

Ministry of Labour

Ministère du Travail

Office of the Minister

Bureau du ministre



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JUL 18 2016

His Worship Fred Eisenberger
City of Hamilton
Second Floor, 71 Main Street West
Hamilton, Ontario
L8P 4Y5

Dear Mayor Eisenberger:

Thank you for your correspondence addressed to me and several other federal and provincial ministers regarding the City of Hamilton's support for a basic income guarantee for people in Ontario and Canada. I appreciate your interest in this important issue.

Although a basic income guarantee is not within the Ministry of Labour's jurisdiction, I am pleased to highlight actions we have taken to improve income security and better protect vulnerable workers, and to level the playing field for employers who play by the rules. In November 2014, the *Stronger Workplaces for a Stronger Economy Act* became law. The act provides a fairer and more predictable process for setting the minimum wage, strengthens protections for vulnerable workers from dangerous working situations, and increases competitiveness for businesses that play by the rules. These changes constitute important steps to help ensure that all Ontarians get the paycheques they have earned at the end of the day.

As you may know, on October 1, 2016, the general minimum wage will be increased from \$11.25 to \$11.40. This follows increases on October 1, 2015 and June 1, 2014, and reflects annual changes in the Consumer Price Index (CPI) for Ontario. The minimum wage will also be adjusted every year according to the CPI to ensure it keeps up with the cost of living. Ontario's government has increased the minimum wage in the province nine times since 2003. Our province currently has the highest minimum wage among all the provinces. A five-year review of the minimum wage and the process for adjustments will also take place before October 1, 2020 and every five years afterwards. This review process provides an opportunity to ensure that the minimum wage policy continues to meet the needs of Ontario's businesses and low-paid earners.

In making the recent changes to Ontario's minimum wage policy, the government took an approach that addresses the need to properly compensate Ontario's lowest-paid workers, while giving businesses the chance to prepare for and adjust to the increases. By establishing a responsible method of setting the minimum wage, we have taken the politics out of this important issue. We are providing fairness for Ontario workers and their families, as well as predictability for our businesses to remain competitive and succeed.

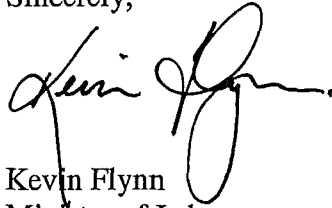
We recognize that these are challenging times and that many Ontario families find it hard to make ends meet. The minimum wage is only one of the tools for elimination of poverty. Our government is also committed to helping to raise the standard of living for Ontarians through additional initiatives and investments like the renewed Poverty Reduction Strategy with specific targets to reduce poverty.

You may also be interested to know that the Ministry of Labour is conducting a review of Ontario's system of employment and labour standards. The Changing Workplaces Review is being led by two special advisors who conducted public consultations in 2015. The special advisors are expected to deliver a public interim report soon, and their final report and recommendations at the end of the review. For further updates regarding the status of the review, please visit the Ministry of Labour website at www.labour.gov.on.ca/english/about/workplace/.

Be assured that we remain committed to strengthening workplace protections for vulnerable workers and increasing fairness for both employees and businesses.

Thank you again for writing.

Sincerely,



Kevin Flynn
Minister of Labour

- c: The Honourable Christopher Ballard, Minister Responsible for the Poverty Reduction Strategy
The Honourable Michael Coteau, Minister of Children and Youth Services
The Honourable Dr. Eric Hoskins, Minister of Health and Long-Term Care

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