

PRINCE EDWARD ISLAND LEGISLATIVE ASSEMBLY



Speaker: Hon. Kathleen M. Casey

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Standing Committee on Community and Intergovernmental Affairs

DATE OF HEARING: 13 JANUARY 2010

MEETING STATUS: PUBLIC

LOCATION: POPE ROOM, COLES BUILDING, CHARLOTTETOWN

SUBJECT: DIFFERING WAGE SYSTEM

COMMITTEE:

Robert Henderson, MLA O'Leary-Inverness
Jim Bagnall, MLA Montague-Kilmuir
Paula Biggar, MLA Tyne Valley-Linkletter
Cynthia Dunsford, MLA Stratford-Kinlock
Sonny Gallant, MLA Evangeline-Miscouche
Pat Murphy, MLA Alberton-Roseville

COMMITTEE MEMBERS ABSENT:

Olive Crane, Leader of the Opposition
Janice Sherry, Minister of Community Services, Seniors and Labour

GUESTS:

none

STAFF:

Marian Johnston, Clerk Assistant and Clerk of Committees
Ryan Conway, Research Officer

The Committee met at 1:30 p.m.

Chair (Henderson): Okay, I'd like to call our meeting to order, our first meeting of the Standing Committee of Community and Intergovernmental Affairs. I guess better known as the CIA, our new acronym here.

Anyway, before we go too far, I'd like to ask our clerk here, Marian Johnston, to inform us a little bit - already I notice a difference in the sound - but maybe she can address it in a little further detail, the changes.

Clerk Assistant and Clerk of Committees: Yes, I just want to inform the committee that we do now have reinforced sound for audience members in this room and so it should be easier for people in the audience to hear what's going on around the table. I just wanted to inform you.

Thank you.

Chair: Okay, the first item on the agenda is to basically adopt the agenda. Everybody has a copy of the agenda in front of them, so we're in agreement to that, are we?

Mr. Bagnall: So moved.

Chair: As far as consideration of the request of the Minister of Communities, Cultural Affairs and Labour - which that position does not exist any more - regarding the examination of the concept of a different wage system, we have a ministerial request from the former minister, Carolyn Bertram, in front of us, dated December 18th, to decide whether we would like to delve into the issue of a two-tiered minimum wage system.

I guess I'll throw it open to the committee to decide how do we want to handle their request and, if we do want to handle the request, then what processes that we would

go through to get the input to make decisions?

Jim Bagnall.

Mr. Bagnall: I think it's very important that we handle the request. It would mean a major change in the way tourism industry people are paid - hotel management, bartenders, bar waitresses. It would mean an awful difference to them if this change goes through. So I think that we have an obligation to meet across the province and I think that we should meet from one end of the Island to the other with this committee in each community.

I think we should have meetings in the western part of the province like maybe Tignish, O'Leary, and then go down and do Summerside, Kensington, because every area has a lot of people that are working in this that may want to make presentations to us. I think we should set up Island-wide meetings from tip to tip and deal with these issues and let the people have their say.

Chair: Okay, just a few quick points on that.

Firstly, we all have a copy of the amendments that are in the *Employment Standards Act*. I guess I want to clarify that it doesn't say anything about any particular industry or anything like that. So, as far as - more than likely -

Mr. Bagnall: (Indistinct) if the changes take place.

Chair: That would be the assumption, and more than likely, that could have an impact on those particular professions, but that doesn't specify particular occupations or professions at this point.

Anyway, any other input? Paula Biggar.

Ms. Biggar: I do think this proposed

amendment does have, as you say, more far-reaching implications to the labour force in general. If we're going to review it, I certainly encourage members of the labour community to come out and meet with us. I think it's very important to hear the individual worker's standpoint on this. I know certainly there'll be lots of groups that will come, I would think, but I would encourage as many individuals, either to submit their comments or not to be leery of coming forward to give their opinion on this.

It is a very important amendment, and we need to hear from as many people as possible if we're going to go and have hearings. I would agree with the Opposition House Leader that we should go across each county, as much as time will permit, and gauge the interest of people coming out to those meetings, however we advertise it, or whatever.

Chair: Any other comments from anybody?

Ms. Dunsford: I'll just agree with what's been said, both by Jim Bagnall and Paula Biggar, about that, making sure that we do satisfy every part of the Island so that everyone feels they've been heard on it.

It'd be nice to also keep in mind that we get a good cross-section of industry, of workers, of types of people this is going to affect possibly, and get that message out to as many of those groups as possible, too. I look forward to it. I think it's going to be a very interesting session of debate, of presentations, and also learning as well about what's happening across the country would be probably an asset to the group, too.

Ms. Biggar: I think so.

Chair: Are there any other comments?

Pat Murphy.

Mr. Murphy: I'm just in agreement with the rest of the committee so far, too, that it's important that we hear from all stakeholders in this, especially the people.

Chair: Sonny Gallant.

Mr. Gallant: I, too, would just like to add that, yes, I do believe we should go out and have some more debate on this, of all the stakeholders in it.

Chair: Paula Biggar, I saw your hand raised, and then I'll go to Jim Bagnall. Paula.

Ms. Biggar: Yes, Mr. Chair, perhaps, as Cynthia Dunsford said, it would be helpful for us to - and perhaps the researchers are already doing this - what legislation is in place in regard to this across Canada. I think it would be good for us to (Indistinct) ourselves on how the other provinces are handling this debate or what legislation is in place.

Chair: I think we have that.

Ms. Biggar: Yeah. Okay.

Chair: So, okay, so I can (Indistinct) Jim Bagnall then before -

Mr. Bagnall: I think, you know, we talk about going across the province - which I fully agree that we have to do on this issue - but I think we've got to put our advertisement in first and find out where the response is coming from people and who's responding in what areas, to set our committee.

I think we have to go to the western part of the province at least once and we have to go down east once or twice, like Souris or Montague maybe. But if we don't get any responses from some of the areas, then maybe we only have to go to one area in the western part or eastern part. So I think we

have to look at where the responses are coming after we do our advertisement.

Chair: Maybe just to capsulize this all is: so I am hearing that everybody wants to proceed and do hearings on this particular subject. So could I maybe have a motion for that?

Ms. Dunsford: Motion to -

Chair: Motion by Cynthia Dunsford.

Ms. Dunsford: Yes.

Chair: Okay. To proceed with the hearings.

All in favour signify by saying 'aye'.

Committee Members: Aye!

Chair: Contrary 'nay'?

Motion carried.

Clerk Assistant and Clerk of Committees: If I may, Mr. Chair, what I might suggest is that I put together a work plan for the committee's approval and it might have things on it like sending letters of invitation to all the labour groups in the province, a draft advertisement; and perhaps the committee would like to have a briefing by a provincial -

Chair: Department of labour.

Clerk Assistant and Clerk of Committees: - department of labour expert just so that we would know what this actually means. I could put a draft together and send it out for your approval.

Ms. Dunsford: That would great.

Chair: Okay. That was kind along the same line I was thinking is that we have some briefings and then go out.

Mr. Bagnall: (Indistinct) brief caucus on this before the bill was brought onto the floor? Because they did brief our opposition.

Ms. Dunsford: Yeah.

Ms. Biggar: Well, we didn't - you know, it's nicer to go in depth, I think, a little bit more with it.

Chair: Ryan Conway, our researcher, has done a little bit of legwork just on what other jurisdictions have done regarding this particular subject, so maybe I'll turn the floor over to Ryan and he can give us a quick briefing of what's been done in other locations on this particular subject.

I'll turn the floor over to Ryan Conway to brief us on his research findings on this particular subject.

Ryan Conway Research Officer: Thanks.

I looked into this basically to see if there are other jurisdictions in Canada that use more than one level of minimum wage. Just for reference's sake I also included in this package the current minimum wages of all the Canadian jurisdictions and any upcoming changes. This was gathered from HRSDC's minimum wage data base which is accessible online.

There are seven jurisdictions in Canada that do employ different levels of minimum wage. They are Alberta, BC, Manitoba, New Brunswick, Nova Scotia, Ontario and Quebec. Newfoundland and Labrador, PEI, Saskatchewan, and all three territories have a standard level that applies across the board. Federal employees receive at least the minimum wage of the jurisdiction in which they work regardless of their experience or the age level or anything like that.

Perhaps the two most relevant jurisdictions - because a lot of the time the assumption is that we're talking about a differentiation

based on experience for young workers - the two most important ones there, then, are Nova Scotia and BC.

I'm going to flip to the first table which is entitled: Current and Forthcoming Minimum Hourly Wage Rates for Inexperienced Workers in Specific Occupations. Nova Scotia, currently their inexperienced rate, I guess, is \$8.10 an hour and that applies to inexperienced employees, i.e., persons who have not been employed for more than three months by any employer to do the work for which they are presently employed.

So it doesn't necessarily imply an age to it but it's just if it's your very first time ever in that type of job and you've never worked for any other employer in that capacity, then you can be paid that inexperienced rate, and it's scheduled to go up as well. You'll see in the left-hand column as well I've identified the standard minimum wage, presently applicable, in red there. So it's 50 cents more for an experienced worker compared to an inexperienced worker.

Mr. Bagnall: (Indistinct).

Ryan Conway Research Officer: They have committed to going to it. If you see the table on the back page, New Brunswick is currently \$8.25 but they'll go to \$8.50, \$9, \$9.50 and then on September 1, 2011 they'll be at \$10 an hour. The only jurisdiction that is currently paying a minimum wage of \$10 an hour is Nunavut. But New Brunswick, Newfoundland, Ontario, and possibly the Yukon, depending on their CPI, those could all go up to \$10 an hour in the reasonably near future.

British Columbia, they're the other jurisdiction that has the inexperienced worker rate. Theirs might be a little bit more applicable to age, though not necessarily on a literal basis, but theirs works that their wage rate is \$6 an hour compared to their standard minimum wage of \$8, and that is

for inexperienced workers who are employees who had no paid employment experience prior to November 15, 2001 and who have since accumulated less than 500 hours of paid employment experience with one or more employers. So the type of job isn't quite as important, it's just the amount of working hours there.

As you'll see in the table, all the other jurisdictions have different ways of applying different levels of wage. For example, Ontario has a rate for students under 18 years of age employed up to 28 hours per week or on a school holiday. Quebec has a special rate for jobs that normally receive tips or gratuities. BC and New Brunswick have camp counsellor rates. And then certain trades may also have legislated minimum wages, such as in the industrial, commercial and institutional sectors of Manitoba, and then other trades may have minimum wages per day, week or month, rather than hour. You see that often in live-in, home support workers and camp counsellors, as well.

So that's basically - like I say, the first table shows all the non-standard minimum wages that apply, regardless of how they apply, and explains a little bit about each, and that's in seven jurisdictions across the country. The back table shows you what the current minimum wage rate is in all 13 Canadian jurisdictions, plus any projected or forthcoming changes.

Chair: Does anybody have any questions for Ryan regarding his briefing?

Ms. Dunsford: Are any other of the provinces, in the non-differential wages category, are they currently going through any kind of consultation with the public?

Ryan Conway Research Officer: I haven't heard of anything on that, but I can look into that further.

Ms. Dunsford: Or even committed to doing so in the near future.

Ryan Conway Research Officer: Sure, we'll do that.

Ms. Dunsford: Okay.

Mr. Conway: You mean specifically -

Ms. Dunsford: What we're going to go through.

Ryan Conway Research Officer: Yeah. Looking at different tiers, not just raising the minimum wage.

Ms. Dunsford: No. Similar to what we're going to be -

Ryan Conway Research Officer: Yeah, I can look at that for sure.

Chair: Any other questions for Ryan?

So based on that, then, we've now agreed that we're going to have public input. Now I guess our next step is really to decide how to go about our advertisement and maybe talk a little bit more about your work plan that you've devised for us here.

Clerk Assistant and Clerk of Committees: The work plan is not yet devised, but what I would suggest is that I will contact Mr. Doucette and try to set up a meeting for him to brief the committee on what this legislation means.

At the same time, what I would do is draft an advertisement and send that around for your approval, write a draft letter to the labour organizations for your approval, and they could get a specific invitation, rather than just seeing it in a newspaper, to come in and present their views to the committee. Then from there we would set up a schedule of meetings in different parts of the province once we see what the ad brings in to us.

Chair: I might also suggest we probably should send some letters to some of the sectors that possibly could be involved with such a process, i.e., the tourism sector or some of those organizations. Would that be appropriate?

Clerk Assistant and Clerk of Committees: What I could do is put a list together and from your own experience you might know of additions.

Mr. Bagnall: What you've got to remember, too, if it's the tourism industries, the people that are involved in the tourism industry are the people that are hiring people and they're already in favour of this because it gives them cheaper wages.

So the problem that we have to deal with is the individuals that aren't in these - like the people that are working for these people and, you know, how much flak they're going to take if they come and make a presentation not supporting this from their workplace.

Chair: But I think if we're having hearings with the public we'd have to look at it from both sides. You know, I mean -

Mr. Bagnall: Oh, I understand that but it's not just one-sided.

Chair: Oh, no. I agree.

Mr. Bagnall: Because everybody we've talked about coming in so far are employers that will benefit from two-tier wage system.

Chair: Paula Biggar.

Ms. Biggar: I was going to suggest doing a list just to see who is on it. For instance, like, the newcomers association and maybe some of the women's groups that represent whether it's single working families and those kind of groups as well, I would want to ensure that are on that list. But as I said,

with the clerk doing up the list, I'm sure all of us can ensure that there are equitable presentations being invited to occur.

Chair: I might note, all we can do is invite.

Ms. Biggar: That's right.

Chair: They have to decide whether they want to make it known to us if they want to do a hearing, and if they so choose to do so, then we'll hopefully fit them into wherever it is.

Ms. Biggar: Or they may want to do a written submission or whatever. I think that will get us a good cross-section of all sectors from both sides of the debate.

Chair: Sonny Gallant. Oh, you didn't - you're so excited (Indistinct). Any other feedback or comments?

We will look at having Marian doing up that work plan. She will send us off some information. Do we want to set a date for our next meeting or do we want to wait until she comes back and between her and I we'll suggest a date?

Ms. Biggar: You guys can decide.

Chair: Okay. As Chair, that 's all I have.

Mr. Bagnall: Motion for adjournment.

Chair: Meeting adjourned.

Thank you very much everybody.

Ms. Biggar: Thank you.

The Committee adjourned.