

1. Facing Layoffs

Jobs with decent wages and working conditions should be a right, not a precarious privilege. Instead, workers are losing their jobs because of globalization, free trade, the high Canadian dollar, privatization, deregulation, and technological change. Many employers are choosing to:

- Introduce new technology requiring a change in work processes and workers' skills.
- Relocate workplaces, usually to lower wage areas, often in other countries with lax employment laws and minimal worker protection.
- Close or partially close workplaces due to financial difficulties or changing employer priorities.
- Contract out services.
- Exploit migrant workers instead of upgrading skills and wage levels of workers in Canada.
- Takeover, merge and buyout workplaces with a resulting change in workforce requirements.
- Privatize public operations and services.
- Cut budgets.

The government's role

These employer decisions have been made easier by government deregulation in many areas affecting the workplace, from employment standards to safety measures to the elimination of tariffs and other trade barriers. The net result is less demand for workers and their contribution to the economy.

Labour fights back

Labour fights for decent jobs, the protection of public services, better living and working conditions for all workers and their families. Canada's demand for international workers should be met by reforming our immigration program: providing workers a path to citizenship, with workplace protections and the ability to exercise their rights.

Lobbying, workplace occupations, labour-community coalitions, petitions and protests may all play a role in this ongoing fight. Part of this fight is pressing employers and governments to provide adequate and effective supports for workers who are laid off (known as labour adjustment programs). This package is one feature of labour's efforts to assist unions and members facing layoffs. The current project also includes training materials on adjustment for union leaders and staff as well as adjustment committees (contact the CLC/OFL Labour Adjustment Working Group).

This package introduces adjustment in a series of information sheets:

1. Facing Layoffs
2. The Fight for Good Jobs
3. Goals of Adjustment
4. Negotiating Job Protections and Adjustment
5. Early Warning Signs
6. First Things First
7. Adjustment Overview
8. Government Regulations and Programs
9. Labour Resources, Community Services, Government Programs
10. Labour-Government Guidelines for Adjustment Programs

The Canadian Labour Congress Ontario Region and Ontario Federation of Labour through their Labour Adjustment Working Group have worked in consultation with affiliates to prepare this package.

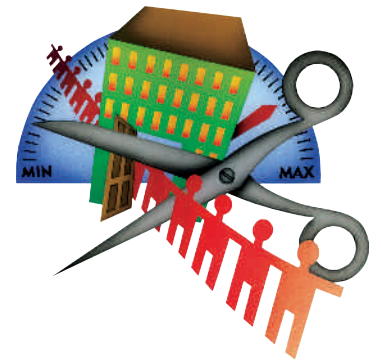
Special CLC website: adjustment.ca

Facing layoffs? Downsizing? Expecting a closure or merger? When your workplace is changing, unions must act fast and effectively.

Adjustment.ca is the Canadian Labour Congress website on workforce adjustment, the place for local unions to get the basics on adjustment strategies. Examples, resources, related links and checklists will help equip you for the challenges ahead.

Find out how to:

- take the lead
- deal with government
- propose alternatives
- negotiate a package
- form a joint committee
- provide services
- fight back!



2. The Fight for Good Jobs

Almost 20% of Ontario's manufacturing base has been lost since 2005 (to September 2008). Added to the loss of nearly 200,000 manufacturing jobs is the loss of almost 7,000 forestry-related jobs in Northwestern Ontario in the same period. These losses have been partially offset by growth in service-sector employment. However, wages in the service sector are 30% less. Almost one in three Ontario workers has been forced to take part-time or temporary employment.

Labour's policies on Employment Insurance, training, adjustment and employment services are placed within the context of an economic renewal strategy to create quality, full-time jobs. Labour's analysis is featured here through selections from convention documents of the Ontario Federation of Labour and Canadian Labour Congress.

Abridged from the OFL Policy Document, "The Fight For Good Jobs", Executive Summary, 2007 OFL Convention:

Global restructuring

Today we see continued economic growth, especially in countries such as China, India, Mexico, Brazil and others; economic restructuring involving out-sourcing and off-shoring to the global south; increasing inequality between the richest and poorest; the rise of neo-liberal policies with their emphasis on the private market; and the consequent cutbacks in public services, the demise of economic planning, public ownership and full employment policies.

At the same time, profound change is occurring in the global labour market that is more economically integrated than ever before. This global labour force has doubled in the past 20 years. The struggle for jobs and decent work remains elusive for nearly a billion people

around the world. There are also 1.4 billion people living on less than two dollars (US) per day.

Given the amount of outsourcing to countries in the world where production and labour costs are less, given the mobility of investment capital and phenomenal growth of the global workforce, there are serious challenges confronting collective bargaining and in gaining improvements in people's standard of living.

Employer responses

Employers have responded to competitive pressures and tried to reduce production costs, circumvent unions, increase productivity, cut corporate taxes and erode public services for which workers have fought so hard.

Currently, there is a further way in which employers are cutting costs, that is by moving from full-time permanent work to various forms

of non-standard or precarious employment such as contract work, part-time work, casual work and self-employment. All of these forms of work enable employers to shift the financial costs of paying benefits and pensions to the individual rather than themselves. These jobs also generally pay less.

Statistics Canada's 2006 survey of new jobs shows that almost two-thirds of them fit this category. This development has also led to an explosion of temporary employment agencies across the province. Thousands of women, immigrants and young people flood into these agencies hoping to find full-time work only to find that contractual arrangements between the agency and the client company prevent them from being hired full-time.

Crisis of employment in manufacturing

[In 2007], Ontario's and Canada's economy appears to be healthy. Yet, in the manufacturing core of the economy, tens of thousands of jobs have been lost and more layoffs and plant closures are expected as company after company announce that they are "restructuring," "downsizing" or "outsourcing."

Since the peak of manufacturing employment in November 2002, until February 2007, Ontario has lost 141,600 manufacturing jobs, approximately one in eight jobs. [From 2005 to September 2008, almost 200,000 manufacturing jobs have been lost.] Nearly all of these job losses are permanent. This crisis in the manufacturing sector has major implications, not only for the workers losing their jobs but also for the economic base of social services. Hence, communities across the province will suffer.

Rather than responding to this crisis with direct assistance, governments at both the provincial and federal levels are promoting policies which exacerbate the difficulties. Two ominous examples are, first the federal/provincial governments' Temporary Foreign Workers Program (TFWP). This program is designed to alleviate the alleged shortage of labour in Ontario and Canada by side-stepping immigration and tying new entrants to a particular employer upon which they will be dependent to maintain their legal status. Employers will, as they have with agricultural workers for decades, have the power to deport such workers should they find them "unsuitable."

The second example involves the governments of British Columbia and Alberta who have signed an inter-provincial free trade agreement known as the Trade, Investment and Labour Mobility Agreement (TILMA).

These governments have invited Ontario and other provinces to join them in this agreement. The provisions of TILMA place serious constraints on government policy, law, regulation and action. In short, TILMA, like the TFWP, is designed to be another mechanism for deregulation and for diluting public policies, undermining the authority of government and weakening the strength of the labour movement.

Labour adjustment and training

A critical aspect of the mass job losses is the devastating impact it has on those affected. Lives are disrupted and financial losses put enormous strain on individual workers and their families. Statistics show that those who do find new employment often earn significantly less than they earned previously. There are a number of additional issues, including the erosion of

Employment Insurance to the point where a majority of unemployed workers no longer qualify, the wide array of bureaucratic hurdles workers face in attempting to gain access to training benefits, computer skills, literacy upgrading and high school equivalency. More protection is needed for workers facing adjustment.

The OFL calls on the government to implement a job strategy that promotes economic development, particularly in the manufacturing sector, and creates jobs. Our ideas for a job strategy need further discussion, debate and development by all of us. They include, but are not limited to:

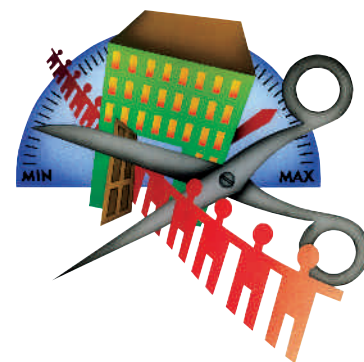
- developing strategies for offsetting the impacts of currency fluctuations on the ability of manufacturers to operate in a global environment
- leveraging more value-added and manufacturing jobs from resource industries
- introducing procurement strategies to further industrial capacity and expand employment
- implementing effective energy policies that provide a stable and low-cost supply of energy to manufacturers and working families
- linking climate change policies to job creation in “green industries” and help existing industry transition to “greener production”
- expanding worker-oriented education and training provisions for authentic apprenticeships, skills upgrading, literacy and ESL training
- expanding research and innovation so as to raise productivity and further develop the capacities of the work force
- introducing new legislation as part of a jobs strategy, requiring corporations to justify shutdowns and major layoffs
- creating a provincial training levy requiring every employer not already investing in authentic apprenticeship, to contribute one percent of payroll into the fund. Employers who hire apprentices or pay into a union or union-employer administered training fund would be exempted.
- establishing the position of a Jobs Protection Commissioner to advocate for jobs
- amending Employment Insurance so that more workers qualify and so that pension income, vacation pay and severance are not designated as income for EI purposes
- increasing union representation, including part-time college instructors and agricultural workers, to assist in a jobs strategy to both create jobs and to ensure that such jobs are good and secure

Jobs and the Manufacturing and Forestry Crisis

Abridged from the resolution adopted by the 25th CLC Constitutional Convention, 2008:

The Canadian Labour Congress calls for a major shift in government policies and programs to recognize the strategic importance of the manufacturing and forestry sectors to the future of good jobs in both the public and private sectors. These policies must include:

- a realistic exchange rate for the Canadian dollar
- an end to trade deals that give global corporations priority over the interests of working people and produce unbalanced trade outcomes
- procurement policies to ensure that purchases by all levels of government are sourced in Canada to the maximum possible extent, beginning with an immediate demand for majority Canadian content for all transit vehicles and moving on to other manufactured goods as well as services
- a ban on log exports, restrictions on the export of unprocessed resources, and support for higher value-added resource processing in Canada, including by reversing the decision to build the Keystone pipeline to export raw bitumen to the US from the Alberta tar sands
- effective regulation of foreign investment, mergers and take-overs so as to preserve and create jobs
- direct government financial support for new industrial investment and sector development strategies, and tying corporate tax incentives to enforceable commitments to create and maintain good jobs
- legislation requiring justification of major layoffs and shutdowns, and funding of a Jobs Commissioner office with the power and resources to stop and mitigate layoffs
- enhanced unemployment benefits
- adequate training and transition programs to assist Canadian workers who are losing jobs, and effective workplace and community adjustment programs



3. Goals of Adjustment

Job loss brings loss of livelihood, separation from the work and union family, anger and fear. Job loss may bring a possible move from the community to a job that too often pays lower wages and benefits. This is not an individual problem. Job loss is determined by economic and political forces beyond an individual's control. Job loss therefore requires collective responses and actions. Employers and governments have an obligation to provide a range of resources and supports for effective adjustment services.

Where layoffs cannot be prevented, unions try to help workers in ways that are accessible, sensitive and labour-centred. Workers need assistance in the difficult task of finding new employment or accessing training. This is especially true for immigrant workers, older workers, women workers, workers of colour, disabled workers and workers in non-urban areas.

Early intervention – acting before the layoff actually occurs – is of proven benefit. Access to services and information right away means better choices. The sooner the adjustment process can get under way, the better the chance of success.

❖ A union approach to adjustment seeks to find jobs with comparable wages and working conditions to the job that was lost. Unionized employment – or the opportunity to unionize – is critical.

- ❖ A union approach to adjustment is sensitive enough to recognize the diverse needs of the membership, and flexible enough to meet the diversity of needs.
- ❖ A union approach to adjustment is relevant to all the members, regardless of their age, gender, seniority, and skill level.
- ❖ A union approach to adjustment recognizes members speak different languages and have different cultural backgrounds.

No matter how small or large the layoff, every member's individual needs should be identified and addressed.

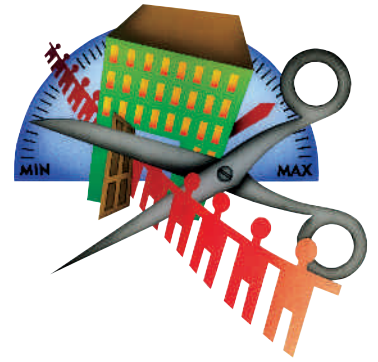
Our goal is to help workers make the transition toward “what's next.” This varies from one worker to another. For most, a new job is an urgent priority. Union supports and efforts for government and employer support include:

- Job placement within the sector or in another sector, preferably unionized
- Funding or assistance for job relocation
- Measures to help workers make a successful transition to a new job
- Retirement with no loss of benefits
- Access to relevant and high quality training that leads to suitable new employment
- Negotiated severance packages above the legal minimum and other special allowances for training, health and welfare, etc.

Unions and central labour bodies (Ontario Federation of Labour and Canadian Labour Congress) have adopted many resolutions on Employment Insurance, training, adjustment and employment services. Labour's views are placed within the context of an economic renewal strategy creating quality, full-time jobs. (*See section 2: The Fight for Good Jobs*) Together these resolutions outline labour's agenda, and include key principles and demands such as:

- ✓ We believe all residents of Canada are entitled to public, accessible and high quality employment services including unemployment insurance, welfare (without workfare), employment counseling and other adjustment services.
- ✓ Unions fight to ensure that rights to literacy and upgrading, public education, training and employment services are universal, that is, accessible to all, regardless of age, gender, race, ethnicity, disabilities, sexual orientation, financial circumstance, work situation or citizenship status and that they are transferable and portable across Canada – including the recognition of international credentials.
- ✓ The primary responsibility for the funding of education, training and employment services must remain with governments. We believe the federal government should have a key role in the training and employment services sector and should not abandon its responsibilities in this area.
- ✓ We believe that public institutions should be the primary deliverer and preferred means of training, education and employment services. Funds must be made available to ensure the continuing strength of public education institutions and government programs in these areas. We are opposed to private-for-profit education, training and employment services and these kinds of services will not, except in extreme circumstances where there is no alternative, be used by the labour movement.
- ✓ Legislation should require a minimum 12 months' notice for all workplace closures and major layoffs, require the establishment of labour-management adjustment committees and obligate employers to negotiate and finance adjustment. All employment programs operated by government should be available to workers under notice of layoff, including training insurance.
- ✓ Literacy and skills training should be included as an Employment Insurance entitlement for both employed and unemployed workers, just as EI is provided for unemployment, maternity, parental leave, sickness and compassionate care.
- ✓ EI and adjustment programs should support the reintegration of older workers into the workforce, and include bridge benefits to retirement. Older workers should be entitled to a year and a half of benefits. In addition to longer benefit periods, the worker's years in the workforce should be used to guarantee access to EI benefits.
- ✓ Reduce the number of qualifying hours to a uniform 360 for all EI benefits. Increase the level of weekly EI benefits paid to at least 66.67% of the best 12 weeks of earnings. Extend the benefit payment period from the first day of layoff up to 50 weeks. Do not allocate pension income, vacation pay and severance as income against EI benefits.
- ✓ Provide two weeks severance pay for every year worked to all terminated workers.

4. Negotiating Job Protections and Adjustment



Negotiating job protections and security includes a range of options:

- no layoffs while the agreement is in effect
- alternatives to layoffs
- shorter work time (restrictions on overtime; reduced work weeks)
- eliminating contracting out; pursuing a “contracting-in agenda”
- converting contract or temporary workers to permanent status after a designated period of employment
- eliminating use of temporary contract workers from employment agencies
- increasing access to training; recognition of international credentials and work experience from outside Canada

There is no legislation in Ontario that requires employers to participate in adjustment. Many unions try to negotiate an employer commitment to adjustment into their collective agreements. Negotiating such clauses also builds awareness at the local level of the importance of preparedness.

Language on adjustment can ensure the employer will:

- give advance notice of layoff or closure
- set up and commit funds and time for training for an adjustment committee
- commit funds toward the adjustment process
- negotiate a close-out agreement addressing such issues as extended benefits, pension and severance provisions
- commit funds to training and upgrading

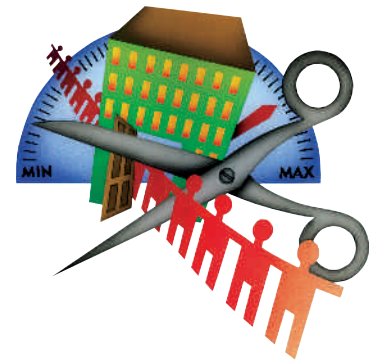
Bargaining adjustment dollars and services into the contract ensures their provision and also helps avoid over-dependence on government funding. You may also be able to initiate programs at an early stage when activities are ineligible for government funding. When successful, bargained provisions can extend the scope for adjustment considerably beyond what is available through government programs.

Often though, negotiating an adjustment package takes place when a layoff or closure is announced. For sample adjustment clauses in the areas of benefits, pensions, severance and adjustment programs, see the special CLC website adjustment.ca

A worker-centred adjustment package includes:

- layoffs to occur on a voluntary basis
- layoffs by seniority
- a timetable for layoffs
- bumping rights
- retention of seniority
- severance pay above the minimums required by the Employment Standards Act
- notice, or pay in lieu of notice above the ESA minimums
- early retirement provisions
- pension improvements
- supplementary Employment Insurance benefit
- a dispute resolution mechanism
- education/training with pay
- a union-only or joint adjustment committee
- employer funding for adjustment services, including an action centre
- access to individualized adjustment services through the work of the adjustment committee, including:
 - needs assessments
 - counseling
 - financial planning
 - training and retraining
 - language upgrading as well as basic skills and literacy
 - job search and placement assistance
 - assistance with applying for Employment Insurance
 - other needed services as identified by your members
- use of peer helpers wherever possible
- time off for participating in adjustment services and job search
- resolution of any outstanding grievances or a mechanism for doing so
- payment of all outstanding amounts owed
- flexibility in the form and timing of any payments
- positive letters of reference for all affected workers
- possible protection of certain job categories

Remember that the provisions of employment standards and other legislation represent the floor and should be accepted as sufficient only if all efforts to negotiate improvements fail.



5. Early Warning Signs

Unions try to prevent layoffs through job retention, conversion and creation strategies. Long before layoffs become an issue, unions try to include job protections as part of regular bargaining.

Identifying early warning signs of layoff or closure can help unions launch a proactive response, including:

- coalition building, lobbying and political action to protect jobs and prevent layoffs and closure and press governments to act to save jobs
- bargaining efforts to reduce contracting out, reduce work time, facilitate possible early retirement options
- imposing requirements on the employer to consult and work with the union
- bargaining further commitments from the employer for job retention and adjustment

Some unions lobby for a new purchaser or consider worker ownership as an alternative to closure. This is particularly so when the closure of the major employer will severely impact the community as a whole. Unions recognize that the potential success of such efforts is directly affected by the economic factors leading to the closure, the availability of capital, and the level of cooperation (or hostility) from the employer.

What to watch for

In the public sector, government policies, decisions and budgets need to be continually monitored. In the broader sector, danger signs include such things as new Board members in non-profit agencies who are pro-privatization.

In manufacturing and some other industries in the private sector, the following checklist outlines signposts of trouble.

Mismanagement. Poor quality control. Bad labour-management relations. Marketing errors. Incompetent new supervisors. Nepotism, cronyism. Irregularities in promotions.

Management Instability. Poor treatment by corporate parent with poor managers. Turnover of plant manager, labour relations positions. For example: Canadian managers replaced by American in branch plant. New “consultants” directing staff.

Inadequate Research and Development. Poor product design. Failure to develop new products, new manufacturing processes. Losing ground to other companies in product design and quality. Lack of research to cut energy costs, overhead and inventory.

Physical Plant. Old building. Multiple stories. Physical design limits efficient production, rules out expansion.

Unidentified Visitors / Cosmetic Improvements. Equipment or building being surveyed or appraised. Cosmetic improvement such as office spruce-up, landscaping. “Consultants” or other visitors the employer won’t identify.

Declining Sales. General trend of decline. Drop in market share. Loss of major customers. Reduced sales staff. Trend counter to (or worse than) rest of industry.

Declining Employment. Long-term pattern of permanent layoffs. Specialty job positions being eliminated through attrition, with work being contracted out. Several job classifications being combined into one classification, reducing the number of positions.

Business Climate. Management complaints about taxes, energy prices, unions. Change in government regulation/deregulation, legislative environment, government attention.

Changes in Land Use. Rising land values, land development in the area. Neighbouring plants being sold and converted to non-manufacturing uses. Zoning changes.

Unusual Bargaining Positions. Severance pay offered. Heavy backloading of raises. Management asking for shorter or longer contract than usual. Long-term pattern of employer demands for concessions.

Industry / Sector. Supplier of raw parts or materials to an industry affected by closures. Industry undergoing restructuring.

Environmental Questions. Affected by new environment regulations. Changes in waste disposal to save money by taking shortcuts.

Ownership: Duplicate Capacity. Branch plant. Related plant(s) with ability to make same or related product. Movement of least-skilled work begun. Too much capacity.

Ownership Problems. Conglomerate owner. Change of ownership, new investment strategy. Merger or acquisition. No successor for aging owner.

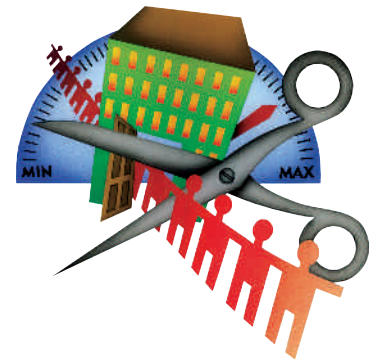
Disinvestment. Lack of equipment, inadequate maintenance. Machinery not competitive. Change in upkeep. Profits used to improve or buy other plants. Excess dividends.

Removal of Equipment. Major pieces being shipped out or sold. Movement to a twin plant or selloff to a competitor. Loss of key equipment or minor pieces.

Increase in Security. No satisfactory explanation.

Cash Crunch. Supplies arriving COD. Shortages in supplies hurting production. Paycheques bouncing. Layoffs caused by cash shortage rather than slack work.

Sudden Changes in Management Behaviour. Trampling on contract. Odd new “Mr. Nice Guy” actions. Actions by managers indicating they won’t be staying long.



6. First Things First

Local committee members often ask: where do you start when the employer announces a mass layoff or closure? It's critically important to act when notice is given.

As soon as there is an official announcement:

- Contact your rep, your union's regional or national office.
- Start to consider the union's political options: what kind of fightback strategies and community connections are possible?
- Get word out to your members that the union executive is aware of the situation and is dealing with the adjustment.
- Let your district labour council know what is going on.
- Start to set up a union-only committee to manage the union's role in the adjustment.

Within the first 24 hours:

- Gather as much information about the situation as you can. You may need to meet with the employer to get more information. You need to know:
 - who is affected
 - how many are affected
 - what they have been told
 - what terms are on offer
 - how much time you have before the layoffs begin

- Don't commit to anything until you have had time to carefully review all of the information and strategize with others.
- Review your collective agreement and note which provisions apply. Be sure to look at notice, severance pay, and layoff clauses. If time permits, also read the clauses on pensions, early retirement, and other related issues.
- Look for ways to delay the process. Time is a valuable commodity in layoff and closure situations.

Start:

- Putting together a list of improvements you would like to make.
- Getting the names and contact information of all employees.
- Collecting information about your members' immediate needs, noting members who may face barriers due to age, language, disability, culture, gender.
- Collecting information about the resources available. There are people and materials available from other unions, labour councils, labour community services programs, the community, and others to help you with handling the adjustment process.

- Developing a communications plan. Consider writing a simple one-page flyer or other communication tool to let your members know you are working on their behalf. Consider calling an information session. Include what workers can do and how they can help each other as well as ideas for local resources.
- Identifying the government representatives

who will act as your link to the appropriate government departments. If you have difficulty getting a response, contact your provincial and federal MPPs and MPs and ask them for help in getting things going.

- Getting advice from other unions who have set up adjustment programs. Contact your union's representative on the CLC Ontario/OFL Labour Adjustment Working Group.

CCAA Protection and Bankruptcy Wage Earner Protection Program (WEPP)

When a company cannot pay its bills, it can declare itself (or be declared) bankrupt. The assets of a bankrupt company are sold off and the proceeds used to pay creditors. This process (including the process within which the various creditors fight over who gets what share of the corporate remains) is governed by the federal Bankruptcy and Insolvency Act.

The impact of a bankruptcy on employees of the bankrupt company can go beyond the loss of their jobs. There may be unpaid wages or benefits. Workers may get help using the Wage Earner Protection Program (WEPP).

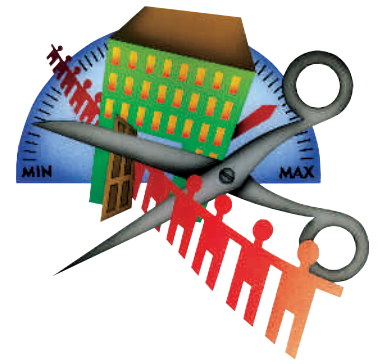
Won with strong advocacy from the labour movement, the WEPP provides eligible workers their unpaid wages and vacation pay that they are owed when their employer declares bankruptcy or is in receivership. Workers need to apply through Service Canada. The maximum pay is around \$3000 (four times the Employment Insurance average weekly wage). WEPP does not cover severance, termination pay or employee benefits.

Workers who do not qualify for the WEPP may be able to pursue their wage claim through the Bankruptcy Act. The Act gives higher priority (ahead of secured creditors) for claims of unpaid wages and vacation pay (up to a maximum \$2,000 per individual, which may fall short of full recovery). The Act also gives higher priority to unremitted pension contributions.

In addition, corporate directors can be held personally liable under employment standards legislation for up to six months of unpaid wages and certain other amounts.

A bankruptcy can affect earned pension benefits, particularly if the pension plan is not fully-funded at the date of wind-up. Funding to pay off the pension deficit is a low priority (beyond regular, but unremitted, contributions) in bankruptcy proceedings. The wind-up of an underfunded pension plan may mean that earned benefits have to be reduced. For workers in the Ontario jurisdiction only, the Pension Benefit Guarantee Fund (with limits) may provide relief, and stop or limit benefit reductions. If there is a surplus in the plan on wind-up, it may be possible through negotiations for affected workers to share in the surplus.

A company with financial problems may also seek protection from its creditors under the Companies' Creditors Arrangement Act (CCAA), which allows it to keep operating while it tries to reorganize and cut deals with creditors to reduce its debts. A company operating under CCAA protection cannot renounce its collective agreements, but it can try to negotiate changes – under the threat of bankruptcy and a full shutdown of the business. CCAA does not relieve a company of its pension funding obligations.



7. Adjustment Overview

Each adjustment program is unique. At the same time, labour has advocated for certain features:

- the establishment of an adjustment committee, either with or without the employer, to oversee the program
- the use of “peer helpers” who assist co-workers to access programs and services
- where feasible, and particularly in larger layoffs: the set up of a workplace or community-based “action centre” that provides a range of employment and other supports and services to laid-off workers

It’s hard for individual workers to access services on their own. By reaching out to laid-off members, action centres have a consistent record of involving the majority of members in the use of services, and of higher success rates for job placement than situations where no action centre is available.

Typical activities include:

- assessing each individual’s employment, training and other needs
- sourcing and making referrals to appropriate employment and training programs in the community

- offering services (resumes, preparation for job interviews, etc.) directly at the action centre by contracting community agencies or consultants
- providing a broad range of information and resources to help workers make the transition to new employment
- providing job placement help (direct telephone and other forms of employer outreach widen the pool of prospective employers)
- helping workers gain access to training, including Grade 12, ESL/English upgrading, and basic computer training
- providing immediate, on-site counseling and personal support
- advocating and problem-solving when needed regarding EI, WSIB, pensions, etc.
- providing access to phone, fax, internet, photocopier, computers
- providing support for workers’ families
- developing community and labour links and networks

Peer helpers

Peer staffing is an important and popular element of action centres. Peers are co-workers who have proven to be “natural helpers.” Union Counselors trained through Labour Community Services programs (if already available in your workplace) are obvious potential peer helpers.

Peer helpers are known, familiar, and trusted. They provide emotional and social comfort. Directly affected themselves, they can relate to and acknowledge the loss their co-workers are experiencing, including feelings of intense anger and grief.

Peer staff greet visitors to the action centre, provide information and referrals, and support the services provided by community agencies or contractors.

Peers are particularly valuable when they can speak the different languages in the workplace, or just generally know and appreciate the language of the workplace and the industry. Peer helpers recognize and value the skills and knowledge needed in the jobs their co-workers held, often resulting in much higher quality resumes and job placement. Action centres and peer helpers are especially important for older workers who may initially resist participating in programs but soon discover they require new tools and resources to navigate today's labour market.

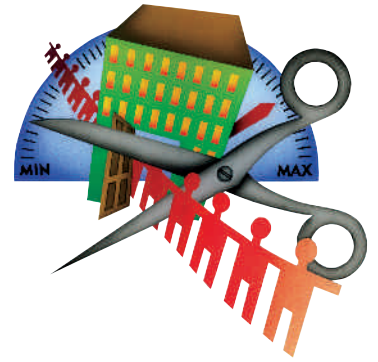
Peers are also an important success factor on adjustment committees. Affected employees are selected from the union to represent their co-workers, bringing credibility and responsiveness to the overall process.

Small layoffs

Workers losing jobs in small layoffs often slip through the cracks. Because employers are not required to report layoffs of less than 50 workers to the Ministry of Labour, there is no automatic government response offering adjustment services. Unions need to advocate strongly to secure employer and government adjustment funding. The provincial Adjustment Advisory Program will

fund services for small layoffs, especially if workers have high needs. Even without funding however, unions attempt to respond to workers' needs. Unions may try to place members in alternate jobs and some unions run programs out of a union hall. Linking laid-off workers to community resources such as Unemployed Help Centres is a vital union role.

8. Government Regulations and Programs



Employment Insurance

Employment Insurance is the major federal government program for laid-off workers and is separated into two distinct programs: EI Part I (income support) and EI Part II (“active employment measures”). Since government changes in 1996, Part I Employment Insurance benefits are harder to get, are shorter in duration, and have lower benefit levels. EI Part II funds were transferred to the province of Ontario in 2007 when the Labour Market Development Agreement took effect.

Unionized workers who have had well-paid full-time work usually receive the maximum EI benefit. However, problems are still common. Claims may be denied for different reasons, such as incorrectly completed application forms, innocent reporting mistakes, and complications to claim applications resulting from severance payments. Computerized and phone filing and reporting mean that claimants who have limited skills with the English or French language or with computer technology may become frustrated and even discouraged from applying.

Employment Ontario: Programs for the Unemployed

Employment Ontario provides Employment Assistance Services delivered by funded organizations at the community level. Services to unemployed workers include career counseling and a variety of job search and placement programs.

Unemployed Ontario residents may also qualify for the following Employment Ontario programs:

- Skills Development program to obtain training and other necessary skills for employment
- Second Career Strategy for upgrading and longer training
- Self-Employment programs to help start small businesses
- Targeted Wage Subsidies to encourage employers to hire individuals whom they would not normally hire in the absence of a subsidy
- Job Creation Partnerships to provide individuals with work experience that leads to on-going employment

Training is an important avenue for many workers seeking to upgrade their skills and re-enter the labour market. Helping workers with the application process is an important role played by peer helpers and others in adjustment support programs.

However, helping workers access funding for training can be difficult and time-consuming. Unions emphasize the need for an accessible, streamlined application process and speedy response so as to take advantage of training opportunities. They advocate for consistency in training approvals between workers and regions. Skills Development funding approval is needed for academic upgrading (Grade 12 or the General Education Diploma), group training, part-time as well as full-time programs, longer training periods as needed, and training prior to layoff – all of which are currently difficult to obtain.

Employment Standards

Workplaces governed by the Ontario Employment Standards Act (ESA) must give written notice of termination to employees being permanently laid off. Required notice ranges from one week for those employed from three months to one year, to eight weeks for those employed eight years or more. Required notice for “mass terminations” is longer:

- 8 weeks / 50-199 workers being terminated
- 12 weeks / 200-499 workers
- 16 weeks / 500 or more workers

In “mass terminations” of 50 or more employees within a four-week period, employers must advise the Ontario Ministry of Labour through “Form 1.” Among other things, this triggers a response from the Adjustment Advisory Program housed within the Ministry of Training, Colleges and Universities.

However, there is no obligation upon the employer to contribute toward the costs of an adjustment program or even to participate in a government funded effort. (Previously part of Ontario’s Labour Relations Act, the “Duty to Negotiate Adjustment” was repealed by the Harris Conservative government in 1995.) Unions continue to press for legislative change to oblige such employer contribution.

The ESA also governs severance pay intended to compensate an employee’s years of service. Using a sliding scale based on years of service, an employee can receive up to 26 weeks of severance pay under the Act. Severance pay is required for those who have worked for the employer for five or more years and whose employer has an Ontario payroll of at least \$2.5 million or who severs the employment of 50 or more employees in a six-month period due to the permanent ending of all or part of the business.

Unions argue for severance above the legal minimum when negotiating close-out agreements.

Government Funding for Adjustment Services

Employment Ontario Adjustment Advisory Program

The Ontario Adjustment Advisory Program (AAP) is responsible for all government adjustment funding and program supports in the province. AAP is part of Employment Ontario, within the Ontario Ministry of Training, Colleges and Universities. AAP provides advice and funding for displaced worker adjustment on a workplace, community, or sectoral basis. Government of Ontario funding can help pay for:

- the establishment of an adjustment committee
- peer-led “action centres” at the affected workplace or in the community
- individual and group needs assessment
- vocational and educational counseling
- job search assistance
- social and emotional supports
- referral to Employment Ontario programs including the Second Career program

AAP advisors provide both technical support and advice and can help broker other government programs and services. Unions seeking provincial funding find the process somewhat uneven in different parts of the province. Union staff expertise is often needed to successfully access provincial adjustment funding.

Seeking Government Funding: First Steps

Government dollars are often negotiated based on a formula related to the employer’s financial contribution. Within one global adjustment budget, the provincial AAP provides 60% and the employer provides 40%. If there is no employer contribution (due to bankruptcy or receivership, or because the employer won’t contribute), it is still possible and even more important to get government funding.

- government funding contracts will not fund any activities that take place before the contract is signed
- employer adjustment money spent before a contract is signed means that there is less available to leverage government funding
- negotiating contracts takes time, so you may decide to start some adjustment activity in the meantime (for example, survey of needs of affected members)
- approach the funding process like negotiations: be clear on options and what you want
- involve your union rep in the first few meetings with the government funders
- the adjustment committee is not a legal entity; the employer or union will have to “hold the contract” (be the contract sponsor, or proponent)

First Meeting

The AAP advisor will present information on:

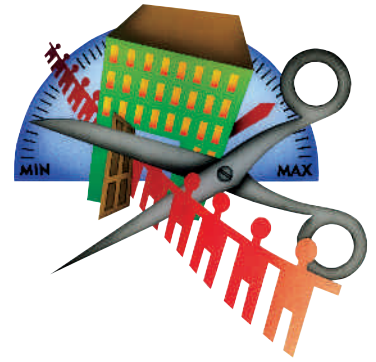
- how their programs work
- the roles and responsibilities of the government, employer, union, affected workers and sometimes community service providers
- financial contributions, what are eligible costs and how money is administered
- the role of the adjustment committee and chair

The union and employer should be prepared to say where they're at. Otherwise, at the first meeting, it is good to just listen, without agreeing or committing to anything.

AAP advisors usually suggest an Action Centre run by part-time peer counselors. Depending on layoff size, many unions have also found useful a full-time paid coordinator (outside or peer).

The AAP advisor will usually encourage retaining an outside committee chair. This may be useful, but the adjustment committee needs to decide. They may or may not need or want to use the limited adjustment budget for the services of an outside chair. Sometimes the AAP advisor will want particular people used to chair the committee. Unions with preferred chairs or service providers may have to argue for their choices.

9. Labour Resources, Community Services, Government Programs



Labour Resources

CLC Ontario / OFL Labour Adjustment Working Group

Co-chair: Kelly Hayes
Canadian Labour Congress
Ontario Regional Director
(416) 441-3710

Co-chair: Terry Downey
Ontario Federation of Labour
Executive Vice-President
(416) 441-2731

Staff support to LAWG:
Pam Frache, OFL Education Director
(416) 443-7663
Email: pfrache@ofl.ca

Canadian Labour Congress, Ontario Region Staff

Seven regional staff representatives assist the over 40 labour councils throughout Ontario. For the CLC staff representative in your area, contact the CLC Ontario office:

Phone (416) 441-3710
Email: ontario@clc-ctc.ca

Canadian Labour Congress, National Staff

Andrew Jackson, Director
CLC Social and Economic Policy Department
Responsible for UI issues.
Phone (613) 521-3400 ext 236
Email: ajackson@clc-ctc.ca

John Hugh Edwards, National Representative
CLC Social and Economic Policy Department
Responsible for research on training and training-related adjustment measures.
Phone (613) 526-7417
Email: jhedwards@clc-ctc.ca

Commissioner for Workers, Canada Employment Insurance Commission

An important resource person, the Workers Commissioner can provide information on Employment Insurance Parts I and II and Service Canada (HRSD). The commissioner can identify people within the bureaucracy that can help on difficult issues, and can also be contacted on policy questions.

Patricia (Trish) Blackstaffe
Commissioner (Workers)
Canada Employment Insurance Commission
140 Promenade du Portage
Phase IV, 13th Floor
Gatineau, Quebec K1A 0J9
Tel: (819) 994-6205 / Fax: (819) 994-7581
Email: trish.blackstaffe@hrsdc-rhdsc.gc.ca

Labour Community Services

Over 15 Ontario labour councils have partnerships with their local United Way that link our two movements. In most cases, labour staff and community services are funded by the United Way. Most of the Labour Community Services programs train union activists to be union counselors, a valuable workplace resource for workers facing layoff. LCS programs are useful information sources for services in your community.

An up-to-date list of Ontario LCS programs can be found on-line at unitedway.ca. After choosing “Labour Programs and Services,” see “Find Your Labour Staff.”

Community-Based Labour Centres

Hamilton Area Steelworkers Adjustment Committee

(905) 548-9197

website: hasac.org

USW Toronto Job Action Centre

(416) 597-1143

USW Peel-Halton Job Action Centre

(905) 614-0100

Labour Education Centre

(Toronto and York Region Labour Council)

(416) 537-6532 ext 2209

website: laboureducation.org

Unemployed Help Centre of Windsor

(519) 944-4900

website: uhc.ca

Community Services

Sharing information about community services is a key task in supporting laid-off workers. Workers need information on accessing a broad range of employment, social, and education services.

Community-based, non-profit organizations provide free employment and related services and support for unemployed workers. Some action centres organize a special “services orientation” meeting, with an information kit introducing workers to community services and resources. If a mass EI sign-up takes place at the workplace, some adjustment programs provide information about government programs and community resources at the same time.

Information needs to be provided on an ongoing basis throughout the adjustment process, and in particular when the adjustment program winds down and members still need help.

Web Links (English and French) to Services across Ontario

211ontario.ca

Information about employment, community, social, health and government services across Ontario. This site draws on local Community Information Centres. If there is nothing listed for your community, check with your local library. *This site also links to the next two sites:*

ips.iwin.ca

Inventory of Programs and Services, listing local, provincial and federal employment programs and services

onwin.ca

Ontario WorkInfoNet, with employment and career information. For example, this site’s learning links include links for upgrading and literacy, secondary, post-secondary education and training, skills development and more.

Government Programs

Ontario Adjustment Advisory Program

The Ontario Adjustment Advisory Program (AAP) provides advice and funding for displaced worker adjustment on a workplace, community, or sectoral basis. Government of Ontario funding can help pay for:

- the establishment of an adjustment committee
- peer-led “action centres” at the affected workplace or in the community
- individual and group needs assessment
- vocational and educational counseling
- job search assistance
- social and emotional supports
- referral to Employment Ontario programs including the Second Career program.

AAP advisors provide both technical support and advice and can help broker other government programs and services.

WESTERN REGION	
Brantford, Brant, Haldimand and Norfolk Counties, Niagara Region to Fort Erie, City of Hamilton, and parts of Oxford County including Ingersoll.	(905) 521-7583
Lambton, Middlesex, Elgin and Huron Counties, City of London, and parts of Chatham-Kent County.	(519) 542-7705 ext. 220
Essex, Chatham-Kent Counties, City of Windsor and parts of Lambton County.	(519) 973-4927
Huron, Bruce, Perth, Grey, Wellington and Dufferin Counties, and the Region of Kitchener-Waterloo-Cambridge.	(519) 571-6009 ext. 307
CENTRAL REGION	
Orangeville, Malton, Halton, Mississauga, Brampton, Etobicoke, Rexdale, Burlington and Pearson International Airport.	(905) 890-0823
York Region (including Highway 7 and all points northward; Markham, Concord and Vaughan) Simcoe County, District of Muskoka, Georgian Triangle and Parry Sound.	(705) 737-3572
Central Toronto, Durham Region, Ajax, Whitby, and Pickering.	(416) 326-6124
EASTERN REGION	
Prescott, Russell, Stormont, Dundas, Glengarry, Renfrew, Algonquin, and Lanark Counties, and the City of Ottawa.	(613) 731-7100 ext. 252
Leeds, Grenville, Frontenac, Lennox, Addington, Hastings, Peterborough, Haliburton, Northumberland and Victoria Counties.	(613) 545-4346
NORTHERN REGION	
North Bay, from Mattawa to Garden River including Manitoulin Island, from south of Parry Sound to Hearst.	705) 564-3030 ext. 24
From Garden River west to the Manitoba border.	(705) 945-6802 or Toll Free: 1-800-236-8817

Federal Government: Service Canada (Human Resources and Social Development)

The Ontario page of the Service Canada website provides links to Service Canada Centres in Ontario as well as information on financial benefits, career planning, jobs, labour market information, training and learning: http://www1.servicecanada.gc.ca/en/gateways/where_you_live/regions/on.shtml

Work Sharing

Work Sharing is a federal Employment Insurance program that assists employers and workers to avoid temporary layoffs when there is an unusual slowdown in production or service. The program is not intended to deal with a seasonal slowdown. EI will only consider a joint Work Sharing application, signed by both the employer and union.

During Work Sharing, the available work is redistributed through a reduction in hours worked by all employees within one or more work units. The reduction must be at least 20% (1 day weekly) or the equivalent for workers with irregular shifts. Eligible workers receive EI Work Sharing Benefits during their time off.

Work Sharing Ontario Contacts

John Del Monte, Supervisor: 905.403.7178

Anu Datta, Manager: 416.973.6028

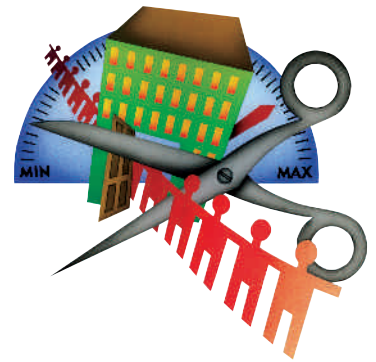
Applying for Employment Insurance: Information for Group Layoffs

When group layoffs are announced, contact the EI Public Liaison Officer in your area to schedule an information session for members on notice of layoff, preferably at the workplace during working hours. The officer may be able to arrange a joint presentation with Employment Ontario so that members also get information on the training supports that are funded by EI but now managed by the province. In the case of temporary group layoffs, ask the EI Public Liaison Officer if it is possible to use a short form application and common reference number to ease the process of applying for EI and tracking claims.

EMPLOYMENT INSURANCE PUBLIC LIAISON OFFICERS

Public Liaison Officer	Phone Number	Mailing Address
West Toronto: west of Yonge Street		
Nancy Tanti	416.954.8722	200 Town Centre Crt. Scarborough M1P 4X8
Wanda Pascucci	416.954.2625	
East Toronto: east of Yonge Street		
Sarita Censoni	416.973.7611	200 Town Centre Crt. Scarborough M1P 4X8
Rhonda Liss	416.973.7690	
John Davey	416.973.6912	
York / Durham		
Manon Senecal	905.725.4961	78 Richmond St.W., Oshawa L1G 1E1
Sandra J. Earl	905.747.8017	35 Beresford Dr., Richmond Hill L4B 4M3
Clara Tassone	905.747.8015	
Halton / Peel		
Margo G. Pereira	905.403.7165	Sheridan Centre 1200-2225 Erin Mills Parkway Mississauga
Gail A. Searle	905.403.7166	
Lorna Hoffman	905.403.7177	
Northwestern Ontario		
Allan Pylvainen	807.346.2049	975 Alloy Dr., Thunder Bay P7B 6N5
Carol Bjarnson	807.467.5721	308 Second St. S., Kenora P9N 3X9
Northeastern Ontario		
E. Lalonde	705.670.6607	19 Lisgar St., Sudbury P3E 6L1
Peggy Marcolini	705.669.2192	
Claudia Beaudet	705.267.6271 x237	Timcor Bldg., 273 3rd Ave., Timmins P4N 1E2
Eastern Ontario		
Jack Williams	613.991.6800	300 Sparks St., Ottawa K1A 0J6
Myka Spencley	613.943.8647	
Nikita Malula	613.949.9238	
Carole O'Connor	613.937.2748	111 Water St. E., Cornwall K6H 6S4
East Central Ontario		
Cheryl Jones	705.750.4788	69 Kent St., Lindsay K9V 2Y3
Elizabeth Montgomery	613.545.8939	299 Concession St., Kingston K7K 2B9
Kitchener and Mid Ontario		
Belinda Armstrong	519.571.5542	409 Weber St. W., Kitchener N1G 4L6
Monique Arseneault	519.571.5656	
Natalie Munroe	705.727.4199	48 Owen St., Barrie L4M 3H1
London / Windsor		
Valerie Clark	519.645.5904	457 Richmond St., London N6A 3E3
Vivian Whaley	519.560.2638	400 City Hall Square E., Windsor N9A 7K6
Hamilton / Niagara / Brantford		
Donna Levert	905.572.2433	1550 Upper James St., Hamilton L8N 2A2
Wally Ley	905.572.2939	
Sharon Gilles	905.988.2782	43 Church St., St. Catharines L2R 5C7

10. Labour-Government Guidelines for Adjustment Programs



This document is intended to serve as a best practice guide to provincial Adjustment Advisory Program staff and managers, to be used in unionized downside adjustment situations. This is a working document and will be revised regularly.

These guidelines have been endorsed by the Ontario Ministry of Training, Colleges and Universities and its Adjustment Advisory Program. They were developed with the participation of and in consultation with representatives of the Ontario Federation of Labour and Canadian Labour Congress (Ontario) and the Ontario Region of Human Resources & Skills Development Canada.

1. It is recognized that labour unions have a central and vital role in the labour adjustment process. This legitimate role of labour unions will be recognized in the drafting of adjustment project contracts between government and stakeholders, including employers, union worker representatives and others.
2. When a labour union is the legal representative of a group of workers facing layoff, such union is entitled to name the worker representatives to the adjustment committee and to designate person(s) assigned to work in an action centre if the committee establishes one. In the case of a disagreement over the designation of a worker representative, the various National union representatives should be contacted for resolution.
3. It is recognized that employers bear sole responsibility for the layoff of employees and the associated financial costs including those related to worker adjustment (except in special circumstances). A union's contribution to an adjustment project is usually made on an in-kind basis and no financial contribution is required.
4. It is recognized that unions have preferred service providers. These providers should be given notice of any tenders and appropriate consideration in the tender process.
5. National/International/Provincial unions and government ministries responsible for adjustment should advise each other of their key designates for initial contact with respect to adjustment projects and any issues arising in the course of a project. If contact with designated union is unsuccessful, the Canadian Labour Congress or Ontario Federation of Labour should be contacted. The contact list will be updated annually.
6. The Peer Helper (and Peer Coordinator) model is central to labour adjustment and should be supported, including their necessary skills development.

7. The Action Centre model is another vital and effective element of labour adjustment and should be supported in all aspects of its work.
8. Legitimate expenses of an adjustment project include lost time from work and/or honorariums to employees participating in committee meetings, action centre work, skills development or other work as assigned by the committee.
9. Committees will define their own form of governance subject to financial accountability. If an outside chairperson is hired, there must be flexibility in his/her role and such role may be increased/decreased over time by the committee.
10. Each adjustment project has its own unique set of circumstances. Flexibility is key. Affected workers' needs should be the principal driver in the process and government rules should facilitate solutions.
11. The goal of labour adjustment projects is to address as full a range of adjustment needs as possible and as identified by the adjustment committee. Appropriate assistance should be provided for laid-off workers who seek immediate re-employment or self-employment, bridging to retirement, or educational, skills, and literacy upgrading. This may require a number of vocational and non-vocational supports, as identified by the committee, some of which may necessarily overlap. And there must be scope to address the special needs of women, older workers, ESL/FSL workers, equity groups, etc.
12. Government representative(s) will respect both the collective bargaining process between the employer and union and any agreement reached between the two parties relating to labour adjustment.

Signed on November 24, 2004 by

*For the Ontario Ministry of Training, Colleges and Universities and its Adjustment Advisory Program:
Barbara Simmons and Claudine Cousins-Wynter*

For the CLC Ontario / OFL Labour Adjustment Working Group: Janice Gairey, Ed Ste. Marie, Laurell Ritchie