

# Heavier Penalties Include Jail Term And Fines Raised

## Minimum Wage to Apply to Part-Time Women Workers — "Prevailing Number" of Hours to Be Maximum if Former Is Lower

### LABOR COMMITTEE TO HOLD MEETINGS

Amendments in the Legislature yesterday, tightened Ontario's minimum wage laws in response to Stevens's Committee revelations and widespread public protest.

A resolution calling for examination of construction-industry alleged abuses also was endorsed by the House and a Labor Committee probe will follow.

The principal changes in the Minimum Wage Act are those whereby employers may be jailed for second offenses against the act, and whereby the minimum wage is made to apply to part-time women workers. As previously announced, the regulations will apply also to men competing with women workers.

#### Penalties More Severe.

Penalties for employers' infractions of the act are made more severe, and the maximum possible fine is raised from the present \$520 to \$1,600. For failure to pay the minimum wages fixed by the board, the fines will range from \$25 to \$500, in place of the present \$20 to \$200.

For failure to keep the requisite records the maximum fine is advanced from \$20 to \$100, with the minimum of \$10 unchanged. For falsification of records, the penalties will be from \$100 to \$1,000, instead of from \$50 to \$300.

Fines, under the present and new acts, may be levied on behalf of each employee against whom an employer offends. Further, the employer must pay to the board the amount whereby the employee was underpaid, and this sum will be distributed by the board.

For second offenses, under the new act, imprisonment of from two to six months is provided.

#### Maximum of Hours.

Another section establishes a maximum of hours for which the minimum wage is to be paid. It was explained that if the prevailing number of hours of labor per week in any industry is less than the fixed maximum, the prevailing number will be considered the maximum under the law. Under this clause, part-time workers must be paid pro rata on the maximum-hour basis, and overtime will be reckoned similarly. This change means much to many women workers who have failed to benefit from minimum wage regulations because they did not work the number of hours hitherto required to qualify under the act.

Under another section, a job automatically comes under the provisions of the act, once it has been performed by a woman worker, and the minimum wage applies to men and boys subsequently employed on the task in question.

This is intended to eliminate the practice of displacing women, who receive the minimum wage, by male workers, who had not come under its provisions.

#### Accepts Resolution.

Declaring himself, personally, as in favor of considering the extension of the minimum wage law to men, Hon. Dr. J. M. Robb, Minister of Health and Labor, yesterday accepted, on behalf of the Government, a resolution calling for examination of alleged construction-industry abuses. The inquiry will be undertaken by the long-dormant Labor Committee of the Legislature.

The resolution, introduced by Russell Nesbitt (Conservative, Toronto-Bracondale), was that "the Government should give early and serious consideration to an amendment to the law governing the submission of tenders and the awarding of contracts for the construction of buildings, highways and other works for the purpose of improving the standards and conditions of building and construction work generally; to provide that general contractors, when submitting tenders, shall submit a list of their subcontractors and the amount of each subtender, and providing that the successful tenderer shall award the contracts according to the list submitted."

#### Not Fair, Says Nesbitt.

In the course of his speech Mr. Nesbitt charged that a Toronto Hydro-Electric contract "eliminates the Workmen's Compensation Board. Such a contract is not fair to the electrical men in this city." Further, he called for reduction of the Toronto Welfare Department, believing it "the first duty and function of any public body, Federal, Provincial or municipal, to find men work instead of having them on relief." As it stood today, he was informed, "it would be possible to commence \$25,000,000 worth of construction work without taking one trade mechanic off relief."

Mr. Nesbitt's specific statement regarding Hydro work was: "I am told that the Toronto Hydro Commission called for tenders on the installation of electric water heaters, and one of the clauses in their tender was to the effect that the union or prevailing rate of wages should be paid. This contract was let to two contractors in the city to install these heaters. One contractor, after receiving the contract, sub-let it to men at a flat rate of \$2 per heater. The

men who installed these heaters must supply trucks, carry all materials, including extension ladders, purchase their own gasoline and oil, engage helpers anywhere and everywhere throughout the city; and should there be any defects in the job, they must return and fix them at their own time and expense. What does the contractor lose? He doesn't stand to lose anything, because he is supplied the labor, and he knows exactly what he is going to make on the job."

After Mr. Nesbitt had reviewed subcontract abuses, which he discussed in an earlier speech, the debate on the subject was continued by several Conservative members of the House.

#### "Controlled Capitalism."

Criticism of present conditions was coupled with a declaration of belief in a system of controlled capitalism by William Morrison (Conservative, Hamilton East). Speaking as seconder to Mr. Nesbitt's motion, the Conservative member declared in reference to appeals for uncontrolled business that for five years business had not been touched, and that for five years matters had been getting worse. "Something drastic must be done," he warned.

Mr. Morrison stated that the sub-letting of contracts had resulted in the employment of married men at \$6 a week on millionaires' residences in construction just outside of Toronto, pointing out that such men naturally were on Toronto relief. The member declared action imperative "if business will not carry on in a proper manner."

"I believe the capitalist system should be controlled; I believe they're running wild," Mr. Morrison testified. Referring to questions of jurisdiction, he said of the British North America Act, "I think it was about time it was changed if we haven't the authority."

An appeal for the rights of business was made by Wilfrid Heighington (Conservative, St. David's). Agreeing that business can be regulated to a certain extent, the Toronto member protested that "there is a limit, however, to what we can do." If people lost faith in Legislative protection of stability, who would start an enterprise, he asked.

#### Wants Even Balance.

Mr. Heighington argued against a one-sided attitude, asking that an even balance should be maintained and a spirit of vindictiveness avoided. Without such an attitude, he declared, new firms would not incorporate. The member for St. David's urged reliance on the conscience of the people, asking that the House should not destroy the promise of better conditions.

Admitting the necessity for competition, Hon. James Lyons (Conservative, Sault Ste. Marie) declared the building industry to be in such a condition that it was almost impossible for honest contractors to take an honest contract and do an honest job. A minimum-wage law for men and women alike, with a board in every municipality, was advanced as a solution by the member for the Sault.

George Oakley (Conservative, Riverdale) labelled the practices of legitimate general contractors correct and proper, but admitted the existence of men who cut their price and cut down the subcontracts in proportion. In certain instances, the member agreed, contractors should announce what work they plan to do themselves, and what work they plan to sublet.

#### Regulation as to Wages.

Summing up the debate, Dr. Robb said that a study of the present minimum-wage law had involved him in consideration of some aspects of a minimum-wage regulation for men. The Minister of Health and Labor declared his personal view along those lines to be that something should be done for unskilled labor. If that could be achieved through a minimum-wage law, he declared that such action merited further consideration.

Of the contracting question, the Minister said: "If the subletting means in the final analysis that the workmen must suffer, then we are agreed that it is a vicious principle."

The present situation, he admitted, was producing cut-throat competition of no value to skilled and unskilled labor.

At the close of the Minister's speech N. O. Hipel (Liberal, Waterloo South) interjected the only Opposition comment with the suggestion that municipalities should be represented at the opening of tenders for works to which they contribute, and that the committee should investigate the manner in which tenders were made and regulated. Premier Henry, remarking that municipalities had sometimes accepted a higher tender on jobs to which the Government contributed, asked about the Government's interests in such a matter.