

## MODERN FAIR WAGES POLICY - REQUEST FOR INFORMATION

### Title

Designing a Modern Fair Wages Policy for the Government of Canada

### Date

November 14, 2018 to December 7, 2018

### Contact information

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### Description

Request for Information (RFI)

Designing a Modern Fair Wages Policy for the Government of Canada

Employment and Social Development Canada (ESDC) and Public Services and Procurement Canada (PSPC) are seeking feedback from industry, unions, employees and civil society regarding the development of a new modern fair wages policy that would apply to employees of firms that contract with the Government of Canada. The purpose of this Request for Information (RFI) is to invite interested parties to provide their views on the development of this new policy.

Respondents are invited to fill out the survey

<https://srv212.services.gc.ca/ihst/Intro.aspx?cid=b09b628a-3b4a-4109-96f3-229eac06aa25&lc=eng>

This RFI is neither a call for tender nor a Bid Solicitation. No agreement or contract will be entered into based on this RFI. The issuance of this RFI is not to be considered in any way a commitment by the Government of Canada, nor as authority to potential respondents to undertake any work that could be charged to Canada. This RFI is not to be considered as a commitment to issue a subsequent solicitation.

Although the information collected may be provided as commercial-in-confidence (and, if identified as such, will be treated accordingly by Canada), Canada may use the information provided to assist in refining the new policy.

Documents may be submitted in either official language of Canada.

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## Solicitation Documents (French and English)

<https://srv212.services.gc.ca/ihst/Intro.aspx?cid=b09b628a-3b4a-4109-96f3-229eac06aa25&lc=eng>

### Request for Information (RFI) Modern Fair Wages Policy

Employment and Social Development Canada (ESDC) and Public Services and Procurement Canada (PSPC) are seeking feedback from industry, unions, employees and civil society regarding the development of a new modern fair wages policy that would apply to employees of firms that contract with the Government of Canada.

#### 1. Background

The Government of Canada spends on average \$25 billion annually to procure goods and services through contracts with a large number of suppliers.

In order to leverage these procurement contracts to help improve the lives of Canadians, the Minister of Employment, Workforce Development and Labour was asked by the Prime Minister to work with the Minister of Public Services and Procurement and the President of the Treasury Board to implement a modern fair wages policy. This consultation seeks your views to shape and inform the development of this new policy.

Fair wages policies are designed to prevent suppliers from competing for government contracts on the basis of substandard wages. They typically require contractors to pay their employees above a certain threshold, defined as prevailing wages for the occupation in a given district.

There are a number of programs that place different requirements on contractors who do business with the federal government, such as the [Federal Contractors Program](#), which requires large firms to seek to achieve and maintain a representative workforce, and the [Procurement Strategy for Aboriginal Business](#), which aims to assist Aboriginal business development. There are also a number of provinces, territories and municipalities with fair wages policies in place.

The federal government also had a fair wages policy under the *Fair Wages and Hours of Labour Act*, which covered contractors and subcontractors in the construction, remodeling, repair or demolition industries. This legislation was repealed in 2014. Minister Hajdu, the Minister of Employment, Workforce Development and Labour, was asked by the Prime minister to work with the Minister of Public Services and

Procurement and the President of the Treasury Board to implement a modern fair wages policy.

Canada's *Fair Wages and Hours of Labour Act* (FWHLA) and its regulations, which were repealed in 2014 covered:

- Contracts made with the Government of Canada through a contracting authority for the **construction, remodeling, repair or demolition** of any work.
- All persons employed by the **contractor or subcontractor** or other person doing or contracting to do the whole or any part of the work of the contract.
- **Construction projects made in partnership** with provinces or municipalities, unless the grant or payment is by statutory authority or expressly excluded from the operation of the *Fair Wages and Hours of Labour Act*.
- **Goods were excluded from the Act.** The Act did not apply to the purchase of materials, supplies or equipment, for use in the work contemplated, under any contract of sale and purchase.

The FWHLA required that **construction employees be paid at least a fair wage**, defined as wages “generally accepted as current for competent workmen in the district in which the work is being performed.” This was set by using provincial rates or occupational surveys conducted by Statistics Canada. The FWHLA also required that contractors:

- Comply with provincial statutory hours of work provisions;
- Pay overtime work at the rate of 1.5 times the fair wage rate for hours in excess of eight hours a day or forty hours a week;
- Limit hours of work to eight hours in a day or forty-eight hours in a week except where long hours were authorized by the Governor in Council or the Minister in exceptional circumstances;
- Not discriminate in any manner against any person on grounds such as race, religion, age, sex, or disability; and
- Post and keep posted the fair wages schedule, and keep books and records showing the names, addresses, classifications of employment, work, rate of wages, wages paid and daily hours of all workers.

## 2. Proposed policy

In order to move forward with the development of a modern fair wages policy for the federal government, we are seeking your views on fair wages policies in three different areas:

- Who should be covered by this policy?
- What should the policy require?

- How should this policy be enforced?

By completing the survey at the link provided, you will help us gain a better understanding of how best to move forward with a new policy. Your input will shape and inform the development of this new policy.

### **3. Engagement Activities and Timeline**

The online survey will be accessible from November 5, 2018 to December 14, 2018 (40 days) and participation is sought from suppliers, unions, employees, and civil society organizations and academics. One-on-one meetings may be conducted with respondents on an ad hoc basis.

Following the online consultations, roundtables could be organized to discuss the details of the policy. Participants to these roundtables may be identified through the survey.

### **4. Closing date**

The closing date is December 7<sup>th</sup>, 2018.