

1) Is there a difference between “employment”, and other forms of work arrangements?

Answer:

Since the twentieth century, the dominant model of organizing work has been "employment". **Employment** is a form of work in which a person (an 'employee') is dependent upon, and mostly subservient to, an 'employer'. In an employment relationship, the employer is assumed to have control over the methods of production, the unilateral authority to decide what and how much to produce, and the right to direct when, where, and how the employee is required to perform their job. The employment relationship is governed by an **employment contract**, which may set out specific rules, obligations, and rights applicable to the employer and employee, and is usually enforceable in a court of law, like other contracts. At the core of the employment relationship is a basic exchange: the employee sells their labour in exchange for compensation, usually in the form of wages and perhaps benefits of some sort. Employment can be full-time or part-time, indefinite in duration or for a fixed period of time.

Diff: 2

Type: ES

Page Reference: 49-54

Skill: both

Objective: LO1

2) What is the relevance to understanding the labour relationship?

Answer:

Understanding this relationship sheds a light on the nature of our economy and our society, its standards of fairness and well-being. Employment standards legislation entitles "employees" to a minimum wage, overtime pay, mandatory time off and holiday pay, notice of termination, among other benefits. None of these entitlements apply unless the arrangement is characterized as employment. Similarly, human rights laws prohibit discrimination "in employment", and access to unemployment insurance, public pension schemes, and workers' compensation benefits are often contingent upon a worker having been 'employed' for a period of time prior to making their claim for benefits. From a business perspective, there may be advantages to using workers who are not employees of the business. A business that uses independent contractors or "temporary placement" workers may avoid employment standards laws, or the requirement to pay insurance premiums to workers' compensation systems, for instance. By not *employing* workers, businesses can avoid some potentially costly requirement and adjust more quickly and with less cost to economic downturns. On the other hand, this can have an adverse impact on individuals who fail to achieve job security.

Diff: 3

Type: ES

Page Reference: 49-54

Skill: both

Objective: LO2

3) Why is it important to understand the difference between the Standard Employment Relationship and the Non-Standard Employment Relationship?

Answer:

First to define both: The SER is characterized by regular, full-time hours at a single employer, often spanning an entire working career. Employees working under the SER receive periodic pay raises, and their employers usually provide health benefits and pension plans. The SER functions in the shadow of an extensive array of government regulation that guides the relationship, and is underpinned by a strong social security net that provides protections to employees whose employment ends for one reason or another. For example, an employee who is laid-off due to lack of work is entitled to unemployment insurance benefits, and an employee injured at work is entitled to workers' compensation benefits. Unemployment and workers' compensation benefits are funded by mandatory employer contributions. In contrast, NSE is less stable, characterized by part-time, temporary, or variable working hours, lower pay, fewer employer-provided benefits, shorter job tenure, and no access to collective bargaining.

Second, why is this important? It is an important distinction to understand since our economy seems to be including a lot more NSE among those employed. Since the 1980s, the SER has been disintegrating as the dominant form of work. Large segments of the working population in Canada today work under arrangements that are frequently described as **non-standard employment** (NSE). Many of these workers are young, recent entrants into the labour force. This trend towards NSE means that young people graduating from university today are far less likely to experience the sort of stable, predictable employment patterns that were the norm for earlier generations.

Diff: 2

Type: ES

Page Reference: 52-54

Skill: both

Objective: LO2

4) How do the neoclassical and industrial pluralist perspectives view the appropriate role of markets, management, unions, and labour-related legislation?

Answer:

The Neoclassical Perspective argues that the forces of supply and demand, if left to operate freely with limited state interference, will ensure optimal assignment of skills and

expertise throughout the economy as well as the fairest distribution of wealth. The "invisible hand of the market" will guide actors towards economic and social prosperity. Canadian governments-indeed, governments around the world-are misguided in their attempts to 'protect workers' through regulation such as minimum wages, overtime pay, human rights laws, health and safety rules, and laws that permit or even encourage unionization and collective bargaining. Neoclassicalists are not concerned about working conditions being driven down too low in the absence of worker protection legislation. They believe that the invisible hand of the market will ensure this does not happen. Any attempt by governments to intervene in this process of free bargaining by employers and workers will disturb these 'market-clearing' processes, producing harmful effects.

The Industrial Pluralist Perspective emphasizes the imbalance of power between workers and employers, and the value to society and economies of striking a reasonable balance between the *efficiency* concerns of employers and the *equity* concerns of workers. For the Pluralist, the relationship between a business/employer and a worker/employee involves the bearer of power, on one hand, and subordination, on the other hand. In most cases, workers lack the necessary bargaining power to engage in meaningful bargaining about conditions of employment with the result that the business purchasing their labour can in practice set the terms unilaterally. Pluralists support an activist government that intervenes in the work relationship in order to promote decent working conditions and worker 'voice' in the determination of those conditions. Most importantly, the Pluralists believe the most effective way to ensure worker voice, and to promote a healthy distribution of wealth throughout the economy, is to promote collective bargaining and unionization

Diff: 3

Type: ES

Page Reference: 53-59

Skill: both

Objective: LO3

5) What fundamental relevant rules address the issue of termination of employment in Canada?

Answer:

Common Law Rules Requiring Notice of Termination: One rule that judges created, and that forms part of the common law of the employment contract, is a requirement for employers to provide employees with 'reasonable notice' of the termination of the employment contract. How much notice is 'reasonable' is decided by judges, and depends on a number of factors, including length of the employee's service, the employee's age, and the type of work the employee performed. This requirement for employers to give 'reasonable notice' helps employees transition from one job to the next.

Statutory Minimum Notice of Termination: If an employer fails to provide the employee with 'reasonable notice', the employee can sue the employer in court to recover it. Employment standards statutes in Canada include mandatory minimum statutory notice provisions. For example, in Ontario, the *Employment Standards Act* requires employers to provide the following minimum periods of notice of termination. Both common law 'reasonable notice' and statutory minimum notice are intended to provide employees with a cushion, a period of time to plan for their job loss and to look for another job. These requirements impose costs on employers. However, they are justified on the basis that job losses impose costs on society and employees, some of which should be borne by employers.

Diff: 3

Type: ES

Page Reference: 62-65

Skill: both

Objective: LO4

6) In what way is Canada's labour force considered to be diverse?

Answer:

Canadian business operates within a very diverse society. The Canadian population reflects a multitude of cultures and demographic backgrounds. For example, recent census figures provided by Statistics Canada show that over 5 million Canadian citizens were foreign-born, comprising nearly 20 percent of the total population. This diversity is increasingly reflected in the Canadian labour pool. Immigrants who came to Canada in the 1990s have accounted for approximately 70 percent of the total growth of the labour force in recent years. Women also comprise a significant component of the Canadian labour force and account for about half of both the employed work force and all union members. Visible minorities and people with disabilities, together with women, make up over 60 percent of Canada's labour force.

Diff: 2

Type: ES

Page Reference: 65-76

Skill: both

Objective: LO5

7) How does employment equity legislation attempt to break down barriers to diversity within Canadian workplaces?

Answer:

Employment equity was a term developed to reflect a distinct Canadian process for achieving equality in all areas of employment. In addition, the term was intended to

distinguish the process from the U.S. notion of "affirmative action," as well as to move beyond the "equal opportunity" measures that were available in Canada at that time. To address systemic discrimination, the *Employment Equity Act* was designed as an ongoing planning process used by an employer to accomplish a number of objectives, including:

- Eliminating employment barriers for the four designated groups identified in the Employment Equity Act-women, persons with disabilities, Aboriginal people, and members of visible minorities.
- Redressing past discrimination in employment opportunities and preventing future barriers.

Diff: 2

Type: ES

Page Reference: 66-69

Skill: both

Objective: LO5

1) Joe has worked for 20 years as a sales representative for a successful, non-unionized major fashion retailer and is an outstanding employee. He is in his late forties and was recently told by his manager that he just doesn't "fit with the culture any more" and his position is "more suitable for a younger person". Joe was terminated the following week.

What laws exist to potentially protect Joe?

Answer:

Human rights laws: These laws typically prohibit discrimination in employment based on certain prohibited grounds. In the Canadian *Human Rights Act*, which applies to businesses governed by Federal laws prohibits discrimination in employment on grounds such as Age, which appears to be the issue in this case. The *Canadian Human Rights Act* and each of the provincial human rights codes govern human rights issues and provide detailed procedures for investigation and resolution. An employee who feels her employer has discriminated against her on a prohibited ground may file a complaint with the appropriate human rights tribunal and seek a remedy, including lost wages and reinstatement, if she has been dismissed for discriminatory reasons. The prohibitions on discrimination in employment apply through the life of the relationship, including: hiring, terms of employment, and dismissal.

Also consider Termination laws: *Common Law Rules Requiring Notice of Termination*: All nonunion employees in Canada have an employment contract with their employer. Sometimes the contract is written, but if it is not, then the parties have a verbal contract. Disputes about what an employment contract says, or how it should apply in a given situation, are resolved by judges in courts of laws. One rule that judges created, and that

forms part of the common law of the employment contract, is a requirement for employers to provide employees with '**reasonable notice**' of the termination of the employment contract. How much notice is 'reasonable' is decided by judges, and depends on a number of factors, including length of the employee's service, the employee's age, and the type of work the employee performed.

Diff: 3

Type: ES

Page Reference: chapter 2, p.62-78 ; chapter 10, p.422-434

Skill: both

Objective: Chapter 2 LO4,5; chapter 10 LO4,5

2) Joe has worked for 20 years as a sales representative for a successful, non-unionized major fashion retailer and is an outstanding employee. He is in his late forties and was recently told by his manager that he just doesn't "fit with the culture any more" and his position is "more suitable for a younger person". Joe was terminated the following week.

With reference to the pyramid of corporate social responsibility (CSR), how is CSR an issue in this case?

Answer:

Economic Responsibilities:

The economic responsibility is based upon that *society requires* that companies be profitable. In other words, companies should generate profits and minimize costs. The company is successful and therefore profitable. It is acting in a way that it feels will maximize profits for the company

Legal Responsibilities:

Society also *requires* companies to be legally responsible. That is, **complying with all laws and regulations**. For example, employment laws, human rights laws, business law, contract law, copyright law, environmental law and so on. It may be violating certain human rights though it will depend on how the case is argued.

Ethical Responsibilities:

Society also *expects* companies to be ethically responsible. That is, what society considers **fair, just and acceptable**. Society expects all members to be treated fairly and with dignity. This company seems to have violated that expectation in its treatment of Joe – suggesting he is not a productive employee because he is getting too old for the job.

Philanthropic Responsibilities:

Society *desires* companies to meet their philanthropic responsibilities. These are duties that help with the betterment of society, such as donating money, volunteering etc. If we could set aside the age discrimination issues and consider the role of companies it certainly would be philanthropic if companies tried to make more use of workers who were say past retirement age. That was not the case here but as an example of

philanthropic behavior, we see some companies like Walmart hire retired individuals as “people greeters” – that could be considered an example of philanthropic responsibilities.

Diff: 3

Type: ES

Page Reference: chapter 2, p.62-78 ; chapter 10, p.422-434

Skill: both

Objective: Chapter 2 LO4,5; chapter 10 LO4,5

3) Joe has worked for 20 years as a sales representative for a successful, non-unionized major fashion retailer and is an outstanding employee. He is in his late forties and was recently told by his manager that he just doesn't “fit with the culture any more” and his position is “more suitable for a younger person”. Joe was terminated the following week.

What CSR arguments would support the need for businesses to treat employee stakeholders with more concern?

Answer:

FOR CSR

Business should conform to societal expectations

The idea here is that this retail company needs to consider that is part of society. It must conform to what society expects of it if it wants to retain legitimacy. By treating its employees with such disdain it will lose its legitimacy as a reputable and upstanding organization. Therefore it needs to re-consider how it treats its older employees since they are members of society.

Practical business strategy.

The fact is if a business disregards its employees it will invite public scrutiny and this can include government scrutiny. It may well face human rights lawsuits for its behavior and so doing the right thing is also a good business strategy to avoid bad press and any potential legal penalties.

Responsibilities to a network of stakeholders

If younger employees are potentially helpful that is fine but this business operates in a network of stakeholders. Its employees are stakeholders – they work hard and expect some kind of security in return. If employees are disregarded they will no longer be a loyal stakeholder in this company. The press and the media are also stakeholders who will consider what this company does to older employees as an important event. Public interest and human rights groups are also stakeholders who are vigilant in protecting employees from this kind of treatment, So the company needs to consider these stakeholders in its actions

CSR provides long term benefits

By treating employees with dignity this company will reflect positively on its image and build good will. Reputation is something that most companies desire and by avoiding this kind of behavior the company will not tarnish its image.

Diff: 3

Type: ES

Page Reference: chapter 2, p.62-78 ; chapter 10, p.422-434

Skill: both

Objective: Chapter 2 LO4,5; chapter 10 LO4,5

1) The employment contract, which may set out specific rules, obligations, and rights applicable to the employer and employee, and is not usually enforceable in a court of law.

- a. True
- b. False

Answer: b

Diff: 2

Type: TF

Page Reference: 49

Skill: both

Objective: LO1

2) Independent contractors, or the self-employed, are not “employees”.

- a. True
- b. False

Answer: a

Diff: 2

Type: TF

Page Reference: 49

Skill: recall

Objective: LO1

3) One of the factors that are considered in deciding whether someone is an employee or an independent contractor includes the Degree of Control.

- a. True
- b. False

Answer: a

Diff: 2

Type: TF

Page Reference: 49-52

Skill: recall

Objective: LO1

4) The standard employment relationship (SER) is characterized by part-time hours at multiple employers, spanning 1-3 years.

- a. True
- b. False

Answer: b

Diff: 1

Type: TF

Page Reference: 52-53

Skill: recall

Objective: LO2

5) Non-standard employment (NSE) has access to collective bargaining.

- a. True
- b. False

Answer: b

Diff: 1

Type: TF

Page Reference: 53

Skill: recall

Objective: LO2

6) According to the Neoclassical Perspective, the forces of supply and demand, if left to operate freely with limited state interference, will ensure optimal assignment of skills and expertise throughout the economy as well as the fairest distribution of wealth.

- a. True
- b. False

Answer: a

Diff: 2

Type: TF

Page Reference: 55-56

Skill: both

Objective: LO3

7) The Critical perspective emphasize the imbalance of power between workers and employers, and the value to society and economies of striking a reasonable balance between the *efficiency* concerns of employers and the *equity* concerns of workers.

- a. True
- b. False

Answer: b
Diff: 2

Type: TF
Page Reference: 59
Skill: both
Objective: LO4

8) The federal government introduced the *Employment Equity Act* in 1986 in order to break down barriers for these four designated groups.

- a. True
- b. False

Answer: a
Diff: 1

Type: TF
Page Reference: 76-77
Skill: recall
Objective: LO5

9) Pluralists argue that collective bargaining is valuable because it promotes two important outcomes: Democracy and Voice; and Distributive Fairness

- a. True
- b. False

Answer: a
Diff: 2

Type: TF
Page Reference: 56-57
Skill: both
Objective: LO4

10) Pluralists accept the Managerialist' claim that progressive human resource management policies, and that the supposed economic benefits derived from it, will protect the interests of workers.

- a. True
- b. False

Answer: b

Diff: 3

Type: TF

Page Reference: 56-57

Skill: both

Objective: LO3

1) Suggest how each of the four perspectives would view current efforts to establish greater diversity in the workplace. Explain your answer.

Answer:

1. Neoclassical Perspective This perspective argues that the forces of supply and demand, if left to operate freely with limited state interference, will ensure optimal assignment of skills and expertise throughout the economy as well as the fairest distribution of wealth. Any attempt by governments to intervene in this process of free bargaining by employers and workers will disturb these ‘market-clearing’ processes, producing harmful effects. Therefore government should not implement diversity laws since those employers may simply lose employees or find other ways around these laws.

2. Managerial Perspective. Managerialists argue that workers who are treated decently and with respect will be the most productive workers and that the most successful businesses will be those that provide good wages and benefits, and good working conditions. Therefore, businesses will look out for employees’ concerns, because it is in their economic interests to do so. Government should not need to intervene with laws since it is in the interest of management to treat workers fairly; there is no need for workers to look to government for protection.

3. Industrial Pluralist Perspective. Pluralists support an activist government that intervenes in the work relationship in order to promote decent working conditions and worker ‘voice’ in the determination of those conditions. Therefore we need more government regulation to promote diversity.

4. Critical Perspective. The Critical perspective posits that employment regulation and collective bargaining are at best only marginally useful in protecting workers from this exploitation. Therefore these government regulations will not do anything to help the plight of the under-represented groups. In fact, they could harm this cause since they may be followed at a, minimal or be circumvented and create the illusion that diversity is being promoted. The more important objective is of building class-consciousness, which will be necessary to challenge the capitalist model and replace it with a more egalitarian model. These groups need to create a greater awareness of their plight in society.

Diff: 3

Type: ES

Page Reference: 53-79

Skill: both

Objective: LO3-5

2) In today's workforce, the employee has little control over their job security'.

Support that statement.

Answer:

The period from approximately the 1930s to the 1980s was when the standard employment relationship (SER) dominated the economic landscape. The SER is characterized by regular, full-time hours at a single employer, often spanning an entire working career. Employees working under the SER receive periodic pay raises, and their employers usually provide health benefits and pension plans. However, since the 1980s, however, the SER has been disintegrating as the dominant form of work. Large segments of the working population in Canada today work under arrangements that are frequently described as non-standard employment (NSE). NSE is less stable, characterized by part-time, temporary, or variable working hours, lower pay, fewer employer-provided benefits, shorter job tenure, and no access to collective bargaining. Many of these workers are young, recent entrants into the labour force. This trend towards NSE means that young people graduating from university today are far less likely to experience the sort of stable, predictable employment patterns that were the norm for earlier generations.

Workers employed under NSE arrangements, and low-income workers who are treated as independent contractors, are often described as vulnerable or precarious workers. They live on the cusp of poverty and are unable to save or plan for the future because their source of income is always on the verge of disappearing.

Diff: 3

Type: ES

Page Reference: 48-53

Skill: both

Objective: LO1-2