

COALITION OF BC BUSINESSES

For immediate release

May 13, 2002

Government Labour Reforms Good First Step ... But More Work Needed

Vancouver BC — Labour law reforms announced today by the BC government are a good first step towards repairing BC's lopsided labour relations climate, but a lot more work needs to be done according to the Coalition of BC Businesses, which speaks for BC's small and medium-sized businesses on labour and employment policy issues.

"These changes send a clear message to small and medium-sized businesses that the BC government is serious about building the climate to create the new jobs and opportunities this province needs," said Suromitra Sanatani, Chair of the Coalition of BC Businesses. "These amendments will help make BC a more attractive place for businesses to invest," she said.

"The new Employment Standards Act balances employee protection with regulatory flexibility," Sanatani added. "BC's job creators will be able to improve their competitiveness, but the fundamental protection for vulnerable employees is not being compromised."

Fully one-third of jobs today don't fit into the traditional "9 to 5" industrial model on which BC's employment standards law is based. "The economy and the workforce have diversified beyond the point where one rigid employment standards law can effectively and efficiently satisfy the aspirations of all," Sanatani said.

"This legislation will allow small and medium-sized businesses, the engine of our economy, to overcome the last ten years of stagnation, but we have a few more steps to go before our labour laws are competitive," added Sanatani.

The Coalition calls for government to continue the necessary work when it comes to reforming labour regulations. There are other changes that are necessary to help small business and their employees cooperatively and creatively face the challenges of building a strong economy head-on.

In construction, for instance, the current scheme has created an inequality of bargaining power in favour of unionized construction workers, which makes it impossible for Building Trades contractors to bargain competitive agreements. The contractors are bound forever under the *Code* to their union obligations, and cannot operate non-union, while construction workers, can, and do, freely work for non-union contractors. "The *Code* needs to be amended to give contractors the ability to terminate their collective bargaining relationships upon the expiry of a collective agreement that will allow the contractors to be competitive," said Sanatani.

Amendments should also be made to the Labour Relations Code so that entrepreneurs who try to renew a failed business do not have to carry with them, the prior collective bargaining obligations. "What is the point of forcing bankrupt companies to retain existing collective agreements? These companies need flexibility to survive in order to ensure there are jobs," Sanatani said.

The Coalition is made up of organizations that collectively represent over 50,000 small and medium-sized businesses active in all sectors of BC's diverse economy in communities throughout the province.

-30-

Further information:

Suromitra Sanatani, CFIB 604-684-5325

Mark Startup, Retail BC 604-730-5252

Philip Hochstein, ICBA 604-298-7795

Mark von Schellwitz, CRFA 604-685-9655

Geoffrey Howes, BCRFA 604-540-2827

Jim Chase, BCYHA 604-681-7164

Kevin Evans, Retail Council of Canada 604-904-7705

John Winter, BC Chamber of Commerce 604-683-0700 x304