



# HEU SUBMISSION TO THE FAIR WAGES COMMISSION

June 2019

**The Hospital Employees' Union**  
[www.heu.org](http://www.heu.org)

Contents

HEU and the Living Wage for Families Campaign.....1

Increased cost of living and stagnating wages.....1

Increased costs of living and eroded social programs.....2

Minimum wage is inadequate.....3

Privatization and the creation of poverty wages in health care work.....4

The impact of poverty wages in HEU members.....5

Living wage benefits.....6

Recommendations.....7

Conclusion.....9

## Submission to the Fair Wages Commission

The Hospital Employees' Union (HEU) welcomes the opportunity to share our views and recommendations to address the discrepancy between the minimum wage and a living wage in British Columbia.

### About the HEU

The Hospital Employees' Union is the oldest and largest health care union in B.C., representing more than 50,000 members working for public, non-profit and private employers. Since 1944, HEU has been a strong and vocal advocate for better working conditions for our members and improved caring conditions for British Columbians who access health care services.

HEU members work in all areas of the health care system – acute care hospitals, residential care facilities, community group homes, outpatient clinics and medical labs, community social services agencies, and First Nations health agencies – providing both direct care and health support services.

### HEU and the Living Wage for Families Campaign

HEU has been a long-standing advocate committed to advancing the rights and working conditions of low-waged workers. A legacy of low-wage, precarious work, which persists to this day, is what drove our union to help establish a Living Wage movement in B.C., more than a dozen years ago.

HEU is one of the founding partners of the Living Wage for Families Campaign.

The rapid privatization of health care services, which followed the B.C. Liberal government's passage of Bill 29, the *Health and Social Service Delivery Improvement Act*, in 2002, precipitated the largest mass firing of women workers in the province's history and turned decent family-supporting jobs into poverty-wage work for almost 10 per cent of HEU's membership.

The Living Wage campaign became an important tool in our efforts to hold government and health authorities accountable for the poverty level wages and substandard working conditions that had emerged in an increasingly privatized health care system.

Together, HEU First Call, and the Canadian Centre for Policy Alternatives investigated, and found, disturbing and growing trends among low-wage workers which included: a higher utilization rate of local food banks by full-time workers, more parents needing to work multiple jobs, and workers increasingly unable to make ends meet.

The living wage calculation method that was established assumes a very modest quality of life in material terms. It does not offer a family an opportunity to save for retirement, children's education, or to help support elderly family members. Under this calculation, a living wage can be achieved through wages or a combination of wages and employer-paid benefits such as extended health benefits, paid sick time and subsidized transportation.

Once the living wage calculation was established HEU and our community partners promoted its adoption to governments and employers. Now, in 2019, the concept of a living wage is increasingly familiar to British Columbians and is generally distinguished from the minimum wage because it is rooted in the *actual* costs of raising a family and living in a particular region.

### Increased costs of living and stagnating wages

The cost of living has steadily risen over recent decades throughout Canada and in B.C. At the same time, working people's wages have gradually decreased and many social programs have been eroded.

The outcome is that the quality of life that may have been attainable for a typical modest-income family twenty years ago is no longer possible in today's context.

One dollar earned in 1990 is equivalent to \$1.67 earned today. In other words, a person would have to be earning 67 per cent more today just to keep up with Canada's rising cost of living. Wages, however, have not increased at the same rate. The average wage for the lowest 10 percent of income earners in Canada increased from \$10.16 an hour in 1990 to \$11.40 an hour in 2010, an increase of only 12 per cent<sup>1</sup> in real dollars.

Similar findings are reflected in a 2015 Canadian Centre for Policy Alternatives (CCPA) report reveals that in a five-year period from June 2009 (the end of the recession) to December 2014, adjusted for inflation, the vast majority of workers outside the oil boom provinces experienced "effectively zero real wage growth."<sup>2</sup>

Our members, particularly in the contracted hospital support services sector and in the independent long-term care sector have experienced, firsthand, a downward pressure on their wages.

In the independent long-term care sector, which consists of nursing homes that are publicly funded but privately operated, there are now facilities that pay hourly wages that are up to five dollars less than facilities that are owned and operated directly by health authorities.

In the contracted hospital support services sector wages have slowly risen with successive rounds of bargaining but remain below the standard that had been established prior to privatization more than 16 years ago.

#### Increased costs of living and eroded social programs

Insufficient and in some instances non-existent wage increases are compounded by rapidly rising housing, transportation, energy, and food costs. In B.C., we have seen the cost of basic necessities increase at a faster rate than inflation and wage growth. While a high and rising cost of living affects all residents in B.C., those with a low-income or those who are experiencing poverty have a far greater struggle trying to meet their basic needs on a severely restricted budget.

Housing costs, for both renters and home-buyers, in the Lower Mainland and other parts of the province, are some of the highest in Canada. Across B.C., between 2005 and 2015, median rental costs have grown between 29 per cent and 36 per cent, while provincial inflation increased 13 percent.<sup>3</sup>

In this regard, British Columbians were relieved to see B.C.'s NDP government put a 2.5 per cent maximum cap on 2019 residential tenancy rent increases. This helps alleviate the gap between rising rents and people's annual income increases by putting a stop to previous legislation that allowed rental increases to go up two per cent per year above the rate of inflation.

---

<sup>1</sup> Lars Osberg. (2018). *The Age of Increasing Inequality: The Astonishing Rise of Canada's 1%*. James Lorimer and Company Ltd. Toronto.

<sup>2</sup> CCPA: Manitoba Office and Errol Black Chair in Labour Studies. (March 25, 2015). *Stagnant wages for over 90% of Canadian workers*. Accessed from: <https://www.policyalternatives.ca/sites/default/files/uploads/publications/Manitoba%20Office/2015/03/Stagnant%20wages.pdf>

<sup>3</sup> Seth Klein, Iglia Ivanova and Andrew Leyland. (January, 2017). *Long Overdue: Why BC Needs a Poverty Reduction Plan*. CCPA: BC Office. p. 34. Accessed from: [https://www.policyalternatives.ca/sites/default/files/uploads/publications/BC%20Office/2017/01/ccpa-bc\\_long-overdue-poverty-plan\\_web.pdf](https://www.policyalternatives.ca/sites/default/files/uploads/publications/BC%20Office/2017/01/ccpa-bc_long-overdue-poverty-plan_web.pdf)

However, rental increases remain tied to the tenant rather than the unit, and landlords can increase rents without limit between tenancies. This creates a perverse incentive to cycle through tenants or pursue 'renovictions' as a means to increase rents.

In addition to housing, between 2008 and 2014, BC Hydro rates skyrocketed 35.5 per cent after inflation. And between 2005 and 2015, food prices in B.C. rose by 29 per cent, once again, more than twice the rate of inflation.<sup>4</sup>

In addition, social programs and safety nets that supported workers and their families have eroded, shifting costs back onto the household.

In 2002, to facilitate \$358 million in tax cuts, British Columbians saw a 50 per cent increase in their Medical Services Plan (MSP) premiums as well as the delisting of a bi-annual routine eye-exam, physiotherapy, massage therapy, chiropractic, naturopathy, and podiatry from services covered by MSP. These premium increases and delisted services not only became out-of-pocket expenses for workers, and in some cases employers, they also had a dampening effect on workers' wages and employer-paid benefit increases.

Employment Insurance (EI) eligibility and entitlements have also been tightened and reduced over the decades. Federal contributions for EI ended in 1990, and are now fully financed by the contributions of employers and employees. At the same time, wage replacement rates fell from 60 per cent in 1979, to 57 per cent in 1993, and to 55 per cent in 1994. Today, EI recipients are only able to obtain 55 per cent of their insurable weekly earnings, up to a maximum of \$562 each week.

Even while the costs of living continue to rise, we acknowledge the important work the NDP government has done to increase the 'social wage'.

For modest- and middle-income families with young children in B.C., this year's public investments in child care lowered the costs of child care by 45 per cent. In Metro Vancouver, the program saves the model living wage family a total of \$8,213 (Affordable Child Care Benefit [\$7,013] and the universal Child Care Fee Reduction Initiative [\$1,200]) who would have previously been ineligible. Without these child care investments, the Metro Vancouver living wage would have been \$22.47 an hour.<sup>5</sup> Instead it dropped from \$20.91 an hour last year to \$19.50, making it the first major reduction of the living wage in Metro Vancouver in the eleven years since its inception.

Furthermore, after years of MSP premium increases, in January 2018, MSP premiums were cut in half, and will be fully eliminated in January 2020. The elimination of MSP will save individuals up to \$900 a year and families up to \$1,800 a year. Other key government initiatives, including the BC Child Opportunity Benefit and the elimination of student loan interest go a long way to make life more affordable for British Columbians.

### Minimum wage is inadequate

We applaud the NDP government's commitment to improve the minimum wage. We saw the minimum wage increase from \$11.35 an hour in September 2017 to \$13.85 an hour today, and it is scheduled to

---

<sup>4</sup> Ibid, p. 35

<sup>5</sup> Living Wage for Families Campaign. (May 1, 2019). *2019 Living Wages Released: BC'S Child Care Investments Have Major Impact*. Accessed from: [http://www.livingwageforfamilies.ca/2019\\_living\\_wages](http://www.livingwageforfamilies.ca/2019_living_wages)

increase to \$15.20 an hour by June 2021. Prior to this, B.C.'s minimum wage was stagnant for far too many years.

While the gap between the minimum wage and living wage is slowly closing, there still remains a substantial difference of \$5.65 an hour. For a living wage family, this difference amounts to over \$20,000 a year in annual income.

The current minimum wage is not tied to the actual cost of living, as is the living wage. As we have noted above, inflation is not sufficient to determine minimum wage increases because the cost of basic necessities, including rent, food, and transportation, increases faster than inflation. As a result, the cost of living continues to outpace scheduled minimum wage increases.

An inadequate minimum wage is also an equity issue because women, racialized, immigrant, indigenous, young, disabled, and LGBTQI2S workers are overrepresented in low-wage work.<sup>6</sup> The majority of workers earning less than \$15 an hour are the heads of their household, and almost half have children under the age of twenty-four to help support.<sup>7</sup>

Despite a strong and prosperous economy in B.C., poverty and inequality has deepened, precarious work has grown, and low-wage workers experience few gains. Working does not translate to being lifted out of poverty. In 2015, 40 per cent of workers earned less than \$25,000,<sup>8</sup> placing them well below the Before-Tax Low Income Cut-off of \$30,625 for a household of two, or \$45,712 for a household of four.<sup>9</sup>

The majority of people experiencing poverty in B.C. do not rely on welfare, but rather are working for low-wages that subject them to poverty. A 2016 report by the CCPA shows that while 14 per cent of British Columbians live in poverty, only four per cent receive social assistance at any given time. In contrast to this popular assumption, "the story of poverty in BC is becoming a story of low-paid and precarious jobs."<sup>10</sup>

In particular, working poverty is a major issue in Metro Vancouver where rates of working poverty are the second highest of all major cities in Canada and are compounded by a severe lack of affordable and accessible housing and other everyday basic needs.<sup>11</sup>

Clearly, living wages are needed if we are to reduce wage disparities, lift workers out of poverty, and mitigate broader social inequities.

#### Privatization and the creation of poverty wages in health care work

A significant number of HEU members – despite being part of a unionized workforce, working full-time, and often holding more than one job – are unable to support their families on current wages.

<sup>6</sup> The BC Federation of Labour. (n.d.). *BC Minimum Wage and Women: The Facts*. Accessed from: <https://bcfed.ca/sites/default/files/attachments/BCFED%20minimum%20wage%20fact%20sheet%20-%20women.pdf>

<sup>7</sup> BC Federation of Labour. (November, 2017). *An Economy for Everyone: The Case for a \$15 Minimum Wage*. Submission to the Fair Wages Commission, p. 6. Accessed from:

[https://bcfed.ca/sites/default/files/attachments/BCFED\\_Minimum\\_Wage\\_Commission\\_submission\\_web.pdf](https://bcfed.ca/sites/default/files/attachments/BCFED_Minimum_Wage_Commission_submission_web.pdf)

<sup>8</sup> BC Federation of Labour. (November, 2017). *An Economy for Everyone: The Case for a \$15 Minimum Wage*. Submission to the Fair Wages Commission, p. 9. Accessed from:

[https://bcfed.ca/sites/default/files/attachments/BCFED\\_Minimum\\_Wage\\_Commission\\_submission\\_web.pdf](https://bcfed.ca/sites/default/files/attachments/BCFED_Minimum_Wage_Commission_submission_web.pdf)

<sup>9</sup> Based on a population of 500,000 and over in Canada. Statistics Canada. Table 11-10-0241-01 *Low income cut-offs (LICOs) before and after tax by community size and family size, in current dollars*

<sup>10</sup> Igluka Ivanova. (June 2006). *Working Poverty in Metro Vancouver*. CCPA: BC Office, p. 4. Accessed from: [https://www.policyalternatives.ca/sites/default/files/uploads/publications/BC%20Office/2016/06/CCPA\\_Working\\_poverty\\_full.pdf](https://www.policyalternatives.ca/sites/default/files/uploads/publications/BC%20Office/2016/06/CCPA_Working_poverty_full.pdf)

<sup>11</sup> *Ibid*, p. 4-5.

Poverty wages are a relatively recent characteristic of health care work, particularly in contracted support service work (laundry, food services, and cleaning). Sweeping privatization and contracting out that resulted from BC Liberal-era legislation shifted once decent, secure, and family-supporting jobs to the realm of insecure and low-wage work.

Not only did this legislation create working poverty conditions for a large number of our members, it has also had far-reaching consequences for the “value of women’s work, pay equity achievements, and the quality of work performed in B.C.’s health care facilities.”<sup>12</sup>

Damaging legacies remain today, and are most acutely felt by over 4,200 of our contracted support service members working in public hospitals and residential care homes, as well as over 2,000 support service members working in the private seniors’ care sector.

Prior to the BC Liberals forming government in 2001, a province-wide master public sector collective agreement covered the vast majority of our members. It set standard wages and benefits, and protected job security. Under this collective agreement, the wages earned in most occupations were among the highest in the country. In 2001, a hospital cleaner – an occupation near the bottom end of the pay grid – earned more than \$18 an hour with good benefits and a pension.

But since 2003, thousands of HEU members, most of them women, were laid-off and their work contracted out to large multinational corporations. In the years that followed many of the workers who were hired are disproportionately older, racialized, and immigrant women with children and sometimes have family members abroad to support.

Contracting out fragmented entire health care teams and undermined training standards and quality control practices in health care facilities. Many of our members were not hired back. And those that were hired experienced massive wage cuts – in some cases wages were cut by almost half – and the erosion or elimination of long-earned seniority-based benefits and pensions. What this meant was that expenses quickly outpaced monthly income. Some of our members lost their homes, and most struggled to cover rent, food, and other bills. These hardships continue today.

#### [The impact of poverty wages on HEU members](#)

With poverty wages and a high cost of living, our members in contracted services live pay cheque to pay cheque. They are forced to rely on credit and social supports to obtain basic life necessities. They are unable to save for and invest in their children’s future.

They have very little access to savings or pensions. Many end up working beyond retirement age. If they or a family member becomes sick or disabled, there is little money for extras or emergencies. Sick time and long- and short-term disability benefits are minimal or non-existent.

While union organizing and successive rounds of bargaining have steadily improved wages and benefits in this sector, they have not caught up to where they were almost two decades ago, before contracting out began.

---

<sup>12</sup> Marjorie Griffin Cohen. (March 2003). *Destroying Pay Equity: the effects of privatizing health care in British Columbia*. Hospital Employees’ Union. p. 2. Accessed from: [https://www.heu.org/sites/default/files/uploads/research\\_reports/Destroying%20Pay%20Equity.pdf](https://www.heu.org/sites/default/files/uploads/research_reports/Destroying%20Pay%20Equity.pdf)

Even with these gains, our members in contracted support service work make just under a living wage for their communities. As an example, housekeeping aides in Metro Vancouver working for one of our biggest employers, Compass Group Canada Ltd., receive a wage with employer-paid benefits that still falls short of the living wage by just over one dollar.

While these members work tirelessly and diligently performing vital support work, their work is not valued. Working multiple jobs or more than full-time hours means they sacrifice time with their families and feel stressed and guilty because of it. The stresses, strains, and insecurities associated with working poverty adversely impact their own health and wellness and that of their families.

Numerous studies on contracted out support work in B.C.'s health care sector underscore this reality. One study found that, subsequent to contracting out, four-fifths of participants reported poor physical health and three-quarters reported emotional and mental states spanning from depression to anxiety and anger. Participants describe having little time for their families, being exhausted, overwhelmed, and stressed at the end of the day, and foregoing social and community engagements.<sup>13</sup>

Research consistently shows that low-income workers are twice as likely as those with moderate or high incomes to have chronic stress, and this is specifically linked to the work – including hours of work, holding multiple jobs, job loss, inadequate benefits, and financial stress. This is linked to poorer health outcomes and higher uptake of public health care services.<sup>14</sup> Children from low-income households are significantly disadvantaged in terms of access to post-secondary education, academic achievement, and nutritional and health status. They also have a higher likelihood of job insecurity, underemployment, and chronic disease development into adulthood.<sup>15</sup>

While our members are still recovering from the damage wrought by the BC Liberals, the B.C. NDP government is making important strides toward restoring dignified, family-supporting jobs in our sector and others. Recent employment standards and Labour Code changes, including the repeal of discriminatory contracting out legislation and the protection of successorship rights in re-tendered support and non-clinical health services contracts, ensures job security and helps protect and improve negotiated wages and benefits. Overall, these changes support our goals towards achieving a living wage for our members and all workers in B.C.

### Living Wage Benefits

In B.C., there is growing consensus that living wage policies are one important way to remedy child and family poverty. There is a large and growing body of research that reveals that poverty and low-income negatively impact the quality of life of individuals and whole communities, with broader economic, social, and fiscal costs and consequences for society and government.<sup>16</sup>

---

<sup>13</sup>Jane Stinson, Nancy Pollak and Marcy Cohen. (2005). *The Pains of Privatization: How Contracting Out Hurts Health Support Workers, Their Families, and Health Care*. CCPA: BC Office. Accessed from: <https://www.policyalternatives.ca/publications/reports/pains-privatization>

<sup>14</sup> Iglia Ivanova and Lincoln Saugstad. (May 1, 2019). *Making Paid Work Meet Basic Family Needs in Metro Vancouver*. CCPA: BC Office. p. 2. Accessed from: [https://www.policyalternatives.ca/sites/default/files/uploads/publications/BC%20Office/2019/05/BC\\_LivingWage2019\\_final.pdf](https://www.policyalternatives.ca/sites/default/files/uploads/publications/BC%20Office/2019/05/BC_LivingWage2019_final.pdf)

<sup>15</sup> Ibid, p. 2

<sup>16</sup> Robert Dryden and Jim Stanford (March 2012). *The Unintended Consequences of Outsourcing Cleaning Work*. CCPA: ON Office. Accessed from: [https://www.policyalternatives.ca/sites/default/files/uploads/publications/Ontario%20Office/2012/03/Unintended%20Consequences%20of%20Outsourcing\\_final.pdf](https://www.policyalternatives.ca/sites/default/files/uploads/publications/Ontario%20Office/2012/03/Unintended%20Consequences%20of%20Outsourcing_final.pdf)

A living wage benefits not only workers but also their families and communities. Workers and their families need a stable, secure, and adequate level of income to achieve a decent standard of living and enable their full participation in civic, cultural, and social life. For our members, a living wage means being able to spend more time with their families, have a social life, take better care of their health, rest on their days off, and even enjoy a holiday once in a while.

A living wage stimulates local economic activity. It is well-established that lower- and moderate-income households spend more of their money buying goods and services locally than those in higher-income brackets. And buying locally is good for local neighbourhood businesses, jobs, and the environment. It builds a stronger tax base, and supports quality public services. Further, living wages alleviate the strain on public resources through decreased usage of and expenditures on health care, criminal justice, social programs, and income assistance.

The number of living wage employers is growing as the value of the living wage becomes more prominent. In 2010, the City of New Westminster became the first municipality in Canada to pass a living wage policy. As of April 2019, eight local governments and one school district are living wage employers. Across B.C., over 140 employers, including businesses, non-profit organizations, unions, and cooperatives are living wage employers.<sup>17</sup> These employers pay all their direct and contract staff the living wage rate for their region.

Living wage policies are critical to stimulate economic activity and alleviate labour shortages. They have multiple benefits for employers. Employers report that living wage policies resulted in enhanced recruitment and retention, higher employee morale and productivity, and lower rates of absenteeism. Providing a living wage is an investment in a more stable, dedicated, experienced, and qualified workforce, which ultimately translates to cost savings in terms of staff hiring, training, and length of service.<sup>18</sup>

Ensuring a living wage is vital to offset the recruitment and retention crisis in the privatized health care sector. As it stands, low wages exacerbate high turnover, creating short-staffing and workload issues and undermining the continuity, quality, and safety of patient care.

## Recommendations

### 1. Establish a permanent Fair Wages Commission

The work of the Fair Wages Commission should continue past its two-year mandate. The issue of wages is complex and is often not fully reflected in calculations like the cost of living. An ongoing Fair Wages Commission can engage in extensive community and stakeholder consultations and conduct research and analyze data on the changing nature of local labour markets, workplaces, work experiences, and wages. The commission should seek representation from equity-seeking groups that disproportionately experience low-wage work.

In this way, the Commission will be able to develop a fuller picture of the quality of life and work for workers in B.C. These investigations will be helpful in advancing B.C.'s poverty reduction strategy and bringing back into balance the notable inequity present in B.C.'s labour market.

---

<sup>17</sup> For the list of living wage employers, see: [livingwageforfamilies.ca](http://livingwageforfamilies.ca)

<sup>18</sup> Iglia Ivanova and Lincoln Saugstad. (May 1, 2019). *Making Paid Work Meet Basic Family Needs in Metro Vancouver*. CCPA: BC Office. p. 34. Accessed from: [https://www.policyalternatives.ca/sites/default/files/uploads/publications/BC%20Office/2019/05/BC\\_LivingWage2019\\_final.pdf](https://www.policyalternatives.ca/sites/default/files/uploads/publications/BC%20Office/2019/05/BC_LivingWage2019_final.pdf)

## **2. Raising and maintaining the minimum wage to reflect a living wage**

As a result of minimum wage increases combined with social policy, we are already seeing the bridging of the gap between the minimum wage and living wage in some communities in B.C. For instance, when the minimum wage increased to \$13.85 an hour in June 2019, it nearly met the 2019 living wage for communities in the North Central Region (\$14.03 an hour) and Kamloops (\$14.38 an hour). There is still work to be done to bridge this gap in the vast remainder of B.C.'s regions.

In the Fair Wages Commission's 2017 consultation, numerous recommendations were made by workers, advocates, and employers to increase the minimum wage at regular and predictable intervals. Future annual or semi-annual minimum wage increases must be based on a stable, reliable measure of the cost of living. The minimum wage must keep workers above the poverty line and ultimately meet the cost of living. Additional research and consultations must be undertaken by the Commission to determine whether the wage rate should be province-wide or region-specific.

Once the minimum wage meets the cost of living, the minimum wage should be indexed to better meet the needs of workers. It must not simply be tied to inflation as this is inadequate. We support the CCPA's recommendation that "future minimum wage increases be guided by a rationale such as pegging the minimum wage to 60 per cent of the average industrial wage, or 10 per cent above the poverty line for a single person as calculated by the Low-Income Measure (LIM) or the Market Basket Measure (MBM)."<sup>19</sup>

## **3. Establish living wage policies for all government agencies and contractors**

The provincial government must be a leader in strengthening local jobs and the economy, and moving towards a living wage for all workers in B.C. The provincial government is a major direct employer and funder of public institutions and contracted services, such as the hospitals and residential care facilities where many of our members work. In this regard, the province must play a key role in advancing and promoting living wage policies by becoming a living wage employer itself, thereby ensuring contracted employees are paid a living wage.

At the same time, movement towards a living wage in the health care sector can be achieved by repatriating privatized work and moving all health care workers under the master public sector collective agreement. Through public sector bargaining our union has been able to raise up wages by eliminating some of the lowest wage grids in the hospital and long-term care agreement. And in both the community health and community social services agreements, unions have negotiated significant funds to address low wages and move towards comparability with the rest of the health sector.

## **4. Implement social policy that makes life more affordable, and continue with the poverty reduction plan**

In 2011, the BC Office of the CCPA estimated that the social and economic costs of poverty in B.C. amounted between \$8.1 and \$9.2 billion a year, or 4.1 per cent and 4.7 per cent of the province's GDP. In contrast, a poverty reduction plan for B.C. would cost \$3 to \$4 billion per year.<sup>20</sup>

Key initiatives of B.C.'s poverty reduction plan must include establishing the minimum wage as a living wage, and investing in social programs that lower the living wage. As one example, if the \$10-a-day child

<sup>19</sup> Klein, S. and Ivanova, I. (2017). *Charting a Path to \$15/Hour for all Workers – and the Road Beyond*. CCPA: BC Office, p. 5. Accessed from: [https://www.policyalternatives.ca/sites/default/files/uploads/publications/BC%20Office/2017/11/ccpa\\_bc\\_FairWageSubmission.pdf](https://www.policyalternatives.ca/sites/default/files/uploads/publications/BC%20Office/2017/11/ccpa_bc_FairWageSubmission.pdf).

<sup>20</sup> Canadian Centre for Policy Alternatives. (July 2011). Summary: *The Cost of Poverty in BC*. CCPA: BC Office. Accessed from: [https://www.policyalternatives.ca/sites/default/files/uploads/publications/BC%20Office/2011/07/CCPA\\_BC\\_cost\\_of\\_poverty\\_SUMMARY.pdf](https://www.policyalternatives.ca/sites/default/files/uploads/publications/BC%20Office/2011/07/CCPA_BC_cost_of_poverty_SUMMARY.pdf)

care plan was introduced, the Metro Vancouver living wage would drop \$1.90 an hour to \$17.60 an hour.<sup>21</sup>

For a strong poverty reduction plan, we urge the government to implement rental control tied to the unit rather than the renter; protect and expand affordable housing stock; further explore Basic Income; introduce \$10-a-day child care; reduce post-secondary tuition fees; increase welfare and disability rates; introduce free or sliding scale public transit; and expand the provincial health plan to improve pharmacare and include dental care, paramedical care, and optometry.

Further to this, a poverty reduction lens must be used across all ministries, and poverty reduction initiatives integrated across ministries where appropriate. It is also important that the provincial and federal governments regularly review all low-income transfers and credits to ensure that the amounts keep up with rising costs and continue to support lower-income families and individuals.

### **5. Additional improvements to B.C.'s Employment Standards**

We acknowledge the vital work the NDP government has undertaken to modernize B.C.'s employment standards, including enhancements made to the Employment Standards Branch complaints and enforcement regime, better protections for youth workers, unpaid job-protected leaves, a longer wage recovery period, and the elimination of exclusions of employees covered by a collective agreement from core provisions of the *Employment Standards Act*.

At the same time, advocates and workers made additional recommendations which must be included in the next round of employment standards amendments. This crucially includes the elimination of exemptions to the minimum wage and restrictions on benefit entitlements, and implementing paid sick leave. It also involves clarifying hours of work and overtime standards, requiring employers to have "just cause" for employment termination, and creating an expedited adjudication process for workers who have been unjustly terminated.

### **Conclusion**

We thank the Fair Wages Commission for the opportunity to share our views and recommendations on closing the gap between the minimum and living wage, and ultimately making a living wage a reality for workers in B.C.

It is through the integration of a living wage rate, strengthened social programs, poverty reduction initiatives, and improved employment standards that all British Columbian's will be supported and lifted up, and able to access a good quality of life for themselves, their families, and communities.

---

<sup>21</sup> Iglia Ivanova and Lincoln Saugstad. (May 1, 2019). *Making Paid Work Meet Basic Family Needs in Metro Vancouver*. CCPA: BC Office. p. 7. Accessed from: [https://www.policyalternatives.ca/sites/default/files/uploads/publications/BC%20Office/2019/05/BC\\_LivingWage2019\\_final.pdf](https://www.policyalternatives.ca/sites/default/files/uploads/publications/BC%20Office/2019/05/BC_LivingWage2019_final.pdf)