|-------|-------|-------|-------|
| Total, all ed. levels (over 15 years old) | 377.3 | 376.5 | 376.7 | 377.8 |
| 0 - 8 years | 36.2 | 34.9 | 30.6 | 29.5 |
| Some High School | 74.9 | 73.0 | 70.8 | 70.8 |
| High School Graduate | 76.1 | 77.0 | 75.8 | 77.5 |
| Some Post-secondary | 34.7 | 34.0 | 31.4 | 33.8 |
| Post-secondary certificate or diploma | 113.8 | 111.6 | 121.6 | 119.2 |
| University Degree | 41.7 | 46.1 | 46.5 | 47.1 |
| Bachelor's Degree | 32.8 | 35.6 | 35.8 | 38.7 |
| Above Bachelor's Degree | 8.9 | 10.5 | 10.7 | 8.4 |

Education levels for part-time workers in Saskatchewan over the period 2001-2004 indicate trends are much the same as for the general population noted above. The number of part-time workers with completed high school has not changed, but those with some post-secondary has increased by 1,600; those with a post-secondary certificate or diploma has increased by 2,600; and those with a university degree has increased by 1,800. One trend that runs counter to the general population is that part-time workers with educational attainment beyond a bachelor's degree have increased by 500.

Table 17 - Education Levels of Part-Time Employees, Both Sexes (000s)

| | 2001 | 2002 | 2003 | 2004 |
|--|------|------|------|------|
| Total, all ed. levels (over 15 years old) | 89.2 | 95.0 | 95.8 | 93.7 |
| 0 - 8 years | 4.1 | 3.9 | 3.9 | 2.8 |
| Some High School | 24.2 | 24.6 | 24.1 | 24.1 |
| High School Graduate | 18.6 | 20.6 | 19.0 | 18.6 |
| Some Post-secondary | 10.8 | 10.6 | 11.4 | 12.4 |
| Post-secondary certificate or diploma | 22.0 | 24.5 | 25.6 | 24.6 |
| University Degree | 9.5 | 10.7 | 11.8 | 11.3 |
| Bachelor's Degree | 7.7 | 7.9 | 8.9 | 9.0 |
| Above Bachelor's Degree | 1.8 | 2.8 | 3.0 | 2.3 |

Table 18 - Education Levels of Part-Time Employees, Women (000s)

| | 2001 | 2002 | 2003 | 2004 |
|--|------|------|------|------|
| Total, all ed. levels (over 15 years old) | 62.8 | 64.5 | 65.9 | 66.3 |
| 0 - 8 years | 2.2 | 1.5 | 1.6 | 1.2 |
| Some High School | 13.1 | 13.0 | 13.4 | 14.1 |
| High School Graduate | 14.4 | 14.7 | 14.0 | 14.1 |
| Some Post-secondary | 7.5 | 7.2 | 7.4 | 8.3 |
| Post-secondary certificate or diploma | 18.4 | 19.9 | 20.9 | 20.7 |
| University Degree | 7.2 | 8.2 | 8.6 | 7.9 |
| Bachelor's Degree | 6.2 | 6.3 | 6.9 | 6.6 |
| Above Bachelor's Degree | 1.0 | 1.9 | 1.7 | 1.3 |

Business Establishments in Saskatchewan

Small business plays an instrumental role in the provincial economy, with more than 57 per cent of all establishments with employees reporting having less than five paid employees on staff.

In Saskatchewan in 2003, there were 97,552 business establishments (data from Statistics Canada's Business Registry as quoted by SaskTrends Monitor). Of these, only about 40 per cent report having employees, resulting in a total of 40,073 actual employers in the province.

Among the total number of employers, almost 58 per cent (23,201) are estimated to have less than five employees. A further 38.2 per cent (15,288) of employers with employees are found in the category of having between five and 49 employees. Employers with 50 to 99 employees make up about 2.3 per cent (916) of employers; and employers with more than 100 employees total 1.7 per cent (668).

The vast majority of public sector employers typically fall into the "100 and more" category, including Federal and Provincial Governments, Health Regions, School Boards and Post-secondary Educational Institutions as well as Civic Government. At the same time, there are relatively few private sector employers falling into this category. As the following statistics reveal, the vast majority of private sector employers in Saskatchewan are in small to medium size businesses with less than 50 employees.

Table 19 - Number of Employers in Saskatchewan, December 2003*

| <i>Size (number of full-time equivalent employees)</i> | <i>Employer counts</i> | <i>% of all establishments with employees</i> |
|--|------------------------|---|
| 1 to 4 | 23,201 | 57.9% |
| 5 to 49 | 15,288 | 38.2% |
| 50 to 99 | 916 | 2.3% |
| 100 and more | 668 | 1.7% |
| Employers | 40,073 | 100.0 |

* Please note that the above figures are estimates. It is extremely difficult to determine with a high degree of certainty the actual number of businesses and their sizes. In some cases an incorporated business may have the owner drawing a salary, leaving the question as to whether he/she should be considered an employee. With multi-establishment businesses, the question

becomes whether we are counting the number of employees at a single location or the total number in all establishments owned by the same company. It is also important to consider when the actual count takes place, taking into consideration that some businesses are seasonal with great volatility in employee counts over a yearly period. Finally, the kind of employee count used is also worthy of consideration. Should the count be based on the total number of persons employed, both full- and part-time, or should it be based on full-time equivalents.

Employment Projections

Projections suggest that in coming years there will continue to be a range of job opportunities available for new entrants into the Saskatchewan labour market. Education and training are critical pre-requisites to being employed in many areas of the economy. At the same time, the service sector will also continue to provide the majority of low-paid, part-time jobs for new entrants.

A recent Saskatchewan Employment Demand Forecast suggests the following employment projections for the next five years:

- Saskatchewan is projected to have a total of 64,600 job opportunities, with an average annual growth rate of 1.2 per cent. Economic activity is expected to account for 45 per cent of total job opportunities and attrition to account for the remaining 55 per cent.
- Total employment is projected to increase by 29,300 individuals or 6.1 per cent due to economic growth with more than half, or 51 per cent, of those employment gains projected to occur in the Health Care and Social Assistance, Information, Culture and Recreation, and Accommodation and Food Service industries.
- Sixty-four per cent of all job opportunities over the next five years will require either management skills and/or a post-secondary education. Job opportunities in occupations requiring a high school diploma or less still remain in demand.

- Industries with a high rate of attrition include Utilities, Construction, Trade, Finance, Insurance, Real Estate and Leasing, Educational Services, and Other Service industries.
- The fastest growing job opportunities are expected to occur in the Information, Culture and Recreation industries (average annual growth of 4.5 per cent), Forestry, Fishing, Mining, Oil and Gas industry (4.3 per cent), and Professional, Scientific and Technical Services industry (3.5 per cent).

Saskatchewan Economic Trends

Economic indicators for Saskatchewan project a general improvement in the economy throughout 2005 and 2006. Saskatchewan has achieved "have province" status and is anticipated to continue a solid pace of economic growth, rating among the best in the country.

- In 2004, Saskatchewan's economy recorded a real Gross Domestic Product (GDP) growth rate of 3.5 per cent. This was the third highest GDP among all the provinces and above the national average for the second year in a row. Economic forecasters are expecting a further expansion for Saskatchewan's economy in 2005. For 2006, private sector forecasters are expecting positive growth of 2.8 per cent, on average, for Saskatchewan. These forecasts bode well for continued employment growth.
- Over the past year (to the end of August), all major sectors of the Saskatchewan economy experienced a growth in total employment, with the exception of the service sector, including bars and restaurants. This may be due to the fact that businesses are still adjusting to the impacts of more stringent anti-smoking regulations. For some, this stagnated growth may be the result of adjusting to the impact caused by increases to the minimum wage.

- Saskatchewan's average weekly earnings for all industries in May 2005 increased by 4.1 per cent to \$652.99, compared to May 2004. This is the second lowest in the country. Earnings for all of Canada increased by 3.1 per cent to \$701.67, during the same period.
- Saskatchewan's economy is heavily influenced by changes in commodity price, as primary industries such as agriculture, forestry, mining, oil and gas account for a large portion of the province's GDP (almost a quarter). Saskatchewan is also one of the most trade dependent provinces in Canada.



Appendix 5: Summary of Presentations/ Submissions and Meetings

A5

Formal Presentations*

The following organizations and individuals presented, as well as provided written submissions, to the Commission at its public consultation meetings held in Saskatoon and Regina:

- Aboriginal Employment Development Program
- Canadian Federation of Independent Business
- Canadian Restaurant and Food Services Association
- Canadian Council of Grocery Distributors
- Cardwell Murphy Counseling and Consulting
- CUPE Saskatchewan
- Child Hunger Education Program
- Cynthia Campbell (Private Individual)
- Federated Co-operatives Ltd.
- Grain Services Union
- Greater Saskatoon Chamber of Commerce
- North Saskatoon Business Association
- Provincial Association of Transition Houses and Services of Saskatchewan

- Regina Anti-Poverty Ministry
- Regina Chamber of Commerce
- Regina Food Bank
- Retail Council of Canada
- Saskatchewan Arts Alliance
- Saskatchewan Association for Community Living
- Saskatchewan Business Council
- Saskatchewan Chamber of Commerce
- Saskatchewan Construction Association
- Saskatchewan Federation of Labour
- Saskatchewan Joint Board of the Retail, Wholesale and Department Store Union
- Saskatchewan Party Caucus
- Saskatoon Health Region
- University of Saskatchewan

Written Submissions*

The following organizations and individuals provided the Commission with written submissions:

- Amande Ferland (Private Individual)
- Peter Flasko and Ian Mckillop (Private Individuals)
- Renita Lefebvre (Private Individual)
- Roadbuilders Saskatchewan
- Saskatchewan Association of Health Organizations
- Saskatchewan Government and General Employees' Union
- Saskatchewan Human Rights Commission
- Saskatchewan Working Women, Saskatoon Branch and Women's Reference Group to the Saskatchewan Labour Force Development Board
- Saskatchewan Union of Nurses
- Tri-Union Community-Based Organization Coalition

Information Gathering Meetings

Additional meetings were held with a variety of groups and individuals for the purpose of gathering relevant information about the issues of vulnerable workers, including best practices. Meetings were also held with various government departments and agencies that are responsible for programs affecting vulnerable workers.

**Submissions to the Commission can be accessed at www.labour.gov.sk.ca/vulnerableworkers/*