



Published Results-based Plan 2007-08

MINISTRY OVERVIEW

Vision

A strong enforcement-oriented organization that achieves outcomes to ensure health, safety, fairness and stable labour relations within Ontario workplaces.

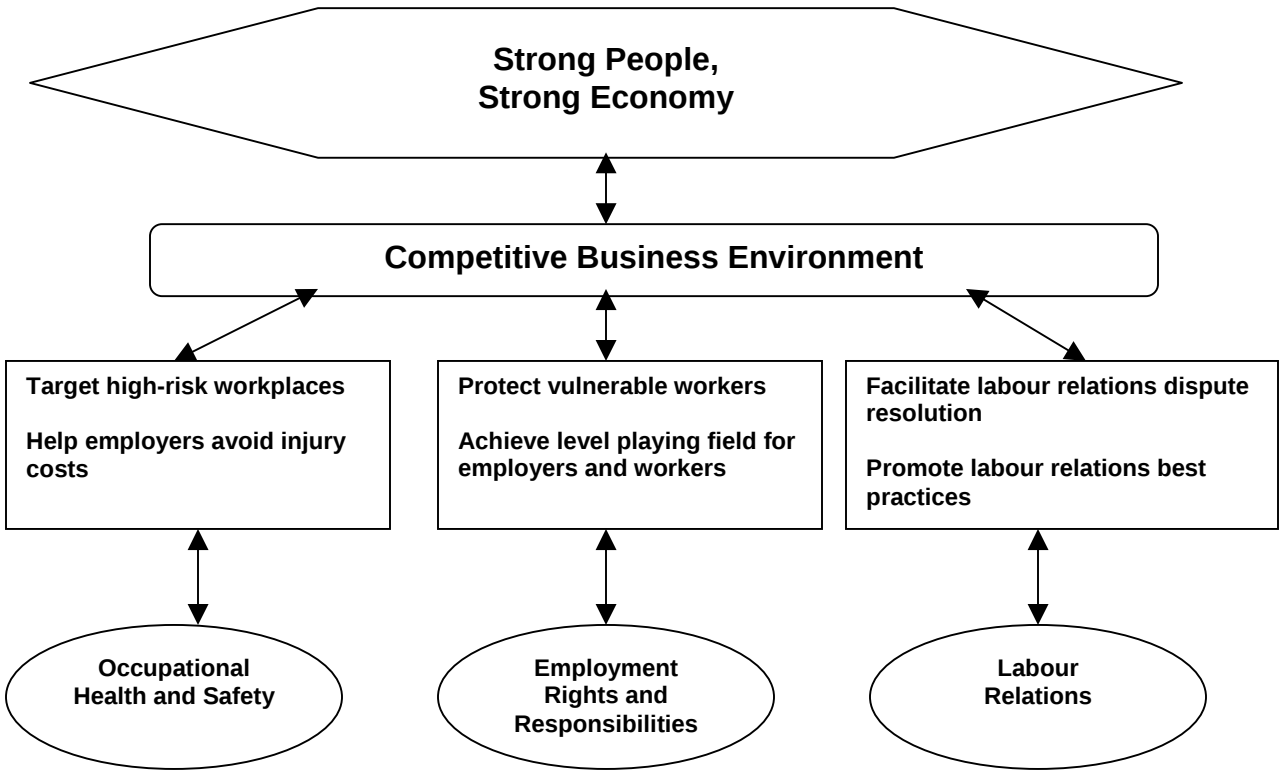
Overview Statement

Through its occupational health and safety, employment rights and responsibilities, and labour relations programs, the Ministry's mandate is to set, communicate and enforce workplace standards. A range of specialized agencies, boards and commissions assist the Ministry in its work.

Ministry Contribution to Key Priorities and Results

The Ministry supports the government's priority of Strong People, Strong Economy and its key results of fostering a competitive business environment and providing modern, efficient public services. In particular:

- The Occupational Health and Safety Program supports a competitive Ontario economy, making it more attractive to jobs and investment as a result of higher productivity and lower costs resulting from fewer injuries;
- Targeting the underground economy results in improved worker safety and supports a level playing field within the construction sector as more businesses pay their fair share of WSIB premiums and government taxes;
- The Employment Rights and Responsibilities Program supports fair workplaces, which promote higher productivity, thus reinforcing a competitive business environment that will attract jobs and investment to Ontario; and
- The Labour Relations Program facilitates effective labour relations dispute resolution, thereby supporting fair and stable workplaces and increasing productivity, making Ontario an attractive place for investors.



MINISTRY PROGRAMS

Occupational Health and Safety

The Ministry's Occupational Health and Safety Program works with its health and safety partners toward the primary goal of reducing and eliminating workplace injury and illness. In administering the *Occupational Health and Safety Act (OHSA)*, the Ministry sets, communicates and enforces standards set out in the *OHSA* and related regulations.

The workplace internal responsibility system is the foundation of Ontario's approach to occupational health and safety. This means that employers and workers who are closest to and most familiar with workplace conditions and requirements are responsible for identifying and controlling hazards in their workplaces and preventing injury and illness.

The Ministry is directing significant resources toward targeting those firms with the highest injury rates and injury-related costs to improve health and safety practices within these workplaces and reduce associated costs to both the employer and the Workplace Safety and Insurance Board (WSIB).

Employment Rights and Responsibilities

The goal of the Employment Rights and Responsibilities Program is to set, communicate and enforce appropriate policies and standards established under the *Employment Standards Act, 2000 (ESA)* and the *Pay Equity Act (PEA)*. The Ministry ensures compliance with these standards through education, consultation, investigation and enforcement activities.

Over the past two decades, Ontario's workplaces have been experiencing rapid change driven by new technologies and increased global competition. The growth of industries is concentrated in the services sector while the traditional manufacturing sector continues to experience a decline. The working population is remaining in the workforce longer, and there are more women and immigrants in the labour force.

The challenge for the Employment Rights and Responsibilities Program is to provide employers and workers with the flexibility they need to develop fair and productive workplaces in an increasingly competitive environment, while maintaining an underlying set of essential standards. At the same time, they must focus enforcement activity where it is needed most to ensure workers are protected.

Labour Relations

The Ministry's objective in the area of labour relations is to foster, support and maintain a balanced and stable labour relations environment. Stable labour relations are critical to the economy as well as to the government's ability to deliver results in its key priorities of health care, education and other public services.

The Ministry's Labour Relations Program focuses on the settlement of workplace disputes under various employment-related statutes, assists in the settlement of collective agreements, and assembles collective bargaining information. In promoting a stable and constructive labour relations climate, the Program helps to foster productive workplace relationships throughout Ontario.

Ministry Agencies

The Ministry is committed to supporting the government's priority of Strong People, Strong Economy and its key result of a competitive business environment through its Occupational Health and Safety, Employment Rights and Responsibilities, and Labour Relations programs, supported by the following agencies:

- Ontario Labour Relations Board
- Pay Equity Office
- Pay Equity Hearings Tribunal

The Ministry also continues to provide services that are in the public interest through its other agencies, namely:

- Crown Employees Grievance Settlement Board
- Office of the Worker Adviser
- Office of the Employer Adviser

The Workplace Safety and Insurance Board (WSIB) and the Workplace Safety and Insurance Appeals Tribunal (WSIAT) also report to the Minister of Labour but are funded by employer paid premiums to the WSIB.

Strategies/Outcomes

The Ministry of Labour is implementing strategies as part of a four-year plan that began in 2004-05 to achieve the following outcomes:

- Make workplaces safer and healthier by working with its health and safety partners to assist high-risk workplaces in reducing injury rates.
- Ensure all employers in the construction sector are full participants in Ontario's economy by targeting the underground economy;
- Protect vulnerable workers and make workplaces fairer for all through increased use of pro-active inspections and increasing awareness of employment rights and responsibilities; and,
- Create and maintain a stable labour relations environment and promote best practices in the labour relations environment.

Making Workplaces Safer and Healthier

The Ministry's strategy to make workplaces safer and healthier has two components:

- A coordinated and comprehensive health and safety strategy that includes focusing enforcement on the highest risk/highest cost workplaces and collaborating with system partners to deliver effective training and education programs; and,
- A construction sector-specific strategy targeted at underground economic activity in Ontario.

A key component of the strategy is to target enforcement activities at workplaces with the highest risk and highest claims costs. This has resulted in significant prevention of workplace injuries since 2004-05.

The Ministry has also partnered with the Ministry of Finance, the Canada Revenue Agency, and the WSIB on data sharing to help control underground economic activity. Construction inspectors are identifying employers possibly operating in the underground economy by making referrals of suspect companies to the appropriate agency or Ministry.

Since its launch in 2004-05, the Ministry's strategy has resulted in the following achievements:

- 200 new Health and Safety inspectors hired.
- Over 30,340 Lost Time Injuries avoided over three years.
- A reduction in the Lost Time Injury Rate to 1.9 per 100 workers, from 2.2 in 2003.
- Employer savings of over \$2 billion in costs resulting from workplace injuries.
- The Inspections, Investigations and Enforcement Secretariat's (II&E) successful launch of a Small Business compliance improvement and streamlining pilot project, in partnership with the Ministry of Small Business and Entrepreneurship and ServiceOntario.

In 2007-08 the Ministry will continue to work with its health and safety partners toward its four-year objective of reducing workplace injuries by 20 per cent, so that by 2008:

- 20,000 fewer workers will lose time from work per year because of workplace injuries; and,
- The Workplace Safety and Insurance Board (WSIB) will avoid up to \$300 million annually in associated claims costs.

Also in 2007-08, the Ministry will continue to raise awareness of the importance of preventing ergonomic-related injuries such as back pain, muscle strain and tendonitis, which account for 42 per cent of all lost-time injuries in Ontario. As well, the Ministry will continue to focus on new and young workers to reduce their vulnerability to workplace injury.

In 2007-08, the Office of the Worker Adviser will enhance and expand its services in support of non-unionized workers dealing with the workers' compensation system. The Ministry will also work closely with the WSIB and other health care partners over the longer term to explore ways in which all workplace injuries can be reduced.

Legislative Changes

In February 2006, the Ministry announced the introduction of the *Regulatory Modernization Act, 2006*. If passed, the *Regulatory Modernization Act, 2006* would enable staff from 13 ministries and other agencies to share information and work together to ensure businesses comply with provincial laws. It would also help the government monitor businesses that put the public at risk by violating Ontario laws.

Also, the government has announced a series of legislative amendments aimed at improving benefits for injured workers under the *Workplace Safety and Insurance Act*, and strengthening corporate governance at the Workplace Safety and Insurance Board.

Protecting Vulnerable Workers and Making Workplaces Fairer

The Ministry is also focusing on improving protection of vulnerable workers and ensuring fair workplaces by getting tough on employers who contravene employment standards legislation and regulations. In 2004-05 the Ministry implemented a strategy to shift its focus from concentrating on investigating employment standards complaints to also proactively enforcing compliance, increasing outreach to vulnerable workers and, in the process, providing a level playing field for businesses across the province.

The strategy includes:

- Pro-active investigation of high-risk non-compliant employers to improve compliance with the *Employment Standards Act, 2000 (ESA)*;
- Increasing multi-language outreach to the most vulnerable workers; and,
- Putting money owed into the hands of employees faster by reducing claims resolution times and improving collection rates.

The Program conducts proactive inspections of high-risk employers. In 2005-06 inspectors began issuing Orders to Comply and tickets (under Part 1 of the *Provincial Offences Act*) to non-compliant employers. Also as part of the greater emphasis on compliance, the Program initiated 400 prosecutions in 2005-06, compared to 18 in the previous five years.

The Employment Standards Program has also implemented a number of claims processing improvements, including:

- The establishment of the Provincial Claims Centre (PCC) in Sault Ste Marie as a centralized intake centre to modernize and improve the management of claims and their distribution/assignment across the province;
- The ability of workers to submit claims against their employers electronically via the Internet;
- The provision of self-help kits on the Ministry's website to facilitate claims filing; and,
- The completion of an agreement with ServiceOntario Government Information Centres across the province to provide claim form acceptance services, tripling the number of access points for filing claims from 21 locations throughout Ontario to 63.

In 2007-08, the Program will continue to work with employer organizations to improve compliance in high-risk sectors such as retail, restaurant and business services. The Program will conduct 1,250 proactive inspections in support of this goal. As well, the Program will make further process and information management improvements to increase productivity, and address the recent growth in the volume of claims filed under the *Employment Standards Act, 2000*. With the 2007 Budget announcement of \$3.6 million in funding for the Employment Standards Program, additional resources will be made available to address the backlog of un-investigated complaints, resulting in improved front-line services and shorter claims-resolution times.

Legislative Changes

Changes in legislation in the past couple of years (the elimination of mandatory retirement, increases in Ontario's minimum wage, the introduction of the *Family Medical Leave Act* and the rollback of the 60-hour work week) contribute to Program objectives of protecting vulnerable workers, and strengthening employment standards. The government has proposed further annual increases in the minimum wage, to \$10.25 an hour by 2010, to maintain Ontario's leadership role in helping vulnerable workers.

Maintaining Balanced Labour Relations and Increasing Productivity

The Ministry's labour relations activities involve developing and implementing policies, strategies and services to promote fair, balanced and productive labour relations in Ontario workplaces.

A key activity of the Program is the effective delivery of objective dispute resolution and education services to the unionized sectors of the province. The Ministry also promotes best practices through continued expansion of its interest-based training and facilitation on a cost recovery basis. Participants in the Program strive to improve relationships with their counterparts not only for collective bargaining

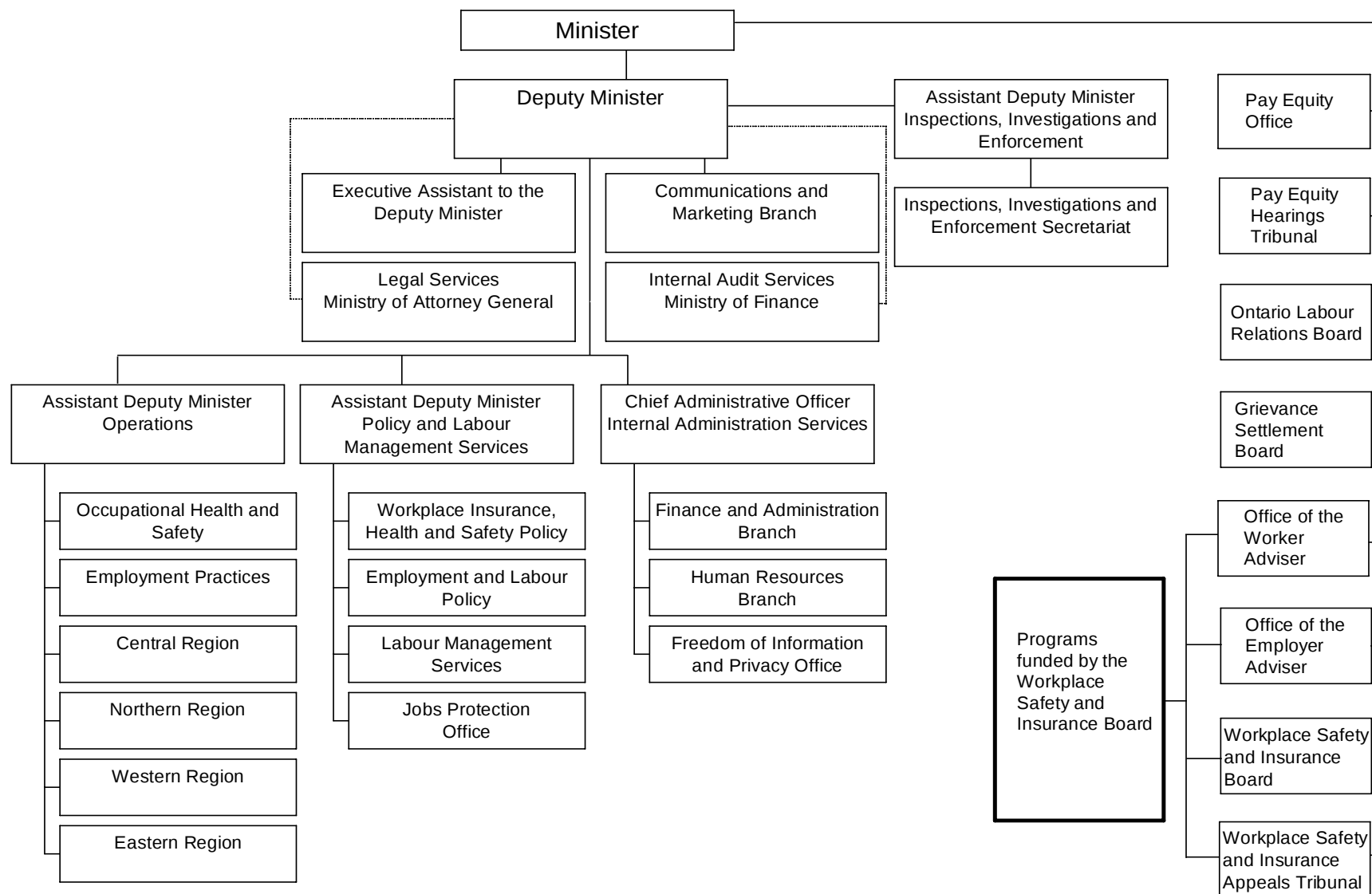
purposes, but also in the administration of their collective agreements. Improved relationships serve to avoid strikes and lockouts and help create stable workplaces where productivity is more likely to increase.

In 2006-07, the Program continued to meet its performance target of 95% of collective bargaining disputes achieved without a strike or lockout.

As well, a new Construction Labour Mobility Agreement was concluded with Quebec, which gives Ontario workers equitable access to construction jobs in Quebec. Ontario construction contractors are now eligible to bid on contracts of more than \$100,000. Specialized workers are now able to perform installation or warranty work where they have received specific training from a manufacturer, and Ontario construction workers can now qualify for trade activity cards which will be recognized by Quebec.

In 2007-08 the Labour Relations Program will continue to provide expert labour relations advice and objective collective bargaining dispute resolution services.

MINISTRY OF LABOUR: ORGANIZATIONAL CHART 2007-08



MINISTRY OF LABOUR: ACTS ADMINISTERED 2007-08

Ambulance Services Collective Bargaining Act, 2001

Crown Employees Collective Bargaining Act, 1993

Employment Standards Act, 2000

Part IX of the Fire Protection and Prevention Act, 1997 (Firefighters: Employment and Labour Relations)

Hospital Labour Disputes Arbitration Act

Labour Relations Act, 1995

Ministry of Labour Act

Occupational Health and Safety Act

Pay Equity Act

Public Sector Dispute Resolution Act, 1997

Public Sector Labour Relations Transition Act, 1997

Rights of Labour Act

SARS Assistance and Recovery Strategy Act, 2003, Part I (SARS Emergency Leave)

Workplace Safety and Insurance Act, 1997

SUMMARY OF EXPENDITURES: AGENCIES, BOARDS & COMMISSIONS

<u>VOTE/ITEM</u>		2006-07 INTERIM ACTUAL REVENUE	2006-07 INTERIM ACTUAL EXPENDITURE	2007-08 ESTIMATES
1602-01	Pay Equity Office	0	3,359,200	3,422,700
1602-02	Pay Equity Hearings Tribunal	0	601,700	617,500
1603-01	Ontario Labour Relations Board	450,000	12,033,000	12,314,700
1603-2	Grievance Settlement Board (see note 1)	1,284,900	2,260,100	2,463,400
1604-03	Office of the Worker Adviser (See Note 2)	0	9,880,100	11,501,800
1604-04	Office of the Employer Adviser (See Note 2)	0	3,003,100	3,384,400

Notes: (1) All costs of the Grievance Settlement Board are fully recovered from ministry employers as expenditure recoveries under Section 15 of the Financial Administration Act, and from crown employers and trade unions as revenue:

	2006-07	2007-08
Recoveries (Section 15) - Ministry Employers	975,200	1,171,900
Revenue - Crown Employers and Unions	1,284,900	1,291,500
Total Recoverable	2,260,100	2,463,400

(2) The amounts shown represent gross expenditures that are fully recoverable from the Workplace Safety and Insurance Board.

The Workplace Safety and Insurance Board (WSIB) and the Workplace Safety and Insurance Appeals Tribunal (WSIAT) also report to the Minister of Labour but are funded by employer paid premiums to the WSIB.

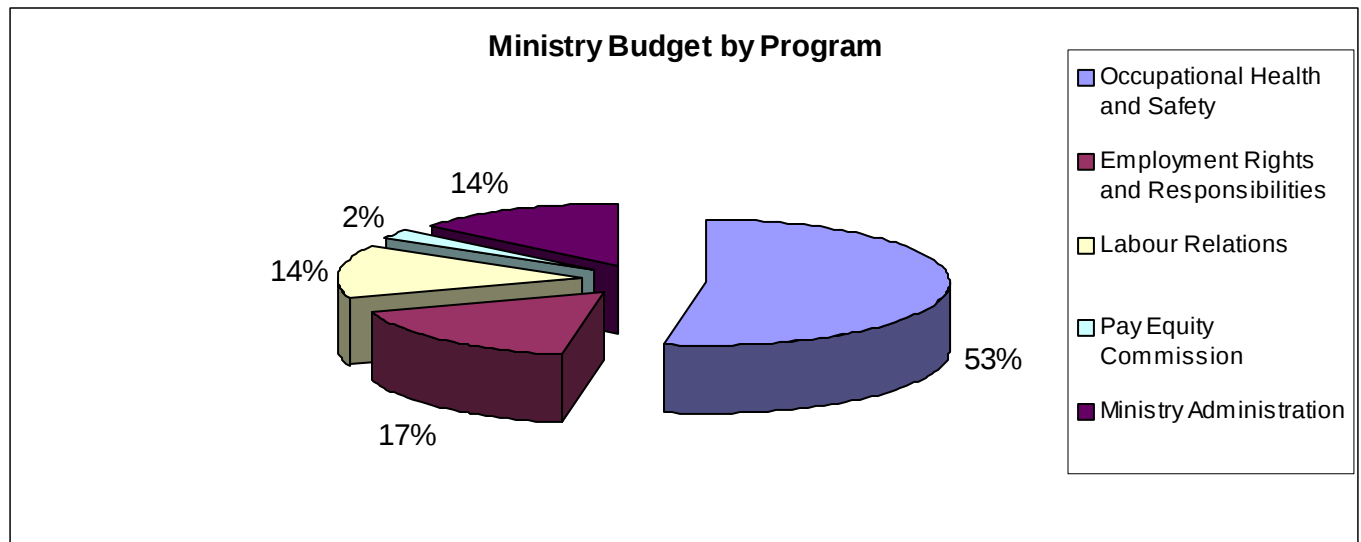
MINISTRY FINANCIAL INFORMATION

MINISTRY PLANNED EXPENDITURES 2007-08

	Ministry Planned Expenditures (\$M) 2007-08
Operating	160.7
Capital	There are no Capital Estimates for the Ministry of Labour.

MINISTRY PLANNED EXPENDITURES BY PROGRAM 2007-08

Program	Ministry Planned Expenditures (\$M)
Ministry Administration	22.4
Pay Equity Commission	4.1
Labour Relations	21.7
Occupational Health and Safety	84.9
Employment Rights and Responsibilities	27.6



Votes/Programs	Estimates 2007-08	Change from		Estimates 2006-07	Interim Actuals 2006-07	Actuals 2005-06
	\$	Estimates 2006-07	Change %			
	\$	\$	%	\$	\$	\$
OPERATING AND CAPITAL						
Ministry Administration	22,352,700	1,659,500	8.0%	20,693,200	20,619,600	20,153,809
Pay Equity Commission	4,040,200	79,300	2.0%	3,960,900	3,960,900	3,436,537
Labour Relations	21,694,900	424,100	2.0%	21,270,800	21,270,800	20,543,458
Occupational Health and Safety	84,911,800	4,262,000	5.3%	80,649,800	80,349,800	72,208,050
Employment Rights and Responsibilities	27,589,800	3,859,300	16.3%	23,730,500	23,730,500	24,027,843
Economics and Business Information and Information Technology Cluster	0			0	0	124,826
Total to be voted	160,589,400	10,284,200	6.8%	150,305,200	149,931,600	140,494,523
Statutory Appropriations	63,699	13,455	26.8%	50,244	53,726	48,307
Ministry Total Operating and Capital	160,653,099	10,297,655	6.8%	150,355,444	149,985,326	140,542,830

Note: There are no Capital Estimates for the Ministry of Labour for 2007-08.

For further information, please visit the Ministry of Labour's website at: <http://www.labour.gov.on.ca/>.

APPENDIX I

MINISTRY OF LABOUR Annual Report 2005-06

2005-06 ANNUAL REPORT

In 2004-05, the Ministry of Labour (MOL) began an ambitious transformation agenda designed to deliver on the key government priority of Strong People, Strong Economy and its key result of creating a competitive business environment. The transformation strategy included:

- Making workplaces safer and healthier by hiring 200 additional Occupational Health and Safety Inspectors to target 6,000 high risk/high cost workplaces and reduce the lost time injury (LTI) rate by 20% and workplace injuries by 20,000 by the end of 2007-08;
- Implementing a pilot project to address the underground economy in the construction sector;
- Protecting vulnerable workers and making workplaces fairer by targeting Employment Standards enforcement to high risk non-compliant employers, increasing multi-language outreach, and improving claims processing and collections; and,
- Restoring balance to labour relations by providing mediation and dispute resolution services in collective bargaining to help ensure a stable labour relations environment, thereby contributing to increased productivity.

Making Workplaces Safer and Healthier

In 2005-06, the Ministry made further progress in its enforcement intervention strategy aimed at high-risk workplaces, as follows:

- 31 new inspectors were hired, trained and commenced field inspections, adding to the 100 inspectors already hired in 2004-05.
- 9,100 lost time injuries were prevented in 2005-06 against a target of 7,000.

To target the underground economy, the Ministry implemented a pilot project involving the WSIB, other Ontario ministries and Canada Revenue Agency, with a focus on collecting relevant data pertaining to underground economic activity in the construction sector. The results of the pilot laid the groundwork for future information sharing and cooperation among the participants to improve the compliance of contractors in the construction sector with taxation and legislative requirements.

MOL also modernized health and safety regulation through:

- Broadened protection for construction workers with an updated regulation addressing asbestos in construction as well as amendments to electrical and hoisting requirements.
- Extension of the *Occupational Health and Safety Act* to farming operations.
- Updated Occupational Exposure Limits.
- Initial implementation of comprehensive recommendations arising from the Report to the Minister of Labour of the Ergonomics Advisory Panel.

The Ministry also worked to improve the mobility of Ontario construction workers and protect Ontario jobs in the construction industry by:

- Providing information to contractors, workers and others on issues such as licensing and other requirements for accessing construction work in Quebec, and providing a complaints registry for recording non-compliance with legislation governing construction workplaces.
- Ensuring Quebec contractors and workers are registered with Ontario's Jobs Protection Office to ensure appropriate access to Ontario construction jobs.

- Continuing to provide support in the negotiation of an agreement between Ontario and Quebec to allow Ontario workers equitable access to construction jobs in Quebec.

Protecting Vulnerable Workers and Making Workplaces Fairer

MOL implemented the Employment Standards Service Integration Strategy to transform service delivery by:

- Targeting high risk, non-compliant employers by conducting pro-active inspections;
- Providing multi-channel access to information, including provision of multi-language materials;
- Enhancing community outreach through an integrated network of service providers and stakeholders; and
- Improving claims intake and claims management services by centralizing claims intake in one location and implementing a triage system to process employment standards claims.

Achievements in 2005-06:

- 2,515 pro-active inspections were conducted, and 400 prosecutions initiated.
- \$17.2 million in unpaid wages recovered on behalf of vulnerable workers.
- ServiceOntario Government Information Centres at select locations began accepting employment standards claim forms.
- Claim form and associated guide were simplified and an electronic claim form developed.
- Workplace Gateway was launched to provide easy access to information on rights and responsibilities. Easy to understand brochures in 21 languages also distributed.
- Partnerships were established with 100 organizations to provide information on employment standards to their clients or members.
- A public awareness campaign for Family Medical Leave was launched. Brochures in English, French and other languages were distributed to all Ontario general medical practitioners, hospitals and ethnic community groups.

Restoring Balance to Labour Relations and Increasing Productivity

The Ministry achieved the following in 2005-06:

- Provided neutral collective bargaining dispute resolution services to the public and private sectors including municipalities, the health care sector, auto parts manufacturing, retail food and food processing sectors, among others.
- Built labour relations capacity by establishing linkages with the academic community, including the University of Toronto, Queen's and Trent Universities and various community colleges.
- Provided expert labour relations advice and information to public and private sector clients.
- Successfully expanded innovative programs, such as interest-based dispute resolution and facilitation, on a cost-recovery basis.
- Worked extensively with the Ministry of Health and Long-Term Care on labour relations issues related to restructuring in the health sector.

MINISTRY EXPENDITURES

	Ministry Actual Expenditures (\$M) 2005-06
Operating	140.5
Capital	There are no Capital Estimates for the Ministry of Labour.
Staff Strength (as of March 31, 2006)	1,618

APPENDIX II

MINISTRY OF LABOUR

Annual Report 2006-07

2006-07 ANNUAL REPORT

In 2004-05, the Ministry of Labour began an ambitious transformation agenda designed to contribute to the government priority of Strong People, Strong Economy, with the key result of creating a competitive business environment. In 2006-07 the Ministry continued to make progress in working toward its goals of:

- Making workplaces safer and healthier by hiring additional health and safety inspectors to enable an enforcement intervention strategy targeted at high risk/high cost workplaces.
- Ensuring employers in the construction sector are full participants in Ontario's economy by targeting the underground economy through referrals of suspect companies to the appropriate agency or ministry.
- Protecting vulnerable workers and making workplaces fairer through use of pro-active inspections; improvements in employment standards claims management; the provision of multi-channel access to information; and enhanced community outreach.
- Creating and maintaining a stable labour relations environment through effective delivery of neutral dispute resolution and education services.

Making Workplaces Safer and Healthier

In 2006-07, the Ministry continued to make progress in its enforcement intervention strategy aimed at high-risk workplaces:

- All 200 new inspectors announced in 2004-05 have been hired.
- Approximately 16,000 fewer lost time injuries are projected in 2006-07, against a target of 13,000.
- In 2006-07, the Ministry continued a project started in 2005-06 to target the underground economy, working with the WSIB, other Ontario ministries and Canada Revenue Agency. As a result, there have been 1,100 underground economy referrals to the Ministry of Finance, through information gathered by inspectors as part of high risk visits. The Ministry of Finance has reported collecting nearly \$300,000 in additional taxes as a result.

The Ministry of Labour also modernized health and safety regulation through:

- Continuing to raise awareness of prevention of ergonomic-related injuries. The Pains and Strains Campaign, launched in January 2006, focuses on awareness, education and prevention, as well as improved training, increased expertise and better tracking of ergonomic-related inspections. Benefits include improved worker morale and well-being; reduced WSIB lost-time injury claims and the associated direct and indirect costs; improved ability to retain experienced, knowledgeable and skilled workers; and reduced administrative costs related to claims management and investigation.
- Working in partnership with the Ministry of Health and Long-term Care and WSIB to improve safety conditions in the health care sector.

The Ministry also worked to improve the mobility of Ontario construction workers in Quebec by signing an agreement with Quebec in June 2006 which gives Ontario workers equitable access to construction jobs in Quebec. Key benefits of the agreement are as follows:

- Ontario construction contractors will now be eligible to bid on contracts with a minimum value of \$100,000 throughout Quebec.
- Ontario construction workers can now qualify for trade activity cards which will be recognized by Quebec.

- Specialized workers, such as those who have received training on installation or warranty work from a manufacturer, are now able to perform that work in Quebec. A specialized work card will be issued by the Jobs Protection Office in Ottawa, following review of the required documentation provided by the Ontario contractor.

Protecting Vulnerable Workers and Making Workplaces Fairer

MOL implemented the Employment Standards Service Integration Strategy to transform service delivery by:

- Conducting 2,500 pro-active inspections of employers within high risk sectors;
- Providing multi-channel access to information, including provision of multi-language materials;
- Enhancing community outreach through an integrated network of service providers and stakeholders; and Improving claims intake and claims management services by centralizing claims intake in one location and implementing a triage system to process employment standards claims.

2006-07 Year to Date Achievements

- A total of 2,500 targeted inspections were conducted, including a two-month blitz focusing on temporary employment agencies. Over 400 prosecutions were completed, including Part III prosecutions under the Provisional Offences Act.
- Almost \$13 million in unpaid wages was recovered on behalf of vulnerable workers (April 2006 to Feb. 2007).
- The Employment Standards Program developed an Information Technology (IT) system to automate employment standards claims processing. This system will be introduced province-wide by the end of April 2007.
- The Program established partnerships with community colleges to provide Employment Standards Act seminars to small business employers and with Settlement and Integration Services Organizations (SISO) to provide Employment Standards information for newcomers.
- The Employment Standards Act poster was revised to include an Internet site where young workers can obtain employment standards and health and safety information.
- A plain language Guide to the Employment Standards Act was launched online from the Ministry's website.

Restoring Balance to Labour Relations and Increasing Productivity

The Ministry achieved the following in 2006-07:

- Continued to work with the health, education and construction sectors in regards to labour relations best practices.
- Provided neutral dispute resolution services in negotiating collective agreements, resulting in a settlement rate of 97.5% without a strike or lockout.
- Continued to enhance linkages with the academic community, including the development of a National Mediator Training Program through the Canadian Association of Administrators of Labour Legislation (CAALL) Advisory Committee, made up of representatives from government, labour, management and the academic community.
- Expanded training in interest-based bargaining grow across public and private sectors by tripling previous years' activity.

MINISTRY EXPENDITURES

	Ministry Actual Expenditures (\$M) 2006-07
Operating	\$150.0
Capital	There are no Capital Estimates for the Ministry of Labour.
Staff Strength (as of March 31, 2007)	1,480