



RESULTS-BASED PLAN 2008-09

Ministry of Labour

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PART I: PUBLISHED RESULTS-BASED PLAN 2008-09

MINISTRY OVERVIEW

Vision

Safe, fair and healthy workplaces that create productive relationships between employers and employees and a competitive economy that generates widespread benefits for all Ontarians.

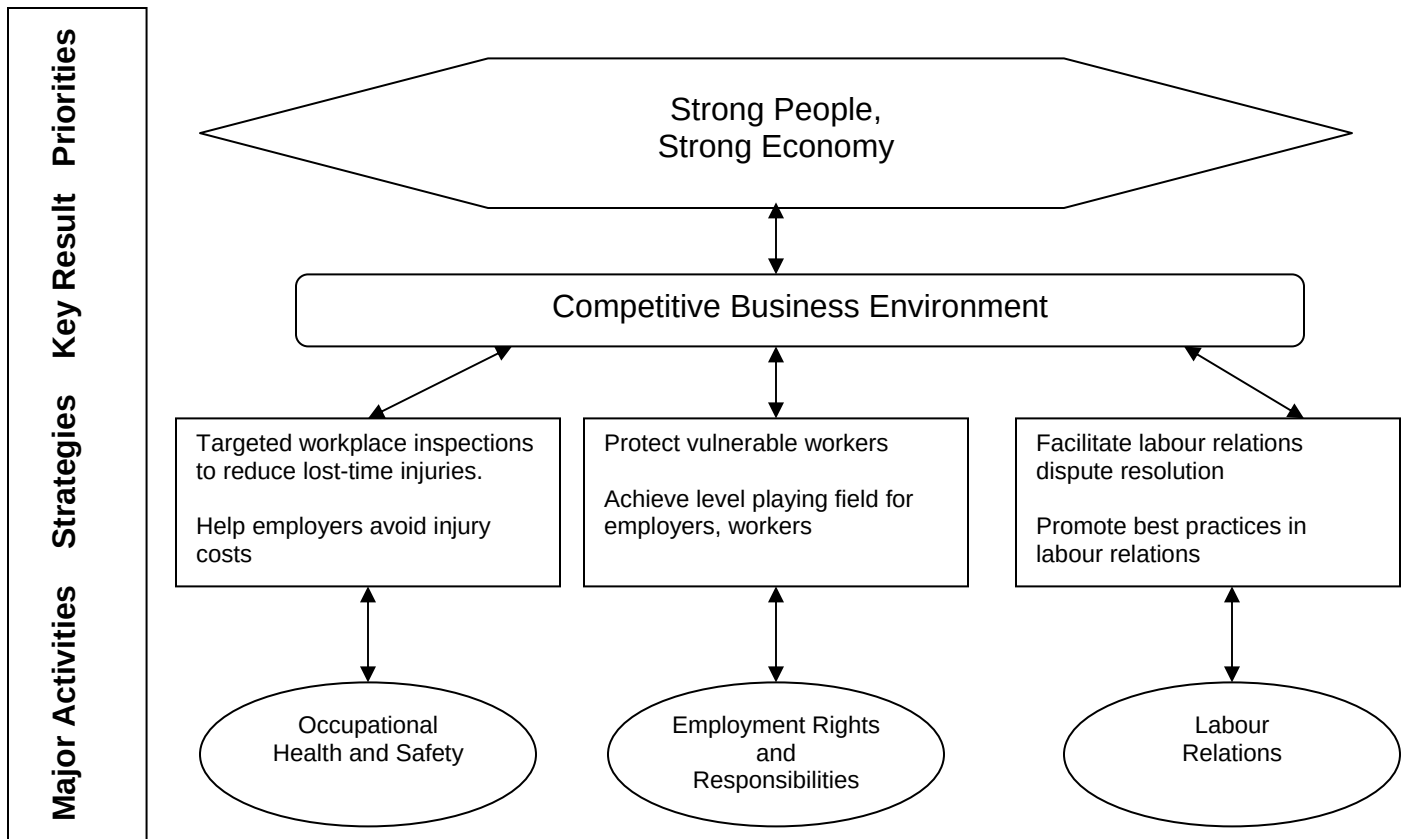
Overview Statement

The Ministry of Labour is committed to the advancement of safe, fair, healthy and productive relationships in the workplace and the broader community. The Ministry values the contributions and dedication of its employees in fulfilling its mission and strives to lead by example, ensuring a safe, fair, healthy and productive working environment for all ministry staff.

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;
- 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 will continue to direct significant resources toward pro-actively inspecting firms based on a number of factors, such as their health and safety record compliance history, and presence of hazards inherent to the activities of the business. This will lead to a continued reduction in pain and suffering, reduced burden on the health care system, and cost avoidance for employers 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)*, the *Pay Equity Act (PEA)*, and the *SARS Assistance and Recovery Strategy Act, 2003 (SARS Act)*, to ensure that Ontario employees are protected by minimum standards of employment covering wages and working conditions. 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 workforce.

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, the program 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 Dispute Resolution Service 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.

Two other agencies, the Workplace Safety and Insurance Board and the Workplace Safety and Insurance Appeals Tribunal, report to the Minister of Labour but are not funded by the government's Consolidated Revenue Fund.

STRATEGIES/OUTCOMES

The Ministry of Labour is continuing the strategies that were implemented in 2004-05 to achieve the following outcomes:

- Make workplaces safer and healthier by working with its health and safety partners and targeting high-risk workplaces;
- Protect vulnerable workers and make workplaces fairer for all by targeted inspections of high-risk employers 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 is to have 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.

A key component of the strategy is to target enforcement activities at workplaces with the highest risk, highest claims costs, highest hazards, and/or a history of noncompliance. This focus will build on the significant prevention of workplace injuries that has been achieved since 2004-05.

Since the targeted enforcement strategy was launched in 2004-05, the Ministry has achieved the following:

- 200 new Health and Safety inspectors were hired and trained;
- Approximately 54,000 Lost Time Injuries were avoided;
- The Lost Time Injury Rate has been reduced to 1.8 per 100 workers, from 2.2 entering 2004-05;
- WSIB costs of an estimated \$1.053 billion have been avoided.

In 2008-09 the Ministry will continue to work with its health and safety partners toward its objective of reducing workplace injuries, so that each year:

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

Also in 2008-09, 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;
- Maintain its focus on new and young workers to reduce their vulnerability to workplace injury;
- Target additional resources toward the health care sector in order to improve workplace health and safety in response to the findings of the Campbell Commission on SARS; and
- 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.

Protecting Vulnerable Workers and Making Workplaces Fairer

The Ministry is continuing to focus 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 the investigation of employment standards complaints to 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:

- Targeted enforcement of high-risk 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 Employment Standards Program conducts proactive inspections of high-risk employers each year. 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 new emphasis on compliance, the program initiated approximately 400 prosecutions in 2007-08.

The 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 implementation of a new IT system to support program objectives and the revised claims processing business model;
- 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 2008-09, the Program will continue to work with employer organizations to improve compliance in high-risk sectors such as retail, restaurant and business services, and continue to conduct proactive inspections in support of this goal. As well, the Program will evaluate new business models to address increased claims volumes, and to reduce the wait times for the initial review of claims to six months (this is an interim measure subject to adjustment as the Program develops new performance measures and allocates resources between claims management and targeted inspections).

Legislative Changes

Changes in legislation in the past few years (the elimination of mandatory retirement, increases in Ontario's minimum wage, the introduction of the Family Day holiday and the *Family Medical Leave Act*, and the rollback of the 60-hour work week) contribute to program objectives of enhancing awareness of workplace rights, protecting vulnerable workers, and strengthening enforcement of 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 neutral 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 are interested in improving the relationship with their counterparts not only for collective bargaining purposes, but also in the administration of their collective agreements. Improved relationships avoid strikes and lockouts and help create stable workplaces where productivity is more likely to increase.

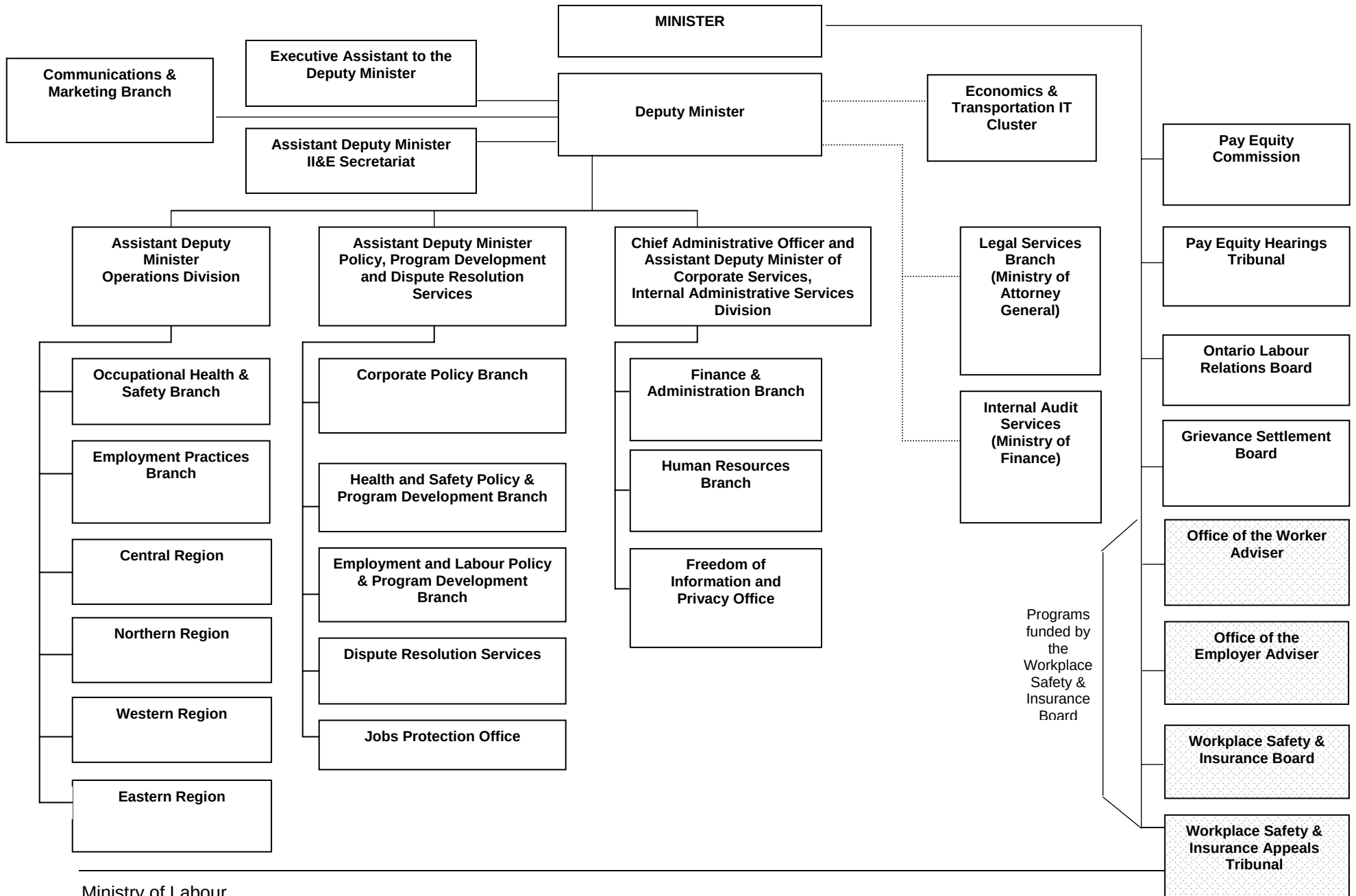
In 2007-08, the program continued to meet its performance target of 95 per cent of collective bargaining disputes achieved without a strike or lockout. In 2008-09 the Labour Relations program will continue to provide expert labour relations advice and neutral collective bargaining dispute resolution services, in a critical year that will see 2,451 collective agreements due for renewal in the provincial government, Broader Public Sector, and Education and Health/Welfare sectors.

Other Updates

In May 2007, the government proclaimed the *Regulatory Modernization Act, 2007*, which came into effect in January, 2008. The *Regulatory Modernization Act, 2007* enables staff from 13 ministries and other agencies to share information and work together to ensure that businesses comply with provincial laws. It also helps the government monitor businesses that put the public at risk by violating Ontario laws.

The Inspections, Investigations and Enforcement Secretariat (II&E) successfully launched a second Small Business compliance improvement and streamlining pilot project in 2007-08, in partnership with the Ministry of Small Business and Entrepreneurship and ServiceOntario.

MINISTRY OF LABOUR – ORGANIZATIONAL CHART 2008-09



MINISTRY OF LABOUR: ACTS ADMINISTERED 2008-09

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

Regulatory Modernization Act, 2007

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 AND COMMISSIONS

<u>VOTE/ITEM</u>		2007-08 INTERIM ACTUAL REVENUE	2007-08 INTERIM ACTUAL EXPENDITURE	2008-09 ESTIMATES
1602-1	Pay Equity Office	0	3,247,700	3,662,600
1602-2	Pay Equity Hearings Tribunal	0	687,500	814,100
1603-1	Ontario Labour Relations Board	400,000	12,419,700	13,385,200
1603-2	Grievance Settlement Board (see note 1)	1,291,500	2,394,500	2,686,000
1604-3	Office of the Worker Adviser (see note 2)	0	11,301,800	11,083,900
1604-4	Office of the Employer Adviser (see note 2)	0	3,184,400	3,720,700

Notes: 1 All costs of the Grievance Settlement Board are fully recovered from ministry employers as expenditure recoveries and from crown employers and trade unions as revenue:

	2007-08	2008-09
Recoveries (Section 15) - Ministry Employers	1,103,000	1,349,100
Revenue - Crown Employers and Unions	1,291,500	1,336,900
Total Recoverable	2,394,500	2,686,000

2 The amounts shown are gross amounts and are fully recoverable from the Workplace Safety and Insurance Board.

The Workplace Safety and Insurance Board and the Workplace Safety and Insurance Appeals Tribunal report to the Minister of Labour but are not funded by the government.

MINISTRY FINANCIAL INFORMATION

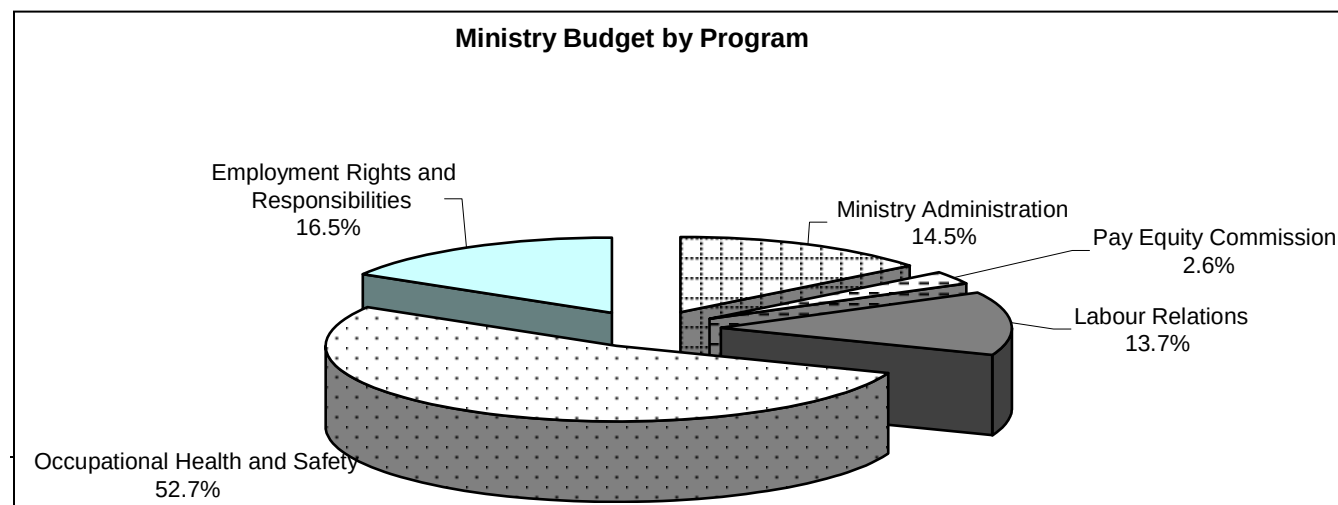
Ministry Planned Expenditures 2008/09

	Ministry Planned Expenditures (\$M) 2008-09
Operating	\$170.2
Capital	N/A

Ministry Planned Expenditures by Program Name 2008/09

Program Name	Ministry Planned Expenditures (\$M)
Ministry Administration Program	\$24.6
Pay Equity Commission Program	\$4.5
Labour Relations Program	\$23.4
Occupational Health and Safety Program	\$89.7
Employment Rights and Responsibilities Program	\$28.0

Ministry Budget by Program



MINISTRY OF LABOUR
Operating Summary by Vote

Votes/Programs	Estimates	Change from		Interim		
	2008-09	Estimates	Change	Estimates	Actuals	Actuals
	\$	2007-08	%	2007-08	2007-08	2006-07
		\$	%	\$	\$	\$
OPERATING						
Ministry Administration	24,585,900	2,233,200	10.0%	22,352,700	21,501,200	18,708,863
Pay Equity Commission	4,476,700	436,500	10.8%	4,040,200	3,935,200	3,814,177
Labour Relations	23,389,400	1,694,500	7.8%	21,694,900	21,799,900	20,675,701
Occupational Health and Safety	89,651,300	4,739,500	5.6%	84,911,800	84,911,800	78,692,911
Employment Rights and Responsibilities	27,997,300	407,500	1.5%	27,589,800	27,589,800	23,541,204
Total Including Special Warrants	170,100,600	9,511,200	5.9%	160,589,400	159,737,900	145,432,856
Less: Special Warrants	-	(54,037,200)	(100.0)%	54,037,200	-	-
Total Operating to be Voted	170,100,600	63,548,400	59.6%	106,552,200	159,737,900	145,432,856
Special Warrants		(54,037,200)	(100.0)%	54,037,200		
Statutory Appropriations	65,014	1,315	2.1%	63,699	65,014	66,813
Ministry Total Operating	170,165,614	9,512,515	5.9%	160,653,099	159,802,914	145,499,669
Operating Expense Adjustment	-			-	-	320,048
Total Including Consolidation and Other Adjustments	170,165,614	9,512,515	5.9%	160,653,099	159,802,914	145,819,717

Note: There are no Capital Estimates for the Ministry of Labour for 2008-09

APPENDIX I

MINISTRY OF LABOUR Annual Report 2007-08

2007-08 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 2007-08 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;
- 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 2007-08, the Ministry continued to make progress in its enforcement intervention strategy aimed at high-risk workplaces:

- Approximately 20,900 fewer lost time injuries are projected in 2007-08, against a target of 20,000.
- Projected claims cost avoidance to the Workplace Safety and Insurance Board (WSIB) is anticipated to total approximately \$447 million in 2007-08, against a target of \$300 million.

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

- 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, as called for in the Campbell Commission Report on SARS.

Protecting Vulnerable Workers and Making Workplaces Fairer

MOL implemented an Employment Standards Transformation Strategy to improve service delivery and increase enforcement by:

- Conducting pro-active inspections and expanded investigations of employers within high risk sectors or where non-compliance is suspected;

- Providing multi-channel access to information, including provision of multi-language materials; improving claims intake and claims management services by centralizing claims intake in one location and implementing a triage system to process employment standards claims; and, developing a multi-purpose information system to enhance e-access and the management of claims.

2007-08 Year to Date Achievements

- The program introduced a new business model for claims management that incorporates specialized roles and standardized processes, and continued to work with Information Technology (IT) in implementing an IT system to automate employment standards claims processing.
- Approximately 1,250 targeted inspections of high-risk sectors were conducted.
- Approximately 400 prosecutions were completed, including Part III prosecutions under the Provincial Offences Act.
- Over \$7 million in unpaid wages was recovered on behalf of vulnerable workers (April 2007 to December 2007).
- The program continued its partnerships with community colleges to provide Employment Standards Act seminars to small business employers and with community groups to provide Employment Standards information for newcomers to the province.
- The program has initiated planning to:
 - o assess and further improve claims management processes;
 - o develop a new education and outreach strategy and a new proactive enforcement strategy, both aimed at improving compliance with the Act.

Restoring Balance to Labour Relations and Increasing Productivity

The Ministry achieved the following in 2007-08:

- Continued to work with the health, education and construction sectors in regard to labour relations best practices.
- Provided neutral dispute resolution services in negotiating collective agreements, resulting in a settlement rate of 97.8 per cent without a strike or lockout.

MINISTRY EXPENDITURES

	Ministry Actual Expenditures (\$M) 2007-08
Operating	\$159.8
Capital	There are no Capital Estimates for the Ministry of Labour.
Staff Strength (as of March 31, 2008)	1,495