

Submission to the Poverty Reduction Strategy Consultation

March 31, 2018

INTRODUCTION:

The Living Wage for Families Campaign advocates for employers to sign on to pay a living wage to all direct and contract service staff as well as does policy advocacy on issues that impact working families. Since 2008, we have partnered with the Canadian Centre for Policy Alternatives to calculate the living wage in Metro Vancouver. Additionally, we support 20 communities across BC in calculating a local living wage. The Living Wage for Families Campaign has certified over 100 Living Wage Employers, covering over 18,000 direct staff and countless contracted staff.

The living wage is a bare bones calculation that, through a methodology established in consultation with academics, employers and low-wage workers, determines how much a family needs to earn to meet their expenses in a particular region. Living wages across BC vary from \$20.62/hr in the lower mainland to \$18.77 in Revelstoke to \$15.90 in the Fraser Valley. There is no community in BC with a current living wage that is less than \$15/hr.

INTERSECTION OF POVERTY AND LOW WAGES:

Low wages impact all of us. This ranges from the well documented health impacts of poverty to the community loss that occurs when individuals are working multiple jobs to make ends meet. Importantly for the Poverty Reduction Strategy Consultation, many low-wage workers are not able to participate in consultations on issues that will have a direct impact on their life.

Delia Tanza works at Capilano University. She is employed by the cleaning company contracted by the university. Up until recently Delia did not have benefits through her work and her wage is below \$15/hr. Her work schedule is as follows:

“We work for very little salary, just one job is not enough for us... I am a single mom and work 3 jobs. I work in the morning, I work here [Capilano University] at night, and I work Saturday and Sunday...”¹

There is no time in Delia’s schedule to stay up-to-date on community consultations and without organizational or union support she could not submit recommendations that would speak to the impact of a poverty reduction strategy on her life. Delia’s schedule is not uncommon for low-wage workers.

¹ Justice for Janitors . (2017, November 24). *Capilano University student group organize panel to highlight fight for Living Wages and Benefits*. Retrieved from Justice for Janitors: <http://justiceforjanitors.ca/2017/11/24/capilano-university-student-group-organize-panel-to-highlight-fight-for-living-wages-and-benefits/>

In our recent poverty reduction strategy small group consultation the majority of the 19 participants held more than one job, ranging from multiple part-time jobs to a mix of full-time and part-time work. They spoke of constantly shifting schedules which meant that they were not able to make plans ahead of time. Workers spoke of working 13 – 14 hour days in order to make ends meet.

Most individuals living in poverty are working and their back up plan in case of workplace injury or sudden job loss is social assistance. Social assistance levels are far below the poverty line. Additionally, office closures and a move to an online application process has created barriers for individuals with limited telephone and internet access.

Insufficient social assistance and disability rates puts pressure on individuals to accept any work that is available. This means that individuals are vulnerable to predatory employers who may not be following workplace safety guidelines or following the Employment Standards Act.

Recommendation:

Do not separate poverty reduction strategies that address the depth of poverty experienced by individuals on disability and social assistance from strategies that address the breadth of poverty experienced by low wage workers.

Legislated targets and timelines on poverty reduction must significantly reduce poverty at all levels with reporting to demonstrate impact on homelessness and as well as to ensure that all British Columbians have income that reaches 75% of the poverty line.

WORKPLACE RIGHTS

The Living Wage for Families Campaign participated in the workers forums which helped to inform the Employment Standards Coalition Report: Workers' Stories of Exploitation & Abuse: Why BC Employment Standards Need to Change. Workers reported widespread violations of the Employment Standards Act ranging from wage theft to lack of breaks to excessive work hours. Workers also reported widespread violations of the Human Rights Code on issues such as sexual harassment and discrimination.

We welcome the reinstatement of the Human Rights Commission and look forward to the increase education role that it will play with employers.

The provincial and federal governments have focussed on supply side employment programs which encourage individuals to accept the first available job regardless of its suitability to an individual's skills or family commitments. This has not been matched with demand side employment interventions which would encourage the creation of decent work and employer education and enforcement on the legal framework that surrounds work. The result is widespread employment standards and human rights violations with low wage workers feeling trapped in work that does not meet their needs.

In our poverty reduction strategy small group consultation workers spoke of experiencing bullying, insufficient gaps between closing and opening shifts, and not being paid for time worked. They also spoke of how the burden of working multiple jobs meant that they didn't have time to look for a new job even if the job they were working did not meet their needs or treat them with dignity.

The result of decades of changes in the Employment Standards branch has been a “turning off the tap” of employment standards complaints as workers don’t confide in utilizing the self-help kit that requires that they first attempt a resolution directly with their employer nor do workers see timely resolution of complaints once they have completed this first step. Workers have stopped seeing the Employment Standards Branch as a step in addressing a workplace rights violation; many workers simply accept the violation as inevitable or quit and struggle with a loss of income while they look for a new job. This complaint process that focuses on individual voices can also make invisible the widespread violations that may be occurring in some workplaces.

Recommendations:

Update employment standards to reflect the changing nature of workplaces and ensure they are applied evenly and enforced.

Pro-active enforcement of the Employment Standards Act that includes investigations into sectors that are vulnerable to widespread abuse.

Expand and increase penalties to employers for violations.

Implement at \$15/hr minimum wage by 2020 and index minimum wage to the cost of living.

HEALTH

Medical Service Plan fees have had a disproportionate impact on the lives of low wage workers. Workers in low wage jobs are less likely to receive benefits as part of their total wage package. These same workers are impacted by the low thresholds premium assistance. The result is a spiraling experience of debt and collections that further reduces the time individuals have to spend with families. One single mother who lives in Coquitlam tells us that she normally works two jobs and will occasionally add a third job to help her with debt repayment.

We congratulate the provincial government on their plan to eliminate MSP fees by 2020. We also recognize the positive impact provided by implementing a payroll tax in order to replace the revenue generated by the fees.

Any restructuring of the MSP system must include a way to deal with fees that are currently in collections. Some individuals and families delay income tax filing as a way to avoid the automatic deduction of fees from any government benefit that they would receive. For some families MSP debt is cancelling out the benefits of progressive public policies like the Federal Canada Child Benefit.

Recommendation: The Living Wage for Families Campaign recommends that the province of BC waive individual MSP debt and cancel individual matters that are currently in collections.

GOVERNMENT PROCUREMENT PRACTICES:

The living wage is a bare bones calculation that, through a methodology established in consultation with academics, employers and low-wage workers, determines how much a family needs to earn to meet their expenses in a particular region. The Living Wage for Families Campaign works with employers to support them in paying a living wage to all direct and contract staff. The provincial government plays a significant role in local economies through its role as an employer as well as through large procurement contracts. The largest employers in many regions are local governments and public institutions such as universities and health authorities. A poverty reduction strategy should not only examine the role of public policy in poverty reduction but also the role of the Provincial Government as an employer.

Many home care workers, personal support workers, and support staff in hospitals are earning far below a living wage for work that is a valuable part of health care provision. In 2002 the provincial government allowed health authorities to contract out support work at hospitals. This resulted in the largest mass firing of women workers in Canadian labour history with thousands of women, many racialized, losing work that paid a living wage. Some of these women were hired back by large multi-nationals at wages that were half their previous rate and no longer included health benefits or pension plans. Many of these workers are members of the Hospital Employees Union and have engaged in multiple rounds of bargaining but are still not earning a living wage.

The provincial government should, through its own procurement practices, include the living wage as part of poverty reduction goals and as part of an investment in the health of local economies.

Recommendation:

The provincial government commit to paying a living wage to all direct and contract staff.

A PATH FORWARD:

The lives of individuals experiencing poverty are complex. Poverty is experienced through our contact with multiple government institutions and reinforced through wealth inequality. Indigenous people are disproportionately overrepresented in poverty and experience high levels of workplace discrimination. It is not possible to see real movement on a poverty reduction strategy without a cross-ministerial approach that integrates reconciliation and the UN Declaration on the Rights of Indigenous People at all levels. We also recognize that high levels of poverty are experienced by single mothers, recent immigrants, people of colour, members of the LGBTTTQQ community and people with disabilities.

With this understanding that the Living Wage for Families echoes the recommendations of the BC Poverty Reduction Coalition:

Recommendations:

The provincial government legislate a poverty/equity lens that requires all ministries to consider the impact of any change to a government policy, program or service on low-income people and prohibit changes that will have a negative outcome or exacerbate poverty and inequality.

Amend the BC Human Rights Code to include social condition as a prohibited ground of discrimination.

Restructure federal and provincial funding to better address the needs of all Indigenous people, including the large off-reserve population.

Increase disability rates and index them to inflation

Guarantee access to income assistance for all regardless of citizenship status

We recognize that the poverty reduction strategy consultation has been an incredible effort on the part of individuals, communities, organizations and government. It is our hope that the transformative effect of a broad poverty reduction strategy with legislated targets and timelines can be realized through investing in community and targeting strategies to reach those most impacted by poverty.



Work should lift you out of poverty, not keep you there

No one submission can cover the breadth of issues that are experienced by individuals living in poverty. As such we support the recommendations and submissions by the Poverty Reduction Coalition and First Call: BC Child and Youth Advocacy Coalition. These coalitions represent the voices of hundreds of organizations and contribute to a broad vision for eliminating homelessness, poverty and inequality in British Columbia.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Deanna Ogle", with a stylized flourish at the end.

Deanna Ogle
Campaign Organizer