

**COALITION FOR
FOR FAIR WAGES AND
WORKING CONDITIONS FOR
HOMeworkERS**



**NEWSLETTER
MAY 1993**

HOMEWORKERS COALITION

Toronto's Coalition for Fair Wages and Working Conditions for Homeworkers was established in the fall of 1991 after the International Ladies' Garment Workers' Union (ILGWU) released the results of a study of working conditions for homeworkers in the garment industry.

The Coalition's objectives are to fight for fair wages and working conditions for homeworkers, to assist homeworkers to organize, to educate the public about the growth in homework and related issues, to lobby for better legislative protection for homeworkers and to reach out to community and union groups to build a campaign to stop the exploitation of women workers.

Active members of the Coalition represent a broad range of groups: the ILGWU, the Ecumenical Coalition for Economic Justice, the Workers' Information and Action Centre of Toronto, Women Working with Immigrant Women, Parkdale Community Legal Services, York University's Centre for Research on Work and Society, Mujer a Mujer, the Employment and Economy Committee of the National Action Committee on the Status of Women, Labour Council of Metropolitan Toronto and York Region, and the Cross Cultural Communications Centre.

FROM THE ENDLESS DAY TO THE DOUBLE DAY: PROCEEDINGS OF A CONFERENCE ON HOMEWORKING

Available Fall 1993. Contact the Coalition.

Proceedings of a conference sponsored by the Coalition for Fair Wages and Working Conditions for Homeworkers, the Public Service Alliance of Canada, the International Ladies' Garment Workers' Union - Ontario District, and the Centre for Research on Work and Society (York University) held November 13-15, 1992 in Toronto, Ontario.

HOMEWORKERS WIN THOUSANDS OF DOLLARS IN BACK-WAGES

Mrs. Tse and her husband arrived in Canada in 1986 as landed immigrants. She quickly found work in a garment factory in downtown Toronto and he started working in a restaurant. Two years later, Mrs. Tse gave birth to her first child. The Tse's realized that, even with both of their incomes, they would not be able to afford child care. Mrs. Tse had no choice. The only way they could make ends meet was for her to stay at home, take on sewing piece-work and take care of their child.

By 1989, homework became more difficult to find. Mrs. Tse's contractor dropped the piece-rate. Mrs. Tse was told if she was not happy with the piece rate wage, the company would move to Mexico. In 1991, the company Mrs. Tse sewed for closed, leaving \$500.00 in wages owing to her. Mrs. Tse found some work, again as a homeworker, this time with Midu Manufacturing. The piece-rate was \$1.94 per skirt, or \$4.00 to \$5.00 per hour, less than the minimum wage. She tried to work harder this time - working more than 70 hours a week - often with only the promise of pay later. Mrs. Tse hoped that if she worked hard, the company would not close like her pervious employer. Ten months later, Midu Manufacturing did shut down, this time with \$2,800.00 owed to Mrs. Tse in back wages.

Mrs. Tse was very sad and upset with her situation. She didn't know what her rights were or where to get help. Then a friend called and said she had just joined the Homeworkers' Association. The Homeworkers' Association could help workers try to collect unpaid wages. Her friend urged her to join and with the other workers they could fight the Midu Manufacturing company. Mrs. Tse and her friends faced a difficult fight. As is often the case, the Midu homeworkers had no formal documentation of their employment. When Mrs. Tse and the other homeworkers with the Homeworkers' Association first approached the Ontario Ministry of Labour, their case was rejected. According to the Ministry, Mrs. Tse was not a real employee. It took a concerted lobby of the Minister of Labour and other MPP's as well as arguments by the Homeworkers' Association with the Ministry to change their ruling. Early in 1993 Mrs. Tse and her friends finally received their back wages from Ontario's Wage Protection Fund.



con't on page 10



HOMEWORKERS' ASSOCIATION BOAST 80 MEMBERS

In April 1993 the Homeworkers' Association (HWA), Local 12 of the International Ladies' Garment Workers' Union (ILGWU) Ontario District, recruited 10 new members, bringing the total to 80.

In 1991 the ILGWU conducted a study amongst Chinese-speaking homeworkers in the garment industry in Toronto. The interviews revealed that homeworkers were being denied minimum wage as well as other minimum employment standards, were exposed to health hazards and generally worked under sweatshop conditions.

The ILGWU Ontario District decided to use a special associate-membership program to organize a "pre-union" association in which homeworkers could join together to improve their wages and working conditions.

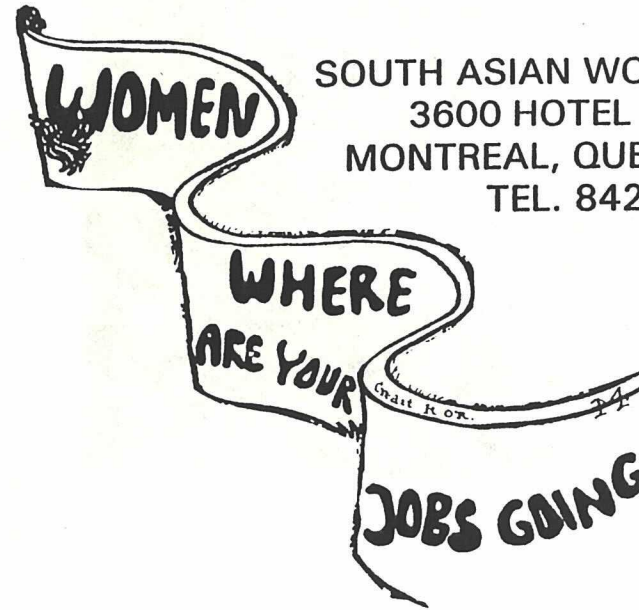
For the past year the Association has been organizing homeworkers through a creative, grass-roots, community-based campaign, quite unlike traditional union organizing drives. First the Association tried holding meetings on issues relating to homeworkers' rights. This wasn't very successful and few homeworkers attended. The next tactic was to offer subsidized social trips to tourist attractions around Toronto for homeworkers, their families and friends. The 1991 study had identified isolation as one of the biggest problems experienced by homeworkers. Outreach was conducted through the Chinese media and community groups. The trips were a great success, recruiting the first homeworkers for the association.

The Homeworkers' Association can't bargain with employers for collective agreements for the homeworkers, but it does provide a number of other services and programs: social teas, legal clinics, an information telephone line, even counselling on family issues. In March 1993 the HWA started a Drug and Sickness Benefit plan. Homeworkers can buy into the plan at reduced rates and have sickness and drug insurance benefits.

Members of the HWA identified an urgent need for english language classes. The union set up classes at times best suited to their work and family schedules as well as welcoming them to existing union-sponsored classes. Child care is always provided.

COALITION FOR FAIR WAGES AND WORKING CONDITIONS FOR HOMEWORKERS

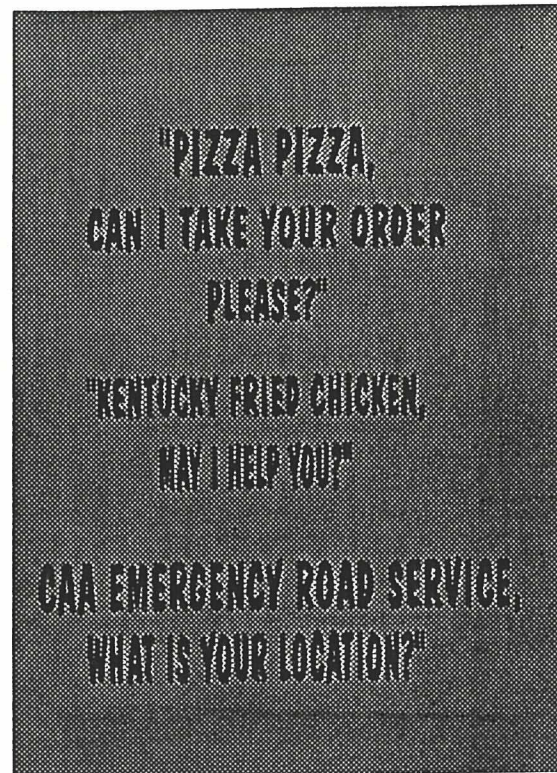
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At the beginning of 1992, unionized Pizza Pizza order takers began to notice names they didn't recognize cropping up on their computer screens. While probationary workers were being let go, they saw press advertisements for order takers and customer service representatives with familiar telephone numbers for applicants to call. By July, when they had been in contract negotiations for five months, layoffs began. Those who remained suffered cuts in hours, and many were disciplined for low- or over- production, for lateness and for earliness.

Pizza Pizza management had discovered the benefits of homework. Setting up separate companies to employ home-based order takers, they could avoid the \$10.21 per hour paid to the UFCW members after a year of service. The unionized order takers also received incentive, cancellation, night and weekend bonuses, had a contract clause which prohibited split shifts, received sick and vacation leaves, and had an extended health and dental plan. As "independent" operators under contract, homemaker order takers are paid by the call, get no benefits, and do not qualify for UI benefits unless they pay the self-employed premium, which is double that of an employed person. In fact, order takers working at home have to pay rent to the company for the computer and modem essential for their job, they pay rent for two phone lines, and they are required to pay for a service contract on the computer, all of which adds up to at least \$100 a month.

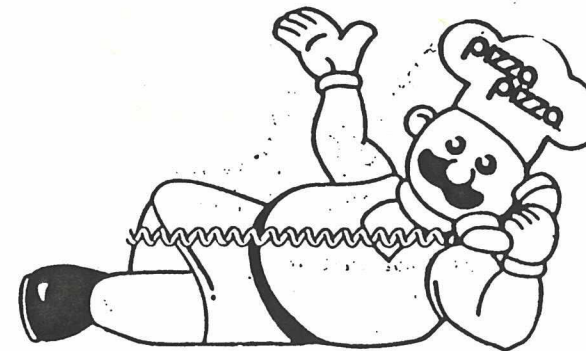


Homeworkers are not covered by Workers' Compensation, which is an additional cause for concern since three members of the bargaining unit of 54 are on compensation for carpal tunnel syndrome and tendonitis, and another three similar cases are currently under investigation.

More and more companies are tapping into the market for service at home by using workers in their own homes. In the last few months, fast food companies like Swiss Chalet and Kentucky Fried Chicken have entered the home delivery food service market. The old way to handle orders was through a centralized "call centre", but technology has made that no longer necessary, and as Pizza Pizza discovered, homeworking order takers cost less - up to 70% less, according to the advertising of one company which specializes in telecommuting systems using disabled workers. Pizza Pizza's profits for 1992 were up \$2 million from the previous year.

The United Food and Commercial Workers has filed charges of unfair labour practices with the Ontario Labour Relations Board, and are arguing that the longstanding connections between the management of the companies employing the homeworkers to the Pizza Pizza organization constitutes a "related employer", in which case the homeworkers should have the right to sign up as members of the bargaining unit. The hearings are continuing.

In January of 1993 the company offered a contract settlement which included jobs for 10 of the striking order takers as homeworkers at \$6.45 per hour plus "limited benefits", and a \$175,000 severance package for the remaining 44 workers. It was overwhelmingly rejected by the membership.



PUBLIC SERVANTS FIGHT TELEWORK PILOT PROJECT

Early in 1993 the smallest federal public sector bargaining agent, the Association of Public Service Financial Administrators (APSFA), made a case to the Public Service Staff Relations Board that workers' union rights and the union's role as exclusive bargaining agent were violated by the Treasury Board's proposed telework pilot project. The Treasury Board's policy is that arrangements to work at home will be negotiated between individual employees and their supervisors.

There are no provisions or conditions for teleworking or working from home in existing collective agreements. APSFA and the Public Service Alliance of Canada (PSAC) are concerned that issues such as who is responsible for utility, insurance, equipment and furniture costs for teleworkers have not been set out in collective agreements.

The Public Service Staff Relations Board ruled against the union since there are not yet employees working from home under the new policy. The legislation governing federal labour relations confers on management the exclusive right to organize the workplace, so the Board ruled that organizing telework is within management's prerogative. On the other



hand, the Board acknowledged that having supervisors and individual employees negotiate their own arrangements does leave open the potential for violations of the collective agreement and warned the employer against such actions in the implementation of the pilot project.

PSAC has watched this case with keen interest as it represents the majority of the workers who will fall under the provisions of the telework pilot policy. The union is near completion of a two-year research study of the issue of telework. Contract language, a telework policy and recommendations for union action will be part of the union's final report from the study.

[Abridged from an article by Susan Jones, PSAC, for TECHnotes, 4/93]

COALITION FIGHTS FOR BETTER LEGAL PROTECTION FOR HOMEWORKERS

Bob MacKenzie, Ontario's Minister of Labour, promised the Coalition for Fair Wages and Working Conditions for Homeworkers and the Ontario Federation of Labour's Women's Conference last October that he would change employment legislation to better protect homeworkers and domestic workers. Now, it looks as if the government might be backing down. The Coalition has launched a letter-writing campaign to remind the Minister and the Cabinet of their promise and to demonstrate the breadth of support for the promised changes.

The Coalition's campaign for legislative change has three prongs.

First, the Coalition calls for changes to the Employment Standards Act (ESA) so that homeworkers are treated equally - have the same rights as other employees. As it stands, homeworkers are often excluded from basic employment rights like maximum hours of work, overtime pay and statutory holidays. As well, the Act must define homework more broadly so that teleworkers, like Pizza-Pizza workers, as well as industrial homeworkers are included. The Coalition has called for the Act to be amended to add joint liability for the employers' obligations and responsibilities. Joint liability would make the jobber, manufacturer or retailer - the real employer who controls the chain of production from the top of the pyramid - responsible for wages and working conditions of homeworkers employed by their sub-contractors.

Second, the Coalition wants stronger enforcement of the Employment Standards Act. The ESA must be more than a paper tiger. The law currently requires all employers using homeworkers to register for a permit. In 1991, only 75 homeworkers were registered out of an estimated 3,000.

Third, the Coalition wants changes to Ontario's Labour Relations Act to allow changes to the ways in which people can join together for collective bargaining. Right now, homeworkers cannot join a trade union and bargain collectively. Organizing a union is a basic democratic right and homeworkers should have that option. The Coalition's proposals for sectoral or broader-based bargaining would go a long way to ensuring homeworkers could organize into a union.

[You can be a part of the legislative campaign. Write a letter to Bob MacKenzie, Minister of Labour, 400 University Ave. Toronto, Ontario, M7A 1T7. Tell him to implement the promised labour law changes now.]



POSTCARDS FOR THE PRESIDENTS OF EATON'S , THE BAY AND DYLEX

The presidents of Canada 3 largest retail chains have been receiving some unsettling mail in the last 6 months. Over 1400 people from across Canada have mailed them postcards demanding that they "Stop the Exploitation of Homeworkers" and "Buy From Manufacturers Who Pay Workers Fair Wages and Working Conditions".

These large retail chains now dominate the garment industry, driving a low wage strategy from the top of an industry "pyramid". At the bottom are homeworkers — often immigrant women, working for sub-contractors, isolated in their homes, paid less than minimum wage (or not paid at all), ineligible for UI when they're out of work or sick or after pregnancy, not making pension contributions and not covered by any health and safety legislation or insurance.

One postcard tells Mr. Eaton "Your 'Buy Canada Campaign' doesn't mean that garments are made by workers who receive fair wages and working conditions." The card to Mr. Kosich, President of the Hudson's Bay Co. plays on the company's slogan, "You'll do better at the Bay." "Not only are we not doing any better, but neither are homeworkers, women garment workers

who are compelled to work from their homes for low wages ...". Mr. Posluns, of Dylex, is reminded to comply with legislated minimum employment standard for homeworkers employed by their subcontractors. Dylex owns Bi-Way, Fairweather, Braemar, Club Monaco, Thrifties and part of Harry Rosen.

Contact the Coalition for Fair Wages and Working Conditions for Homeworkers to receive a supply of postcards to send to these companies.

con't from page 3

Mrs. Tse's situation is typical of many homeworkers in the garment industry. A 1991 ILGWU study of the wages and working conditions of homeworkers revealed that 21 of 30 homeworkers interviewed were not paid minimum wage. The average wage was \$4.64. Many homeworkers are not paid promptly after completing work, and are too often not paid at all. The most important factor leading to women's employment as homeworkers is the lack of affordable, quality child care. The ILGWU estimates there are at least 3000 homeworkers in the industry in Metro Toronto.

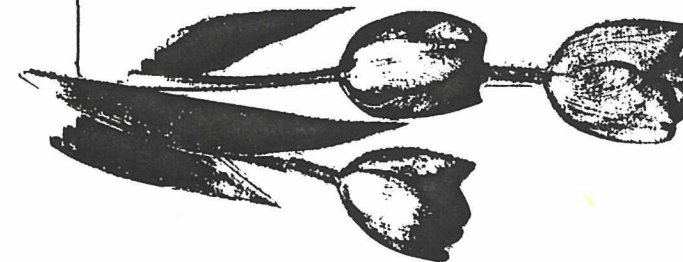
ARE THESE CLOTHES CLEAN? The Clean Clothes Score Card

Test your clothes: Are they clean?

The next time you buy clothes, ask the Retailer these questions:

1. Does the retailer or any of her/his suppliers use homeworkers?
2. Are they paid at least minimum wage?
3. Are homeworkers paid on time?
4. Are they paid for all hours of work?
5. Are homeworkers given reasonable turn around time to complete each job?
6. Has the original supplier registered for a Homeworkers permit, as required under the Employment Standards Act?
7. Does the original supplier/employer make contributions to Unemployment Insurance and Canada Pension Plan?
8. Were the homeworkers intimidated from joining the Homeworkers' Association?

Pressure your favourite (or least favourite) store to buy clean clothes. Take this scorecard to your family, friends, community group or church. Get cards to mail in to the Bay, Dylex and Eaton's to let them know you care how your clothes are produced. Let's make the Clean Clothes Campaign the 1990's version of buy "green" products.



The Coalition will be publishing a CLEAN CLOTHES LIST later this year.

Let us know if you know about homework in your community.

The Coalition for Fair Wages and Working Conditions for Homeworkers gratefully acknowledges the support of the Canadian Auto Workers for printing this newsletter.

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