

30/60/90 DAY DECISION NOTE

Issue

- **30-Day Decision:** s.13

Background

- In March of this year, government passed Bill 16, which amended the *Employment Standards Act* (ESA) to provide an unpaid leave entitlement to those employees who, in relation to COVID-19:
 - cannot work because they are ill;
 - are required to self-isolate;
 - are unable to return home to British Columbia;
 - need to care for their minor child or dependent adult child or former foster child;
 - cannot attend work because their employer is concerned they may place others at risk;
 - or,
 - any other COVID-19-related situation added by regulation.
- This leave is available for as long as one of the eligible COVID-19-related situations listed above applies to the employee.
- In July, the federal government announced \$19 billion in support to help the provinces and territories with economic reopening and prepare for a second wave of COVID-19, including \$1.1 billion for a temporary income support program for workers who do not already have access to paid sick leave. In order for BC to access its share of the \$1.1 billion, it was required to agree to ensure that its legislation had the job-protected sick leave necessary to allow workers impacted by COVID-19 to take advantage of the federal program.
- In early October, federal Bill C-4 was passed. The Bill enacts the *Canada Recovery Benefits Act* (CRBA) which includes two new income support programs for persons unable to work for reasons related to COVID-19. Effective September 27:
 - the Canada Recovery Sickness Benefit provides \$500 a week for up to two weeks to eligible individuals who are unable to work because they are sick or need to self-isolate due to COVID-19; and,
 - the Canada Recovery Caregiving Benefit provides up to \$500 per week for up to 26 weeks if an eligible individual is unable to work at least 60% of their normally scheduled work week because they are caring for a child or family member who requires supervised care.

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Withheld pursuant to/removed as

s.12 ; s.13 ; s.14 ; s.16

MINISTRY OF LABOUR
DECISION NOTE

Cliff #: 60739

Date: January 11, 2021

PREPARED FOR: Honourable Harry Bains, Minister of Labour

ISSUE: *Employment Standards Act* - ^{s.12}

s.12

BACKGROUND: In March 2020, in response to the early and evolving COVID-19-related federal and provincial public health orders and guidelines that were impacting the employment of an unprecedented number of British Columbians, government passed the *Employment Standards Amendment Act (No. 2), 2020* (Bill 16). Bill 16 amended the *Employment Standards Act* (ESA) to provide an unpaid leave entitlement to those employees who, in relation to COVID-19:

- cannot work because they are ill;
- are required to self-isolate;
- are unable to return home to BC;
- need to care for their minor child or dependent adult child or former foster child;
- cannot attend work because their employer is concerned that they may place others at risk; or,
- any other COVID-19-related situation added by regulation.

This leave is available for as long as one of the eligible COVID-19-related situations listed above applies to the employee.

In July, the federal government announced that it was providing over \$19 billion in funding to the provinces and territories through the “Safe Restart Agreement”, including \$1.1 billion for a temporary income support program for workers who do not already have access to paid sick leave. Participation in this program was premised on the provinces and territories enacting legislation that provided the job-protected sick leave necessary to allow workers impacted by COVID-19 to take advantage of federal income support, which BC had done with the enactment of Bill 16.

In early October, federal Bill C-4 was passed, enacting the *Canada Recovery Benefits Act* (CRBA) which includes two new income support programs for persons unable to work for reasons related to COVID-19. Effective from September 27, 2020, for one year:

- the Canada Recovery Sickness Benefit provides \$500 per week for up to two weeks to eligible individuals who are unable to work because they are sick or need to self-isolate due to COVID-19; and,

- the Canada Recovery Caregiving Benefit provides up to \$500 per week for up to 26 weeks if an eligible individual is unable to work at least 50% of their normally scheduled work week because they are caring for their child or a family member who requires supervised care.

As a result of a last minute agreement between the federal Liberals and New Democratic Party, the CRBA extended the entitlement to paid sick leave under the Canada Recovery Sickness Benefit to situations where an employee is unable to work because they have an underlying condition that would make them more susceptible to COVID-19. This goes beyond what was contemplated when Bill 16 was developed; specifically, Bill 16 does not provide job protected leave in situations where an employee is unable to work because they have an underlying condition or where an employee is caring for family members for whom they are not the parent or former guardian.

DISCUSSION: s.12; s.13; s.16

s.12; s.13; s.16

s.12; s.13; s.14; s.16

s.12; s.13; s.16

The Minister's mandate letter directs the Minister to continue working with the federal government on a paid sick leave program to protect workers and businesses during the COVID-19 pandemic and beyond. However, while work on the mandate letter commitment continues, the immediate question for the Minister's consideration is

s.12; s.13; s.16

OPTIONS:

Option 1: s.12; s.13; s.16
s.12; s.13; s.16

Considerations:
s.12; s.13; s.16

Option 2: s.12; s.13; s.16

Considerations:
s.12; s.13; s.16

GBA+ CONSIDERATIONS: Providing job security to workers who are required to stay at home to care for family members impacted by COVID-19 is especially beneficial to women. According to the Canadian Women’s Foundation, women in Canada carry more caregiving responsibilities than men, including child and elder care. With growing strain on hospitals and health services, school closures, and more people going into self-isolation and quarantine, women have inevitably taken on increased caregiving needs. In addition, expanding the leave to capture workers with pre-existing conditions – including those with disabilities – lessens their potential for exposure to COVID.

RECOMMENDED OPTION: s.12; s.13; s.16

s.12; s.13; s.16

SUGGESTED NEXT STEPS:

- s.12; s.13; s.16

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Approved / Not Approved	Date:
Minister’s Signature:	

DM Contact: Trevor Hughes, 778-974-2189

Prepared by: Jennifer Webb, Senior Policy Advisor, Labour Policy and Legislation

MINISTRY OF LABOUR
MEETING NOTE

Cliff #: 60796

Date: January 19, 2021

PREPARED FOR: Honourable Harry Bains, Minister of Labour

DATE AND TIME OF MEETING: January 20, 2021, 3:00 PM

ATTENDEES: Anastasia French (Campaign Organiser, Living Wage for Families Campaign); Adrienne Montanni (Provincial Coordinator, First Call Child and Advocacy Coalition – Living Wage Advisory Member).

DISCUSSION: Minister Bains is scheduled to meet with the representatives of the BC Living Wage for Families Campaign (“the Campaign”) on January 19, 2021.

The Campaign has indicated it wishes to cover the following topics at the meeting:

1. Introduction about the Living Wage for Families campaign.
2. How the province can work towards supporting living wages through its contracting and direct hires.
3. Future increases to the minimum wage.
4. Paid sick leave.

Introduction about the Living Wage for Families campaign:

- The Campaign is an organization that certifies employers that pay a living wage, and advocates for government policies that would help families make ends meet. The Campaign is hosted by *First Call: BC Child and Youth Advocacy Coalition* and guided by an advisory committee, with representatives from community organizations, unions, and other partners and supporters in Metro Vancouver.
- A “living wage” is calculated by the Campaign as the hourly amount a family needs to cover basic expenses based on the region in the province in which they live. The calculation is based on a two-parent family with two children – the most common family unit in BC – and each parent working full-time. The living wage changes based on costs in each region (ranging from \$15.54 to \$19.50 based on 2019 calculations).

How the province can work towards supporting living wages through its contracting and direct hires:

- The Campaign’s advocacy for the provincial government to become a certified living wage employer should be referred to the Minister of Finance, who is responsible for the BC Public Service Agency and the Public Sector Employers’ Council.
- It is the Ministry’s understanding that there are very few, if any, public sector employees earning less than \$19 per hour (noting the one possible exception for some non-union employees in the Community Social Service Sector).

Future increases to the minimum wage:

- As of June 2020, the hourly minimum wage is \$14.60/hour. Among Canadian jurisdictions, only Alberta (\$15) and Nunavut (\$16) have higher rates.
- The Minister's mandate letter includes direction to tie the minimum wage rate to inflation, after the rate reaches \$15.20 in 2021.
- In 2017, government created the Fair Wages Commission (FWC) to provide recommendations on issues related to the minimum wage.
- For the final phase of its mandate, the FWC was directed to make recommendations to address the discrepancy between the minimum wage and "living wages" in B.C. This final FWC report is expected to be issued to government in the near future.
- It is expected that the FWC report will touch on areas of concern raised by the Campaign, and will have implications for areas of government outside of the Ministry of Labour.

Paid Sick Leave:

- The Minister of Labour's mandate letter from the Premier includes a commitment to continue working with the federal government on a paid sick leave program to protect workers and businesses during the COVID-19 pandemic and beyond.
- Government has recognized the importance of workers staying home when they are ill, ensuring that workplaces remain safe and protecting coworkers and the public from infectious diseases like the common cold or influenza.
- s.13; s.16

Contact: Trevor Hughes, Deputy Minister, 778 974-2189

Prepared by: Jake Ayers, Labour Policy and Legislation Branch

MINISTRY OF LABOUR
INFORMATION NOTE

Cliff #: 60808

Date: January 18, 2021

PREPARED FOR: Honourable John Horgan, Premier

ISSUE: Paid sick leave

BACKGROUND:

BC's *Employment Standards Act* (Act) provides employees with unpaid, COVID-19-related leave, available for as long as an eligible COVID-19-related situation applies to the employee. The Act also provides employees with three unpaid days for general sick leave each year.

There are two federal income support programs for persons unable to work for reasons related to COVID-19. Effective from September 27, 2020, for one year:

- the Canada Recovery Sickness Benefit provides \$500 per week for up to two weeks to eligible individuals who are unable to work at least 50% of their normally scheduled work week because they are sick or need to self-isolate due to COVID-19, or they have an underlying health condition that puts them at greater risk for COVID-19; and,
- the Canada Recovery Caregiving Benefit provides up to \$500 per week for up to 26 weeks if an eligible individual who has earned at least \$5,000 in 2019 or 2020 is unable to work at least 50% of their normally scheduled work week because, for specified reasons related to COVID-19, they must care for their child under 12 or a family member who requires supervised care.

DISCUSSION:

In the Premier's 2020 mandate letter, the Minister of Labour is instructed to continue working with the federal government on a paid sick leave program to protect workers and businesses during the COVID-19 pandemic and beyond.

s.13; s.16

The mandate letter also directs the Minister to investigate options for providing workers with paid sick leave unrelated to COVID-19 through a federal benefit program. This would help ensure that workers who are ill with infectious diseases like influenza stay home when they are sick, thus protecting their co-workers and the public.

s.13; s.16

Currently, only three jurisdictions in Canada have mandatory paid sick leave: Prince Edward Island (one day per year), Quebec (two days per year), and the federal jurisdiction (three days per year). s.13; s.16

s.13; s.16

s.13; s.16

NEXT STEPS:

- s.13; s.16

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Deputy Minister Contact: Trevor Hughes, 778-974-2189

MINISTRY OF LABOUR

MEETING NOTE

Cliff #: 60986
Date: February 23, 2021

PREPARED FOR: Honourable Harry Bains, Minister of Labour

DATE AND TIME OF MEETING: March 1, 2021; 10:00 – 12:30 PST.

ATTENDEES:

ISSUE: Canadian Association of Administrators of Labour Legislation (CAALL). Meeting of the Federal-Provincial-Territorial (FPT) Ministers Responsible for Labour.

BACKGROUND: The March 1, 2021, FPT meeting will include discussions and presentations on a range of Labour related issues. A meeting agenda and background materials have been provided by the CAALL Secretariat.

DISCUSSION: The following information is intended to supplement the materials provided by CAALL with BC specific context for the five meeting agenda items:

Update on International Labour Organization (ILO) Convention on Violence and Harassment (C190):

- s.13; s.16

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Update on Occupational Health and Safety (OHS) Harmonization – Reconciliation and Cooperation Table:

- s.13; s.16

Update on Canadian Centre for Occupational Health and Safety (CCOHS) Projects:

- This agenda item will allow CCOHS to provide an update on their projects with a goal of providing Ministers an understanding of results achieved to date and next steps to project completion.

Discussion on COVID-19 Labour Issues:

- This agenda item will include presentations and follow up discussion centred on three areas: “Safe Return to Work”; “Employment Standards in a Pandemic World”; and, “New Reality of Working From Home”.
- The presentations will conclude with several questions for possible consideration by the meeting participants. It is unlikely that all of the questions will be addressed. Two possible discussion questions that the Minister may be interested in weighing in on are:
 - 1) A question about what role federal and provincial/territorial governments should play in providing access to sick leave.

Suggested speaking points

s.13; s.16

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- 2) A question about what the reasonable length of time is to keep temporary layoff measures in place.

Should the Minister wish to weigh in on the discussion to share BC's experiences with this issue, the following speaking points may be of assistance:

- s.13
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- The discussion under this agenda item may also touch on concerns from other jurisdictions about when and how to lift employment standards measures put in place specifically to address COVID-19 issues. In British Columbia this is less of a concern because the BC COVID-19 employment standards measures (i.e., temporary layoffs and COVID-19 leave provisions) are structured to be automatically moot once the pandemic is over.

Ministerial Breakout Session (In-Camera):

- s.13; s.16
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s.13; s.16

- Ministry staff can provide further information or on analysis on these topics as requested.

ATTACHMENTS: Draft News Release.

DM Contact: Trevor Hughes, Deputy Minister, (778) 974-2189

Prepared by: Labour Policy and Legislation Branch

Reviewed by			
Dir:	ED:	ADM:	DM:

MINISTRY OF LABOUR

MEETING NOTE

Cliff #: 61148

Date: March 18, 2021

PREPARED FOR: Honourable Harry Bains, Minister of Labour

DATE AND TIME OF MEETING: March 25, 2021 at 4:00 PM to 4:30 PM

ATTENDEES:

- Gavin McGarrigle – Western Regional Director, Unifor
- Andrea MacBride – BC Area Director, Unifor
- Leanne Marsh – BC Regional Council Chair, Unifor
- Lisa Kelly – Women's Department Director, Unifor
- Marlena Silveira – BCRC Women's Committee & Unifor local 2300
- Mike Windeyer – Vice President, Unifor local 3000

ISSUE(S): Unifor has requested a video meeting with the Minister to discuss its policy recommendations on several issues of importance to Unifor and its members.

BACKGROUND:

Unifor is Canada's largest private sector union, representing over 315,000 workers in every major area of the economy. In British Columbia, Unifor represents more than 28,000 workers across nearly 250 bargaining units in a range of sectors. The largest share of Unifor members in the province work in transportation (42%) followed by hospitality, gaming and other services (23%), resources (18%), communications (9%) and manufacturing (8%).

DISCUSSION:

Unifor's policy issues and the ministry's suggested response to each are as follows:

Reconciliation

Unifor encourages the full implementation of British Columbia's *Declaration on the Rights of Indigenous Peoples Act*, with priority for advancing Indigenous peoples, rights, and lasting and meaningful reconciliation.

Suggested response:

- *A foundational principle of this government is to seek and work towards lasting and meaningful reconciliation.*

- *As you are aware, the Legislative Assembly's unanimous passage of the Declaration on the Rights of Indigenous Peoples Act was a significant step forward in this journey. Government recognizes that reconciliation will take time and ongoing commitment to work with Indigenous peoples as they move toward self-determination.*
- *Government, including the Ministry of Labour, will remain focused on creating opportunities for Indigenous peoples to be full partners in our economy and providing a clear and sustainable path for everyone to work toward lasting reconciliation.*
- *The Ministry of Labour of Labour is committed to provincial labour laws that align with the United Nations Declaration on the Rights of Indigenous Peoples.*

Card-based Certification

Unifor has recommended that government re-introduce card-based certification granting automatic union certification if at least 55% of bargaining unit members sign union cards.

Suggested Response:

- *In 2019, following the recommendation of the Section 3 expert panel, government amended the Labour Relations Code to maintain the secret ballot vote for union certifications, and to also make several changes to improve the fairness of the certification process.*
- *This included shortening the time between certification applications and the secret ballot vote (from 10 days to 5 days), strengthening the restrictions on employer communication during an organizing campaign, as well as expanding the Labour Relations Board's ability to impose certification in response to employer unfair practices.*
- *One of the priorities in my current mandate letter is to ensure that every worker has the right to join a union and bargain for fair working conditions.*
- *Another key priority I have is to create new consultative mechanisms to engage worker and employer representatives on workplace legislation changes.*
- *I can assure you that there will be an opportunity for consultation and input on legislative changes to the Labour Relations Code.*

Paid Sick Leave

Unifor recommends that the *Employment Standards Act* be amended to provide workers who have 90 consecutive days of employment with up to seven employer-paid illness or injury leave days annually. Unifor also recommends that, through regulation, all workers receive an additional 14 days of employer-paid sick days during a declared public health emergency.

The Premier's mandate letter directs the Minister of Labour to continue working with the federal government on a paid sick leave program to protect workers and businesses during the COVID-19 pandemic and beyond.

BC has identified possible gaps in the federal income support programs. For example, benefits are limited to four weeks under the Canada Recovery Sickness Benefit, even though a worker may be ill with COVID-19 for far longer. The Canada Recovery Sickness Benefit is also not available if a worker receives a negative COVID-19 test and can return to work after only one- or two-days' absence.

The mandate letter includes investigating options for providing workers with paid sick leave unrelated to COVID-19 through a federal benefit program. This would help ensure that workers who are ill with infectious diseases like influenza stay home when they are sick, thus protecting their co-workers and the public.

Suggested Response:

- *My mandate letter includes a commitment to continue working with the federal government on a paid sick leave program that protects workers and businesses during the COVID-19 pandemic and beyond.*
- *Our government will continue to raise concerns about gaps in the program with the federal government and work with them on possible solutions.*
- s.13; s.16
s.13; s.16
- *It's in all our best interest to have a paid sick leave program that ensures all Canadians have the protection they need during the pandemic and beyond.*

Employment Standards – Precarious Work and Equal Treatment

Unifor recommends that government commit to initiate discussions on a provincial precarious work strategy before the summer of 2021. This would include considering ways to expand collective bargaining rights to precarious workers, including gig workers, provide access to pooled and portable pension and benefit plans as well as enhancing workers' rights awareness.

Unifor also recommends adopting the principle of equal treatment for part-time and temporary agency workers performing work comparable to that of permanent workers, including pay, statutory, and employer-sponsored benefits and working conditions.

The Premier's mandate letter directs the Minister to support the work being led by the Parliamentary Secretary for the New Economy (MLA Adam Walker) to work with labour and business organizations to develop a precarious work strategy that reflects modern workplaces' diverse needs and unique situations. The precarious work strategy

includes proposing employment standards for precarious and gig workers and investigating the feasibility of a collective benefit fund and a voluntary pooled-capital pension plan for workers who otherwise do not have coverage.

Suggested Response:

- *We are early in the mandate and working through the planning process for how to approach the new mandate commitments and the timing.*
- *I can assure you that the Parliamentary Secretary for the New Economy and I will undertake the necessary work to address these important issues.*
- *One early priority is to create new consultative mechanisms to engage worker and employer representatives on workplace legislation changes.*

Compulsory Trades

In 2003, British Columbia eliminated compulsory certification for skilled trades. Unifor provides a number of recommendations concerning compulsory trades certification:

- Re-instate compulsory certification in the interest of the public, workers, the environment, and a viable training and apprenticeship system.
- Establish a clear framework for reviewing trades for compulsory certification and an effective compliance and enforcement policy.
- Discontinue modularized training and certification to realign with the rest of Canada.
- Strengthen the formal representation of labour organizations in the governance of BC's trades training systems.

Suggested Response:

- *My mandate letter specifies that I support the work of the Minister of Advanced Education and Skills Training, and the Parliamentary Secretary for Skills Training, to restore the compulsory trades system to improve safety and give more workers a path to apprenticeship completion.*
- *I can assure Unifor that our government is committed to restoring the compulsory trades system and I am supporting the Honourable Anne Kang and Parliamentary Secretary Andrew Mercier on this important priority which is well underway. My ministry was represented on a Working Group that has been engaged on this issue over the past 2 years and I am confident that progress is being made and will be reported on soon through consultations led by PS Mercier.*

DM Contact: Trevor Hughes, 778-974-2189

Prepared by: Peter Rogers, Senior Policy Advisor, Policy and Legislation Branch

MINISTRY OF LABOUR

MEETING NOTE

Cliff #: 61184

Date: March 24, 2021

PREPARED FOR: Honourable John Horgan, Premier

DATE AND TIME OF MEETING: March 29, 2021 Time: **TBD**.

ATTENDEES: Laird Cronk, President of the BC Federation of Labour; others **TBD**.

DISCUSSION: Premier Horgan is scheduled to meet with the BC Federation of Labour (BCFED) on March 29, 2021. The following information provides context and background on the topic areas that the Ministry of Labour understands are key priorities for the BCFED.

Asbestos

- The Ministry of Labour is leading a cross-ministry Asbestos Working Group mandated to report on outstanding risks that asbestos poses for British Columbians and the environment, and develop strategies and initiatives that the government and its agencies could undertake to address those risks.
- The Ministries of Labour, Health, Environment and Climate Change Strategy and Municipal Affairs, the Ministry Responsible for Housing, and WorkSafeBC are represented on the working group.
- The working group is currently working to advance recommendations developed by the working group in 2018 for Cabinet consideration in Summer 2021.

COVID-19 Response (including paid sick leave)

- In March 2020 government amended the *Employment Standards Act* (ESA) to provide unpaid, job-protected leave to employees during the COVID-19 crisis. It also amended the ESA to provide up to three days of unpaid, job-protected personal illness or injury leave per year.
- The BCFED has called for legislated paid sick days which would provide employees with up to 10 paid days per years (based on hours they worked) plus an additional 10 paid sick days specific to workers needing time off because of COVID-19 (plus 16 weeks further of unpaid leave).
- The Premier's mandate letter directs the Minister of Labour to continue working with the federal government on a paid sick leave program to protect workers and businesses during the COVID-19 pandemic and beyond.
- Minister Bains raised this issue with his colleague Labour Ministers at a Federal/Provincial/Territorial annual meeting on March 1, 2021.

Labour Relations Code (the Code)

- **Card-check union certification:** The 2019 amendments to the Code maintained the secret ballot vote for union certifications, but made several changes to improve the fairness of the certification process.
- This included shortening the time between certification applications and the secret ballot vote (from 10 days to 5 days), strengthening the restrictions on employer communication during an organizing campaign, as well as expanding the Labour Relations Board's ability to impose certification in response to employer unfair practices.
- The BCFED advocates for a return to card-check certification to further enhance the ability of unions to organize workers without the undue interference of employers.

Other

Other areas of interest raised by the BCFED to the Ministry of Labour include:

- Minimum wage and agricultural piece rates for the hand harvesting of certain fruits and vegetables;
- Further changes to the *Workers Compensation Act* with specific request to implement the review report of Janet Patterson;
- The development of a Gig Economy strategy led by Parliamentary Secretary, Adam Walker; and
- Rights and protections for workers in the unionized hotel sector on extended layoff due to COVID-19.

DM Contact: Trevor Hughes, Deputy Minister, (778) 974-2189

Prepared by: Jake Ayers, Assistant Director

Reviewed by			
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Withheld pursuant to/removed as

s.12 ; s.13 ; s.16

Canada Recovery Sickness Benefit – Potential Gaps and Issues

as of February 25, 2021

- Effective from September 27, 2020, for one year, the Canada Recovery Sickness Benefit (CRSB) provides a payment of \$500 (pre-tax) per week if an eligible employed or self-employed individual is unable to work at least 50% of their normally scheduled work week because they are sick or need to self-isolate due to COVID-19, or have an underlying health condition that puts them at greater risk for COVID-19.
- Individuals are required to have earned at least \$5,000 in 2019, 2020, or in the 12 months before the date they apply for the CRSB.
- Eligibility for the CRSB was originally limited to two weeks, but in February 2021 the federal government announced an extension to four weeks.
- s.13; s.16

- CRSB is only available to those who are unable to work at least 50% of their normally scheduled work week, s.13; s.16
s.13; s.16

- The maximum benefit payment is \$500 (pre-tax) per week, while a full-time employee making the current minimum wage in BC earns \$584 per week. s.13; s.16
s.13; s.16

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MINISTRY OF LABOUR
MEETING NOTE

Cliff #: 60796

Date: January 19, 2021

PREPARED FOR: Honourable Harry Bains, Minister of Labour

DATE AND TIME OF MEETING: January 20, 2021, 3:00 PM

ATTENDEES: Anastasia French (Campaign Organiser, Living Wage for Families Campaign); Adrienne Montanni (Provincial Coordinator, First Call Child and Advocacy Coalition – Living Wage Advisory Member).

DISCUSSION: Minister Bains is scheduled to meet with the representatives of the BC Living Wage for Families Campaign (“the Campaign”) on January 19, 2021.

The Campaign has indicated it wishes to cover the following topics at the meeting:

1. Introduction about the Living Wage for Families campaign.
2. How the province can work towards supporting living wages through its contracting and direct hires.
3. Future increases to the minimum wage.
4. Paid sick leave.

Introduction about the Living Wage for Families campaign:

- The Campaign is an organization that certifies employers that pay a living wage, and advocates for government policies that would help families make ends meet. The Campaign is hosted by *First Call: BC Child and Youth Advocacy Coalition* and guided by an advisory committee, with representatives from community organizations, unions, and other partners and supporters in Metro Vancouver.
- A “living wage” is calculated by the Campaign as the hourly amount a family needs to cover basic expenses based on the region in the province in which they live. The calculation is based on a two-parent family with two children – the most common family unit in BC – and each parent working full-time. The living wage changes based on costs in each region (ranging from \$15.54 to \$19.50 based on 2019 calculations).

How the province can work towards supporting living wages through its contracting and direct hires:

- The Campaign’s advocacy for the provincial government to become a certified living wage employer should be referred to the Minister of Finance, who is responsible for the BC Public Service Agency and the Public Sector Employers’ Council.
- It is the Ministry’s understanding that there are very few, if any, public sector employees earning less than \$19 per hour (noting the one possible exception for some non-union employees in the Community Social Service Sector).

Future increases to the minimum wage:

- As of June 2020, the hourly minimum wage is \$14.60/hour. Among Canadian jurisdictions, only Alberta (\$15) and Nunavut (\$16) have higher rates.
- The Minister's mandate letter includes direction to tie the minimum wage rate to inflation, after the rate reaches \$15.20 in 2021.
- In 2017, government created the Fair Wages Commission (FWC) to provide recommendations on issues related to the minimum wage.
- For the final phase of its mandate, the FWC was directed to make recommendations to address the discrepancy between the minimum wage and "living wages" in B.C. This final FWC report is expected to be issued to government in the near future.
- It is expected that the FWC report will touch on areas of concern raised by the Campaign, and will have implications for areas of government outside of the Ministry of Labour.

Paid Sick Leave:

- The Minister of Labour's mandate letter from the Premier includes a commitment to continue working with the federal government on a paid sick leave program to protect workers and businesses during the COVID-19 pandemic and beyond.
- Government has recognized the importance of workers staying home when they are ill, ensuring that workplaces remain safe and protecting coworkers and the public from infectious diseases like the common cold or influenza.
- s.13; s.16

Contact: Trevor Hughes, Deputy Minister, 778 974-2189

Prepared by: Jake Ayers, Labour Policy and Legislation Branch

BULLETS

PAID SICK LEAVE

- Early in the pandemic, Premier Horgan successfully advocated for a national paid sick leave program to be created and administered by the Federal Government for workers across Canada. Last fall, the Federal Government introduced the Canada Recovery Sickness Benefit (CRSB), which provides income support to employed and self-employed Canadians who are unable to work because they are sick or need to self-isolate due to COVID-19.
- The CRSB aligns with improvements made to BC's *Employment Standards Act* (Act) last spring which provide employees with unpaid, job-protected leave in circumstances relating to COVID-19. At the same time, the Act was also amended to add up to three days of unpaid, job-protected personal illness or injury leave per year; this leave will remain in place after the pandemic ends.
- Background information and a News Release on the COVID-19-related leave are available at: <https://news.gov.bc.ca/releases/2020LBR0012-000551>.
- The November 2020 mandate letter sent from Premier Horgan to the Honourable Harry Bains, Minister of Labour, includes direction to continue working with the Federal Government on a paid sick leave program to protect workers and businesses during the COVID-19 pandemic and beyond.
- A copy of the Minister's mandate letter can be found at: <https://news.gov.bc.ca/files/LBR-Bains-mandate.pdf>
- While BC welcomed the changes made by the Federal Government in mid-March that increased the number of weeks of benefits available for the CRSB (to four weeks, previously two), the province continues to advocate for changes to address gaps in the CRSB, such as shortening waiting periods and addressing delays in payment. These are issues Minister Bains raised with his provincial counterparts and the federal Minister of Labour at the Federal-Provincial-Territorial Labour Ministers' meeting on March 1st.
- The COVID-19 pandemic has clearly demonstrated that more needs to be done so that people can be supported to stay home from work when they are sick. BC will continue to advocate the Federal Government for a paid sick leave program that allows workers who are sick from COVID-19 -- or any other contagious illness -- to stay home and keep workplaces and our communities safe.

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s.13 ; s.17

Canada Recovery Sickness Benefit – Potential Gaps and Issues

as of February 25, 2021

- Effective from September 27, 2020, for one year, the Canada Recovery Sickness Benefit (CRSB) provides a payment of \$500 (pre-tax) per week if an eligible employed or self-employed individual is unable to work at least 50% of their normally scheduled work week because they are sick or need to self-isolate due to COVID-19, or have an underlying health condition that puts them at greater risk for COVID-19.
- Individuals are required to have earned at least \$5,000 in 2019, 2020, or in the 12 months before the date they apply for the CRSB.
- Eligibility for the CRSB was originally limited to two weeks, but in February 2021 the federal government announced an extension to four weeks.
- s.13

- CRSB is only available to those who are unable to work at least 50% of their normally scheduled work week, ^{s.13; s.16}

s.13; s.16

- The maximum benefit payment is \$500 (pre-tax) per week, while a full-time employee making the current minimum wage in BC earns \$584 per week. ^{s.13; s.16}

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- s.13; s.16

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Ministry of Finance
BRIEFING DOCUMENT

To: Honourable Selina Robinson
Minister of Finance

Date Requested: January 25, 2021
Date Required: March 5, 2021

Initiated by: Grant Holly
Executive Director,
Intergovernmental Fiscal Relations

Date Prepared: February 25, 2021

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Cliff #: 478094

TITLE: B.C.'s Position on Temporary Changes to Employment Insurance (EI), EI Reform, and the Renegotiation of Labour Market Transfer Agreements (LMTA)

PURPOSE:
(X) DECISION REQUIRED

COMMENTS: Following the end of the Canadian Emergency Response Benefit in September 2020, the federal government made temporary changes to EI in order to continue providing income support to workers in need. These changes are set to expire in Fall 2021. The LMTA will also expire in 2022/23. ^{s.13}

s.13

This note was developed by the Ministry of Finance, and with input from the Ministry of Advanced Education and Skills Training, the Ministry of Social Development and Poverty Reduction and the Ministry of Labour.

DATE PREPARED: February 25, 2021

TITLE: B.C.'s Position on Temporary Changes to Employment Insurance (EI), EI Reform, and the Renegotiation of Labour Market Transfer Agreements (LMTA)

ISSUE: Recommended B.C. position on EI reform and the renegotiation of the LMTA

BACKGROUND:

Temporary EI Changes and EI Reform

The EI program is a federal program that provides temporary income support to workers in need for various reasons. EI includes regular benefits which provide income support for unemployed workers while they look for employment or to upgrade their skills, and special benefits including sickness benefits (income support for workers who are unable to work due to illness, injury or quarantine) and other benefits such as maternity and parental benefits.

On August 20, 2020, the federal government announced that it would make temporary changes to the Employment Insurance (EI) program and introduce three new income support benefits to replace the Canada Emergency Response Benefit (CERB), effective September 27, 2020. The temporary changes to EI and new benefit programs are intended to help workers access support more easily during the pandemic. These measures are effective for one year and are set to expire in Fall 2021. On February 19, 2021, the federal government announced the extension of the new benefit programs as well as the increase of the EI benefit length.

The temporary changes to EI included changing the EI eligibility from variable to universal entrance requirements, introducing a minimum for the benefit amount and extending the length of entitlement. (For a summary of key changes to EI, please see Appendix A.) The change in eligibility has significantly improved the fairness of the system and provided better support to B.C. workers. The implementation of the minimum benefits also greatly improved the benefit adequacy for workers with lower-wage jobs. The federal government has committed to freezing the EI premium rates for employees and employers at the 2020 level for two years.

In the new federal government mandate letter to Federal Minister of Employment, Workforce Development and Disability Inclusion (ESDC) Quatrough, dated January 15, 2021, there is a commitment to:

“Bring forward and implement a plan to modernize the Employment Insurance (EI) system for the 21st Century. This should include a plan to make EI the primary delivery mechanism for employment benefits, including for the self-employed and those in the gig economy.”

As the temporary EI changes and new programs are set to expire in Fall 2021, it is anticipated that the discussions on EI reform will start soon.

Three New Temporary Income Support Programs

Three new income support benefits provide support to workers who are normally not eligible for EI.

1. Canada Recovery Benefit (CRB)
The benefit originally provided \$500/week for up to 26 weeks to workers who are not eligible for EI. With the latest announcement, the benefit is extended by an additional 12 weeks so workers can receive up to 38 weeks. These workers are typically self-employed or work in the gig economy. To be eligible, workers will need to attest they are available and actively looking for work or are working but have had a reduced income. Appendix B below provides a summary of the key differences between the CERB and the CRB.
2. Canada Recovery Sickness Benefit (CRSB)
The benefit originally provided \$500/week for up to two weeks to workers who are unable to work because they are sick or must self-isolate due to COVID-19. The benefit is improved with the latest announcement, to cover up to 4 weeks.
3. Canada Recovery Caregiving Benefit (CRCB)
The benefit originally provided \$500/week per household for up to 26 weeks to workers who are not able to work because they need to provide care to children or support to other dependents who need to stay home. The benefit is also extended by another 12 weeks to 38 weeks.

These benefits are taxable. The federal government recently announced the changes to the eligibility criteria of these three programs so claims of individuals who travelled internationally may be denied.

Labour Market Transfer Agreements (LMTA)

Through the Labour Market Transfer Agreements (LMTAs), signed individually with provinces and territories (PTs), the federal government provides funding to help people prepare for/return to work under two agreements. The LMTAs fund employment services and skills training programming for EI-eligible and non-EI-eligible workers and are essential to B.C.'s economic recovery. Both agreements expire in 2022/23.

- *Labour Market Development Agreement (LMDA* – Ministry of Social Development and Poverty Reduction) (approximately \$330 million/year) is funded through the EI account to provide skills training, employment supports, and work experience to EI-eligible British Columbians, primarily through WorkBC Centres.

- *Workforce Development Agreement* (WDA – Ministry of Advanced Education and Skills Training) (approximately \$124 million/year) is funded through federal revenue to provide reskilling, upskilling, and skills training supports for all British Columbians. There was an additional \$212¹ million one-time WDA funding lift in 2020/21, as part of the COVID-19 economic recovery support.

Canada also directly funds the Indigenous Skills and Employment Training (ISET) Program in B.C. (approx. \$50 million/year), which is a parallel funding program designed to help Indigenous people improve their skills and find employment.

In the same federal mandate letter to Minister Qualtrough, there is a commitment to:

“Working with the provinces and territories, make the largest investment in Canadian history in training for workers, including by:

- *Supporting Canadians as they improve their foundational and transferable skills and build new skills in growing sectors;*
- *Helping workers access training and accreditation; and*
- *Working with the provinces and territories to strengthen workers’ futures by connecting them to employers and good jobs, in order to grow and strengthen the middle class.”*

DISCUSSION:

EI Reform

The pandemic has exposed the weaknesses and gaps of the EI system. EI has long been criticized by many researchers for becoming less relevant as it fails to respond to the changing economy and labour market. The need for EI reform is reinforced by the necessity to introduce the CERB, temporary changes to EI and new temporary benefit programs in response to COVID-19.

These changes to EI and the new programs are set to expire in Fall 2021. Although the federal government has not committed to making the temporary changes to EI or the new programs permanent, a commitment to modernizing EI is a key component of Minister Qualtrough’s mandate. Given the upcoming expiration of the temporary EI changes and new programs, it is anticipated that discussions on the future of EI may start soon.

This presents an opportunity for B.C. to engage with the federal government early regarding B.C. priorities and considerations.

The following are recommended as B.C.’s priorities for EI reform:

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¹ \$145M in 2020/21 and \$67M in 2021/22.

insurable earnings, to a maximum amount (The maximum weekly benefit is \$595 in 2021).^{s.13}

s.13

- The temporary changes to EI has introduced minimum benefit amounts (\$2,000 / 4-week period, which has particularly helped low income workers with adequate support), and minimum length of benefit entitlement to make sure the benefit is largely adequate.^{s.13}

s.13

s.13

s.13

It is acknowledged that expanding the EI program and making these temporary changes permanent will have cost implications for the federal government. Usually EI is funded through premiums paid for by employers and employees, however the temporary enhancements to EI and the CRB program is currently being paid for from federal revenue (i.e. from borrowing to finance deficit spending). This current arrangement is a fiscal stimulus on the economy and if premiums were to rise before the recovery has occurred, they would slow down job creation by increasing the cost of labour at the same time as reducing the take-home pay of employees.

s.13; s.16

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OPTIONS:

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RECOMMENDATION:

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Selina Robinson
Minister of Finance

March 5, 2021

Date



Nicholas Simons
Minister of Social Development and Poverty Reduction

March 16, 2021

Date

Appendix A: Summary of Key Changes to EI

	Existing	One-Year Temporary Changes
Entrance Requirements	<ul style="list-style-type: none"> Workers need to accumulate a minimum of 420 to 700 hours to qualify, depending on the unemployment rate in their region Generally, unemployed workers in regions with a lower unemployment rate will need more hours to qualify. 	<ul style="list-style-type: none"> A minimum unemployment rate of 13.1 per cent will be used to determine EI entry requirement. Regions with lower than 13.1 per cent unemployment rates will use 13.1 per cent. Regions with higher unemployment rates will use their actual rates. Lowering the required hours to 120 hours by providing a 300 hours credit for regular EI claims, for one year. For special benefits (sickness, maternity/parental, compassionate care or family care), a 480 hours credit is provided for one year so the required qualifying hours will be 120 hours. For the sickness benefits, the waiting period may be waived, and a medical certificate is not required.
Length of Benefit	<ul style="list-style-type: none"> Ranges from 14 to 45 weeks, tied to hours accumulated and regional unemployment rates. Workers in regions with a lower unemployment rate are entitled to receive the benefit for a shorter time. 	<ul style="list-style-type: none"> A minimum entitlement of 26 weeks. A maximum entitlement of 50 weeks.
Earnings used to Establish Benefit Amount	<ul style="list-style-type: none"> 14 to 22 best weeks of earnings are used to calculate benefit amount, depending on regional unemployment rates. The number of best weeks of earnings used for calculation is lower for workers regions with a higher unemployment rate. 	<ul style="list-style-type: none"> 14 best weeks of earnings will be applied consistently across all regions.
Benefit Amount	<ul style="list-style-type: none"> 55 per cent of insurable earnings, up to \$573/week, for regular EI. 	<ul style="list-style-type: none"> A minimum weekly regular EI and sickness benefits of \$500 A minimum of \$240/week for extended parental benefits

	<ul style="list-style-type: none"> • 33 per cent of insurable earnings, up to \$344/week for extended parental benefits. 	
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Appendix B: Summary of Key Differences Between CERB and CRB

	CERB	CRB
Entrance Requirements	<ul style="list-style-type: none"> • Minimum earning of \$5,000 in the last 12 months or in 2019 • Did not quit job voluntarily • Stopped working or work hours reduced due to COVID 19 • Do not earn over \$1,000 during an eligibility period 	<ul style="list-style-type: none"> • Minimum earning of \$5,000 in the last 12 months or in 2019 or 2020 • Did not quit job voluntarily • Stopped working or work hours reduced due to COVID 19 • 50% reduction in income during an eligibility period • Not eligible for EI • Not receiving other income support benefits (e.g. CRSB, CRCB)
Benefit Amount and Length	<ul style="list-style-type: none"> • \$500 per week • Up to 28 weeks 	<ul style="list-style-type: none"> • \$500 per week • Up to 38 weeks