

## Fact Sheet # 5

# *Understanding the Racialization of Poverty in Ontario In Employment in 2007*

### **How do employment conditions and practices contribute to the racialization of poverty ?**

Racialized people are much more likely to be unemployed than those of European backgrounds. For Arab, West Asian, South Asian and African women in Toronto, the unemployment rate is well over twice that of European women.

Almost ¾ of immigrants to Ontario have a university education. Many find that their training and work experience from other countries are not recognized or under-valued in Canada.

Racialized workers are most likely to be in low-status jobs. They make up over 40% of workers in the sewing, textile and fabric industries, over 36% of taxi and limo drivers, and 42% of electronics assemblers.

Racialized persons make up only 3% of executives, and 1.7% of directors on boards of organizations.

More workers are being hired in temporary and insecure positions. The Ontario **Employment Standards Act** does not adequately protect the rights of people in temporary and part time work, many of whom are women, racialized and/or newcomer workers.

One in four workers in Ontario earns below the poverty line. This number is higher for women overall (31%) and women of colour especially (38%).

According to Heritage Canada's Ethnic Diversity Survey, in 2003, 33% of racialized workers overall and 51% of Black workers experienced racial discrimination.

Between 2001 and 2006 in Ontario, employers were ordered by the Ministry of Labour to pay over \$168 million in unpaid wages to employees—disproportionately people of colour. Over \$100 million is unpaid.

### *Quick Notes*

- \* Ontario's growing racialized communities face a disproportionate, ongoing, and increasing risk of being poor.
- \* **Racialized** persons refers to people of colour who are Canadian-born and to newcomer communities of colour.
- \* By **racism**, we mean both the individual attitudes and behaviours as well as the built-in ways in which social policies and societal institutions discriminate.
- \* Households that fall below Canada's **low income cut-off (LICO)** measure, spend a much larger percent of their income on basic necessities like food and shelter than the average family.
- \* Racialized families are from 2 to 4 times more likely than white families to fall below the LICO.
- \* Individual and systemic racism have clear & negative impacts on life chances for people of colour in Ontario.

Last year, the Ministry found that employers violated employees' rights in 11,358 claims, but only four companies and two directors were charged.

Most domestic and garment industry workers are immigrant women of colour, whose jobs are not secure and pay very little.

The highest unemployment rates can be found among Canadian-born men of colour (11.5%) and immigrant women of colour (10%).

More workers are being hired through outside agencies instead of directly by companies. This often shifts costs onto workers - for example, gas for delivery work or supplies for cleaning.

Immigrants and refugees find that the hardest part of settlement is finding a job. Many do not know their basic rights as employees.

Some job agencies charge high sign-up fees. Some have agreements with companies they supply to make sure workers cannot be hired on by companies full time.

A study of employment agencies showed that many were willing to use whites-only selection criteria when companies requested it.

Currently only 1% of Ontario workplaces are inspected for labour standards. 10% are checked to ensure they meet health and safety standards.

Ontario's minimum wage keeps people below the poverty line, even when they work full time, at multiple jobs, and do not have families.

Migrant agricultural workers in Ontario, the majority of whom are Mexican and Caribbean, have little legal protection. One study found that 75% of migrant farm workers reported experiencing more racism in Canada than in the U.S.

### **What can be done, and examples of who is doing it ?**

The **Ontario Council of Agencies Serving Immigrants (OCASI)** calls for better legal protection for racialized workers in Ontario.

Contact : [www.ocasi.org](http://www.ocasi.org) or (ph) 416-322-4950

The **Policy Roundtable Mobilizing Professions & Trades (PROMPT)** builds the advocacy capacity of internationally educated professionals and tradespeople to together become an effective collective voice on issues related to fair and equitable newcomer access to trades & professions in Canada.

Contact : [www.promptinfo.ca](http://www.promptinfo.ca) or (ph) 416-932-1359 X 14

The **Workers' Action Centre** recommends that the Employment Standards Act should be changed and better enforced to fully protect the rights of part time and temporary workers, the minimum wage must be raised to at least the poverty line, and that workers and employers both must be better informed about workers' rights.

Contact : [www.workersactioncentre.org](http://www.workersactioncentre.org) or (ph) 416-531-0778

**For Further Information, Action Ideas & Advocacy Tools go to -**

**The Colour of Poverty Campaign -**

[www.colourofpoverty.ca](http://www.colourofpoverty.ca)

For source document references for all ten ( 10 ) fact sheets see – [www.colourofpoverty.ca](http://www.colourofpoverty.ca)

### **Everyday Lives**

“Everybody, our people who work [but don't] have enough income, we have to cope with these jobs and get money to support the family. So there is no choice.”

(Nalini, immigrant of 10 years, works as a cleaner)

“For one month, the total they paid me was \$526.”

(Sharif, works 10-12 hours per day as a courier)

“They only want Canadian experience... We got pushed towards the lowest jobs. That was all that is available to us.”

(Raj, pizza delivery worker, 15 years)

“As a Sri Lankan immigrant I am often told to do cleaning work, cleaning washrooms or washing dishes in the factory when this wasn't what I was told I would be doing..”

“You don't sleep well at night. You don't eat. There's stress. It takes a big effect on your physical and mental health.”

(Andrew, about work at a temp agency)

“When you apply for a job you never say you're from the Park [Regent Park]... You have to lie so they don't think you're a thug.”

(young black man)

“I lost my job, I am hungry. I need money for my children... I can't think well... The [claim] form they gave, it is so complicated... It took eight months until the investigation.”

(Hassan, about a failed claim for \$7000 in unpaid wages)

“A lot of employers are delighted to hear that you have no papers, because they can overwork you and exploit you.”