# **ISSUE NOTE**

# Issue:

• Minimum Wage Review.

# **Background:**

- On March 16, 2011, Government announced a three-stage increase to the general minimum wage, the elimination of the "first job rate" (training wage), and the creation of a separate minimum wage for liquor servers.
- The general minimum wage increased from \$8.00 to:
  - \$8.75/hour effective May 1, 2011;
  - \$9.50/hour effective November 1, 2011; and
  - \$10.25/hour effective May 1, 2012.
- The new liquor server rate was established at \$8.50/hour effective May 1, 2011. It increased to \$8.75/hour effective November 1, 2011, and to \$9.00/hour effective May 1, 2012. Government's intent in creating the liquor server rate was to allow the general minimum wage to increase while maintaining and supporting jobs in the food and beverage service sector, recognizing that liquor servers often earn a significant portion of their income through gratuities. Similar models exist in Alberta, Ontario, and Quebec.
- In addition, government announced that the minimum piece rates for hand harvesters of certain fruits and vegetables would receive an increase on May 1, 2011, of the same proportion as the first increase in the general minimum wage (i.e., 9.375%), but that any further increases would depend upon the results of a review of the piece rates. Following a review conducted in 2011/2012 and utilizing the services of an industry consultant, government decided that the piece rates would remain unchanged and stay at the May 1, 2011 level.
- Based on statements government made in 2011/2012, there is some public expectation that the minimum wage will be reviewed every two years<sup>1</sup>.
- Government made no commitment to a particular form of review, nor was there any
  commitment to tie future increases to particular measures such as inflation or changes in
  average wage rates. In addition, government made no specific commitment as to when a
  review would be completed.

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<sup>&</sup>lt;sup>1</sup> For example, during estimates in 2012 then Minister of Labour Margaret MacDiarmid stated: "What we have committed to do is to review the minimum wage Prior to the last increase in the minimum wage it hadn't been increased for a number of years. We've made a commitment, starting this year and every two years thereafter, to review the policy."

 As of April 1, 2013, B.C.'s regular minimum wage of \$10.25/hour was tied with Ontario for the second highest among Canadian provinces. Nova Scotia's rate is \$10.30/hour (as of April 1, 2013). Yukon and Nunavut had higher rates of \$10.54 and \$11.00 respectively.

# **Decision required:**

- 60 day issue for information.
- Ministry staff have continued to gather and monitor statistics related to the minimum wage and can provide briefing material for senior executive and government outlining key issues and possible approaches for a minimum wage review, including a review of how other Canadian jurisdictions approach the minimum wage.

### MINISTRY OF JOBS, TOURISM AND SKILLS TRAINING AND MINISTER RESPONSIBLE FOR LABOUR INFORMATION NOTE Prepared by: Labour

Date: August 13, 2013

Ref: 100299

PREPARED FOR: Dave Byng, Deputy Minister

#### **ISSUE:**

The minimum wage and government's commitments with respect to future review/changes.

#### BACKGROUND:

On May 1, 2012, the final of three increases to the minimum wage took effect. Since that time questions have been raised about how and when future increases will occur. Based on statements made by government in 2011, there was some expectation (e.g. stated by Jim Sinclair in the summer of 2012) that the minimum wage would be reviewed on a biennial basis (i.e., once every two years). The official press releases related to the latest minimum wage increases did not contain explicit commitments to future reviews. However, a 2012 article in the Tyee reported that when former Minister of Labour Stephanie Cadieux announced the increases, she also stated that a review would take place every two years. In addition during the 2012 estimates debates, then Minister of Labour Margaret MacDiarmid stated that *"what we have committed to do is to review the minimum wage. Prior to the last increase in the minimum wage it hadn't been increased for a number of years. We've made a commitment, starting this year and every two years thereafter, to review the policy".* 

no commitment to a particular form of review was made by government, nor was there any commitment to "tie" future increases to particular measures such as inflation or changes in average wage rates. In addition, no commitment was made as to when a review would be completed or when a decision on whether to increase the minimum wage would be made.

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During the recent 2013 estimates debates, the Opposition critic noted "the previous minister's commitment to "*regularly review minimum wage*" and asked:

"Minimum wage was raised a while ago now. Is there a review underway? Is the government looking at raising the minimum wage again? If the answer is yes, when and by how much?"

The Minister responded as follows:

At this point there hasn't been a formal review process determined. As minister, obviously, I'm going to have to review the history of the discussion around that

matter. What I do note is that British Columbia actually finds itself in a very competitive place at this point in time.

She went on to note that relative to other provinces the BC Minimum wage remains high and that the average hourly wage is also very strong.

In July 2013 the Minister met with representatives from the Coalition of BC Businesses (the Coalition) and discussed, among other things, the minimum wage.

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#### DISCUSSION:

As stated by Minister Bond in estimates, B.C.'s minimum wage remains relatively high. At \$10.25/hour it is tied with Ontario and Manitoba for second highest among provinces (Nova Scotia is the highest among provinces at \$10.30 while the Yukon and Nunavut territories have rates of \$10.54 and \$11.00 respectively). In addition the average hourly wage is the fourth highest among provinces at just under \$24/hour.

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# CONCLUSION/NEXT STEPS:

Based on direction from the Deputy Minister, ministry staff can prepare further briefing material for the Minister.

Prepared by: Jake Ayers, Senior Policy Advisor Telephone: 250 953-3344

		Reviewed by:				
Dir:	ED:	ADM:	DM:	MIN:		
	John Blakely	Trevor Hughes				

### MINISTRY OF JOBS, TOURISM AND SKILLS TRAINING AND MINISTER RESPONSIBLE FOR LABOUR INFORMATION NOTE Prepared by: Labour

Date: September 16, 2013

Ref: 100941

#### PREPARED FOR: Honourable Shirley Bond, Minister

**ISSUE**: The minimum wage and government's commitments with respect to future review/changes.

#### BACKGROUND:

On May 1, 2012, the final of three increases to the minimum wage took effect. Since that time questions have been raised about how and when future increases will occur. Based on statements made by government in 2011, there was some expectation (e.g. stated by Jim Sinclair in the summer of 2012) that the minimum wage would be reviewed on a biennial basis (i.e., once every two years). The official press releases related to the latest minimum wage increases did not contain explicit commitments to future reviews. However, a 2012 article in the Tyee reported that when former Minister of Labour Stephanie Cadieux announced the increases, she also stated that a review would take place every two years. In addition during the 2012 estimates debates, then Minister of Labour Margaret MacDiarmid stated that *"what we have committed to do is to review the minimum wage. Prior to the last increase in the minimum wage it hadn't been increased for a number of years. We've made a commitment, starting this year and every two years thereafter, to review the policy".* 

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During the recent 2013 estimates debates, the Opposition critic noted the previous minister's commitment to "*regularly review minimum wage*" and asked:

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The Minister went on to note that, relative to other provinces, the BC minimum wage remains high and that the average hourly wage is also very strong.

In July 2013 the Minister met with representatives from the Coalition of BC Businesses (the Coalition) and discussed, among other things, the minimum wage.

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### DISCUSSION:

As stated by Minister Bond in estimates, BC's minimum wage remains relatively high. At \$10.25/hour it is tied with Ontario and Manitoba for second highest among provinces (Nova Scotia is the highest among provinces at \$10.30 while the Yukon and Nunavut territories have rates of \$10.54 and \$11.00 respectively). In addition, the average hourly wage is the fourth highest among provinces at just under \$24/hour.

Minimum wage review – other jurisdictions

While minimum wage is set on a discretionary basis in BC, some jurisdictions have indexed minimum wage to a particular measure:

- Alberta's minimum wage is based on a formula that links <u>possible</u> increases to an average of the annual increases in Average Weekly Earnings and the Consumer Price Index in Alberta.
- Nova Scotia's minimum wage is adjusted each year on April 1, based on the previous year's national Consumer Price Index.
- Yukon's minimum wage is also adjusted each year on April 1, based on the previous year's Consumer Price Index for the city of Whitehorse.

Other jurisdictions have established mechanisms to review and adjust minimum wage rates:

- Manitoba, New Brunswick and Prince Edward Island adjust their minimum wages on the basis of the recommendations of independent minimum wage boards, although no specific timelines or standards for reviews are set out in legislation.
- Saskatchewan's Labour Standards Act requires a Minimum Wage Board to review and make recommendations to the Minister on the minimum wage at least once every two years.
- Newfoundland established an advisory committee on the minimum wage in 2012 and has committed to review the minimum wage every two years.

The government of Ontario established an Advisory Panel in May of 2013 to provide advice on how to adjust Ontario's minimum wage. The Panel is composed of an independent chair and representatives from business, worker and youth groups. Following consultations, the Panel will provide recommendations to the government on how Ontario should determine future changes to the minimum wage.

# CONCLUSION/NEXT STEPS:

Based on direction from the Minister, ministry staff can prepare further briefing material for the Minister.

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Prepared by: Jake Ayers, Senior Policy Advisor Telephone: 250 953-3344

Page 4 Ref: 100941

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Dir:	ED:	ADM:	DM:	MIN:
	John Blakely	Trevor Hughes		

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### MINISTRY OF JOBS, TOURISM AND SKILLS TRAINING AND MINISTER RESPONSIBLE FOR LABOUR INFORMATION NOTE Prepared by: Labour

### Date: November 14, 2013

Ref: 102067

#### PREPARED FOR:

John Dyble, Deputy Minister to the Premier; and Neil Sweeney, Deputy Minister, Corporate Policy

**ISSUE**: The minimum wage and government's commitments with respect to future review/changes.

#### BACKGROUND:

On May 1, 2012, the final of three increases to the minimum wage took effect. Since that time questions have been raised about how and when future increases will occur. Based on statements made by government in 2011, there was some expectation (e.g. stated by Jim Sinclair in the summer of 2012) that the minimum wage would be reviewed on a biennial basis (i.e., once every two years). The official press releases related to the latest minimum wage increases did not contain explicit commitments to future reviews. However, a 2012 article in the Tyee reported that when former Minister of Labour Stephanie Cadieux announced the increases, she also stated that a review would take place every two years. In addition during the 2012 estimates debates, then Minister of Labour Margaret MacDiarmid stated that *"what we have committed to do is to review the minimum wage. Prior to the last increase in the minimum wage it hadn't been increased for a number of years. We've made a commitment, starting this year and every two years thereafter, to review the policy".* 

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During the recent 2013 estimates debates, the Opposition critic noted the previous minister's commitment to "*regularly review minimum wage*" and asked:

"Minimum wage was raised a while ago now. Is there a review underway? Is the government looking at raising the minimum wage again? If the answer is yes, when and by how much?"

The Minister of Jobs, Tourism and Skills Training (the "Minister") responded as follows: "At this point there hasn't been a formal review process determined. As minister, obviously, I'm going to have to review the history of the discussion around that matter. What I do note is that British Columbia actually finds itself in a very competitive place at this point in time." The Minister went on to note that, relative to other provinces, the BC minimum wage remains high and that the average hourly wage is also very strong.

In July 2013 the Minister met with representatives from the Coalition of BC Businesses (the Coalition) and discussed, among other things, the minimum wage.

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#### DISCUSSION:

As the Minister stated in estimates, BC's minimum wage remains relatively high. At \$10.25/hour it is tied with Ontario and Manitoba for second highest among provinces (Nova Scotia is the highest among provinces at \$10.30 while the Yukon and Nunavut territories have rates of \$10.54 and \$11.00 respectively). In addition, the average hourly wage is the fourth highest among provinces at just under \$24/hour.

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The government of Ontario established an Advisory Panel in May of 2013 to provide advice on how to adjust Ontario's minimum wage. The Panel is composed of an independent chair and representatives from business, worker and youth groups. Following consultations, the Panel will provide recommendations to the government on how Ontario should determine future changes to the minimum wage.

# CONCLUSION/NEXT STEPS:

Staff from the Ministry of Jobs, Tourism and Skills Training can prepare further briefing material as required.

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Prepared by: Jake Ayers, Senior Policy Advisor Telephone: 250 953-3344

# Page 4 Ref: 102067

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		Reviewed by:		
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Michael Tanner	John Blakely	Trevor Hughes		

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### MINISTRY OF JOBS, TOURISM AND SKILLS TRAINING AND MINISTER RESPONSIBLE FOR LABOUR INFORMATION NOTE Prepared by: Labour

Date: February 26, 2014

Ref: 103311

### **PREPARED FOR:** The Honourable Shirley Bond, Minister

**ISSUE**: This note provides updated statistics, information, and analysis on the minimum wage and minimum wage earners in BC.

**BACKGROUND**: On May 1, 2012, the final of three increases to the minimum wage took effect. Based on statements made by government in 2011/2012, there is some expectation that the minimum wage will be reviewed on a biennial basis.<sup>1</sup> No commitment to a particular form of review was made by government, nor was there any commitment to "tie" future increases to particular measures such as inflation or changes in average wage rates. In the summer of 2013, ministry staff prepared briefing material for senior executive outlining possible approaches for reviewing the minimum wage and indicating that further detailed analysis can be provided upon request. No decision was made with respect to the process or timing for a minimum wage review.

As part of its ongoing monitoring of the minimum wage, for the last several years, ministry staff have obtained custom annual labour force statistics from Statistics Canada which provide useful details about minimum wage earners. The most recent statistics available to the Ministry are for the year 2013. 2013 marks the first full calendar year with the \$10.25 minimum wage. Many of the statistics obtained by the ministry cover the same topics as the statistics used by the recent minimum wage review panel in Ontario.

**DISCUSSION**: The following discussion provides an overview of minimum wages in other Canadian jurisdictions; the key highlights from BC's 2013 statistics; and a brief discussion of additional factors which may be considered in any future minimum wage review.

### **Other Jurisdictions**

Appendix 1 provides a detailed comparison of minimum wage rates in Canadian jurisdictions. Highlights include:

<sup>&</sup>lt;sup>1</sup> For example, during estimates in 2012 then Minister of Labour Margaret MacDiarmid stated: "What we have committed to do is to review the minimum wage. Prior to the last increase in the minimum wage it hadn't been increased for a number of years. We've made a commitment, starting this year and every two years thereafter, to review the policy."

- As of February 1, 2014, B.C.'s regular minimum wage of \$10.25 per hour was tied with Ontario for the third highest among Canadian provinces (fifth highest when the territories are included).
- Manitoba has a rate of \$10.45 and Nova Scotia's rate is \$10.30 per hour. Yukon and Nunavut also have higher rates of \$10.54 and \$11.00 respectively.
- Alberta has the lowest minimum wage rate among Canadian jurisdictions at \$9.95 per hour.
- Alberta, Ontario, and Quebec also have special rates similar to BC's liquor server rate – Ontario and Quebec having slightly lower rates while Alberta's is slightly higher.<sup>2</sup>
- Several jurisdictions have announced upcoming increases and/or have committed to mechanisms for regular yearly adjustments:
  - On May 31, 2012 the Alberta Government announced a new formula approved in 2011. The formula links possible increases to an average of the annual increases in Average Weekly Earnings and the Consumer Price Index (CPI) in Alberta.
  - In January 2014, a Minimum Wage Advisory Panel in Ontario released a detailed report recommending that Ontario base minimum wage increases on changes in the province's CPI. On January 30, 2014, the Ontario government announced it will increase the minimum wage to \$11.00, effective June 1, 2014, and tie future increases to the provincial CPI.
  - Quebec has announced it will increase the minimum wage to \$10.35 on May 1, 2014.
  - On April 1, 2014 Nova Scotia rates will increase by 10 cents. Each year, the Nova Scotia rate is increased to reflect the previous year's changes in the national CPI.
  - Newfoundland has announced it will increase minimum wage to \$10.25 on Oct.1, 2014 and \$10.50 on Oct.1, 2015.
  - On April 1 of each year, the Yukon rate increases by an amount corresponding to the annual increase for the preceding year in the CPI for the city of Whitehorse (this will mean an increase from \$10.54 to \$10.72 in April 2014)
- Given the scheduled and announced changes in other jurisdictions, by June, 2014, BC will likely have the fifth highest minimum wage among provinces and the seventh among all Canadian jurisdictions (including the territories).

# Statistics Canada Labour Force Survey Custom Statistics

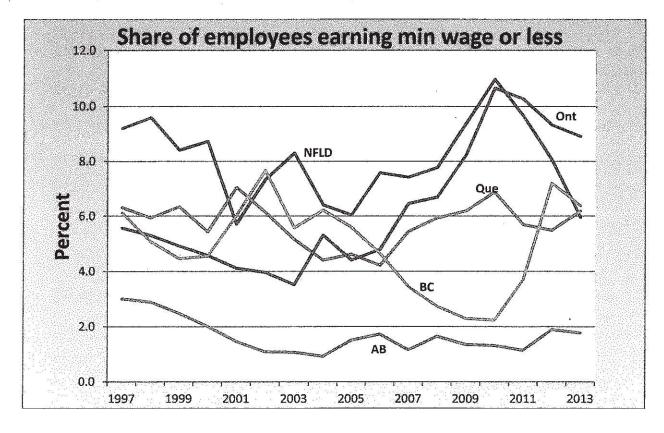
The 2013 annual statistics discussed below represent yearly averages of survey information collected each month. Employees who earn "minimum wage or less" include paid employees (not the self-employed) aged 15 and above earning the general

<sup>&</sup>lt;sup>2</sup> The liquor BC server rate was established at \$8.50/hour effective May 1, 2011. It increased to \$8.75/hour effective November 1, 2011, and to \$9.00/hour effective May 1, 2012.

minimum wage or the "liquor server rate". In some cases employees may also be earning less than the minimum wage in contravention of the *Employment Standards Act* or because they are excluded from the minimum hourly wage provisions of the Act (e.g., Babysitters).

Number and Percentage of Employees Earning Minimum Wage or Less:

- In 2013, 6.4% of employees in BC were earning minimum wage or less. This
  was slightly below the Canadian average of 6.7%. PEI had the highest rate at
  9.4% and Alberta had the lowest at 1.8%.
- The 2013 rate of 6.4% in BC was a decrease from 7.2% in 2012. The chart below illustrates the share of employees earning minimum wage or less in select provinces since 1998.
- The total number of BC employees earning minimum wage or less in 2013 was 120,400. This was a decrease from 136,300 in 2012.



#### Age, Gender and Education of Employees Earning Minimum Wage or Less:

Of the 120,400 BC employees earning minimum or less in 2013:

• 64,300 (53%) were youth aged 15-24 and 56,100 (47%) were aged 25 or older.

- 9,900 (8.2%) were aged 55 or older.
- 75,500 (63%) were female.
- 27,100 (23%) did not have high school education while 16,800 (14%) had a university degree.

		2013 Total	Minimum wage employe	es
1996 - 1997 (British)		Employees	Total	Incidence
	a kanang pada kang Pa	(*000)	( ' 000 )	(%)
oth	u su entre ser se	in any in stars	e seat seatai	and a finitestra
exes	Total	1891.6	120.4	6.4
	15-24 years	307.6	64.3	20.9
а.,	25 years and over	1584.0	56.1	3.5
an "rang a sta ang	55 years and over	319.1	9.9	3.1
len	Total	939.1	44.9	4.8
	15-24 years	149.4	27.3	18.3
	25 years and over	789.7	17.6	2.2
	55 years and over	155.5	3.9	2.5
omen	Total	952.5	75.5	7.9
	15-24 years	158.2	37.0	23.4
	25 years and over	794.3	38.5	4.8
	55 years and over	163.6	6.0	3.7

2013 BC Minimum V	Wage Employees b Total	y Education Level Minimum wage employees	
a dala periori da la dala dala dala dala dala dala da	Employees	Total	Incidence
	('000')	( 1000 )	(%)
Total	1891.6	120.4	6.4
Less than high school	141.8	27.1	19.1
Less than grade 9	18.9	2.8	14.8
Some high school	122.9	24.3	19.8
High school graduate	417.2	36.7	8.8
At least some postsecondary	1332.7	56.6	4.2
Some postsecondary	187.0	18.9	10.1
Postsecondary certificate or diploma University degree	622.1 523.5	21.0 16.8	3.4 3.2

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#### Industry, Job Type and Firm Size:

Of the 120,400 BC employees earning minimum or less in 2013:

- 111,000 (93%) worked in the service producing sector. 36,800 (31%) worked specifically in accommodation and food services. 38,200 (32%) worked in Trade (this includes retail trade).
- 20,200 (17%) had been in their job for three months or less while 65,800 (55%) had been in their job for at least one year.
- 41,800 (35%) worked in firms with less than twenty employees. 55,200 (46%) worked in firms with more than five hundred employees.
- 52,300 (43%) were full time workers.
- 112,100 (93%) were not members of a union or covered by a collective agreement.

	2013 BC Minimum Wage	Employees by Job Tenure	
	Total	Minimum wage employees	
	Employees	Total	Incidence
	('000)	('000)	(%)
Job Tenure			
Total employees	1891.6	120.4	6.4
1 to 3 months	140.4	20.2	14.4
4 to 6 months	112.9	15.1	13.4
7 to 12 months	167.0	19.4	11.6
13 to 60 months	602.3	50.0	8,3
61 months and over	869.0	15.8	1.8

2013 BC Minimum Wage Employe	es by Union Co	verage	
		Minimum wage	
	Total	employees	
	Employees	Total	Incidence
	('000)	('000)	(%)
Union coverage			
Total employees	1891.6	120.4	6.4
Union member or covered by a collective agreement	595.7	8.3	1.4
Non union member and not covered by a collective			
agreement	1295.9	112.1	8.7

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	Total	Minimum wage employees	
e i e c'argani i argâne arganeze a ga	Employees	Total	Incidence
and the second	( ' 000 )	( ' 000 )	(%)
Total	1891.6	120.4	6,4
Goods producing	355.5	9.4	2.6
Agriculture	16.9	2.5	14.8
Forestry, Fishing, Mining, Oil and Gas	44.3	0.0	0.0
Utilities	13.1	0.0	0.0
Construction	130.8	1.6	1.2
Manufacturing	150.3	4.2	2.8
Service producing	1536.1	111.0	7.2
Trade	326.2	38.2	11.7
Transportation and Warehousing	100.8	3.2	3.2
Finance, Insurance, Real Estate and Leasing	116,7	3.5	3.0
Professional, Scientific and Technical Services	113.4	1.5	1.3
Management, Administrative and Other Support	61.5	4.1	6.7
Educational Services	161.3	4.4	2.7
Health Care and Social Assistance	230.1	4.9	2.1
Information, culture and recreation	90.6	5,8	6.4
Accommodation and food services	156.3	36.8	23.5
Other services	67.2	7.7	11.5
Public administration	112.1	0.0	0.0

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	Total	Minimum wage employees
E	mployees	Total Incidence
	('000)	(*000)
Firm size		
Total employees	1891.6	120.4 6.4
Less than 20 employees	407.2	41.8 10.3
20 to 99 employees	309.4	12.5 4.0
100 to 500 employees	252.0	11.0 4.4
More than 500 employees	923.0	55.2 6.0

# Family Status

Of the 120,400 BC employees earning minimum wage or less in 2013:

- 30,600 (25.4%) were defined by the labour force survey as being a member of a couple.
- 7,700 (6.4%) were defined by the labour force survey as being the head of a family.
- 18,500 (15.4%) lived as "unattached" (i.e., without a spouse or family member).

- 63,100 (52.8%) lived with their parents.
- Of the minimum wage earners living with their parents, 44% were attending school.

		(*000)
MINIMUM	WAGE EARNERS	120.4
MINIMUM	WAGE EARNER MEMBER OF COUPLE	30.6
MINIMUM	WAGE EARNER IS HEAD OF FAMILY	7.7
MINIMUM	WAGE EARNER IS SON, DAUGHTER	63.1
	15-19 IN SCHOOL	20.3
	15-19 NOT IN SCHOOL	12.8
	20-24 IN SCHOOL	6.2
energia di Sattaren	20-24 NOT IN SCHOOL	11.8
	25 OR OVER IN SCHOOL	1.5
	25 OR OVER NOT IN SCHOOL	10.4

### Number of employees working for less the \$12/hour

Given that any raise to the minimum wage will impact workers earning wages immediately above the minimum wage, it is useful to consider the number of workers who earn less than \$12/hour. In 2013 in BC:

- 252,600 (13.4%) employees in BC earned less than \$12 per hour. In 2012 this number was 276,600 (14.6%).
- 132,200 (52%) were youth (aged 15-24)
- 158,300 (63%) were female

Observations based on statistical profile:

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just over 50% of minimum wage earners are living with their parents and are youth. of those minimum wage earners living with parents, fewer than half were attending school.

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42% of minimum wage employees in 2013 had been in their current job for 1-5 years. A further 13% had been in their job for more than 5 years. 45% of minimum wage workers had been in their job for less than a year.

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the largest number of minimum wage earners work in large businesses with more than 500 employees, although that accounts for only 6% of employees in such businesses. For businesses with less than 20 employees, minimum wage earners are slightly more concentrated (10.3% of employees). For medium sized businesses (20-500) there are relatively few minimum wage workers.

The labour force survey data

above confirms that in 2013, 63.3% of minimum wage workers were female.

the vast majority of female employees earn above the minimum wage already (92%).

### Other Factors Considered in Assessing Minimum Wage

### Average Wage

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In January 2014 the average hourly wage for paid employees was \$24.58 per hour. For youth (aged 15-24) the average wage was \$14.41 per hour. When ranked against other provinces, BC's average wages are in the middle of the pack.

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BC's current minimum wage (at \$10.25 per hour) is 42% of the average wage and 71% of the average wage for youth. In BC in November, 2001 (after the minimum wage was raised to \$8.00) the minimum wage was 44% of the average hourly wage and 77% of the average youth wage at that time.

In Alberta – where the minimum wage is Canada's lowest and the average wages are the highest – the minimum wage is only 35% of the average wage and 58% of the average youth wage.

Employment levels

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Prior to the previous minimum wage increases starting in 2011, just over 2% of employees were earning the minimum wage or less. In 2012, the share of employees earning minimum wage or less rose to 7.2%. In 2013, a year in which in the minimum wage was not increased, the share of minimum wage employees dropped to 6.4%.

#### Inflation

One measure often associated with questions about possible increases to the minimum wage is inflation, measured using Statistics Canada's Consumer Price Index (CPI). In BC over the past decade inflation has generally been around 1-3% per year.

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Poverty Lines (Low Income Cut Offs)

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The 2012 LICO for a single person in a community of 500,000 or more was \$23,647 per year (before tax). At \$10.25 per hour a full time minimum wage worker would earn \$20,500 (based on a 40 hour week for 50 weeks). While this wage is slightly lower than the LICO, in the smaller community categories the 2012 LICO ranged from \$16,279 to \$20,366. The 2012 *after tax* LICO for a single person in a community of 500,000 or more was \$19,597.

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### **CONCLUSION:**

The information and analysis provided above is intended to provide a sense of the latest available statistics and information which is relevant to the minimum wage.

# Prepared by: Jake Ayers Telephone: 250 953-3344

		Reviewed by:					
Dir:	ED:	ADM:	DM:	MIN:			
	John Blakely	Trevor Hughes					

#### APPENDIX

Jurisdiction	Type of Minimum Wage	Rate (\$)	Effective Date
British Columbia	General	10.25	May 1, 2012
	Liquor Servers	9.00	
Alberta*	General	9.95	September 1, 2013
	Liquor Servers	9.05	
Saskatchewan	General	10.00	December 1, 2012
Manitoba	General	10.45	October 1, 2013
Ontario**	General	10.25	March 31, 2010
	Student	9.60	
	Liquor Servers	8.90	
Quebec***	General	10.15	May 1, 2013
	Employees receiving tips	8.75	
New Brunswick	General	10.00	April 1, 2012
Nova Scotia****	General	10.30	April 1, 2013
	Inexperienced	9.80	
Prince Edward Island	General	10.00	April 1, 2012
Newfoundland and	General	10.00	July 1, 2010
Labrador*****			
Yukon*****	General	10.54	May 1, 2013
Northwest Territories	General	10.00	April 1, 2011
Nunavut	General	11.00	January 1, 2011

\*On May 31, 2012 the **Alberta** Government announced a new formula approved in 2011. The formula links possible increases to an average of the annual increases in Average Weekly Earnings and the Consumer Price Index in Alberta.

\*\* In January 2014, a Minimum Wage Advisory Panel in **Ontario** released a detailed report recommending that Ontario base minimum wage increases on changes in the province's Consumer Price Index (CPI). On January 30, 2014, the Ontario government announced it will increase the minimum wage to \$11.00, effective June 1, 2014, and tie future increases to inflation (based on the provincial consumer price index).

\*\*\* **Quebec** announced it will increase the minimum wage to \$10.35 on May 1, 2014 (tip earners will increase to \$8.90)

\*\*\*\*On April 1, 2014 **Nova Scotia** rates will increase by 10 cents. Each year, the Nova Scotia rate is to increase to reflect the previous year's changes in the national CPI.

\*\*\*\*\*Newfoundland has announced it will increase minimum wage to \$10.25 on Oct.1, 2014 and \$10.50 on Oct.1, 2015.

\*\*\*\*\*\* On April 1 of each year, the **Yukon** rate increases by an amount corresponding to the annual increase for the preceding year in the Consumer Price Index for the city of Whitehorse. This means increase from \$10.54 to \$10.72 on April 1, 2014.

#### MINISTRY OF JOBS, TOURISM AND SKILLS TRAINING AND MINISTER RESPONSIBLE FOR LABOUR INFORMATION

Cliff #: 105900

Date: September 2, 2014

**PREPARED FOR:** The Honourable Shirley Bond, Minister of Jobs, Tourism and Skills Training and Minister Responsible for Labour

**ISSUE:** Proposed consultation on potential changes to the minimum wage.

**BACKGROUND:** Since the last increase to the minimum wage on May 1, 2012, questions have been raised about how and when future increases will occur. Based on statements made by the Premier as well as previous labour ministers, there is some expectation that the minimum wage will be reviewed once every two years. No commitment to a particular form of review was made by government, nor was there any commitment to "tie" future increases to particular measures such as inflation or changes in average wage rates.

On October 1, 2014, PEI will increase its minimum wage to \$10.35/hour, passing British Columbia. That same day, Newfoundland will move up to \$10.25/hour, tying B.C. for 8<sup>th</sup> among all Canadian jurisdictions (i.e, including the territories). Canadian minimum wages will range from \$10.00 to \$11.00 per hour (with B.C. at \$10.25). See the attached table showing how B.C. will rank on minimum wage compared to other Canadian jurisdictions as of October 1, 2014.

Page 2

9 10: 11

s13

# Other Minimum Pay Rates

Over the last 30 years, other minimum pay rates in the employment standards regulation such as the piece rates for harvesters of certain fruits and vegetables, and daily rates for live-in caregivers and camp leaders have generally been increased in proportion to changes in the general minimum wage. However, there have been exceptions to this general rule. For example, of the three minimum wage increases that were implemented in 2011/2012, the piece rates for hand harvesters received only the first increase.

Page 4

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s13

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- Cross-Jurisdictional table on minimum wage rates in Canada (as of October 1, 2014)
- Report on Employment Standards Stakeholder Engagement Process (March 2011)

**Prepared by**: Jake Ayers, Senior Policy Advisor, Labour Policy and Legislation Division Telephone: (250) 953-3344

Reviewed by					
Dir:	ED: JB	ADM: TH	DM:	MIN:	

# Van Tassel, Olivia LBR:EX

From: Sent: To: Cc: Subject: Ayers, Jake LBR:EX Thursday, March 6, 2014 2:38 PM Hughes, Trevor LBR:EX; Blakely, John H LBR:EX Tanner, Michael A LBR:EX s13, s16

s13, s16

From: Blakely, John H LBR:EX Sent: Wednesday, March 5, 2014 6:38 PM To: Hughes, Trevor LBR:EX; Tanner, Michael A LBR:EX Cc: Ayers, Jake LBR:EX Subject: RE: PCC meeting this afternoon with BCFed

s13

John Blakely Executive Director Ministry of Jobs, Tourism and Skills Training and Ministry Responsible for Labour 250-356-9987

From: Hughes, Trevor LBR:EX
Sent: Wednesday, March 5, 2014 6:31 PM
To: Blakely, John H LBR:EX; Tanner, Michael A LBR:EX
Cc: Ayers, Jake LBR:EX
Subject: RE: PCC meeting this afternoon with BCFed

From: Hughes, Trevor LBR:EX
Sent: Wednesday, March 5, 2014 5:23 PM
To: Byng, Dave A JTST:EX; MacDonald, Scott D JTST:EX
Cc: Sharma, Rishi JTST:EX; Blakely, John H LBR:EX; Yelovatz, Maureen JTST:EX; Keenan, Jason GCPE:EX
Subject: PCC meeting this afternoon with BCFed
Importance: High

Dave and Scott, this afternoon, Premier Clark met with the B.C. Federation of Labour (Sinclair and Lanzinger and about 10 table officers (heads of large public and private sector unions)) <sup>\$13</sup>

Thanks. T.

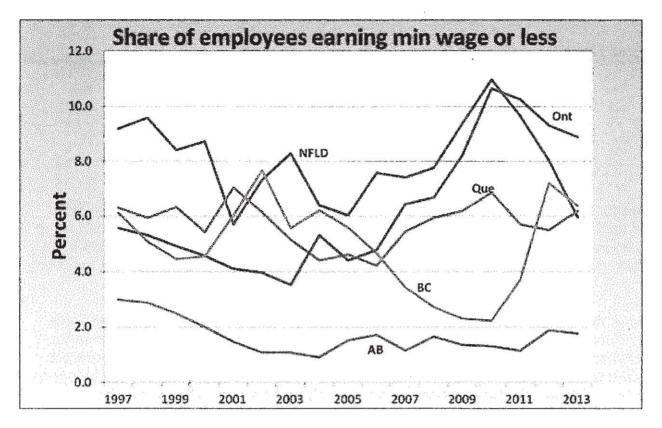
# Van Tassel, Olivia LBR:EX

From:	Hughes, Trevor LBR:EX	
Sent:	Wednesday, March 12, 2014 1:28 PM	
To:	'Judy Cavanagh'	
Cc:	'Summer Crosson'	
Subject:	<b>RE: Minimum Wage Statistics</b>	

Hi Judy – thanks for your note about minimum wage statistics on February 27. Apologies for the delay in responding. My staff and I have looked at your list of statistics related to the minimum wage that you would be interested in gathering – and we note that many of the items on this list come from the recent Ontario review. We agree that Ontario conducted a good comprehensive look at minimum wage earners.

As you may know, the vast majority of the statistics from the Ontario review originated in the Stats Canada Labour Force Survey (LFS). Stats Can does not publish all of these minimum wage stats regularly and custom orders have to be made to get them. In B.C., we have as a matter of practice purchased custom LFS stats for the past several years as part of our ongoing commitment to monitor the minimum wage. The specific custom stats we have purchased have varied year-to-year depending on sample size issues and capabilities at Stats Canada. Not all of what we order covers the same topics as was covered by the Ontario review panel. However, based on the custom Stats Canada LFS info, here is some info I can share with you:

- In 2013, 6.4% of employees in B.C. were earning minimum wage or less. This was slightly below the Canadian average of 6.7%. PEI had the highest rate at 9.4% and Alberta had the lowest at 1.8%.
- The 2013 rate of 6.4% in B.C. was a decrease from 7.2% in 2012. The chart below illustrates the share of employees earning minimum wage or less in select provinces since 1998.



The total number of BC employees earning minimum wage or less in 2013 was 120,400. This
was a decrease from 136,300 in 2012.

Of the 120,400 BC employees earning minimum or less in 2013:

- 64,300 (53%) were youth aged 15-24 and 56,100 (47%) were aged 25 or older.
- 9,900 (8.2%) were aged 55 or older.
- 75,500 (63%) were female.
- 27,100 (23%) did not have high school education while 16,800 (14%) had a university degree.
- 111,000 (93%) worked in the service producing sector. 36,800 (31%) worked specifically in accommodation and food services. 38,200 (32%) worked in Trade (this includes retail trade).
- 20,200 (17%) had been in their job for three months or less while 65,800 (55%) had been in their job for at least one year.
- 41,800 (35%) worked in firms with less than twenty employees. 55,200 (46%) worked in firms with more than five hundred employees.
- 52,300 (43%) were full time workers.
- 112,100 (93%) were not members of a union or covered by a collective agreement.
- 30,600 (25.4%) were defined by the labour force survey as being a member of a couple.
- 7,700 (6.4%) were defined by the labour force survey as being the head of a family.
- 18,500 (15.4%) lived as "unattached" (i.e., without a spouse or family member).
- 63,100 (52.8%) lived with their parents.
- Of the minimum wage earners living with their parents, 44% were attending school.

If you are interested in purchasing your own custom LFS data, you may wish to contact BC STATS at <u>BC.Stats@gov.bc.ca</u> who may be in the best position to help you liaise with Stats Canada. Alternatively you could try to contact Stats Canada directly at <u>infostats@statcan.gc.ca</u>

Let me know your thoughts and how/if we can assist you further. Best, Trevor Hughes Assistant Deputy Minister Industrial Relations and Labour Programs Ministry of Jobs, Tourism and Skills Training and Minister Responsible for Labour

Victoria: 250 356-1346 Vancouver: 604 660-5157 Mobile: \$17

From: Judy Cavanagh [mailto:]Cavanagh@bcfed.ca] Sent: Thursday, February 27, 2014 6:21 PM To: Hughes, Trevor LBR:EX Cc: Summer Crosson Subject: Minimum Wage Statistics

Hi Trevor,

Τ.

As promised, I am sending you quite a comprehensive list of statistics that would be ideal to have to inform discussions about minimum wage.

Most of this information is gathered from the report on the latest review of the minimum wage in the province of Ontario.

We can discuss it further after the meetings next week. I don't expect it to be raised, (other than maybe a comment about needing statistics) nor this document being distributed at the upcoming meetings.

Thank you.

Judy

Judy Cavanagh Assistant to the President

BC Federation of Labour (CLC) Direct Line: 604-436-7038 E-mail: <u>icavanagh@bcfed.ca</u>

Website: www.bcfed.ca

# Ayers, Jake LBR:EX

From:	Hughes, Trevor LBR:EX
Sent:	Thursday, April 24, 2014 11:15 AM
То:	Tanner, Michael A LBR:EX; Blakely, John H LBR:EX; Clunn, Karen E LBR:EX; Watson, Andy
	GCPE:EX; Ayers, Jake LBR:EX
Subject:	Fw: Minimum wage quotes -

See below for our own reference.

From: Merrifield, Katy JTST:EX <<u>Katy.Merrifield@gov.bc.ca</u>> Sent: Thursday, April 24, 2014 11:09 AM To: Hughes, Trevor LBR:EX Cc: Sharma, Rishi JTST:EX Subject: Minimum wage quotes -

## AS PER OUR DISCUSSION ON MIN WAGE:

#### PREMIER CHRISTY CLARK

"You know, I don't know that that is the right way to do it. We are going to be reviewing this, though, every two years. That's part of the commitment. So every second year we will continue to do a review of minimum wage so it's not going to be something that...you know, a change that we make today and then come back and look at in a decade. We are going to come back and look at it in two years and then two years after that and then two years after that." – Premier Christy Clark, Scrum, Mar 16/11

"We're not going to number one in the country by any stretch, but we're going to be catching up. We won't be at the bottom anymore. And what we've committed to do as part of this is review minimum wage every two years from now on so we don't end up in a situation where we're really the bottom, by far the bottom in the entire country, which we were on the day that I took office on Monday." – Premier Christy Clark, CKNW, Mar 17/11

#### **MINISTER STEPHANIE CADIEUX**

"The Ministry of Labour, Citizens' Services and Open Government will be undertaking reviews of the minimum wage on a two-year cycle, commencing in the summer of 2012." – Minister Stephanie Cadieux, Scrum, Mar 16/11

"Well, part of our announcement was that we're going to continue to monitor the impacts of the decisions, and on a two-year cycle starting in May of 2012, we will start reviewing." – Minister Stephanie Cadieux, CKNW, May 01/11

"We're going to be looking at minimum wage. We're going to look at it every two years starting again in 2012 when the minimum wage reaches \$10.25 an hour. So I think the same can be said for all of things related to employment standards. There's a lot of things that we need to look at on an ongoing basis to ensure that it's meeting the needs of today's workplace." – Minister Stephanie Cadieux, KPPI, Apr 08/11

"We're committed to ensuring that it remains a fair rate for both businesses and employees. The wage will incrementally increase over the next 12 months to reach \$10.25 an hour, and there'll be a review process in place to ensure that we are reviewing that on a regular basis." – Minister Stephanie Cadieux, Hansard, May 03/11

"In fact, it is not going to be the lowest in Canada. When it reaches \$10.25 next year, we will be tied for second-highest in Canada, actually. In relation to the member's comments about the cost-of-living adjustment, we have chosen not to go that route. Instead, we have said that every two years, starting in the summer of 2012, we will review the minimum wage and look at whether we are sitting at the right level or not, based on a large variety of factors that influence both the minimum wage and the job market." – Minister Stephanie Cadieux, Hansard, May 09/11

"The regulated minimum piece rates for hand-harvesting of certain crops are increased by the same percentage as the first phase of the general minimum wage. We are then, as the member will know, implementing a review of piece rates to follow before any additional adjustments." – Minister Stephanie Cadieux, Hansard, May 09/11

Katy Merrifield Ministerial Assistant to the Hon. Shirley Bond Minister of Jobs, Tourism and Skills Training, and Minister Responsible for Labour Office: (250) 356-2771 Katy.Merrifield@gov.bc.ca

#### Van Tassel, Olivia LBR:EX

From:Blakely, John H LBR:EXSent:Monday, June 9, 2014 9:42 AMTo:Curtis, David CSCD:EX; Hughes, Trevor LBR:EX; Farkas, George CSCD:EXSubject:RE: Minimum Wage - Stakeholder EngagementAttachments:Minimum Wage Consultation MSB Discussion (June 7)JB.docx

George, David and Trevor,

I am re-sending this - this time, with the appendix.

Thanks,

From: Blakely, John H LBR:EX Sent: Sunday, June 8, 2014 6:49 PM To: Curtis, David CSCD:EX; Hughes, Trevor LBR:EX; Farkas, George CSCD:EX Subject: RE: Minimum Wage - Stakeholder Engagement

David and George, please find attached a revised draft of the consultation paper. I accepted all of David's changes, and then I made some further changes (which are tracked). Trevor and I have also discussed these changes. Let us know whether these work for you or if we need to discuss them.

Thanks, John

ps - I will need to get the questions from the 2011 consultation - for the appendix - in the morning.

From: Curtis, David CSCD:EX Sent: June 6, 2014 4:59 PM To: Blakely, John H LBR:EX; Hughes, Trevor LBR:EX; Farkas, George CSCD:EX Subject: RE: Minimum Wage - Stakeholder Engagement

Hi all,

Thanks again for the call today. The attached document has been revised (Track Changes) to reflect our discussion and I appreciate John's offer to take a kick at additional revisions/comments.

I am available to discuss.

Have a good weekend.

David

From: Blakely, John H LBR:EX Sent: Friday, June 6, 2014 4:19 PM To: Hughes, Trevor LBR:EX; Farkas, George CSCD:EX; Curtis, David CSCD:EX Subject: RE: Minimum Wage - Stakeholder Engagement From: Blakely, John H LBR:EX Sent: Friday, June 6, 2014 3:40 PM To: Hughes, Trevor LBR:EX; Farkas, George CSCD:EX; Curtis, David CSCD:EX Subject: Minimum Wage - Stakeholder Engagement

Trevor, George and David,

Please find attached the report on the stakeholder engagement on minimum wage (and employment standards) that we did in 2011 – for your information, and perhaps also for how this might inform how we should proceed on our current task.

s13

10-11-12-000.00

Thanks

John Blakely Executive Director, Labour Policy and Legislation Ministry of Jobs, Tourism and Skills Training and Ministry Responsible for Labour 250-356-9987 Minimum Wage Consultation-Discussion Notes

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Pages 41 through 46 redacted for the following reasons: s13

#### Van Tassel, Olivia LBR:EX

From:	Farkas, George CSCD:EX
Sent:	Friday, July 11, 2014 8:54 AM
То:	Turner, Julie JTST:EX; Hughes, Trevor LBR:EX
Cc:	Charlton, Julie JTST:EX
Subject:	RE: MO question - Timing on min wage review
Attachments:	Minimum Wage Consultation MSB Discussion (June 18)B.DOCX

Dave approved this document to go forward for MO consideration. Has the timelines of review. Consultations are projected to commence in the Fall, subject to MO direction.

From: Turner, Julie JTST:EX Sent: Friday, July 11, 2014 8:36 AM To: Hughes, Trevor LBR:EX; Farkas, George CSCD:EX Cc: Charlton, Julie JTST:EX Subject: MO question - Timing on min wage review

Can you pls provide an update? Thx.

From: Merrifield, Katy JTST:EX Sent: Friday, July 11, 2014 8:28 AM To: Turner, Julie JTST:EX Cc: Marsh, Kyle JTST:EX Subject: Timing on min wage review

Julie can I get a sense of where we're at with regards to timing for consultation on the minimum wage review?

and an and a second second

Thanks,

К

Sent from my BlackBerry 10 smartphone on the TELUS network.

# Minimum Wage Consultation – Discussion Notes June 18, 2014

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s13

Pages 49 through 53 redacted for the following reasons: s13

#### Ayers, Jake LBR:EX

From:	Blakely, John H LBR:EX
Sent:	Wednesday, August 13, 2014 8:07 PM
То:	Tanner, Michael A LBR:EX; Hughes, Trevor LBR:EX; Ayers, Jake LBR:EX
Cc:	Rogers, Peter LBR:EX; Clunn, Karen E LBR:EX
Subject:	Re: Minimum Wage

I am wading in late on this. But I would say that this seems encouraging on a number of levels. I will mention that Jake has done a lot of good work as per the item from George's paper that had a. August 15th deadline. I think this material will continue to be relevant and important for whatever process we land on. Thanks

Sent from my BlackBerry 10 smartphone on the Rogers network.

From: Tanner, Michael A LBR:EX Sent: Wednesday, August 13, 2014 7:45 PM To: Hughes, Trevor LBR:EX; Blakely, John H LBR:EX; Ayers, Jake LBR:EX Cc: Rogers, Peter LBR:EX; Clunn, Karen E LBR:EX Subject: RE: Minimum Wage

Thanks Trevor. Yes, I think a discussion on Monday is a good idea when Jake and John are both back.

From: Hughes, Trevor LBR:EX Sent: Wednesday, August 13, 2014 4:44 PM To: Tanner, Michael A LBR:EX; Blakely, John H LBR:EX; Ayers, Jake LBR:EX Cc: Rogers, Peter LBR:EX; Clunn, Karen E LBR:EX Subject: Re: Minimum Wage

Good questions.

s12, s13

Discuss Monday when I'm there and

Jake is back?

From: Tanner, Michael A LBR:EX Sent: Wednesday, August 13, 2014 4:37 PM To: Hughes, Trevor LBR:EX; Blakely, John H LBR:EX; Ayers, Jake LBR:EX Cc: Rogers, Peter LBR:EX; Clunn, Karen E LBR:EX Subject: RE: Minimum Wage

Yes, there is some reasonableness to this. A few questions:

s12, s13

From: Hughes, Trevor LBR:EX Sent: Wednesday, August 13, 2014 4:19 PM To: Blakely, John H LBR:EX; Tanner, Michael A LBR:EX; Ayers, Jake LBR:EX Cc: Rogers, Peter LBR:EX; Clunn, Karen E LBR:EX Subject: FW: Minimum Wage Importance: High

Folks – just off a call with Athana and other ADMs on minimum wage.

s12, s13

s12, s13

Thoughts? T.

From: Hughes, Trevor LBR:EX
Sent: Wednesday, August 13, 2014 4:11 PM
To: Mentzelopoulos, Athana JTST:EX
Cc: McEwan, Tim JTST:EX; Mason, Shanna JTST:EX; Farkas, George CSCD:EX; Blakely, John H LBR:EX
Subject: Minimum Wage

Athana, further to the call we just did on the Minimum Wage, as discussed attached please find the March 2011 Ministry report on a review of Employment Standards issues with stakeholders. The report included a review of the "role and purpose of the minimum wage in today's economy, and how it should be established and adjusted." It was the conclusions in this report that led to the announcement of 3 increases to the Minimum Wage to take it to where it is today (at \$10.25 with a lower liquor server rate and the elimination of the training wage). The report is also available at this website link:

https://www.labour.gov.bc.ca/esb/docs/Stakeholder Engagement Report.pdf

Also attached is a BN we did in September of last year for Minister Bond – the version attached was updated earlier this year to reflect changes between September 2013 and February 2014.

s12, s13

Happy to discuss further and/or answer any follow-up questions you may have. T.

# Summary Report on Employment Standards Stakeholder Engagement Process

March 2011

BRITISH

Ministry of Labour, Citizens' Services and Open Government

# Introduction

On November 25<sup>th</sup>, the Honourable lain Black, Minister of Labour, announced that senior ministry staff would meet with key labour and business stakeholders to gather their views on how British Columbia can best ensure that employment standards reflect the realities and needs of employees and employers in 21<sup>st</sup> century workplaces.

Between December 2010 and February 2011, senior ministry staff held meetings with labour and business stakeholders representing over thirty groups, including organized labour, the Employment Standards Advocates Coalition (a coalition of organizations advocating on behalf of un-represented workers), umbrella business organizations, and selected industry associations. Meetings and discussions were also held with the Centre for Policy Alternatives and the Fraser Institute, and selected academics. See Appendix 1 for a listing of meeting participants.

The purpose of these meetings was to elicit stakeholder views and advice on how to modernize B.C.'s employment standards system around the following themes:

- The role and purpose of the minimum wage in today's economy, and how it should be established and adjusted.
- Enhancing flexibility for employees and employers.
- Clarifying and simplifying standards.
- Improving the provision of information on employment standards to employees and employers.
- Improving the enforcement of employment standards
- Ensuring expeditious hearing and determination of complaints.

This report from the staff who met with stakeholders summarizes the key themes from these meetings and discussions. As a summary, it is not possible to canvass in detail on every view that staff heard from every stakeholder with whom staff met. It reflects a general, and relatively high level overview of what staff heard and noted. It has not been vetted with stakeholders for accuracy or completeness.

The report covers both minimum wage and employment standards. As would be expected, there was a considerable difference in stakeholder perspectives between those who represent employee interests or a subset of them, and those who represent employers and business. In some areas that were discussed there was broad agreement on some issues. We have noted the areas of agreement where that occurred, and we then present the views of employee groups and the views of employer groups.

On the subject of minimum wage, we also reviewed the work of four academics and canvassed their views with them. These results are set out following the summary of stakeholder discussions on minimum wages.

In Appendices 2 and 3 we present some specific proposals that were provided by stakeholders on issues associated with minimum wage (Appendix 2), and Employment Standards (Appendix 3).



# I. Minimum Wage

## Background

British Columbia's general minimum wage of \$8.00 per hour has been in place since 2001. We asked meeting participants for their views on: the current minimum wage; the role and purpose of the minimum wage; whether it should be increased (and if so, on what criteria should an increase be based); what, if any, criteria should guide future increases; and the timing of future increases.

We also discussed other "minimum wages". We asked:

- whether the "First Job" rate should be continued The "First Job" rate of \$6.00 per hour has been in place since 2001, and covers the first 500 hours of work of persons who have not previously been employed.
- whether there should be a different (lower) minimum wage for workers who receive gratuities. Two Canadian jurisdictions – Ontario and Quebec – have a separate and lower minimum wage that applies to workers who receive gratuities.<sup>1</sup>
- their views on regulated piece rates for agricultural workers. In British Columbia, farm workers who are employed on a piece work basis and hand harvest certain berry, fruit or vegetable crops are subject to a comprehensive, regulated piece rate system. This is unique among Canadian provinces in that the rates are not backed by or subject to payment of the general minimum wage.<sup>2</sup> B.C.'s piece rate system was established in the 1980s and is based upon a time and motion study that was undertaken by a social scientist. The intent was to set the piece rates at levels such that an average farm worker would be able to earn the equivalent of the general minimum wage.<sup>3</sup>



<sup>1</sup> In Ontario, this rate is \$1.35/hour lower than the general minimum wage, and it applies to employees who serve liquor directly to customers or guests in licensed premises as a regular part of their work. In Quebec, this rate is \$1.25/hour lower than the general minimum wage, and it applies to "an employee who receives gratuities or tips", including liquor servers, food servers, housekeepers in hotels and other tourist establishments, and some others. The differential in Quebec will increase to \$1.30 per hour on May 20, 2011.

<sup>2</sup> In contrast, some jurisdictions exclude hand harvesters from minimum wage entitlement entirely (Alberta and Saskatchewan) whereas others require that hand harvesters receive at least the general minimum wage (Manitoba and Nova Scotia). Others still (Ontario and Quebec) generally require that hand harvesters be paid at least the general minimum wage, but permit piece rate systems if the producer is able to demonstrate that that the employee "is paid at a rate that is customarily and generally recognized in the area as having been set so that an employee exercising reasonable effort would earn the minimum wage for the actual hours worked."

<sup>3</sup> Since 1992, the piece rates have increased an average of 33% (with individual piece rates increasing from as low as 22.7% for blueberries to as high as 42.7% for beans), which is lower than the 45.5% increase in the general minimum wage over the same period. Since 1998, government's practice has been to increase the piece rates across-the-board by the same percentage amount as the increase in the general minimum wage.

### **Stakeholder Perspectives on Minimum Wage**

#### **Current Minimum Wage and Potential Increases**

#### Areas of Agreement:

There were some areas of agreement among stakeholders representing employers and workers. These are:

- Wage increase:
  - There was a broad (although not universal) recognition that it was time to consider a minimum wage increase and that one would likely occur in the near future.
- Index future increases:
  - Many participants, representing both employers and workers, also agreed that once adjustments are made to bring the minimum wage up to the desired rate, it would be preferable that future increases be made in a relatively incremental and predictable way that is "de-politicized" as much as possible and that is linked to economic indicators such as the Consumer Price Index.
- Policy considerations:
  - Most participants also agreed that minimum wage policy should be considered in the broader context of tax and income supports for B.C.'s low income workers and that how B.C. compares with other jurisdictions should not drive B.C.'s policy – although there was some disagreement over what this kind of analysis will show. Specifically, some employer participants noted that low income workers are exempted from provincial income taxes and are beneficiaries of certain other exemptions and income supports (including their MSP premium assistance, housing subsidies, and others), and that these measures need to be taken into account when considering the overall well-being of low income workers in B.C. Participants advocating on behalf of workers noted that even after taking account of differences in tax policy and other exemptions/subsidies, minimum wage earners in B.C. had less disposable income and were facing higher living costs than their counterparts anywhere else in the country.

Despite these broad areas of agreement on the general idea of a minimum wage increase, there were significant differences noted below.

#### Role and Purpose of the Minimum Wage—Quantum and Timing of Increases

#### **Employer Groups:**

- Most employer groups expressed the view that minimum wage protects vulnerable workers from unscrupulous employers that attempt to under-cut the minimum market rate within the economy. They argued that it should not be used as a poverty-reduction tool on the grounds that government is better positioned to support low-income workers through the tax system and other measures.
- Some employer participants also noted that minimum wage, as a poverty-reduction tool, is an exceedingly blunt policy instrument that could end up hurting the people that it is intended to help by causing employers to lay off staff and cut back on hours.
- As a result, most employer groups argued for relatively modest increases that are phased-in over time, along with considerable advance notice to allow employers to plan for the increases.



#### Worker Groups:

- Most worker groups expressed the view that raising the wages of low income workers is a key component of a poverty reduction strategy.
- Some stated that the negative employment impacts cited by employer groups and economists are often over-stated because they focus on short-term or transitional impacts that diminish significantly or disappear over the longer-term.
- They also said that any negative employment impacts need to be weighed against offsetting benefits, including improved productivity, greater consumer spending, and more stable workforces (evidence that higher wage jurisdictions experience fewer hires, but also less turnover and fewer layoffs).
- As a result, most worker groups suggested a significant minimum wage increase to at least \$10.00/hour that would be implemented immediately or be phased in over a relatively short timeframe.

#### The "First Job" Rate

#### Area of (Partial) Agreement:

In this area, all groups representing workers and <u>some</u> groups representing employers expressed support for the elimination of the "First Job" Rate. The principal reason cited in favour of its elimination included the view that the "First Job" Rate is very rarely used by employers or employees.

#### (Some) Employer Groups:

- In contrast, specifically the Coalition of B.C. Business (the Coalition) and the B.C. Agriculture Council expressed support for continuing the "First Job" Rate. The Coalition would preserve the current \$2.00/hour differential between the "First Job" Rate and the general minimum wage, whereas the B.C. Agriculture Council would establish a narrower differential.
- Proponents of the "First Job" Rate indicated that some employers are still using it, especially in the fast food and agriculture sectors, and that it still serves a useful purpose in terms of providing employers with an incentive to hire and train inexperienced young workers.
- These employer groups, and some others, also expressed support for replacing the "First Job" Rate with something else that would also be targeted toward inexperienced younger workers such as a "Student", "Young Workers" or "Entry Level" minimum wage.

#### Worker Groups:

- As noted above, all groups that represented worker interests supported the elimination of the "First Job" Rate.
- Some worker groups cited some anecdotal evidence of abuse of the "First Job" Rate including a refusal by some employers to recognize employment experience from other countries, or a tendency by some employers to terminate employees before they have had a chance to accumulate a sufficient number of hours to advance from the "First Job" Rate to the general minimum wage.



#### A Separate Gratuity Rate

#### **Employer Groups:**

Employer groups expressed very strong support for establishing a lower minimum wage for workers who receive gratuities, modelled along the lines of Ontario's "liquor server rate". In their view, this would provide cost relief to the food and restaurant industry that has been very hard hit by the implementation of the HST, recent changes to the laws governing drinking and driving, and the generally weak condition of the industry. They noted that in many licensed restaurants and bars, the servers earn more in wages and gratuities than anyone else, and that exempting these servers from the general minimum wage increase would make it easier for restaurant and bar owners to pay wage increases to employees who do not receive tips.

#### Worker Groups:

- Worker groups opposed a lower gratuity rate for liquor servers, citing both practical difficulties in fairly administering such a system as well as concerns that it would unfairly disadvantage many servers who do not work at "high end" restaurants and bars.
- Specifically, they noted that gratuities are largely unregulated under the *Employment Standards Act*. Servers are often required to hand some of their gratuities over to a "tip pool" that is shared with other workers who do not receive gratuities or to management. In their view, if servers are required to rely upon gratuities for a larger proportion of their earnings, then it would become necessary to enact regulations either to ensure that servers are allowed to keep all that they receive in tips or to set rules on how tips should be allocated within the tip pool.
- In either scenario, their concern is that any regulatory structure that provides a lower gratuity rate for liquor servers is likely to be very complex and open to abuse.

## Regulated Piece Rates for Hand Harvesters in the Agriculture Sector

#### Area of Agreement:

The stakeholders who commented on the piece rate system - including the B. C. Agriculture Council (BCAC) and most worker groups - agreed that the original time and motion study was conducted almost thirty years ago and that it may be time to review the piece rates. However, there were also significant differences between the BCAC and worker groups in terms of next steps and the future of the piece rates.

#### **Employer Groups:**

- While agreeing that the rates should be reviewed to account for changes in harvesting practices and technological/mechanical advances, the BCAC expressed the view that this review should be completed before government considers changes to existing piece rates.
- In their view, some of the current piece rates may be higher than they should be relative to the original intent of the piece rates (i.e., to set the rates at levels such that an average farm worker would be able to earn the equivalent of the general minimum wage.)
- The BCAC also indicated its strong opposition to any proposal to eliminate the piece rates, or to make any piece rate system subject to workers earning at least the equivalent of the general minimum wage. The BCAC believes that eliminating the piece rate system would significantly



increase the amount of supervision that would be required in the fields (at substantial costs to producers) and that it would not take account of the considerable discretion that farm workers currently have to take breaks for cultural or other reasons.

#### Worker Groups:

- As noted above, worker groups support the idea of a comprehensive review of existing piece rates, but on the basis that the time and motion study that set current piece rates was flawed in that it measured productivity during the peak of the harvest season. In their view, it is difficult or impossible for an average farm worker to earn the equivalent of the general minimum wage over the entire harvest season.
- They noted that the piece rate system is incompatible with the federal Employment Insurance system, which determines eligibility based solely on the number of hours worked. While it is possible to meet Employment Insurance eligibility requirements simply by recording the number of hours worked and how much was earned over those hours at the piece rate, representatives noted that record keeping practices are prone to error and abuse, and that workers are not always aware of how many hours are being recorded for Employment Insurance purposes by their employer or farm labour contractor.
- In light of these concerns, most worker groups expressed the view that the piece rate system should either be abolished or be made subject to the general minimum wage.

### **Academic Perspectives on Minimum Wage**

As part of this review, we examined a large body of the academic literature on minimum wage, and identified four minimum wage and employment standards experts for follow-up and further discussions: Professor Morley Gunderson, CIBC Chair in Youth Employment, University of Toronto; Professor David Green, Department Head, Department of Economics, University of British Columbia; Dr. Niels Veldhuis, Fraser Institute; and Professor Harry Arthurs, Professor Emeritus and President Emeritus, York University. These four experts bring different perspectives to the minimum wage discussions reflecting their analysis and understanding of the available empirical evidence, as well as their core values and beliefs.

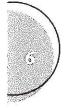
#### Areas of Agreement:

#### Incremental Increase:

All four experts indicated that incremental increases in the minimum wage are preferable to a single large increase, citing evidence that a single large increase may "shock" employers such that they may make more significant adjustments to labour inputs (i.e., number of workers employed, hours worked, etc.) than they otherwise would.

#### Phase In:

They have all spoken in favour of longer notice and phase-in periods to give employers time to plan for, and to adjust to, minimum wage increases.



#### Areas of Difference:

#### Minimum Wage as a Policy Instrument:

- In his capacity as Commissioner for the Federal Labour Standards Review (Fairness at Work: Federal Labour Standards for the 21<sup>st</sup> Century), Professor Harry Arthurs, argued that the debate over a national minimum wage is not about politics or economics, but is about decency and the notion that someone working full-time at a regular job for a full year should not have to find themselves with less money than they need to live at or just above the poverty line.
- In contrast, Dr. Veldhuis argued that increasing the minimum wage can be an exceedingly blunt policy instrument in that it can have significant negative impacts in terms of jobs lost and fewer hours. His analysis also notes that the majority of minimum wage earners live at home with their parents and do not fit the profile of a full-time, full year worker who is trying to make ends meet on a minimum wage job.

#### Employment Effect of Increase to Minimum Wage:

- The experts also differ on their analysis of the evidence of the employment impacts of minimum wage increases.
- Professor Gunderson and Dr. Veldhuis both present evidence that job losses and foregone job opportunities associated with a substantial (25% increase from \$8.00 to \$10.00/hour) minimum wage increase could be significant (up to 50,000 jobs lost or foregone to the B.C. economy).
- Professor Green's analysis challenges these conclusions on methodological grounds, and presents evidence to the effect that a more modest increase (10% increase from \$8.00 to \$8.80/hour) is likely to have only marginal effects on overall employment.



# II: Employment Standards Review:

We sought participants' general views on the *Employment Standards Act*, and their views on the following specific topics: enhancing flexibility for employees and employers; clarifying and simplifying standards; improving the provision of information on employment standards to employees and employers; improving the enforcement of employment standards; and ensuring expeditious hearing and determination of complaints.

## **General Perspectives:**

With some limited areas of general agreement, employer and worker groups expressed very different views on the status of employment standards in British Columbia and the need for change.

#### **Employer Groups:**

- In broad terms, employers were supportive of the changes that were made to the *Employment Standards Act* in 2002, and suggested that any changes that could be made at this point should support the general direction that was established through the 2002 amendments.
- Perhaps the strongest message from employer groups was that increasing skills shortages combined with increasing competition for labour and the need to attract the 35 and under age demographic have made it absolutely essential for employers to be able to offer their employees greater flexibility in terms of hours of work and work scheduling.
- Most employer groups expressed concern that existing *Employment Standards Act* provisions, particularly relating to hours of work and overtime, may have created barriers to the kinds of flexibility that employees and employers require.

#### Worker Groups:

- The strongest message from worker groups was that this review of the *Employment Standards* Act is inadequate to consider and address the broad range of issues workers and their advocates have experienced with the current legislation, and that there should be a comprehensive public review process.
- All worker groups expressed the view that the 2002 and 2003 amendments to the *Employment Standards Act* went too far in terms of removing protections for workers, and that at least some provisions that were in place prior to 2002 and 2003 needed to be restored.
- With respect to the focus that these consultations has placed on the question of whether there is a need to enhance flexibility for employees and employers within the scope of the Act, one worker group noted that the key to flexibility, especially for vulnerable workers may in fact be greater predictability. In practice, this could mean balancing employer scheduling needs against consideration of more leave entitlements.<sup>4</sup> It could also mean incorporating safeguards into the *Employment Standards Act* to ensure that alternative scheduling arrangements have been established through meaningful consultations and the consent of workers at the individual or group level.



<sup>4</sup> Such as extended parental leave entitlements such as those that are currently in place in Quebec or sick leave entitlements that are in place in Quebec, Yukon, Newfoundland and Labrador, New Brunswick and Saskatchewan).

## **Specific Topic Areas:**

#### Enhancing Flexibility for Employees and Employers:

#### **Employer Groups:**

Some employer groups made specific proposals that they believe will provide greater latitude for employees and employers to agree to mutually acceptable arrangements. These include proposals: to allow employers to average hours of work over a multi-week period for determining overtime entitlements; to allow employers and individual high-level employees to agree in writing to hours of work and compensation packages which differ from the requirements of the *Employment Standards Act*; and to allow employees to agree on an individualized basis to alternate statutory holidays (for example, to accommodate individual religious or cultural preferences).

#### Worker Groups:

- Most worker groups were not supportive of measures that would allow individual employees and their employer to opt out of provisions of the *Employment Standards Act*, citing an inherent power imbalance between employees and employers in most employment relationships.
- Some worker groups noted that sectoral standards serve a useful purpose in allowing for flexibility while preserving a level playing field in the application of employment standards within an industry.
- While most worker groups were not inherently opposed to the provision of greater flexibility at the workplace or individual level, the prevailing view was that there is a need to restore a supervisory role for the Employment Standards Branch over variances and other alternate arrangements.

#### Clarifying and Simplifying Standards:

#### Areas of Agreement:

- Employer and worker representatives agreed at a high level that employment standards could be simplified.
- From the perspective of some employer groups and some worker groups, the current averaging agreement provisions and the current statutory holiday provisions were cited as examples of legislative provisions that could be clarified or simplified.

#### Worker Groups:

The B.C. Federation of Labour and some other worker groups went considerably further in their assessment of the current legislative provisions in terms of their clarity and simplicity. For example, representatives from the B.C. Federation of Labour noted that, on an international scale, B.C.'s employment standards legislation is very complex, and suggested that this may be a consequence of the flexibility that has already been written into the Act.

#### **Employer Groups:**

Several employer groups expressed a general interest and desire in seeing a simplified statute and regulatory structure, and expressed the view that new statutory provisions that provide greater hours of work and scheduling flexibility would contribute to the development of a simplified statute.



# *Improving the Provision of Information on Employment Standards to Employees and Employers:*

#### Areas of Agreement:

Many groups representing both employers and workers expressed an interest and willingness to work collaboratively with the Employment Standards Branch and with government to facilitate the provision of information on employment standards to employees and employers.

#### Worker Groups:

- Worker groups expressed significant concerns, suggesting that considerably more needs to be done in terms of public education and the provision of information in other languages.
- Most worker groups were critical of the 2002 legislative changes which, among other things, repealed the requirement to post employment standards information in the workplace. Indeed, some argued that the posting of information in the workplace is an effective and inexpensive way of ensuring that all workers have access to basic information about their employment standards entitlements.
- Some worker groups also requested the establishment of an employment standards advocacy office (modelled on the Workers' Advisers Office within the workers' compensation system) to provide assistance and support to individuals who have filed employment standards complaints.

# Improving the Enforcement of Employment Standards, and Ensuring Expeditious Hearing of Determination of Complaints:

#### **Employer Groups:**

Employer groups generally had few issues or concerns with the current enforcement framework.

#### Worker Groups:

- Worker groups expressed very serious concerns with the current enforcement model, including many of the provisions that were enacted through the 2002 legislative changes. Such as:
  - The self-help kit poses a barrier to access to justice, and should be eliminated.
  - There is a need to devote more time and resources to investigations and audits, in addition to the current emphasis on complaints.
  - There is a need to devote more time and resources to vulnerable groups including temporary foreign workers, agriculture workers, and young workers.
  - The current dispute resolution model (including fact-finding and mediation) works to the disadvantage of individual complainants. The final resolution of some complaints is taking too long, primarily due to procedural delays and challenges by employers.
  - <sup>a</sup> In broad terms, these concerns were expressed in support of proposals to repeal many of the 2002 legislative changes.



## In Closing:

We would like to take the opportunity to thank the organizations and people who took the time to meet with us. It was a pleasure for us to meet with them, to hear their views and options and to have the opportunity to seek input and views on these very important policy questions.



# Appendices





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بالمروحية والمراجعة المعاجب

# Appendix 1 Stakeholder Meetings and Participants

#### Business Council of British Columbia, December 13, 2010

Greg D'Avignon, Doug Alley

#### B.C. Chamber of Commerce, January 12, 2011

John Winter, Jon Garson

#### B. C. Restaurant and Food Services Association, January 13, 2011

💷 Ian Tostenson, Durda Krillic

#### Coalition of B.C. Business, January 20, 2011

- Mark Von Schellwitz, Canadian Restaurant and Foodservices Association
- Philip Hochstein, Independent Contractors of B.C.
- Shafiq Jamal, Retail Council of Canada
- John Winter, B.C. Chamber of Commerce
- Andrea Zwack, Heenan Blaikie
- James Chase, B.C. Hotel Association
- Victor Ursnik, Communications Coordinator

#### B.C. Federation of Labour, January 26, 2011

- Irene Lanzinger, John Weir, Jessie Uppal, BC Fed
- Jonathan Chapnick, Dan Cahill, BCGEU
- John Mountain, United Steelworkers
- Keith Reynolds, CUPE
- 🖾 Jacquie de Aguayo, HEU

#### Centre for Policy Alternatives (B.C.), January 26, 2011

- Seth Klein, Iglika Ivanoua, Shannon Daub, Centre for Policy Alternatives
- David Green, Mark Thompson, University of British Columbia
- Marjorie Griffith Cohen, Simon Fraser University
- David Fairey, Trade Union Research Bureau

#### Fraser Institute, January 27, 2011

Niels Velduis, Amela Karabegovic



#### Employment Standards Advocates Coalition (first meeting), January 27, 2011

- David Fairey, Trade Union Research Bureau
- Linnsie Clark, Hospital Employees Union
- Cara Johnson, United Food and Commercial Workers, Local 1518
- Carolyn Rice, New Westminister & District Labour Council
- Gurpreet Pabla, Progressive Intercultural Community Services Society
- Michael McCarthy-Flynn, Living Wage for Families
- Joe Barrett, B.C. & Yukon Territory Building and Construction Trades Council
- Angele Contreras-Chavez, Collectivo Red Legal

#### Employment Standards Advocates Coalition (second meeting), February 2, 2011

- David Fairey, Trade Union Research Bureau
- Jonathan Hanvelt, Susan Lee, Adriana Paz, Justicia 4 Migrant Workers
- Adrienne Montana, Helesia Luke, First Call: B.C. Child and Youth Advocacy Coalition
- Marilou Carrillo, Jocelyn Vergabera, Philippine Women Centre
- Kasari Govender, West Coast LEAF
- Cecelia Tumolva, Darla Tomeldan, Vancouver Committee for Domestic Workers and Caregiver Rights
- Graeme Moore, Canadian Union of Public Employees, Local 15
- Rocio Vasquez, Organizing Centre for Social and Economic Justice
- Virginie Francoeur, West Coast Domestic Workers' Association
- Professor Gerardo Otero, Simon Fraser University, Department of Sociology and Latin American
   Studies

#### B.C. Agriculture Council, February 9, 2011

Andreas Dolberg, Rhonda Driediger, Jeff Hicks

#### Canadian Federation of Independent Business, February 10, 2011

Laura Jones, Nicole Nash

A written submission was provided by the British Columbia and Yukon Territory Building and Construction Trades Council, *Building Trades Perspectives and Proposals on Employment Standards*, submitted February 10, 2011.



# Appendix 2 Specific Proposals on Minimum Wage

## **Specific Proposals**

With respect to the general minimum wage, the Coalition of B.C. Business was the only employer group to make a specific proposal with respect to adjusting the minimum wage. Under the Coalition's proposal, the minimum wage would increase as follows:

- To \$8.50/hour, effective six months after the date of announcement. (For example, if a minimum wage increase is announced on April 1, 2011, the increase would take effect on October 1, 2011).
- To \$9.00/hour, effective six months after the first increase (i.e., April 1, 2012 in this example).
- To \$9.50/hour, effective six months after that (i.e., October 1, 2012 in this example).
- Future minimum wage increases would be linked to an economic indicator such as changes in the Consumer Price Index, although increases would not occur in years of flat or negative economic growth.
- A minimum wage for servers who earn gratuities that would be \$1.50/hour lower than the general minimum wage would be phased in, based on Ontario's liquor server rate – i.e., the minimum wage for liquor servers would remain at \$8.00/hour until a \$9.50/hour general minimum wage is achieved.
- The "First Job" rate would be retained, and the \$2.00/hour differential would also be retained.

In contrast, worker groups generally subscribed to the B.C. Federation of Labour's proposal for minimum wage increases as follows:

- An immediate increase in the general minimum wage to \$10.00/hour.
- A further increase in the minimum wage (timeframe not specified) to a level that equals or approximates the Low Income Cut-off (LICO) for a single urban British Columbian with no dependents. (The before-tax LICO for a single person in a major urban centre in Canada is currently \$22,229, which translates into an hourly rate of \$11.11/hour based upon a 40 hour week and 50 weeks/year. The before tax LICOs for smaller urban centres and rural areas are somewhat lower.)
- Deposition to a lower minimum wage for servers who earn gratuities.
- Elimination of the "First Job" rate.



# Appendix 3 Specific Proposals on Employment Standards

## **Specific Proposals**

Employer groups provided several specific proposals aimed primarily at enhancing flexibility for employees and employers, and to a lesser extent at clarifying and simplifying standards and ensuring expeditious hearing and determination of complaints. Specifically:

- The Coalition of B.C Businesses recommended that the qualifying period for statutory holiday entitlements should be increased to 90 days and a qualifying condition of working the scheduled day before and day after the holiday should be introduced.
- The Coalition of B.C. Businesses recommended that the Act should accommodate employers and individual employees to mutually agree to allocate the employee's statutory holiday to a different day, even if this results in some employees observing different days as statutory holidays than the majority.
- The Coalition of B.C. Businesses recommended that the *Employment Standards Act* should recognize the unique circumstances arising from incentive based compensation systems. Specifically, hours of work for commissioned salespeople should be compensated based on gross earnings (including commissions and any salary or hourly wage) over a four week period so long as this amount is greater than what the employee would have earned at minimum wage (including overtime rates) for all hours worked over the period.
- Several employer groups recommended that the hours of work and overtime provisions of the Act should be significantly revised to create a flexible system wherein hours of work are averaged over a multi-week period, for the purposes of determining payment of overtime premiums, while maintaining protections for employees. The Coalition of B.C. Businesses' proposal in this regard would set the default number of weeks for averaging purposes at four weeks, with employers and employees being able to agree to longer or shorter averaging periods if they wish. Similar proposals that were raised by other employer groups were not as specific in terms of the number of default weeks or the extent to which alternate work arrangements would be subject to employee agreement, either at the individual or group level. However, it is clear that there is broad support among employers for legislative change that would provide greater latitude for employers and employees to develop alternative hours of work and overtime arrangements.
- Several employer groups recommended that senior technical and professional employees and others at this level should be free to negotiate and agree in writing with their employers to hours of work and compensation packages, which differ from the requirements of the *Employment Standards Act*.
- Several employer groups recommended that the existing mandatory and escalating penalty scheme be amended to allow the Director of Employment Standards to exercise discretion in applying the penalty under certain circumstances.



The Coalition of B.C. Business recommended that the B.C. Government eliminate jurisdictional disputes and adjudicative duplication by forming a unified workplace tribunal. This tribunal would deal with the workplace-related disputes and other matters currently overseen by the B.C. Labour Relations Board, the Employment Standards Branch and the B.C. Human Rights Tribunal.

Worker groups provided several specific proposals aimed primarily at improving oversight and enforcement. Many of these recommendations were non-legislative in nature in that they call for restoring funding to the Employment Standards Branch, more proactive monitoring and enforcement, and the establishment of community-based advocacy or advisory services. However, the following specific recommendations would require legislative or regulatory change:

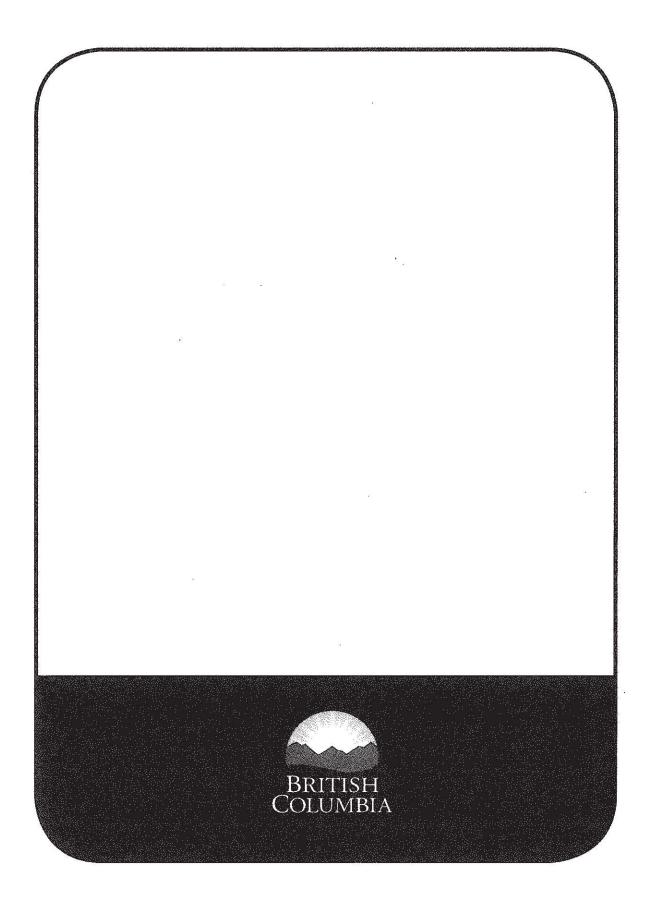
- Several worker groups recommended increasing the minimum allowable age for employment to 15, except under exceptional circumstances that would be defined by regulation. The First Call group which advocates on behalf of children would supplement this effort with a much expanded list of occupations that have minimum entry ages based upon safety considerations. First Call recommended the establishment of an advisory committee to identify these prohibited occupations, although another option might be to identify these occupations through the WorkSafeBC Occupational Health and Safety regulatory process.
- Several worker groups recommended changes to the *Employment Standards Act* to restore the provisions that were in place prior to the 2002 amendments to the Act. These proposed changes would include: removing the requirement to use the Self-Help Kit prior to a complaint being accepted into the employment standards system; restoring the minimum call-out period from two hours back to four; restoring coverage of unionized workers under the Act; and restoring a two year time-frame for the filing of complaints and the collection of back wages from the current six months.
- Several worker groups recommended changes to the *Employment Standards Act* or the development of separate legislation modelled after Manitoba's legislation that would regulate recruiters of temporary and other foreign workers. This legislation would be aimed at tracking and preventing the payment by workers of illegal recruitment fees, and it would also make it easier for enforcement authorities (including the Employment Standards Branch) to target enforcement activities to workplaces where temporary foreign workers are being employed.
- Representatives of the Employment Standards Advocates Coalition recommended several other potential changes to the Employment Standards Act, including: extending employment standards protections to some contractors or sub-contractors that are not legally in an employment relationship; clarifying jurisdictional overlaps and gaps between the federal and provincial jurisdictions; and the re-establishment of an Advisory Council on Employment Standards.





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#### Ayers, Jake LBR:EX

From: Sent: To: Cc: Subject: Blakely, John H LBR:EX Tuesday, August 19, 2014 3:27 PM Ayers, Jake LBR:EX; Hughes, Trevor LBR:EX Tanner, Michael A LBR:EX RE: minimum wage and CPI

Jake, yes, this helps.

s13

Thanks

From: Ayers, Jake LBR:EX Sent: Tuesday, August 19, 2014 2:53 PM To: Blakely, John H LBR:EX; Hughes, Trevor LBR:EX Cc: Tanner, Michael A LBR:EX Subject: RE: minimum wage and CPI

s13

From: Blakely, John H LBR:EX Sent: Tuesday, August 19, 2014 2:43 PM To: Ayers, Jake LBR:EX; Hughes, Trevor LBR:EX Cc: Tanner, Michael A LBR:EX Subject: RE: minimum wage and CPI

1

#### From: Ayers, Jake LBR:EX

Sent: Tuesday, August 19, 2014 2:42 PM To: Hughes, Trevor LBR:EX; Blakely, John H LBR:EX Cc: Tanner, Michael A LBR:EX Subject: RE: minimum wage and CPI

s13

10

From: Hughes, Trevor LBR:EX Sent: Tuesday, August 19, 2014 2:40 PM To: Ayers, Jake LBR:EX; Blakely, John H LBR:EX Cc: Tanner, Michael A LBR:EX Subject: Re: minimum wage and CPI

s13

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From: Ayers, Jake LBR:EX Sent: Tuesday, August 19, 2014 2:26 PM To: Blakely, John H LBR:EX Cc: Tanner, Michael A LBR:EX; Hughes, Trevor LBR:EX Subject: minimum wage and CPI

John,

s13

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Hope that helps.

Jake

1

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### Van Tassel, Olivia LBR:EX

From:	Hughes, Trevor LBR:EX
Sent:	Thursday, August 21, 2014 9:28 AM
To:	Blakely, John H LBR:EX; Tanner, Michael A LBR:EX
Cc:	Clunn, Karen E LBR:EX; Ayers, Jake LBR:EX; Rogers, Peter LBR:EX
Subject:	RE: MO request - issues during August
Importance:	High

Okay - 2 additional items covered.

NR

s13

2. Minimum wage: This item is going ahead

So I wonder if we should have a call this afternoon? T.

NR

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NR

From: Turner, Julie JTST:EX
Sent: Friday, July 25, 2014 9:19 AM
To: McEwan, Tim JTST:EX; Mason, Shanna JTST:EX; Gilmore, Christopher JTST:EX; Farkas, George CSCD:EX; Curtis, David CSCD:EX; MacDonald, Scott D JTST:EX; Lewis, Kaaren JTST:EX; Hunter, Jaclynn JTST:EX; Hughes, Trevor LBR:EX
Cc: Jang, Monica JTST:EX; Paulson, Aleesa JTST:EX; Faust, Marnie L JTST:EX; Purdy, Sheila JTST:EX;

Cc: Jang, Monica JTST:EX; Paulson, Aleesa JTST:EX; Faust, Marnie L JTST:EX; Purdy, Shelia JTST:EX; Somers, Brooke JTST:EX; Clunn, Karen E LBR:EX; Kwan, Shirley JTST:EX; Hourston, Sveah JTST:EX Subject: MO request - issues during August

The MO would like a list of outstanding issues that either need attention or decisions from the Ministerduring August,s22Can you please send me your list by Monday noon, and I'llprepare a full list for the MO. Thanks.

Julie Turner Director, Executive Operations Deputy Minister's Office Ministry of Jobs, Tourism, and Skills Training and Minister Responsible for Labour

D: (250) 952-0104 C: s17

From:	Ayers, Jake LBR:EX
Sent:	Monday, August 25, 2014 4:27 PM
То:	Hughes, Trevor LBR:EX; Blakely, John H LBR:EX
Cc:	Tanner, Michael A LBR:EX
Subject:	RE: minimum wage note CLIFF # 105900
Attachments:	105900 - BN Minimum Wage Web Consultation.docx; General Minimum Wages by
	Province.docx; Stakeholder_Engagement_v02_PAB_Final.pdf

Thanks Trevor,

Here is a revised version and new attachment (provincial comparisons as of October 1, 2014). There are two comments in the BN for your consideration. I assume we can just look at all this and discuss tomorrow when we are scheduled to meet.

Cheers

.

Jake

From: Hughes, Trevor LBR:EX Sent: Monday, August 25, 2014 3:20 PM To: Blakely, John H LBR:EX Cc: Ayers, Jake LBR:EX; Tanner, Michael A LBR:EX Subject: Re: minimum wage note CLIFF # 105900

s13

From: Blakely, John H LBR:EX Sent: Monday, August 25, 2014 3:17 PM To: Hughes, Trevor LBR:EX Cc: Ayers, Jake LBR:EX; Tanner, Michael A LBR:EX Subject: RE: minimum wage note CLIFF # 105900

Trevor, thanks for this.

s13

Thoughts?

From: Hughes, Trevor LBR:EX Sent: Monday, August 25, 2014 3:13 PM To: Blakely, John H LBR:EX I think this is very well done! See attached for some edits for your consideration.

From: Blakely, John H LBR:EX Sent: Monday, August 25, 2014 11:55 AM To: Hughes, Trevor LBR:EX Cc: Ayers, Jake LBR:EX; Tanner, Michael A LBR:EX Subject: FW: minimum wage note CLIFF # 105900

Trevor, here is what we have come up with as a briefing note for the minimum wage consultation. Is this in line with what people are expecting?

Thanks

From: Ayers, Jake LBR:EX Sent: Monday, August 25, 2014 11:45 AM To: Blakely, John H LBR:EX Subject: RE: minimum wage note CLIFF # 105900

Ok here it is again with the attachment.

From: Blakely, John H LBR:EX Sent: Monday, August 25, 2014 11:12 AM To: Tanner, Michael A LBR:EX; Ayers, Jake LBR:EX Subject: FW: minimum wage note

This looks good to me. Here are my suggested changes. Thanks

From: Ayers, Jake LBR:EX Sent: Monday, August 25, 2014 10:44 AM To: Blakely, John H LBR:EX Cc: Tanner, Michael A LBR:EX Subject: RE: minimum wage note

Here is the latest version. It has a cliff # now.

From: Blakely, John H LBR:EX Sent: Friday, August 22, 2014 6:22 PM To: Tanner, Michael A LBR:EX; Ayers, Jake LBR:EX Subject: Re: minimum wage note

Makes sense to me. Jake, your thoughts?

Sent from my BlackBerry 10 smartphone on the Rogers network.

From: Tanner, Michael A LBR:EX Sent: Friday, August 22, 2014 6:17 PM To: Blakely, John H LBR:EX; Ayers, Jake LBR:EX Subject: Re: minimum wage note

Riding home, I mulled over one other thought that was on my mind and decided to send one more comment.

For you consideration. Have a good weekend. From: Tanner, Michael A LBR:EX Sent: Friday, August 22, 2014 05:37 PM Pacific Standard Time To: Blakely, John H LBR:EX; Ayers, Jake LBR:EX Subject: RE: minimum wage note I just have two comments and two suggested changes tracked on page 4 (unless there was some reason you decided not to go with those points we discussed).

And the second stand and the second second

s13

From: Blakely, John H LBR:EX Sent: Friday, August 22, 2014 4:59 PM To: Ayers, Jake LBR:EX; Tanner, Michael A LBR:EX Subject: FW: minimum wage note

I have only minor suggested changes, which I have tracked. Overall, it looks good. Thanks, and have a good weekend.

From: Ayers, Jake LBR:EX Sent: Friday, August 22, 2014 4:21 PM To: Blakely, John H LBR:EX; Tanner, Michael A LBR:EX Subject: minimum wage note

Here is a revised draft. See what you think

#### MINISTRY OF JOBS, TOURISM AND SKILLS TRAINING AND MINISTER RESPONSIBLE FOR LABOUR INFORMATION

Cliff #: 105900

Date: August 25, 2014

**PREPARED FOR:** The Honourable Shirley Bond, Minister of Jobs, Tourism and Skills Training and Minister Responsible for Labour

**ISSUE:** Proposed consultation on potential changes to the minimum wage.

**BACKGROUND:** Since the last increase to the minimum wage on May 1, 2012, questions have been raised about how and when future increases will occur. Based on statements made by the Premier as well as previous labour ministers, there is some expectation that the minimum wage will be reviewed once every two years. No commitment to a particular form of review was made by government, nor was there any commitment to "tie" future increases to particular measures such as inflation or changes in average wage rates.

In May of 2012, BC moved to having the highest minimum wage among Canadian provinces. However, since that time, all other provinces, excluding New Brunswick, have increased their minimum wage at least once. By October 2014, five provinces will have higher rates than BC. Provincial minimum wages will range from \$10.00 to \$11.00 per hour (with BC at \$10.25). See the attached table showing how BC will rank on minimum wage compared to other Canadian provinces as of October 1, 2014.

s13

Page 2

s13

8

Page 3

s13

#### Other Minimum Pay Rates

Over the last 30 years, other minimum pay rates in the employment standards regulation such as the piece rates for harvesters of certain fruits and vegetables, and daily rates for live-in caregivers and camp leaders have generally been increased in proportion to changes in the general minimum wage. However, there have been exceptions to this general rule. For example, of the three minimum wage increases that were implemented in 2011/2012, the piece rates for hand harvesters received only the first increase.

s13

Page 4

# ATTACHMENTS:

s13

LBR-2014-00030 Page 89

- Page 5
- Cross-Jurisdictional table on minimum wage rates in Canada (as of October 1, 2014)
- Report on Employment Standards Stakeholder Engagement Process (March 2011)

**Prepared by**: Jake Ayers, Senior Policy Advisor, Labour Policy and Legislation Division Telephone: (250) 953-3344

Reviewed by					
Dir:	ED:	ADM:	DM:	MIN:	

# General Minimum Wages by Province – As of October 1, 2014

Jurisdiction	Rate (\$)	Effective Date	Scheduled Future Changes
Ontario	11.00	June 1, 2014	Yearly changes to be indexed with Ontario inflation
			(CPI)
Manitoba	10.70	October 1,	
		2014	
Quebec	10.35	May 1, 2014	
Nova Scotia	10.40	April 1, 2014	Each year, rates increase to reflect the previous
		10	year's changes in national CPI.
Prince Edward	10.35	October 1,	Increase to \$10.35 on October 1, 2014.
Island		2014	
British Columbia	10.25	May 1, 2012	
Newfoundland and	10.25	Oct 1, 2014	Rate to increase to \$10.50 on Oct.1, 2015.
Labrador			
Alberta	10.20	September 1,	Annual increases linked to an average of the
<u>ک</u>		2014	annual increases in Average Weekly Earnings and
	2		the CPI in Alberta.
Saskatchewan	10.20	October 1,	Yearly increases based on the average of increases
		2014	in CPI and average hourly wage for the previous
			year.
New Brunswick	10.00	April 1, 2012	

From:	Hughes, Trevor LBR:EX
Sent:	Tuesday, September 2, 2014 10:40 AM
То:	Merrifield, Katy JTST:EX; Marsh, Kyle JTST:EX
Cc:	Keenan, Jason GCPE:EX; Mentzelopoulos, Athana JTST:EX; Blakely, John H LBR:EX
Subject:	FW: Minister's executive next week
Attachments:	105900 - BN Minimum Wage Web Consultation.docx; General Minimum Wages by
	Province.docx; Stakeholder_Engagement_v02_PAB_Final.pdf

Hi Katy and Kyle, further to Athana's note below, attached please find materials dealing with the minimum wage issue scheduled for discussion this Thursday. s22 John Blakely is attending to speak to this item.

We have prepared a Briefing Note and a one-page attachment on the minimum wage by province.

s13

The third attachment is the 2011 stakeholder engagement paper that went into some detail over several pages on views about the minimum wage.

We look forward to hearing from the Minister about the attached. T.

From: Mentzelopoulos, Athana JTST:EX
Sent: Friday, August 29, 2014 3:04 PM
To: Merrifield, Katy JTST:EX; Marsh, Kyle JTST:EX
Cc: McEwan, Tim JTST:EX; Lewis, Kaaren JTST:EX; Farkas, George CSCD:EX; Mason, Shanna JTST:EX; MacDonald, Scott D JTST:EX; Hughes, Trevor LBR:EX; Keenan, Jason GCPE:EX; Hourston, Sveah JTST:EX
Subject: Minister's executive next week

Hi there -- here is the proposed agenda for next week's exec. Folks cc'd here will forward the materials we have prepared.

- minimum wage

Sent from my iPad

NR

# General Minimum Wages by Canadian Jurisdiction - As of October 1, 2014

Jurisdiction	Rate (\$/hr)	Effective Date	Scheduled Future Changes
Ontario	11.00	June 1, 2014	Yearly changes to be indexed with Ontario
nindersationisticate and approximate of			inflation (CPI)
Nunavut	11.00	Jan 1, 2011	
Yukon	10.72	April 1, 2014	On April 1 of each year, the rate increases based
2			on annual increase for the preceding year in the
			CPI for Whitehorse.
Manitoba	10.70	Oct 1, 2014	
Nova Scotia	10.40	April 1, 2014	Each year, rates increase to reflect the previous
			year's changes in national CPI.
Quebec	10.35	May 1, 2014	
Prince Edward Island	10.35	Oct 1, 2014	
British Columbia	10.25	May 1, 2012	
Newfoundland and	10.25	Oct 1, 2014	Rate to increase to \$10.50 on Oct.1, 2015.
Labrador			
Alberta	10.20	Sept 1, 2014	Annual increases linked to an average of the
			annual increases in Average Weekly Earnings and
			the CPI in Alberta.
Saskatchewan	10.20	Oct 1, 2014	Yearly increases based on the average of
			increases in CPI and average hourly wage for the
			previous year.
New Brunswick	10.00	April 1, 2012	
Northwest Territories	10.00	April 1, 2011	

From:	Blakely, John H LBR:EX
Sent:	Thursday, September 4, 2014 4:20 PM
To:	Mentzelopoulos, Athana JTST:EX; Hughes, Trevor LBR:EX
Subject:	Proposed Consultation on Potential Changes to the Minimum Wage

Athana and Trevor,

As you know, I walked the Minister through the briefing note we prepared on the proposed consultation on potential changes to the minimum wage at this morning's Minister's Executive meeting, and I wanted to circle back to you with my understanding of the direction that the Minister gave.

s12, s13

Thanks,

John Blakely Executive Director, Labour Policy and Legislation Ministry of Jobs, Tourism and Skills Training and Ministry Responsible for Labour 250-356-9987

From: Sent: To: Cc: Subject: Attachments:

s12, s13

Here is the revised Cab Sub reflecting Trevor's feedback, and appendices.

Blakely, John H LBR:EX

Friday, September 26, 2014 4:04 PM

FW: P&P - Minimum Wage Review

Hughes, Trevor LBR:EX; Clunn, Karen E LBR:EX

Tanner, Michael A LBR:EX; Avers, Jake LBR:EX

Thanks

From: Ayers, Jake LBR:EX Sent: Friday, September 26, 2014 3:58 PM To: Blakely, John H LBR:EX Cc: Tanner, Michael A LBR:EX Subject: RE: P&P - Minimum Wage Review

Here it is the changes. Saved on the shared drive as well...

From: Blakely, John H LBR:EX Sent: Friday, September 26, 2014 3:49 PM To: Ayers, Jake LBR:EX Cc: Tanner, Michael A LBR:EX Subject: FW: P&P - Minimum Wage Review

Jake, these changes seem okay with me. Can you make them?

s12, s13

Thanks

From: Hughes, Trevor LBR:EX
Sent: Friday, September 26, 2014 3:14 PM
To: Blakely, John H LBR:EX
Cc: Tanner, Michael A LBR:EX; Ayers, Jake LBR:EX; Clunn, Karen E LBR:EX
Subject: RE: P&P - Minimum Wage Review

This is very good work – see my thoughts in the attached. No concerns with the attachments.

From: Blakely, John H LBR:EX Sent: Thursday, September 25, 2014 4:45 PM To: Hughes, Trevor LBR:EX Cc: Tanner, Michael A LBR:EX; Ayers, Jake LBR:EX; Clunn, Karen E LBR:EX Subject: FW: P&P - Minimum Wage Review

Trevor, here is the current draft of the Cabinet Submission for your review. Does the DMO want this for next Thursday's meeting with the Minister?

Thanks

From: Ayers, Jake LBR:EX Sent: Thursday, September 25, 2014 4:06 PM To: Blakely, John H LBR:EX Cc: Tanner, Michael A LBR:EX Subject: FW: P&P - Minimum Wage Review

Here it is again, with changes to the "legislation" section.

Jake Ayers Senior Policy Advisor Labour Policy and Legislation Ministry of Jobs, Tourism and Skills Training and Minister Responsible for Labour Ph: 250-953-3344 | Cell: s17

From: Ayers, Jake LBR:EX Sent: Thursday, September 25, 2014 3:31 PM To: Blakely, John H LBR:EX; Tanner, Michael A LBR:EX Subject: RE: P&P - Minimum Wage Review

See revised draft.

Jake Ayers Senior Policy Advisor Labour Policy and Legislation Ministry of Jobs, Tourism and Skills Training and Minister Responsible for Labour Ph: 250-953-3344 | Cell: \$17

From: Blakely, John H LBR:EX Sent: Thursday, September 25, 2014 2:14 PM To: Tanner, Michael A LBR:EX; Ayers, Jake LBR:EX Subject: FW: P&P - Minimum Wage Review

Jake and Michael,

Here are my comments and suggested changes on the Cab Sub, Appendix 1 and Appendix 2. I have no comments on Appendix 3 (except to say that Michael's question seems reasonable).

Let me know if we need to or want to discuss this.

Thanks

From: Tanner, Michael A LBR:EX Sent: Thursday, September 25, 2014 12:08 PM To: Ayers, Jake LBR:EX Cc: Blakely, John H LBR:EX Subject: RE: P&P - Minimum Wage Review	n na shekara na sana sana sana In
A few suggested edits and comments in the cab sub and in Appendix 3 time, but it looks like a copy and paste from the earlier paper.	. I didn't have time to review App 2 closely this
From: Ayers, Jake LBR:EX Sent: Wednesday, September 24, 2014 3:51 PM To: Blakely, John H LBR:EX; Tanner, Michael A LBR:EX Subject: RE: P&P - Minimum Wage Review	
Here is the latest version of the Cab Sub, along with some appendices.	s12, s13
From: Blakely, John H LBR:EX Sent: Tuesday, September 23, 2014 11:32 AM To: Ayers, Jake LBR:EX; Tanner, Michael A LBR:EX Subject: RE: P&P - Minimum Wage Review	
Jake, this looks like a good start to me. Should the three of us meet this pm? Thanks,	s afternoon to review this? Perhaps around 2:00
From: Ayers, Jake LBR:EX Sent: Tuesday, September 23, 2014 10:37 AM To: Blakely, John H LBR:EX; Tanner, Michael A LBR:EX Subject: RE: P&P - Minimum Wage Review	ран тако жаналыш аталгасына а саласалын тау ору унаруушултаган тако с
Here is what this looks like so far.	s12, s13
Anyway, perhaps this as a start will be useful.	
From: Biakely, John H LBR:EX Sent: Thursday, September 18, 2014 5:44 PM To: Ayers, Jake LBR:EX; Tanner, Michael A LBR:EX	s ties in allegeduniterinerenterinerinerin ine ei uttinen – standaren ares

Subject: FW: P&P - Minimum Wage Review

From: Blakely, John H LBR:EX Sent: Thursday, September 18, 2014 5:43 PM To: Anderson, Steve PREM:EX Cc: Clunn, Karen E LBR:EX; Hughes, Trevor LBR:EX Subject: FW: P&P - Minimum Wage Review

Steve, in response to your request to Karen for a brief description of the minimum wage issue:

s12, s13

From: Clunn, Karen E LBR:EX Sent: Thursday, September 18, 2014 12:03 PM To: Blakely, John H LBR:EX Subject: FW: P&P - Minimum Wage Review Dates going forward for P&P (always subject to change) are: Oct 2 Oct 22 Nov 19 Nov 27 Dec 10 Are you able to respond to Steve's request for the description? - we'll (or I) can just with CabOps directly.

Thanks, Karen

From: Anderson, Steve PREM:EX Sent: Thursday, September 18, 2014 11:49 AM To: Clunn, Karen E LBR:EX Subject: RE: P&P - Minimum Wage Review

s12, s13

Thank you

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From: Clunn, Karen E LBR:EX Sent: Thursday, September 18, 2014 11:47 AM To: Anderson, Steve PREM:EX Subject: P&P - Minimum Wage Review

Hi Steve – our DM has asked us to prepare a CabSub (Minimum Wage Review) for P&P. Can you advise of the dates going forward and the process/timelines that we need to be aware of?

Thanks,

Karen Clunn Executive Coordinator, Labour Division Ministry of Jobs, Tourism and Skills Training and Minister Responsible for Labour Phone: 250 387-3914 Fax: 250 356-5186 Email: Karen.Clunn@gov.bc.ca



# **Cabinet Submission –**

# **Request for Decision**

Minister: The Honourable Shirley Bond

Ministry: Jobs, Tourism and Skills Training, and Minister Responsible for Labour

Date: 25/09/2014

Ministry Document #: DRAFT # 1

Issue:

Title:

British Columbia's minimum wage.

s12, s13

LBR-2014-00030 Page 100 Pages 101 through 112 redacted for the following reasons: s12, s13

From:	Hourston, Sveah JTST:EX
Sent:	Thursday, November 27, 2014 5:52 PM
То:	MacDonald, Scott D JTST:EX; Hughes, Trevor LBR:EX
Cc:	Purdy, Sheila JTST:EX; Clunn, Karen E LBR:EX
Subject:	FW: Labour Sub PPC Material - Dec 3
Attachments:	PPC - Dec 3 - JTSTL summary and submission - signed.pdf

FYI - signed and submitted

From: Hourston, Sveah JTST:EX Sent: Thursday, November 27, 2014 5:52 PM To: Anderson, Steve PREM:EX Cc: Olson, Lianna JTST:EX; Kwan, Shirley JTST:EX Subject: Labour Sub PPC Material - Dec 3

Hi Steve – please see attached signed documents for PPC on Dec 3. Thanks, Sveah

#### **Sveah Hourston**

Office of the Deputy Minister Ministry of Jobs, Tourism and Skills Training and Minister Responsible for Labour Phone: (250) 952-6389



# **Cabinet Decision Summary Sheet**

**Ministry:** Jobs, Tourism and Skills Training and Minister Responsible for Labour

26/11/2014 Date:

Minimum Wage; Title:

s12, s13

Contact: Athana Mentzelopoulos, Deputy Minister (250) 952-0102

Bond Honourable Shirley Bond

Nov. 21, 2014 Date Signed

# Cabinet Submission -

# **Request for Decision**

Minister: The Honourable Shirley Bond

Ministry: Jobs, Tourism and Skills Training, and Minister Responsible for Labour

Date: 24/11/2014

Title: Minimum Wage;

s12, s13

Ministry Document #: JTSTL 07-14

Pages 116 through 124 redacted for the following reasons: s12, s13 s12, s13

Contact: Athana Mentzelopoulos Deputy Minister

(250) 952-0102

Shiley Bond

Honourable Shirley Bond

November 27, 2014 Date Signed

Confidential Advice to Cabinet Pag

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Pages 126 through 158 redacted for the following reasons: s12, s13

From:	Mentzelopoulos, Athana JTST:EX
Sent:	Thursday, December 4, 2014 5:09 PM
То:	Anderson, Steve PREM:EX
Cc:	Hughes, Trevor LBR:EX
Subject:	RE: Question: Min Wage return to P&P

Hi there -

s12, s13

The committee will be asked to approve:

s12, s13

Athana

From: Anderson, Steve PREM:EX Sent: Thursday, December 4, 2014 4:15 PM To: Mentzelopoulos, Athana JTST:EX Subject: Question: Min Wage return to P&P

Hi Athana

s12

May you please advise when you think this will be ready to come forward and may I please get a short description of what the committee will be asked to consider and approve?

Many thanks

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# Ayers, Jake LBR:EX

From:	Hughes, Trevor LBR:EX
Sent:	Thursday, December 4, 2014 11:13 AM
To:	Ayers, Jake LBR:EX; Tanner, Michael A LBR:EX; Blakely, John H LBR:EX
Subject:	Minimum wage - BC Coalition
Attachments:	Scan_20141204.pdf
Importance:	High

Folks, further to our chat this morning, attached please find the Coalition's submissions on minimum wage s12, s13

Here are my summary notes from the meeting:

s12, s13

s12, s13

 $\mathbf{s}$ 

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Dec. 3/20/4.

# COALITION OF BC BUSINESSES

Advancing Labour Policies that Work

On November 25 2014, members of the Coalition of BC Businesses and other business groups representing small and medium businesses met to discuss minimum wage policy in BC. This discussion examined:

s13

Page 163 redacted for the following reason: s13

# Ayers, Jake LBR:EX

From: Sent: To: Cc: Subject:	Hughes, Trevor LBR:EX Friday, December 5, 2014 7:49 AM Blakely, John H LBR:EX; Tanner, Michael A LBR:EX; Ayers, Jake LBR:EX Clunn, Karen E LBR:EX RE: Question: Min Wage return to P&P
Importance:	High
More info – scheduled now T.	for Feb 12 2015 P&P.
<b>Cc:</b> Clunn, Karen E LBR:EX <b>Subject:</b> Fw: Question: Min Wag FYI. DM to CabOps on our tasl Karen, for tracking please. T.	her, Michael A LBR:EX; Ayers, Jake LBR:EX e return to P&P k. Any concerns?
Subject: RE: Question: Min Wag	e return to P&P
Hi there – The committee will be	s12, s13 asked to approve:
	s12, s13
Athana	
From: Anderson, Steve PREM:EX Sent: Thursday, December 4, 20 To: Mentzelopoulos, Athana JTST Subject: Question: Min Wage ret Hi Athana	14 4:15 PM :EX
	s12, s13

May you please advise when you think this will be ready to come forward and may I please get a short description of what the committee will be asked to consider and approve?

#### Many thanks

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From:	Hughes, Trevor LBR:EX
Sent:	Tuesday, December 9, 2014 11:01 AM
To:	Tanner, Michael A LBR:EX; Blakely, John H LBR:EX; Ayers, Jake LBR:EX
Cc:	Clunn, Karen E LBR:EX
Subject:	Minimum wage
Importance:	High

Folks, we had a follow-up briefing on P&P with Minister Bond today where the minimum wage consultation 2-pager we developed was reviewed. Several items came up so I am going to deal with them in point form so we can sort out who can do what with each.

s12, s13

We can discuss later in person today if I get over or by phone. T.

From:	Lewis, Kaaren JTST:EX
Sent:	Monday, December 15, 2014 12:54 PM
То:	Hughes, Trevor LBR:EX
Cc:	Hunter, Jaclynn JTST:EX; Blakely, John H LBR:EX
Subject:	RE: Minimum wage and the Small Business Roundtable.

Trevor,

As I mentioned this am, Jackie and John have already touched base on this are charting a path forward to engage with the SBRT. They will be meeting again early this week. Let me know if you have any concerns. Sincerely, Kaaren

From: Hunter, Jaclynn JTST:EX
Sent: Friday, December 12, 2014 1:46 PM
To: Lewis, Kaaren JTST:EX
Cc: Johnson, Tania N JTST:EX
Subject: RE: For discussion tomorrow - W: Minimum wage and the Small Business Roundtable.

Hi Kaaren,

John Blakely, Jordan and I had a good discussion this morning concerning the request below.

s12, s13

Let me know if you need anything further on this – otherwise, I will await your further direction and/or update you after my discussion with John early next week.

Kind regards, Jackie

Jackie Hunter Executive Director Small Business and Regulatory Reform Branches Tourism and Small Business Division Ministry of Jobs, Tourism and Skills Training

From: Lewis, Kaaren JTST:EX Sent: Thursday, December 11, 2014 9:32 PM To: Hunter, Jaclynn JTST:EX Cc: Johnson, Tania N JTST:EX Subject: For discussion tomorrow - W: Minimum wage and the Small Business Roundtable. Hi Jackie, Please see exchange below. I would like to make this work, and have no doubt you and Sean can help make this happen. Can you discuss with Sean and then let's you and I discuss realistic options, and then link you to John Blakely to work through details. We will also have to engage MNY in the process to complete this task...but that can be step 2. Kaaren From: Hughes, Trevor LBR:EX Sent: Thursday, December 11, 2014 5:25 PM To: Lewis, Kaaren JTST:EX Cc: Mentzelopoulos, Athana JTST:EX; Blakely, John H LBR:EX Subject: RE: Minimum wage and the Small Business Roundtable. We went through all these issues in about an hour with the Coalition s22 s12 s13 Τ. From: Lewis, Kaaren JTST:EX Sent: Thursday, December 11, 2014 5:07 PM To: Hughes, Trevor LBR:EX Cc: Mentzelopoulos, Athana JTST:EX; Blakely, 'John H LBR:EX Subject: Re: Minimum wage and the Small Business Roundtable. Hi Trevor. Good as always to see you too but never enough time. I believe the next SBRT is later in January, but I need to check when I'm back in office tomorrow. s12, s13 Do you have a sense of how much time you need for the session? Kaaren Sent from my iPhone

On Dec 11, 2014, at 3:15 PM, "Hughes, Trevor LBR:EX" <<u>Trevor.Hughes@gov.bc.ca</u>> wrote:

Kaaren, good to see you today. As you know from some recent JTST Exec meetings, the minimum wage remains a priority item for the Labour Division.

s12, s13

2

The Minister would like to include the Small Business Roundtable

s12, s13

When is the next meeting of the SBR?

THANKS. T.

s12, s13

a province consider considered a province province and a province pre-province province of a provinc

From: Blakely, John H LBR:EX Sent: Friday, December 19, 2014 2:37 PM To: Hughes, Trevor LBR:EX Cc: Ayers, Jake LBR:EX Subject: FW: draft 2 min wage

Trevor, for your review. Thanks

From: Ayers, Jake LBR:EX Sent: Friday, December 19, 2014 2:04 PM To: Blakely, John H LBR:EX Subject: RE: draft 2 min wage

Here it is again...

From: Blakely, John H LBR:EX Sent: Friday, December 19, 2014 1:06 PM

**To:** Ayers, Jake LBR:EX **Subject:** FW: draft 2 min wage

Let me know what you think. Thanks

From: Ayers, Jake LBR:EX Sent: Friday, December 19, 2014 9:49 AM To: Blakely, John H LBR:EX Subject: RE: draft 2 min wage

Here it is again with your changes accepted and I addressed your comments

s12, s13

From: Blakely, John H LBR:EX Sent: Thürsday, December 18, 2014 4:56 PM To: Ayers, Jake LBR:EX Subject: FW: draft 2 min wage

Jake, here are my comments and suggested changes. Perhaps we can chat tomorrow. Thanks

From: Ayers, Jake LBR:EX Sent: Thursday, December 18, 2014 4:31 PM To: Blakely, John H LBR:EX Subject: draft 2 min wage

DRAFT 2 for consideration.

s12, s13