



Minimum Wages for Those with Alternate Rates in British Columbia

Farm Workers Paid by Piece Rate

Liquor Servers

Live-in Home Support Workers

Resident Caretakers

Live-in Camp Leaders

BC FAIR WAGES COMMISSION REPORT AND
RECOMMENDATIONS TO THE MINISTER OF LABOUR

Marjorie Griffin Cohen, Chair | Ivan Limpricht, Member | Ken Peacock, Member

Second Report March 2018

British Columbia Fair Wages Commission
An Independent Commission Appointed by the Minister of Labour

March 12, 2018

Honourable Harry Bains
Minister of Labour
Government of British Columbia

Dear Minister Bains:

The BC Fair Wages Commission began its work in October 2017 and its first report, *The Transition to a \$15 Minimum Wage and Subsequent Increases*, was delivered in January 2018.

I am pleased to present this second report, *Minimum Wages for Those with Alternative Rates in British Columbia: Farm Workers Paid by Piece Rate, Liquor Servers, Live-in Home Support Workers, Resident Caretakers, Live-in Camp Leaders*.

This report makes recommendations for increasing the alternative minimum wages for these five groups of workers.

Our third report on the recommendations for reconciling the discrepancy between the minimum wage and a liveable wage will be available later in 2018.

Sincerely,



Marjorie Griffin Cohen

Chair, BC Fair Wages Commission

**Minimum Wages for Those with Alternative Rates in British Columbia:
Farm Workers Paid by Piece Rate, Liquor Servers, Live-in Home Support
Workers, Resident Caretakers, Live-in Camp Leaders**

BC Fair Wages Commission Report and Recommendations to the Minister of Labour

Signed this 12th day of March, 2018.

Marjorie Griffin Cohen

Chair, Marjorie Griffin Cohen

Signed this 12th day of March, 2018.

Ken Peacock

Member, Ken Peacock

Signed this 12th day of March, 2018.

Ivan Limpricht

Member, Ivan Limpricht

Acknowledgments

THIS SECOND REPORT of the BC Fair Wages Commission (FWC) has benefited from the advice and research of individuals we would like to acknowledge and extend our thanks.

The material from public consultations helped us to understand the issue from the different perspectives of workers, employers, and those in the broader community. This required a great deal of effort on the part of those who participated in the public consultations, wrote research briefs, and made other representations. We very much appreciate the time and effort involved.

The FWC was established in October 2018 by the BC Ministry of Labour as a commission that is separate and distinct from government. This meant that the FWC alone determined its method of enquiry, research approaches, and pathways to making decisions. We did rely on the Ministry for various logistics that were crucial for our deliberations. These included the Ministry staff involved in travel logistics; the research staff that helped track down documents and tried to answer questions about past decision-making; the communications staff who helped with the website, coordinated the large amount of material communicated to the FWC through the website, and performed other communications issues; and the finance staff who managed research contracts and other expense issues. The FWC also acknowledges the considerable help from the Deputy Minister, Trevor Hughes, in facilitating meetings and contact with other Ministry staff, and the Minister, Harry Bains, for his support throughout the process.

This report on the alternative minimum wages relied heavily on specific research reports. We very much appreciate the work of the experts who took on these tasks and agreed to complete them in a very short time period. Mark Thompson provided the report on the farm workers piece rates, Fiona MacPhail provided the report on liquor servers, and Kendra Strauss provided the report on live-in home support workers. These three excellent reports have greatly informed our deliberations.

Jessica Knowler worked as the project coordinator on both reports of the FWC. The FWC benefited from her talent and abilities. As the only staff person, this meant she had to engage in a wide range of activities but in all she demonstrated a high degree of professionalism and skill.

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Executive summary

THE ALTERNATE MINIMUM WAGES IN BC are under scrutiny through a review of the BC general minimum wage to increase it to at least \$15/hour. The first report of the Fair Wages Commission made recommendations to the Minister of Labour about changes to the general minimum wage over time and how to proceed in the future.

This second report examines the five alternative minimum wages that provide distinct minimum wages for farm workers paid by piece rate, liquor servers, live-in home support workers, resident caretakers, and live-in camp leaders.

These alternate minimum wages are complex and because some have been in place for many years, understanding the rationale for why they were initiated and why they continue to exist is a focus for this report. The analyses we have undertaken are framed by the following principles.

- Ensure that workers receive equal minimum wage protection across different types of employment.
- Ensure that the minimum wage regime is comprehensive and easy to understand.
- Ensure that workers and employers have consistency in minimum wage increases over time.
- Ensure that the point of a minimum wage, specifically that it establishes the lowest wage that an employer is allowed to pay a worker, is not avoided through other employment arrangements.

The findings are distinct for each alternative minimum wage. Some, such as the farm workers piece rate system, have been in place for over 40 years; others, such as the liquor server wage, were brought in relatively recently. In each case the FWC has tried to understand why the alternate wage was initiated and its implications over time for both workers and employers.

BC is an anomaly among jurisdictions in Canada in the type and extent of the alternative minimum wages that replace the general minimum wage. No other provinces have distinct minimum wages for live-in home support workers, resident caretakers, or live-in camp leaders.

BC is also distinct with regard to the piece rates established for farm workers, specifically with regard to the large number of crops that are identified, and the ability of this piece rate system to provide less than the general minimum wage in some cases. The FWC also found significant gender distinctions among the alternate minimum wage workers who tend to earn less than the general minimum. Females predominate among those farm workers that pick low-rate crops and among liquor servers with the lower minimum wage. The recommendations will ensure that over time these workers will be paid a minimum wage rate equal to the general minimum wage.

The alternative minimum wage for live-in home support workers appears to no longer be applicable. The information about the other two groups, resident caretakers and live-in camp leaders, did not enable the FWC to closely examine the effects of the alternate minimum wage and its significance for either employers or workers. The recommendation is for an interim increase until an in-depth examination can be undertaken.

Recommendations

Farm workers paid by piece rate

- The FWC recognizes the significance of piece rates as an incentive system and recommends that it be maintained, but not in the way it currently operates. The minimum wage should be a floor and piece rates should be available as an incentive.
 - o The FWC recommends a phase in of the general minimum wage to give employers time to adjust:
 - 15% increase to all piece rates on June 1, 2018; and
 - Institute the general minimum wage on June 1, 2019.
- The FWC recommends that all farm workers receive at least the general minimum wage by June 1, 2019. This means if workers do not receive the equivalent of the general minimum wage for picking at piece rates their remuneration will be increased to equal the general minimum wage.

- The FWC recommends that in the future, once the general minimum wage is fully implemented, piece rates as an incentive be reviewed by a permanent FWC, in consultation with industry and workers. This would be to determine whether it should be government or employers who should set the piece rates that are used as an incentive system above the general minimum wage.
- The FWC recommends that a more thorough review of employment standards be undertaken to review the requirements for detailed and accurate time and payment records. This will be important for transparency regarding working times and remuneration.
- The FWC understands that the changes being recommended are substantial. We therefore recommend that the permanent FWC review this new system after a reasonable amount of time, to ensure that it is functioning appropriately for both workers and employers.

Liquor servers

- The FWC recommends that the minimum wage for liquor servers be raised to equal the general minimum wage. This should be raised incrementally in order to give employers time to adjust. This incremental increase will ensure that liquor servers receive the general minimum wage of \$15.20/hour by 2021. We recommend that the liquor server wage increase on June 1 each year, beginning in 2018, with the following amounts:

Year	\$ increase	Minimum wage
2018	\$1.30	\$11.40
2019	\$1.30	\$12.70
2020	\$1.25	\$13.95
2021	\$1.25	\$15.20

- The FWC recommends that a future employment standards review examine tipping practices in BC. This should examine standards to determine when tips are considered wages, review the practice of using tips to enhance the wages of non-tipped workers, and ensure that tipping practices are transparent.

Live-in home support workers

This category covers very few or no workers. This is because the definition of a live-in home support worker is very restricted and applies only to those who are employed through a government funded program and all of these workers are unionized. It appears that in the past there have been private providers who have used this alternative minimum wage, but an Employment Standards Tribunal ruling found this not to be lawful.

- The FWC recommends that the alternate minimum wage for live-in home support workers be abolished.

Resident caretakers

The FWC had little information about why this alternative minimum wage was initiated or how it functions currently. Our attention was drawn to some practices that appear to contravene the spirit of the minimum wage.

- An employment standards review should examine the regulations around contracting out for resident caretakers to understand if this practice should be regulated.
- An employment standards review might consider making the treatment of rent separate from the payment of the wages of the resident caretaker.
- In the near future, the permanent FWC should undertake original research in order to understand the relevance of this alternative minimum wage.
- The FWC recommends that on June 1, 2018 the alternate minimum wage for resident caretakers increase at the same rate as the general minimum wage for the two categories of resident caretaker units. The specific rates will be:

2018	11.5% increase 9-60 units = \$759.32 (+ 30.43/unit) 61+ units = \$2,586.40
2019	9.5% increase 9-60 units = \$831.45 (+ 33.32/unit) 61+ units = \$2,832.11

2020	5.4% increase 9-60 units = \$876.35 (+ 35.12/unit) 61+ units = \$2,985.04
2021	4.1% increase 9-60 units = \$912.28 (+ 36.56/unit) 61 + units = \$3,107.42

Live-in camp leaders

The FWC had little information about this group of workers, who are employed by a charity or non-profit seasonal camp for those under 19 years of age. The alternative minimum wage is \$90.80/day on a 24 hour basis with no regulations stipulating rest time or days off.

- The FWC recommends that the alternate minimum wage for live-in camp leaders increase at the same percent each year as the general minimum wage, beginning June 1, 2018:

Year	% increase	Minimum wage
2018	11.5%	\$101.24
2019	9.5%	\$110.87
2020	5.4%	\$116.86
2021	4.1%	\$121.65

- The FWC recommends an employment standards review to establish regulations regarding time off and rest periods.
- The FWC recommends that the future permanent FWC conduct an investigation with original research into the merits of this alternate minimum wage.

Permanent fair wages commission

This report has identified areas that should be added as tasks to the potential work of a permanent fair wages commission that was recommended in the first report of the Commission. These recommendations are as follows:

- Conduct a review of all of the alternative wage categories in this report, after a suitable period of time, to ensure that they are functioning appropriately for both workers and employers.
- Initiate original research on two areas identified in this report for which there is currently little or no information to inform an adequate evaluation of the efficacy of the alternative minimum wage. These are resident caretakers and live-in camp leaders.
- Undertake examination of areas indicated in the general recommendations in this report.
- Conduct reviews of occupations that are currently completely exempt from minimum wage coverage.

1 Introduction

THIS IS THE SECOND REPORT of the BC Fair Wages Commission (FWC) on how to raise the minimum wage in this province. The first report, *The Transition to a \$15 Minimum Wage and Subsequent Increases*, was completed in January 2018.¹ Its recommendations pertain to increases to the general minimum wage to reach \$15/hour, and the subsequent ways to deal with minimum wage increases once \$15/hour is reached.

This second report gives advice to the government on how to raise the minimum wage of the five groups of employees who do not receive the general minimum wage and who have an alternative rate. These are farm workers paid by piece rates, liquor servers, live-in home support workers, resident caretakers, and live-in camp leaders.

There will be a third report later in 2018 that will examine ways to deal with the discrepancy between the minimum wage and liveable wages.

The FWC was appointed by the BC Minister of Labour, Harry Bains, in October 2017 to advise the government on how to deal with increasing the minimum wage. It is a three-person commission designed to reflect the interests of employers, workers, and the general public.

- Chair, Marjorie Griffin Cohen, Professor Emeritus, Simon Fraser University.
- Ivan Limpricht, President of the United Food and Commercial Workers Local 1518, member representing workers' interests.
- Ken Peacock, Chief Economist and Vice-President of the BC Business Council, member representing employers' interests.

1 Marjorie Griffin Cohen, Ivan Limpricht and Ken Peacock, *The Transition to a \$15 Minimum Wage and Subsequent Increases*, BC Fair Wages Commission, January 2018, https://engage.gov.bc.ca/app/uploads/sites/237/2018/02/Report-1_BC-Fair-Wages-Commission_Jan-2018.pdf

The major tasks of the FWC, which are detailed in the Terms of Reference in Appendix I, are as follows:

- Advise the government on how to establish timelines and increases to a minimum wage of at least \$15/hour.
- Advise the government on when and how to raise the minimum wage rates for five groups of workers whose minimum wage is different from the general minimum wage. These include farm workers paid by piece rate, liquor servers, live-in home support workers, resident caretakers, and live-in camp leaders.
- Advise the government on how increases to the minimum wage should be treated once \$15/hour is reached.
- Advise the government on strategies to address the discrepancy between the minimum wage and liveable wages.
- Consult widely with people throughout the province and receive submissions from interested stakeholders.

The FWC is under the auspices of the Ministry of Labour, but its methods of inquiry, findings, and reports are independent of government.

As was noted in the first report, the minimum wage is the focus for investigation in BC for several reasons. One relates to the problems that have arisen in the past because of the unpredictability of increases and the lack of a regular method for determining its value. Other significant reasons relate to the very high cost of living in BC (which means that people working at the minimum wage, full-time, full-year are living in poverty), and the general problem of low wages in BC, where average wages have been below the national average since 2003.

Minimum wage increases in BC in the past could be described as volatile and unpredictable, which created problems for both workers and employers. At times workers experienced very long periods without increases to the minimum wage, and not keeping pace with increases in the cost of living eroded the protection the minimum wage gives workers.² The long periods without increases inevitably meant fairly large and rapid rises when they did occur, which were difficult for some employers to absorb. Both business and labour groups would like to see regular and relatively predictable increases to the minimum wage in the future.

2 There was no increase in the minimum wage from November 2001 to May 2011. See Appendix V: History of the minimum wage and unemployment rates in BC 1979-2017 in the BC Fair Wages Commission first report (Cohen, Limpricht and Peacock 2017, supra note 1).

The FWC is guided in its recommendations about the minimum wage by the objectives defined in its Terms of Reference. We have specifically undertaken our deliberations with the following principles in mind:

- Provide increased wage protection for workers without large negative employment effects.
- Provide consistency in minimum wage protection, over time and among workers.
- Provide evidence-based understanding of the minimum wage within the context of the economic climate.
- Provide reasonable and predictable increases as a goal for the future.

This second report of the FWC analyzes the minimum wages for the five groups of workers who have had an alternate minimum wage rate that is distinct from the general minimum wage (see BC minimum wage legislation in Appendix II). Each of these categories have been initiated for different reasons. The intent in this analysis is to understand why the alternate minimum wage was initiated, the relationship between the regular minimum wage and these alternative minimum wages, the kind of protection this offers the workers in these categories, how other jurisdictions treat these categories of workers, and how the workers themselves and those who employ them understand the need and effectiveness of these distinct minimum wages.

This report also makes recommendations about how to deal with the alternative minimum wages in the future.

Methods used to inform recommendations

The rationale for having an alternate minimum wage for certain groups of workers is not always clear. In some cases, the alternate minimum wage was instituted many years ago and has not changed much over time to reflect changing circumstances. It is also unclear to what extent the occasional reviews of these distinct minimum wages tried to understand if they are still relevant, or if their value is appropriate.

The analyses by the FWC of the five distinct minimum wages are informed in a variety of ways, including from statistical research and three commissioned studies. We also relied on consultations of different types with employers, employer groups, individual workers, trade unions, academics, and groups representing community interests. The information on some of the alternative minimum wages gives good insight into their current implications, but for others the information is incomplete.

Research

Three reports were provided by academic researchers who were asked to examine the existing research pertaining to specific groups. They were also asked to examine other issues, including to compare the alternate minimum wage with that in other provinces in Canada, to explain how the minimum wage for this group compares with the special arrangements paid to temporary foreign workers if applicable, and if possible to provide information about the characteristics of the workers in these occupations.

- Dr. Fiona MacPhail, Chair and Professor of Economics at the University of Northern British Columbia, provided the study on liquor servers' minimum wage.
- Dr. Kendra Strauss, Director and Associate Professor in the Labour Studies Program and the Morgan Centre for Labour Research at Simon Fraser University, provided the study on live-in home support workers' minimum wage.
- Dr. Mark Thompson, Professor Emeritus in the Organizational Behaviour and Human Resource Division at the Sauder School of Business, University of British Columbia, provided an examination of the minimum wage for farm workers paid by a piece rate.

The FWC also used information from Statistics Canada, BC Stats, government documents in various jurisdictions in Canada, and the research staff in the Ministry of Labour. These sources provided information about the history of the minimum wage for each group receiving an alternative minimum wage, comparisons with other jurisdictions, and where possible the characteristics of the labour force in the minimum wage group.

Consultations

The FWC consulted with people in BC in several different ways that were facilitated through a website at the BC Ministry of Labour.³ The website encouraged contact with the Commission on a range of subjects related to the minimum wage, including specific questions related to experiences or information about the five alternative minimum wages. Information could be given to the FWC in person at one of the consultations held throughout the province, through answering a questionnaire on the website, through submitting a research brief to the FWC, or by making a comment. In addition to the information from the public consultations, the FWC received 109 research briefs or responses to the questionnaire.

3 This website can be accessed through <https://engage.gov.bc.ca/fairwagescommission>.

Public consultations were held in eight cities throughout the province in November and early December 2017. These occurred in Abbotsford (Nov. 16), Nanaimo (Nov. 17), Kelowna (Nov. 21) Vancouver (Nov. 23), Prince George (Nov. 28), Victoria (Nov. 29) Surrey (Nov. 30), and Cranbrook (Dec. 7). A total of 178 people presented at these consultations, and many in addition to the presenters were present in the audience.

A wide variety of people were heard over the timeframe for soliciting people’s experiences and opinions. In addition to the types of organizations, businesses, and community groups that presented and sent written comments to the FWC, specific interests were represented within these groups. In particular, the

Table 1. Examples of those who made representations about the alternative minimum wages to the FWC

BUSINESS GROUPS

Farm associations: BC Greenhouse Growers’ Association, BC Blueberry Council, BC Agriculture Council, BC Raspberry Growers Association, United Flower Growers, BC Cherry Association, BC Fruit Growers’ Association

Restaurant associations: Alliance of Beverage Licensees, Restaurants Canada

Panorama Mountain Resort
Living wage farm employer
Farms: Van Belle Nursery, Phoenix Perennials
Restaurant owners
BC Chambers of Commerce

TRADE UNIONS

BC Federation of Labour
UNIFOR
Nanaimo Duncan District Labour Council
Hospital Employees’ Union
UNITE HERE! Local 40
BCGEU
BC Teachers’ Federation

Student unions: Camosun College,
College of New Caledonia

COMMUNITY GROUPS

Sanctuary Health
Abbotsford Community Services Legal Advocacy
Family Services of Greater Vancouver
West Coast Domestic Workers’ Association
Retail Action Network
Together Against Poverty Society
BC Employment Standards Coalition
BC Poverty Reduction Coalition (Okanagan Region)
Community Social Planning Council
Columbia Outdoor School

INDIVIDUALS

Former ministry workers
Domestic farm worker
Temporary foreign farm worker
Former live-in caregiver
Former live-in home support worker at a youth group home
Line cook
Liquor server
Barista
Individual residents

FWC heard of the concerns and ideas from those who are traditionally marginalized in the labour force and are over-represented among low-wage workers. These included women, young people, immigrants, visible minorities, temporary foreign workers, older workers, those who identify with the LGBTQ community, those with disabilities, and those who identify as Indigenous.

Members of the FWC were also informed through discussions with researchers, economists, community activists, employers, and those who have had experience with changes in the minimum wage in other jurisdictions.

Context

In the first report of the FWC we outlined the economic outlook for BC for the near future and concluded that the economic conditions were favourable and the labour market was strong. Low unemployment rates and solid economic growth rates provide a more favourable environment for increasing the general minimum wage. The recommendation to the government for increasing the general minimum wage is for four incremental increases, with the increases more heavily weighted in the first two years. This would begin in June 2018 and reach \$15.20/hour in June 2021.⁴

The alternate minimum wages for each of these groups of workers were instituted at different times. Agricultural piece rates, live-in home support workers (originally called live-in homeworkers), and resident caretakers' alternate minimum wage rates have been in place since 1981. The current live-in home support worker definition was established in 1995. The alternate rate for live-in camp leaders at charitable camps for children under 19 years was established in 1997 and the minimum wage for liquor servers came into effect in 2011.

Minimum wages should be examined over time to ensure not only that they adequately reflect what is reasonable for both employers and workers, but what is considered fair in the context of the time.

The following sections analyze the minimum wage rates for each alternative group, with recommendations for dealing with the minimum wage in the immediate future and over time. The major issue is to assess the fairness of the alternate minimum wage for each group and how it compares with the general minimum wage. It will also be important to understand whether it is appropriate to apply the percent increase recommended for the general minimum wage to these alternative groups, or to recommend some other approach.

4 There is a provision in the recommendation for a higher minimum wage in 2021 if economic conditions are favourable. This means in 2021 the general minimum wage could be between \$0.15 and \$0.20 higher, with a possibility of reaching \$15.40/hour.

2 Farm workers paid by piece rate

Context

The minimum wage rates and changes over time for farm workers who do hand harvesting and are paid by piece rate is seen in Table 2 on page 31. The agricultural labour market in BC is complex and especially for the horticulture sector, where a great deal of the work is seasonal. Most of the work is located around the Fraser Valley, Okanagan region, Vancouver Island, and Metro Vancouver. The labour force that is paid by piece rate varies considerably depending on the region and type of crop being picked. The biggest distinctions are between those working in the Fraser Valley and the Okanagan, the two largest agricultural regions. These regions have distinct climates, focus on different crops, and hire employees working as hand harvesters who have different characteristics.

Material in this section comes from wide-ranging consultations with the public, including specific individuals and groups closely connected to the industries and workers affected. We also relied on a report provided by Professor Mark Thompson, *BC Pickers: A Report on Piece Rates in Agriculture*, that was undertaken specifically for the FWC.⁵ The Ministry of Labour research group provided details about decisions made over the years for changing the rate for various crops and about issues that pertain to specific groups. Also important for understanding the treatment of piece rates over time were documents related to reports for the government on this subject since the 1990s.

5 Mark Thompson, *BC Pickers: A Report on Piece Rates in Agriculture*, prepared for the Fair Wages Commission, 2018, www.sfu.ca/labour/fairwagescommission/FairWagesCommissionReports.html

Findings from consultations

The FWC heard detailed opinions on the minimum wage for piece rates in public events in Abbotsford, Kelowna, and Vancouver.⁶ We also received written research briefs and comments on this issue.

Public consultations

The information at the public consultations came from workers' advocates and employers from both small and large farm operations. The consultations were held in November and December, which is outside the growing season, so we did not hear directly at the public consultations from any farm workers who were paid by the piece rate system (although we did receive some written comments from current and former farm workers). This lack of worker participation at the public events was probably because hand harvesting is seasonal work and the workers often do not reside in the areas where the work occurs; they are over-represented in some areas by immigrant and older populations who might have more difficulty attending an event like the consultation; and they are not in trade unions, so did not have the benefit of help in organizing their participation.

A general observation by both employers and workers' advocates in the farming regions is that there are serious labour shortages for both small and large farms. Hand-harvested crops require intense work and long hours at the height of the growing season and, depending on the crop, a different kind of workload when harvesting occurs at the end of the season.⁷

Employers' concerns

In each farming community, there was a slightly different focus because of the difference in the nature of the crops, the type of labour employed, and the significance of piece rate payment in the region. In Abbotsford, we heard from employers and agricultural organizations representing both large-scale and smaller specialty farms. Some employers who presented feel the minimum wage is an intrusion on the correct working of the market for labour and that increasing the minimum wage will disadvantage workers in the form of reduced hours, reduced fringe benefits, and reduced on-the-job training.

6 Agricultural wages were discussed at the Surrey consultation with regard to the general minimum wage and the Seasonal Agricultural Worker Program.

7 Many farmers do not use the piece rate system, primarily those with greenhouse productions, those who employed people for year-round work, and those who paid above the minimum wage.

Some employers feel that the piece work system of pay is to the advantage of most workers because they can make more than if they worked at the general minimum wage. These employers want to retain the piece rate system because it gives workers an incentive to work harder and eliminates the need for close supervision.

We heard from some farm worker employers that the piece rate system works in the Fraser Valley because it is done normally by workers who are not the main family breadwinners. The employers describe these workers as being elderly, predominately female, and usually living with their adult children who are the main earners. We were told that 85-90% of the large-scale farm workers in the berry industry are in this category. The belief is that these workers are willing to work at the piece rate because they are slower workers and would not get employment otherwise.

The employers focused on the economic problems that would be created if the piece rate system is removed. One large-scale berry farmer talked about the problems of being a price-taker in international markets. "If you hike wages by 32%, I will have nothing left. I have 200-300 hand pickers and I will tell them to go home." Currently 65% of his crop is hand-picked, and he said he would have to increase the use of machines if the minimum wage increases.

In contrast, another Abbotsford farmer is a living wage employer and talked about a couple he has employed for 10 years: "if we paid them the piece rate they would earn \$5.18/hour to pick beans. We pay them \$14.20/hour plus benefits."

In Kelowna, we heard presentations from large-scale farmers, growers' associations, and worker advocates. Here both employers and worker advocates agreed that employment regulations needed better enforcement, and that more should be invested in inspections and follow-up to make sure workers are getting fair pay and treatment. The workforce in this region tends to be temporary foreign workers, retired workers, or young people from Quebec.

The employers like the piece rate system because it provides incentives to work hard. Some maintain that workers can easily make more than the minimum wage under the system, although they acknowledge that this depends on the time of year and changes with the seasons. According to a very large cherry producer, cherry pickers are all paid by piece rates, but they can switch to hourly. A different employer warned that if piece rates increase too rapidly they will end up paying more like \$21/hour because cherries are now grown differently and are bigger than they used to be. His point is that the piece rate is sometimes too high and this can happen when the crop changes and they are easier to pick. Cherries are one crop where workers cannot be substituted by machinery. It was stressed by employers that most workers make more than the minimum wage and if changes occur they should not be instituted quickly.

The written submissions from employers who focused on the piece rate system were all in favour of it continuing, and while some felt the increases should go up the same percentage as the general minimum wage, others wanted changes that were not so uniform.

A brief from a tree fruit farmer who grows cherries and apples in the Okanagan gave examples of how much pickers earned in 2017.

- *His main point is that the minimum piece rates should not “increase by the same percentage as the hourly wage when most piece rate workers are already being paid a premium over the hourly minimum wage.”*
- *Currently, a qualified picker should be able to pick at least 60 lbs/hour at \$0.248/lb. This average worker would earn a minimum of \$14.88/hour. He provided charts showing that his cherry pickers (not including new workers) earn between \$16.52 and \$19.91/hour, so he feels it is not necessary to raise the minimum wage for cherry pickers.*
- *The average apple picker can pick one bin in an hour and a half at \$19/bin, so earns \$12.67/hour. His summary showed his apple pickers earned between \$13.02 and \$13.86/hour (experienced workers), so he felt the “piece rate for apples would need a modest increase, but not at the same rate as the hourly minimum wage.” These figures are based on the work of a “qualified picker.”*
- *The recommendation from this employer is that “wages remain comparable to jurisdictions like Washington State and Oregon: only adjust minimum piece rates when a typical farm employee can no longer earn the hourly minimum wage.”*

According to the BC Agriculture Council one of the major reasons farmers prefer the piece rate system is because it enables workers to “self-manage productivity.”

- *Since the work is spread out over large work areas, the workers are difficult to supervise. Workers also prefer this payment structure because they can earn significantly more than the general minimum wage.*
- *This organization also says changes in production practices change how much can be picked an hour, so the government periodically reviews production practices “to ensure that rates are comparable to prevailing minimum wage rates for an average employee (time-motion studies).”*

Concerns of workers and workers' advocates

Workers and workers' advocates are against alternate minimum wages of any kind, and argue that the alternative minimum wages should be eliminated for all categories and all workers should receive the same protection of the general minimum wage. This was the message from trade unions, other groups and individuals supporting workers' rights, and some employers.

Some focused specifically on the piece rate system and understood that the alternative minimum wages often were providing remuneration below the general minimum wage in certain categories and did not offer appropriate wage protection for the most vulnerable workers.

Worker advocates in Abbotsford understood the reason for the dependence of elderly people on their children differently from that expressed by employers. These community groups feel that the piece rate system keeps earnings very low, so elderly people just cannot live on their own. But they also felt that the large influx of foreign temporary workers, who work for the general minimum wage, keeps all the wages down and that workers aren't making enough money to get by, creating a dependency on their kids. These worker advocates also noted that sometimes workers paid the piece rate are working alongside Seasonal Agricultural Worker Program (SAWP) workers, who get the minimum wage (which is higher) for the same work.⁸

Worker advocacy groups in Kelowna want the piece rate system abolished. They claim the larger farms tend to have the most flagrant illegal practices and smaller farms are more likely to pay fairly or the minimum wage. They claim that often employers will switch between the minimum wage and the piece rate system, depending on which will result in paying less. They also claim that the piece rate system is dangerous because workers are pressured to work faster without safety precautions.

Written submissions on the piece rate system came from farm employers' associations, individual employers, two former Ministry of Labour workers, a farm worker, and farm worker advocates.

Former Ministry employees provided information about the establishment and use of the piece rate system.

- *One brief maintains that the original values of the piece rate system were established on the advice of an economist who did a time-motion study in the early 1980s before the system was first instituted. This study was based on the work of able bodied harvesters at peak harvest times, which does not reflect the reality of much of the hand harvesting labour force and the conditions for picking. This determination of piece rates has not been revisited.*

8 The federal Seasonal Agricultural Worker Program (SAWP) brings foreign workers to Canada on a temporary basis for agricultural work. Most of those who come to BC are from Mexico.

- *The addition of daffodils to the piece rate system was based on the request of one grower in the Saanich Peninsula who claimed the viability of his business demanded this.*
- *Subsequent changes to piece rates have been based on consultations with “stakeholders,” but these do not include workers or worker advocates.*

The information was corroborated by another former Ministry employee who had worked as an Industrial Relations Officer and later as a Regional Manager.

- *He said “it is hard to see farm worker piece rates as anything other than racist and abusive.”*
- *He found that in recent years the vulnerability of workers has increased because of the large increases in temporary foreign workers employed in agriculture.*
- *He pointed out that incentive-type remuneration exists in other occupations (factory piece work, flat rate automobile repair shops, commission sales, silviculture, to name a few). But “all these employees are entitled to the hourly minimum wage – why not farm workers?”*

A worker support group focused on the vulnerability of workers paid by piece rates: “piece rates weaken the defense of workers against wage theft.” This is particularly problematic when appropriate records are not kept.⁹ The submission goes on to say that “there are ways to incentivize productivity while still ensuring workers get paid at least the minimum wage.” These could be in the form of production bonuses, but “there is nothing similar to the farm worker piece rate system in any other sector.”

Another worker support group questioned the rationale for the inclusion of specific crops, the failure of the piece rates to reflect increases in the general minimum wage, the exclusion of farm workers from other worker protections, and the difficulties in enforcing the hand harvesting piece rate system.

- *There is no logical explanation of why some hand harvested crops, such as cabbage, lettuce, spinach, carrots, are covered by the minimum hourly wage provision and others are covered by the minimum piece rate provision.*
- *There is no correlation between the minimum hourly wage and the minimum piece rates. This group pointed out that since 1992 the general minimum wage has increased 106.5%. Hand harvester rates increased by between 48.5% for blueberries and 72.7% for beans, with the average increase at 61.8%.*

⁹ The FWC heard of several problems with inadequate record keeping on the part of labour contractors that resulted in a lack of transparency with regard to the amounts picked and time at work. This results in what workers refer to as wage theft.

- *Farm workers are excluded from the hours of work and overtime provisions of the Employment Standards Act, and are therefore not entitled to overtime pay even though at the peak of the season they are typically required to work 10 to 12 hour days, six or seven days a week.*
- *Hand harvesters may earn as much as the general minimum wage during the peak of a harvest season, but receive much lower pay during bad weather and during the early and late ends of the season.*
- *There is no adequate monitoring or enforcement of either the Employment Standards Act or of payments.*
- *Requiring all farm workers to be paid at least the general hourly minimum wage does not prevent farm employers of farm labour contractors from paying production bonuses or incentives to hand harvesters.*

A submission from an individual female farm worker tied the very low wages in the industry to the SAWP program, “in case you weren’t sure why an industry with supposedly such severe labour shortages pay such low wages with no benefits, no overtime, no mandated breaks, sometimes for the whole season of eight months or more without a single day off.” She claims that the ability to get foreign labour at low rates affects all workers because it keeps general wages so low. She also raised the problems of costs in rural areas, where there is little rental housing for low income families or individuals, and poor public transportation.

Research findings

History of piece rates in BC

The current system of regulated piece rates for agricultural workers who hand harvest certain crops was established in 1981. It appears that this resulted from the urging of the Canadian Farmworkers Union (CFU) to have farm workers included in employment standards legislation, including the minimum wage. Both the CFU and the BC Federation of Agriculture (BCFA) agreed that minimum wages should be extended to farm workers, but there was no consensus on how this would occur, with the CFU advocating for general minimum wage coverage and the BCFA supporting minimum piece rates for crops where the system was already used.¹⁰

¹⁰ Thompson 2018 (supra note 5); Colin Aykroyd Research & Planning, *Application of the Minimum Wage to Farm Labour*, February 1981.

The Ministry of Labour Research and Planning commissioned a 1981 study by Colin Aykroyd to examine agricultural wages with the purpose of finding a system for a minimum wage that would be administratively feasible.¹¹ Aykroyd's review of the positions of the various interests at the time gives some sense of the politics behind making the piece rate system the basis for the agricultural minimum wage for certain specific crops.

- Legislative Select Standing Committee on Labour and Justice: "Industry reasons for desiring maintenance of piece rates seem to depend heavily on their use of a secondary labour force, especially the aged and the very young, whose individual production capacities may be considerably below average. The Committee sees no objection to the maintenance of piece rates as an incentive system above and beyond the minimum standards which should be guaranteed to all workers." (underlined in the original)
- BC Federation of Agriculture: "The idea would be to develop an average – what the average workers would earn in the field with piece work – and then try and develop some sort of minimum wage level based on that."
- BC Ministry of Agriculture: Favours minimum wage in principle, but recognizes the desire of industry to retain piece rates, especially for younger workers.
- Canadian Farmworkers Union: "It is absolutely essential that farm workers be given an hourly minimum wage, without any qualifications whatsoever."

Aykroyd did not have information from the workers themselves, but in considering the positions of the interested parties he made recommendations that included the following:

- Establish a scale of minimum piece rates for fruit and vegetable crops "customarily harvested by piece rates such that a worker of 'reasonable skill and diligence' can earn the minimum wage."
- Piece work earnings should be averaged over the whole period of employment by five days or 40 hours and should be adjusted to ensure that employees are earning the minimum wage.
- A limited spot check of harvest productivity should be carried out in the field to correct or extend the results presented in this report and the initial piece rate schedule.

11 Aykroyd 1981.

The government decided that the general minimum wage would not be extended to all agricultural workers and that a piece rate system would be established for those picking eleven crops: raspberries, blueberries, strawberries, cherries, apples, pears, apricots, peaches, prunes, grapes, and brussel sprouts. This list was later extended to include beans, peas, mushrooms, and daffodils.

There appears to be no record of how the averaging of hours was implemented at the outset, nor at any time has there been any specified criteria for the piece rate minimum. The original recommendation is that the piece rate should be set so that workers of 'reasonable skill and ability' should receive the equivalent of the hourly minimum wage, but this recommendation has not formally guided the piece rate since it was initiated in 1981.

Two dedicated reports to review the piece rate system have been undertaken since the system was initiated: the Malatest report in 1995 and the Zbeetnoff & McTavish report in 2011.¹² Both were undertaken by private consulting firms, and in each case the discrepancy between the piece rates and the general minimum wage is noted.

The Malatest report was commissioned by the government as a result of a 1994 review of employment standards by Mark Thompson that recommended the elimination of the exemption of farm workers from the general minimum wage requirements.¹³ Their exemption from the regular minimum wage and the existence of the piece rate minimum wage was seen by Thompson as denying farm workers basic wage protection. As he pointed out, this would not make paying piece rates illegal, but would do away with the rates that were substitutes for the minimum wage. Thompson listed many reasons for his recommendation that related to timing and amounts paid to workers by farm contractors and the problems of counting this work for unemployment insurance. But the main issue was the lack of wage protection for the most vulnerable workers in the province, workers who received much less than the regular minimum wage. According to the report, these are a large group of workers, "dominated numerically by visible minorities and women, whose earnings are among the lowest of all workers in British Columbia [and who] are denied the most basic employment standards protection, a minimum wage for their work."¹⁴

The Malatest review of 1995 appears to be the only study that actually looked at the workers while they were working. This report found variations in the ability of workers to make the minimum wage depending

12 R.A. Malatest & Associates Ltd., *Summary Report Minimum Government Approved Piece Rate Study*, prepared for the Ministry of Skills, Training and Labour and the Ministry of Agriculture, Fisheries and Food, December 1994; Darrell M. Zbeetnoff and R. Bruce McTavish, *Review of Regulated Minimum Piece Rates for Agricultural Hand Harvesters in BC*, prepared for BC Ministry of Labour, Citizens' Services and Open Government, December 2011.

13 Mark Thompson, *Rights and Responsibilities in a Changing Workplace: A Review of Employment Standards in British Columbia*, BC Ministry of Skills, Training and Labour, 1994.

14 Ibid, p. 46.

on the crop harvested. The piece rates for harvesting raspberries, strawberries, blueberries, apricots, and brussel sprouts were too low to assure that some proportion of the workers received the minimum wage. This amounted to about 50 to 75% of the labour force. The piece rate for peaches, cherries, prune plums, grapes, and pears enabled most workers to earn as much or more than the minimum wage. This report estimated that the minimum piece rates for raspberries, strawberries, and blueberries, “would have to be increased by 47.5%, 32.4%, and 48.1% respectively in order to ensure that 50% of workers earned the minimum wage of \$6.50/hour.”¹⁵ The general minimum wage rose to \$7.00 in 1996, a 7.7% increase, but the minimum piece rate for blueberries increased by 3.39%, raspberries 7.84%, and strawberries 7.29%. The important point to take from this is that there was no attempt to ensure that the minimum piece rate would produce earnings equivalent to the general minimum wage.

A 2011 report prepared by Darrell M. Zbeetnoff and R. Bruce McTavish also found variations in the ability to earn the equivalent of the general minimum wage that depended on the type of crop harvested. The three major crops reviewed were cherries, apples, and blueberries.¹⁶ Altogether the report had problems with very limited data, farmers who were reluctant to cooperate, and very small samples provided by the employers who participated.¹⁷ The cherry and apple workers earned at least the minimum hourly wage and many earned considerably more. It was different for blueberry and other pickers in the Fraser Valley. About 48% of the labour force earned less than the minimum wage. The crops that tended to provide at least the equivalent of minimum wage work were dominated by male workers, while those crops where workers did not earn the equivalent of the general minimum wage were dominated by females.

The broad conclusion is that the lower-paid crops are those where the labour force is dominated by older females – specifically the berry crops in the Fraser Valley. Cherries and apples produce the highest earnings, although the cherry harvest is brief. This report did not interview workers or observe their work.

The results of the Zbeetnoff & McTavish review at the end of 2011 did not result in any changes in the way the piece rate minimum wage for specific crops were calculated nor were there any increases to these piece rate minimum wages. It should be noted there had been two increases in the general minimum wage in 2011: one in May of 9.38% and one in November of 8.57%, and then another increase in 2012 of 7.89%. The only increase to the piece rate was earlier in 2011 (about 9.3%) and then not again until 2015.

It is worth reviewing this history because the initial recommendations for establishing the piece rate minimum wage – that it should at least provide protection equal to the minimum wage for most workers – was not how the original rates were set. The subsequent treatment of increases appears to be

15 R.A. Malatest & Associates Ltd. (supra note 12), p. v.

16 There was also some discussion of peaches, pears, raspberries, and vegetable crops, but this was less in-depth.

17 Earlier revisions to the Employment Standards Act eliminated the need for labour contractors and employers in agriculture to maintain payroll records. This makes any review that relies on employer information inadequate.

arbitrary and have not attempted to ensure that the rates for each crop provide income equivalent to the general minimum wage.

Changes in piece rates and general minimum wage

The general understanding is that increases in the alternative minimum wage for farm workers mirrors the general minimum wage increases. While this occurs at times, there have been general wage increases with no corresponding increase in the piece rates and also times when the increases vary for the general rate. The result is that the alternate minimum wage for farm workers has not kept its value with regard to its relationship to the increases in the general minimum wage. The magnitude of the discrepancy varies with the crop.

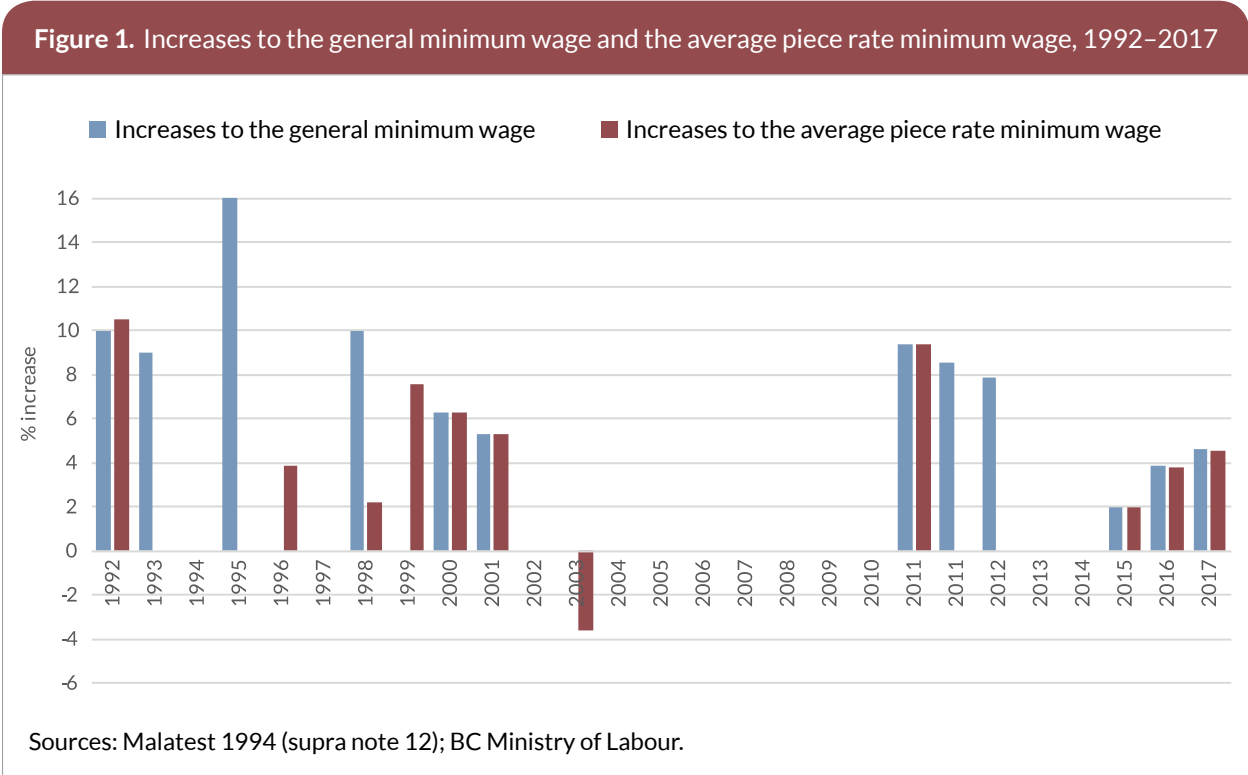


Figure 1 gives a visual glimpse of the general minimum wage increases since 1992 and the corresponding average increases for the minimum piece rates. A more detailed view of the percent increases in piece rates compared with percent increases in the general minimum wage paid is set out in Table 2. A list of the actual rates by crop since 1981, the year the piece rate minimum wage began, can be found in Appendix II. For the past 25 years, the minimum piece rates were increased by approximately the same as the general minimum wage for five of the 11 changes to the piece rate.

Table 2. Percent increases of minimum wages for piece rates and general minimum wage: 1990–2017

	1990	1992	1995	1996	1998	1999	2000	2001	2003	2011	2015	2016	2017	PERCENT INCREASE 1990–2017
	PER CENT INCREASE													
General minimum wage	10.00%	0.10%	18.18%	7.69%	2.14%	0.00%	6.29%	5.26%	0.00%	18.75%	10.00%	3.83%	4.61%	127.00%
Apples	5.28%	9.95%	9.21%	0.00%	2.13%	7.59%	6.29%	5.27%	-3.58%	9.36%	1.93%	3.85%	4.60%	72.35%
Apricots	5.24%	10.05%	9.21%	8.22%	2.11%	7.57%	6.31%	5.26%	-3.60%	9.36%	1.94%	3.85%	4.62%	86.68%
Beans	3.85%	11.11%	10.00%	9.09%	2.22%	7.61%	6.06%	5.71%	-3.60%	9.35%	2.14%	3.77%	4.44%	91.85%
Blueberries	3.92%	11.32%	0.00%	3.39%	2.30%	7.69%	6.25%	5.32%	-3.72%	9.39%	2.02%	3.71%	4.53%	65.28%
Brussel sprouts	5.56%	10.53%	9.52%	8.70%	2.40%	7.81%	5.80%	5.48%	-3.25%	9.40%	1.84%	3.61%	4.65%	89.47%
Cherries	7.41%	10.34%	8.12%	0.00%	2.31%	7.34%	6.32%	5.45%	-3.76%	9.27%	1.79%	3.95%	4.64%	71.03%
Daffodils	0.00%	0.00%	0.00%	0.00%	1.82%	0.00%	0.00%	11.61%	0.00%	9.60%	2.19%	3.57%	4.83%	38.18%
Grapes	5.24%	10.05%	9.21%	0.00%	2.14%	7.63%	6.24%	5.26%	-3.60%	9.35%	1.93%	3.84%	4.59%	72.42%
Mushrooms	3.45%	10.00%	9.70%	0.00%	2.21%	7.57%	6.53%	5.19%	-3.59%	9.30%	2.13%	3.75%	4.42%	73.33%
Peaches	5.24%	10.05%	9.21%	0.00%	2.14%	7.63%	6.24%	5.26%	-3.60%	9.35%	1.93%	3.84%	4.59%	72.42%
Pears	5.29%	9.98%	9.22%	0.00%	2.16%	7.60%	6.27%	5.32%	-3.62%	9.40%	1.93%	3.83%	4.62%	72.51%
Peas	6.25%	11.76%	8.42%	9.22%	2.22%	7.39%	6.48%	5.32%	-3.61%	9.36%	2.05%	3.69%	4.53%	90.00%
Pruneplums	5.29%	9.98%	9.22%	0.00%	2.16%	7.60%	6.27%	5.32%	-3.62%	9.40%	1.93%	3.83%	4.62%	72.51%
Raspberries	5.00%	11.90%	8.51%	7.84%	2.18%	7.47%	6.29%	5.30%	-3.55%	9.51%	1.96%	3.85%	4.50%	88.10%
Strawberries	5.13%	9.76%	9.78%	7.29%	2.26%	7.75%	6.16%	5.16%	-3.68%	9.24%	2.04%	3.71%	4.68%	85.37%

Since 1990 the general minimum wage has increased by over 127%, while the crop with the highest increase (beans) increased by 92%. Some crops increased very little, for example daffodils by 38% and blueberries by 65%. The average increase for the 15 crops since 1992 is 76%. For many years when there was an increase in the general minimum wage, there was none for the piece rate workers.

Two years stand out in the way the piece rate was changed. In 1999 the average piece rate increased by about 7.6% in a year to include vacation pay and holiday pay to the piece rate. Farm workers had been exempt from these provisions in the Employment Standards Act. In 2003 the average piece rate was reduced by 3.6%, when farm workers again were excluded from statutory holiday pay in employment standards changes.¹⁸

The rationale for piece rate minimum wage increases has never been officially stated, and it appears to have reflected employers concerns that increased productivity in the sector meant that at least some workers achieved earnings well above the minimum wage. But it is clear that no crops that are covered by the alternate minimum wage increased at a rate comparable to the increases in the general minimum wage. The consultations that have occurred to specifically examine the piece rates after the 1995 Malatest report have relied heavily on employer information with little to no consultation with workers or worker support organizations.

Other jurisdictions

British Columbia is distinct in its specification of an alternate minimum wage for a wide variety of crops. Quebec is the only other province in Canada to have piece rates specified by crop and these are only for strawberries and raspberries. Piece rates exist in five provinces, although in a distinct way from BC. Most of these provinces require that workers receive wages through the piece rate system that is at least equal to the general minimum wage. Nova Scotia is the exception and does not require any specific relationship to the minimum wage. It is not clear when or how the piece rate system is used in these provinces. (A cross-jurisdictional comparison of farm worker minimum wages is provided in Appendix IV.)

In the United States, workers covered by federal legislation (workers that produce goods for interstate commerce) are paid at least the minimum wage, including farm workers. When states set the minimum wage they need to be at least equal or above the federal standards. In all cases that refer to piece rate systems, the workers must receive at least the equivalent of the general minimum wage.

18 This did not include daffodils, which never included either vacation pay or statutory holiday pay. There appears to be no record of these exclusion for daffodil harvesters.

Characteristics of piece rate workers

There is no recent or accurate information about the characteristics of agricultural workers in BC who are paid piece rates. It appears that about 12,000 people worked at harvesting in BC in 2014, but the proportion that work for the piece rate is not known.

The information in both the Malatest report and the Zbeetnoff & McTavish report describe piece rate workers as being different depending on where they are working and what is being harvested. Those harvesting tree fruits in the Okanagan were likely to be younger than those in the Fraser Valley harvesting bushes or picking at ground level. The Okanagan workforce was also predominately male, while in the Fraser Valley it was more likely to be female. The workers who are most disadvantaged in the Fraser Valley are the berry pickers, who are predominately older workers and immigrants from South Asian backgrounds.

The Okanagan depends on local older workers, young workers from Quebec, and temporary foreign workers. In the Fraser Valley, the eight blueberry farmers surveyed for the Zbeetnoff & McTavish 2011 report said the majority of pickers (56%) were females over 55 years old, followed by males (33 %) with only 12% under 55 years. Overall 64% of the workforce was female and predominately Indo-Canadian.

It appears that the characteristics of the labour force have been relatively stable over time, with the exception of the arrival of SWAP workers from Mexico. According to the BC Fruit Growers' Association about 5,500 Mexican SWAP workers were in BC in 2016. Of these, 2,100 were in the Okanagan and 3,400 were in the Fraser Valley. These workers are paid the hourly minimum wage rate.

Conclusions and recommendations

The BC government has set piece rates for farm workers who harvest specific fruits and vegetables since 1981. The general minimum wage applies to farm workers and temporary foreign workers (TFWs), but a separate minimum wage is set for piece work that over time has expanded to include 15 fruits and vegetables.

The only major review of the piece rate system that closely examined the work itself was undertaken in 1995 under the review of Malatest & Associates. The last review of the piece rate system occurred in 2011 (Zbeetnoff & McTavish), but there was limited data available from employers, primarily because employers and contractors have not been required to retain employee records. The work itself was not examined.

Every report that has been conducted for the government over time has noted that workers picking some crops are not regularly able to earn the equivalent of the minimum wage. Malatest noted between 50 and 75% of the workers involved in some crops cannot earn the minimum wage. Despite knowing this, no appropriate adjustments have been made to the amount paid for picking these crops.

On examining relevant government documents and reports to government, it is not at all clear how and why changes to the individual piece rates have occurred in the past. Employers like this system because it gives incentives to workers to work quickly and productively. Workers and their advocates feel it is often exploitative, particularly for those who do not earn the equivalent of the general minimum wage. It appears the continuation of the system in recent years has been primarily a result of inertia and continued with little or no consultation with workers or their advocates. Over time, the value of the minimum wage for piece rates has not increased with the value of the general minimum wage.

No other jurisdiction in Canada is as proscriptive as BC in setting agricultural piece rates. Also, it should be noted that nowhere do governments set piece rates for any other form of work. This piece rate system is an anomaly, both in BC and in Canada. BC proscribes the minimum wage for 15 crops: only Quebec provides rates per crop and these are for only two crops. Most jurisdictions in Canada and the US require (if a piece rate system exists) that all workers must receive at least the equivalent of the general minimum wage.

The evidence suggests that the workforce of piece rate workers is highly gendered, with males predominating in picking fruits that are able to provide remuneration at least equal to and often higher than the minimum wage, and older immigrant females overly represented among workers who are picking crops for which they are less likely to earn the minimum wage. These lower waged workers are those picking berries, while the better paid workers are more likely to be picking tree fruit. In this, the current piece rate system appears to be discriminatory.

Alternate minimum wages are seen by the government as taking away benefits and protections conferred through the general minimum wage. Under these circumstances it seems important that a clear and consistent rationale exist for initiating and then maintaining an alternate minimum wage. Throughout the history of the farm workers piece rate system the rationale for the system has not been clearly articulated, nor have the original rates or the changes to the individual rates been explained or justified.

Recommendations

- The FWC recognizes the significance of piece rates as an incentive system and recommends that it be maintained, but not in the way it currently operates. The minimum wage should be a floor and piece rates should be available as an incentive.
 - o The FWC recommends a phase in of the general minimum wage to give employers time to adjust:
 - 15% increase to all piece rates on June 1, 2018; and
 - Institute the general minimum wage on June 1, 2019.
 - o The FWC recommends that all farm workers receive at least the general minimum wage by June 1, 2019. This means if workers do not receive the equivalent of the general minimum wage for picking at piece rates their remuneration will be increased to equal the general minimum wage.
- The FWC recommends that the piece rate system as it is currently constructed be continued, in the short term, in order to maintain an incentive system in piece rates.
- The FWC recommends that in the future, once the general minimum wage is fully implemented, piece rates as an incentive be reviewed by a permanent FWC, in consultation with industry and workers. This would be to determine whether it should be government or employers who should set the piece rates that are used as an incentive system above the general minimum wage.
- The FWC recommends that a more thorough review of employment standards be undertaken to review the requirements for detailed and accurate time and payment records. This will be important for transparency regarding working times and remuneration.
- The FWC understands that the changes being recommended are substantial. We therefore recommend that the permanent FWC review this new system after a reasonable amount of time, to ensure that it is functioning appropriately for both workers and employers.

3 Liquor servers

Context

An alternate minimum wage for liquor servers came into effect in BC on May 1, 2011. This alternate minimum wage is currently \$1.25 lower than the general minimum wage and applies to all employees defined in the Employment Standards Regulation as liquor servers.

Before 2011 liquor servers were protected by the general minimum wage. A separate minimum wage exists in two other provinces (Ontario and Quebec), although it is treated differently in each province. In all other provinces, the general minimum wage applies to liquor servers.

The stated rationale for the introduction of the liquor server minimum wage is that it is designed to protect jobs in the service sector while allowing the minimum wage to grow.¹⁹ The 2011 Summary Report on the consultations the government held before changes to the minimum wage that year gives insight into positions of both employers' and workers' groups as this was being considered.

- Employers strongly supported having a lower minimum wage for those receiving tips. They cited economic conditions that hit the restaurant industry particularly hard, including the HST, changes to drinking and driving laws, and the recent economic recession. They noted that those who serve liquor earn more than other workers through tips, so if they received a lower minimum wage, this would help the restaurant and bar owners in paying workers who do not receive tips.

¹⁹ BC Ministry of Labour communication to the FWC, 2018. See also Stephanie Cadieux, Minister of Labour, Citizens' Services and Open Government comments related to note 20.

- Worker groups opposed a lower minimum wage for liquor servers both because it would disadvantage workers who do not work in high-end restaurants and bars, and because there would be practical difficulties in fairly administering the system. They noted particularly that gratuities are largely unregulated in the Employment Standards Act, which means that employers often require workers to pool tips to share with other workers. If a liquor server minimum wage were to occur, they felt it would be necessary to enact regulations to ensure that servers could keep all they receive in tips or to set rules about how the tips should be allocated within a tip pool.²⁰

The introduction of the alternate minimum wage for liquor servers supported the employers' argument that they needed cost reduction in wages, and that liquor servers earned substantially more than other workers through tips. It appears that liquor servers themselves were not consulted and that the change favoured the position of the business lobby. The Minister at the time responded to questions in the legislature by saying:

*Liquor servers do earn a significant proportion of their income through gratuities, as bills that include liquor are significantly higher. Our goal is to strike a fair balance with the needs of the job-creating employers such as White Spot so that we can make sure that we continue to have jobs for all of our citizens and ensure that they're earning a wage where they can support themselves and their families.*²¹

It is important to note that while the intention appears have been to capture those liquor servers who earn tips, the actual definition of who is covered in the alternate minimum wage includes all liquor servers, whether they earn tips or not. The definition of a liquor server under the Employment Standard Regulation are employees

- (a) whose primary duties are as a server of food and drink or both, and
- (b) who, as a regular part of his or her employment, serves liquor directly to customers, guests, members or patrons in premises for which a license to sell liquor has been issued under the *Liquor Control and Licensing Act*.²² (See minimum wage legislation in Appendix II.)

There is no requirement that only the servers who earn tips will be subject to the lower minimum wage, only that they serve liquor.

20 BC Ministry of Labour, Citizens' Services and Open Government, *Summary Report on Employment Standards Stakeholder Engagement Process*, March 2011.

21 Stephanie Cadieux, Minister of Labour, Citizens' Services and Open Government, Official Report of Debates of the Legislative Assembly, Third Session, 39th Parliament, May 9, 2011, Vol. 21, No. 4, 6808.

22 BC Employment Standards Regulation s. 18.1 (1).

Over the years the concept of what constitutes the actual wage for liquor servers has become an issue in a variety of ways. Problems arise because of the complexities of tipping and the different ways it is treated by employers. This lack of consistency and transparency regarding what constitutes the actual wage the employee receives affects how tips, as a part of the wage, are interpreted for various programs that calculate benefits based on the wage, such as Employment Insurance (EI) and the Canada Pension Plan (CPP). Various legal challenges have occurred as a result. In what follows these issues will be considered in addition to the other findings from the consultations and research.

This analysis of the liquor server rate is informed by a special research paper commissioned by the FWC that was provided by Professor Fiona MacPhail, Chair of Economics at the University of Northern British Columbia, *Report on the minimum wage for liquor servers in British Columbia*.²³ Information on the characteristics of liquor servers in BC is from a special custom data tabulation using a 2016 Statistics Canada Labour Force Survey confidential file. The FWC also gained information from consultations with those doing similar research in other provinces, the research department of the Ministry of Labour, and from the public consultations and written comments sent to the FWC.

Findings from public consultations

The FWC consulted people through public hearings throughout the province, through the submission of research briefs, and through other written comments. As occurred in the government consultation related to this issue in 2010-11, the information received by the FWC showed great differences between employers and workers in their opinions about the liquor server minimum wage. The employers want to retain it (with a few exceptions) and the employees and their supporters want it abolished.

One issue where there is agreement is on the problem of shortages of labour for restaurants and bars, although there is no agreement on how to remedy the shortage. Another area of agreement is the need for predictable and consistent increases in the minimum wage in the future.

23 Fiona MacPhail, *Report on the minimum wage for liquor servers in British Columbia*, prepared for the Fair Wages Commission, 2018, www.sfu.ca/labour/fairwagescommission/FairWagesCommissionReports.html

Employers

Most employers and employer groups feel the wage differential between liquor servers and the general minimum wage needs to be maintained because of the economics of the industry. The following are employers' comments at the consultations.

- *It is a highly competitive, labour intensive, low margin industry with low levels of profitability.*
- *Wages constitute about 30% of the costs and increasing this wage rapidly will jeopardize the viability of some businesses.*
- *With the liquor server differential, employers are able to provide higher wages to non-gratuity earning staff who are more difficult to attract and retain. These workers tend to earn less than those who receive gratuities.*
- *With the lower minimum wage for liquor servers, employers are able to keep food and drink prices lower, which draws people into the business. Customers have a hard time adjusting to higher menu prices.*

Other comments by employers and employer groups are specifically related to the workers:

- *Servers do not mind the \$1.25 difference from the general minimum wage because they make well above the minimum wage because of tips.*
- *The North American culture is very much tip-based because it affects, in a beneficial way, the service provided.*
- *The differential is key to attracting the right, service-oriented staff and further acts as an incentive to always put the customer's needs first.*
- *The vast majority of minimum wage earners are young, first-time employees who voluntarily work part time and do not rely on their minimum wage income for their livelihood.*

Some employers did not support the lower liquor server wage and paid all workers at least the minimum wage. These employers were adamant that the regular minimum wage not increase too quickly. Other employers managed to pay the living wage, but they said it is hard for restaurant owners who want to pay more to do it if there is a low wage floor. The major associations representing employers favoured retaining the lower liquor server minimum wage.

Most employers did not discuss how the liquor server minimum wage should be increased in the future and seemed to assume the differential would remain the same dollar amount. A few did say the increase in the minimum wage for this group should reflect increases in the cost of living in the future.

Workers, trade unions, and community groups

Workers and their supporters want the liquor server alternate minimum wage abolished. The major problems relate to the irregular way tips are treated, and the precariousness of the circumstances of work. They questioned why it should be only liquor servers who are singled out, and not other workers who earn gratuities. This is seen by many as discriminatory in that it affects primarily female workers. They also point out that there was no meaningful consultation with workers before this came into effect and it was a result of pressure on government from employers.

One crucial issue these groups raised is the precarious nature of liquor servers' work, where hours are unpredictable and tipping practices are unregulated. The following are some of the issues and examples we heard during the regional consultations:

- *One single mother says she earns the liquor server wage although she mostly does prep work. Despite three jobs and living in supported housing she can't get out of a debt cycle. One of her children has special needs.*
- *Tips are a voluntary payment from the customer. Some employers calculate tips for 'tipping out' as a percent of the total bill of a customer, whether a tip is paid or not. Transparency of the tips are a problem.*
- *This work is precarious in that getting full-time work is difficult; hours aren't guaranteed; employers demand flexibility so most employees work part time and irregularly; last minute and split shifts are common.*
- *The liquor server wage is discriminatory and contravenes provincial pay equity protections.*

One brief submitted talked about the unregulated nature of tips in BC and that this province is behind other provinces that do regulate tips. "Without clear regulations and guidelines that are shared with employers and employees, workers' tips are unprotected and open to employer abuse and misuse."

Another issue frequently raised in both the consultations and written briefs is the problem with relying on tips because of the assumptions about the service to the customer. This is what we heard:

- *Sexual harassment is a common experience for women workers in restaurants and a main contributing factor is relying on tips.*

- *Women working 'front-of-house' as servers, bartenders, and hostesses are expected to cope with sexual harassment to avoid the loss of tips and the promise of greater tips often inspires the insistence of provocative dress codes by employers.*
- *One server was told by her supervisor that she could not back away from the harasser because she would be offending the customer.*
- *The lower liquor server wage exacerbates the reliance on tips.*

Other issues mentioned were the inability under certain circumstances to have tips counted as wages for the purpose of CPP and EI. The complexities of this is discussed below.

Research findings

The assumption behind a lower minimum wage for liquor servers is that they receive considerably more money in tips than other servers because of the cost liquor adds to the customer's bill. Since their total income from their work would be greater than the general minimum wage, this level of protection is assumed not to be needed.

This assumption about earnings from tips is reasonable in certain cases, particularly when a server works full time in a place where serving liquor is a normal occurrence over the course of the shift. This, however, appears not to be a regular condition for liquor servers and there is considerable variability in income among these servers. In general, the work of liquor servers can be considered precarious work, primarily because of the general low wages among this group of workers and the irregular nature of the conditions of work.

Characteristics of liquor servers in BC

Based on the narrow definition of liquor servers, liquor servers are 1.2% of total employees aged 19 and over in BC.²⁴ This small proportion of the labour force means that little data is publicly available about who they are and what they earn. A special tabulation based on 2016 data from a Statistics Canada Labour

24 There are a variety of ways used to define this group under Statistics Canada information. The definition used for this tabulation is the restricted definition and relates to bartenders or food/beverage servers in either drinking places or full-service restaurants/limited service eating places if they usually receive tips. The more expanded definitions do not alter the overall picture, but increase the proportion working to 1.28% of the total.

Force Survey confidential file provides some insight into this, as can be seen in Table 3 and in Appendix V and VI.

A very large majority of liquor servers are women (almost 82%) and about half are over 25 years of age with the other half being between 19 and 24. Compared with all other workers, these workers have very low trade union coverage with fewer than 3% being a member of a trade union or covered by a collective agreement (compared to about 30% for all workers). This contributes to the precarious nature of the work, compared with other workers, because there is little support for complaints against employers. Liquor servers are less likely to have permanent jobs than other workers, are more likely to work part time (66% compared with about 21% for all employed), and are less likely to stay in their jobs at least five years (less than 15% for liquor servers and over 46% for all employees). (See also job characteristics of liquor servers in Appendix V.)

Table 3. Liquor servers in BC by gender, age, and work status: 2016

	SHARE OF LIQUOR SERVERS	SHARE OF TOTAL BC EMPLOYEES	NUMBER OF LIQUOR SERVERS (IN '000s)	NUMBER OF TOTAL BC EMPLOYEES (IN '000s)
GENDER				
Women	81.8%	49.8%	15.7	939.2
Men	18.8%	50.2%	3.6	945.4
Total	100.5%	100.0%	19.2	1,884.6
AGE				
19 to 24 years	51.0%	13.1%	9.8	247.4
25 years and older	49.0%	86.9%	9.4	1,637.2
Total 19 and older	100.0%	100.0%	19.2	1,884.6
WORK STATUS				
Full-time	33.9%	82.2%	6.5	1,548.4
Part-time	66.7%	17.8%	12.8	336.2
Total	100.5%	100.0%	19.2	1,884.6

Source: Statistics Canada custom tabulation using a 2016 Labour Force Survey confidential file.

Notes: Numbers may not add up to 100% due to rounding; definition of liquor server: employees who are employed in the occupation of bartender or food/beverage server in the industries of either drinking places (alcoholic beverages) or full-service restaurants and limited seating eating places and if employees usually receive tips; liquor server and total employees refer to those over 19 years of age; work status refers to the status of the liquor server's main job.

Liquor servers are overrepresented in the low hourly wage categories as well. About 16% earned less than \$10.85/hour, which includes tips (the minimum wage in 2016), compared with 4.6% of all employees. About 68% earned less than \$15/hour, including tips, compared with 22.4% of all workers. Altogether, almost 92% earned less than \$21/hour, compared with 43.7% for all workers. (Appendix VI.)

Liquor servers are also more likely to be poorer than most workers. Well over half of liquor servers live in households that are the bottom quintile of earnings in BC. This is a much higher rate of those who live in very low income households when compared with all workers (at about 19%). (Appendix VI.)

Changes to liquor server minimum wages

The general minimum wage has increased 41.8% since 2010, while the increase for those serving liquor has been 26.3%. When the general minimum wage went up \$0.75 for the first time in about a decade in May 2011, the increase for liquor servers was \$0.50, creating an initial \$0.25 difference at the time the alternative minimum wage was established. With the subsequent increases to the general minimum wage the liquor server wage increased \$0.25 until the gap between the two was \$1.25. The \$1.25 differential has been maintained between the general minimum wage and the liquor server minimum wage since May 2012.

Table 4. Increases in the general minimum wage and liquor server minimum wage: 2010–2017

YEAR	MONTH OF INCREASE	GENERAL MINIMUM WAGE	LIQUOR SERVER	\$ INCREASE		% INCREASE	
				GENERAL MINIMUM WAGE	LIQUOR SERVER	GENERAL MINIMUM WAGE	LIQUOR SERVER
2010		\$8.00	-	-	-	0%	-
2011	May	\$8.75	\$8.50	\$0.75	\$0.50	9.38%	6.3%
	November	\$9.50	\$8.75	\$0.75	\$0.25	8.57%	2.9%
2012	May	\$10.25	\$9.00	\$0.75	\$0.25	7.89%	2.9%
2013		\$10.25	\$9.00	\$0	\$0	0%	0.0%
2014		\$10.25	\$9.00	\$0	\$0	0%	0.0%
2015	September	\$10.45	\$9.20	\$0.20	\$0.20	1.95%	2.2%
2016	September	\$10.85	\$9.60	\$0.40	\$0.40	3.83%	4.3%
2017	September	\$11.35	\$10.10	\$0.50	\$0.50	4.61%	5.2%

Source: MacPhail 2018 (supra note 23), Table 1, p. 26.

Analysis of liquor servers' wages and working conditions

Research on the work of liquor servers indicates four main issues to be considered. One is the high variation in the tip income for liquor servers across the sector. This arises in part from the problems that arise from tip pooling or 'tipping out' arrangements and this relates to the second issue, which is when and how tips are treated as part of the wage, and the implications this has for wage-related income support programs. The third is that employment is precarious for many, including frequent problems with uncertainty regarding assigned shifts and hours of work. The fourth main issue is the prevalence of sexual harassment. Specific research indicates that one way this sexualized environment is normalized, supported, and encouraged is in relation to the wage and tipping systems.²⁵

Tipping

The basis for a lower minimum wage for liquor servers is the prevalence of tipping as a regular practice and an important source of additional income for these workers. There is no reliable information about what servers receive in tips or how tips for liquor servers differ from other servers. The assumption is that higher customer bills occur when liquor is served and that would increase the amounts received in tips.

Tips are treated by employers in a variety of different ways. These include establishments where servers keep all the tips; those where tips are shared in a server controlled pool with other servers receiving tips; and those that are employer controlled and that may use some form of tipping-out. This tipping-out can occur as an informal practice among servers, or can be managed by the employer who takes a proportion of the total tips and distributes this among all workers, including those who do not regularly receive tips.

It appears that few servers keep all of their tips.²⁶ When tip pools exist they can be calculated for each server on a percent of the daily total sales, a percent of tips directly received, or added directly to the bill of customers, something that is more regularly done for large groups or banquets. When servers have to tip out based on a percent of the daily total sales, the amount may be higher than the tips they actually received, if it was a slow day. There can be circumstances where the server ends up paying 'out of pocket' to the tip pool. There are also shifts where servers are busy and make above average tips.

25 See Kaitlyn Matulewicz, "Customers, Tips, and the Law: Gender and the Precariousness of Work in BC Restaurants," paper presented at the Labour Law Research Network Inaugural Conference, Barcelona, June 2013. This paper discusses the Faux and Marcello cases and how the decisions are conflicting.

26 This information is based on research in MacPhail's report to the FWC. An Ontario study found that only 8% kept the tips given to them. (MacPhail 2018, supra note 23, p. 7.)

The significance of these differences is that there is considerable variation in the ability of liquor servers to keep tips earned and it is a practice that is not currently regulated in BC. The problem with this is that often the employer's policy on the collection and distribution of the tip pool is not transparent and because there is no way to monitor it, it can be a source of wage theft with the employer taking a part of the pool.

In BC, the Employment Standards Act is silent on tip pools, but the Interpretation Guidelines say a tip pool does not contravene the Act. However, two legal cases provide conflicting decisions (Fauk and Marcello).²⁷ The Fauk case involved a server who was required to contribute a percent of his daily sales to a tip pool which was then distributed to the kitchen staff. The adjudicator concluded that the tip pool did not contravene the Act. In another similar case, the adjudicator also decided that the tip pool itself did not contravene the Act; however, the adjudicator found that if part of the pool is distributed to non-tipped workers using a criterion such as hours worked, it does contravene the Act.

Complications arise from whether tips (gratuities) are considered wages and this can affect how tips are treated for wage-related benefits. Wages are "salaries, commissions or money, paid or payable by an employer to an employee for work" and "money that is paid or payable by an employer as an incentive and relates to hours of work, production of efficiency." Wages do not include gratuities.²⁸

The definition of gratuities in the Employment Standards interpretation guidelines says that "gratuities are not wages unless used to pay an employer's business costs."²⁹ However, the guidelines continue by saying "under s.21(3), an employer may not use tips to cover a business cost. Gratuities used to pay an employer's business costs are deemed by this section to be wages under the Act." Since the employer can use the tip pool to pay other workers (a clear business expense) these tips are considered wages.³⁰

The complicating part is that tips are considered wages for income tax purposes, but not necessarily for pensionable and insurable earnings. It all depends on whether the tips were 'direct' or 'controlled' tips, according to the Canada Revenue Agency, and several court cases have focused on these distinctions. The CRA considers controlled tips (tips controlled by the employer) as wages and those that are directly paid to the server are not wages, so not calculated for EI or CPP. There is no clarity of how tips are treated for provincially determined vacation pay and severance pay, since there is silence on this issue in provincial

27 See Matulewicz 2013 (supra note 25); also MacPhail 2018 (supra note 23), p. 14.

28 BC Employment Standards Act, s. 1.

29 Interpretation Guidelines Manual British Columbia Employment Standards Act and Regulations, ESA Section 1 – Definitions – Wages, <https://www2.gov.bc.ca/gov/content/employment-business/employment-standards-advice/employment-standards/igm/esa-definitions/esa-def-wages>

30 The Marcello case argues that the tip pool contravenes the Act because the employer distributed tip pool money (collected through a percentage of sales) to non-tipped workers using a criterion such as a hours worked. The Tribunal concluded "that the mandated contribution to the house tip was simply a way of passing on some of the payroll costs to the servers." (MacPhail 2018, supra note 23, p. 16.)

regulations. However, one case on this issue decided that gratuities should be used to determine vacation pay.³¹

Sexual harassment of liquor servers

The practice of tipping appears to both perpetuate and exacerbate a sexualized work environment for liquor servers. The loss of tips, especially when they are in part a substitute for a wage, makes servers more vulnerable to harassing behaviour. It appears that the sexualization of the workplace that begins with hiring practices and extends to dress codes and demands servers' tolerance of customer unwanted behaviour is related to the system of relying on tips for a part of the wage.³² MacPhail found that in the US, in states where the gap between the general and tipped minimum wage is higher than in BC, servers were twice as likely to experience sexual harassment as women in states that pay the same minimum wage to all workers.

The tipping system is certainly a larger problem for issues of sexual harassment than related to the minimum wage; nonetheless, the lower minimum wage to liquor servers tends to reinforce their reliance on tip earnings.

Hours of work and income

The major premise of a separate minimum wage for liquor servers is that incomes exceed the minimum wage, so the standard minimum wage is not necessary. The literature on this issue shows that tip income is often variable, precarious, and as a result, insecure. The voluntary nature of tipping makes it susceptible to fluctuations, it is often unclear how much will be made on a given shift, and it can vary considerably from one shift to another. Tips also vary considerably between types of establishments, meal price, time of day, and day of the week.

Hours of work also tend to be less stable. The majority of liquor servers (67%) work part time, and of these 22% are involuntarily working part time. This means that the person is working part time because either they couldn't find full-time work or did not look for full-time work because of business conditions do so. Frequently shift schedules are not known until the last minute and a scheduled shift may be shortened if business is slow. Split-shifts are common, and calls to work can be for as little as two hours. This is extremely challenging for most workers, but particularly those who have responsibilities for children or

31 See MacPhail 2018 (supra note 23) for details.

32 Kaitlyn Matulewicz, "Law and the Construction of Institutionalized Sexual Harassment in Restaurants," *Canadian Journal of Law and Society* 30 (3) 2015, 401-419.

caring for other family members. As was explained earlier in this section, liquor servers in BC have low hourly wages, and tend to live in low-wage households. (Appendix VI.)

While clearly some liquor servers do work full time and receive tips that more than make up for the lower minimum wage, this is not necessarily prevalent among all liquor servers.

Comparison with other jurisdictions

Two other jurisdictions in Canada exempt liquor servers from the provisions of the general minimum wage and provide separate minimum wages: Ontario and Quebec. In all other provinces, liquor servers are covered by the general minimum wage. (See the cross-jurisdictional comparison of liquor server minimum wages in Appendix VII.)

Quebec has an alternate minimum wage for all those who receive gratuities, not only liquor servers. Alberta abolished the liquor server wage in 2016 in order to make the minimum wage system more simple and consistent for all workers.

Ontario, Quebec, PEI, Newfoundland and Labrador, and New Brunswick all have laws regulating tips and tip pooling. In Quebec, non-tipped workers cannot participate in the tip pool. In PEI, the employer must advise employees of the tip pooling practices, and tips can be treated as additional wages, which is important for the calculation of CPP and EI. In BC, tips are largely unregulated. Without clear guidelines about how tips are shared between employees and employers, workers are unprotected and the use of tips is not transparent.

In the US, in states where a separate minimum wage for servers occurs, the gap between that and the general minimum wage tends to be large.³³ Under the federal jurisdiction, the minimum wage is \$7.25, while for tipped workers it is \$2.13/hour. The big difference is that the employer must ensure that the employees' tips amount to at least the difference between the tipped minimum wage and the general minimum wage. Known as a 'tip credit,' this is to ensure that the employee makes at least the general minimum wage. Under the federal jurisdiction, mandatory tip pooling is also allowed, but it is restricted to workers who usually receive tips and cannot include those who usually don't, such as dishwashers, cooks, chefs, and janitors.

33 See MacPhail 2018 (supra note 23), p. 12. Seven US states do not have a separate tipped minimum wage and workers are covered by the general minimum wage. These states (which include Washington and California) have higher minimum wages than the US federal minimum wage.

How tips are treated in other US jurisdictions varies widely, but the common base is that the federal tipped minimum wage provision applies unless a state has a higher provision.³⁴

Tips are less regularly part of the culture in Europe and other OECD countries, so it is not surprising that there are not records of separate minimum wage rates for tipped workers in these jurisdictions.

Conclusions and recommendations

The liquor server wage came into effect in May 2011 and is currently \$1.25 lower than the general minimum wage. This lower minimum wage for liquor servers is unusual in that it applies to only one category of workers who receives tips in BC. No other tipped workers have a lower minimum wage. This alternate minimum wage involves all who serve liquor, whether they earn tips or not.

The lower minimum wage for liquor servers disproportionately affects women, who are the overwhelming majority of liquor servers. Liquor servers are, on average, low-wage earners and are more likely than the average worker to live in poor households.

The relatively recent introduction of this lower minimum wage for liquor servers was instituted at the request of employers. Employers argued that those earning tips from serving liquor earn much more than the minimum wage, so protection equal to the general minimum wage is not necessary. Employers also argued that the lower minimum wage was needed to improve the pay of their other workers who do not receive tips. Lowering the liquor server minimum wage was especially important in 2011, according to the employers, because they had been adversely affected by the economic recession, the HST, and changes to laws for drinking and driving.

The FWC understands that many liquor servers can earn more than the minimum wage, but it is also clear that there is a high degree of variation and uncertainty in tip income. This can occur for a variety of reasons including when business is slow or workers are required to share tips with non-tipped employees based on a proportion of sales, rather than on the actual tips received.

Tipping regimes are complex, varied, and are usually determined by the employer. Also, the distinction between wages and tips is not straightforward and under certain circumstances this can disadvantage the liquor server with regard to insurable and pensionable earnings. The regulation of tipping is much more limited in BC than in other provinces. Clear regulation is needed particularly with regard to definitions of

34 See MacPhail 2018 (supra note 23) for references to US Department of Labor material related to lower minimum wages.

wages and tips; control of the tip pool; participants in the tip pool; deductions from tips; and transparency of the tip pool procedures. In BC, the distinction between wages and tips is not straightforward, but has important implications for how tips are treated in relationship to insurable and pensionable earnings.

Most provinces do not have a lower minimum wage for liquor servers and the general minimum wage applies. Quebec has a lower minimum wage for all workers who receive tips. Ontario has a liquor server minimum wage, but has regulations regarding tips and tip pooling that are stronger than those in BC. The lower liquor server minimum wage was abolished in Alberta in 2016. In the US, the employer must ensure that employees' tips are at least equal to the difference between the liquor server minimum wage and the general minimum wage. Also, tips cannot be used to pay non-tipped workers' wages.

Recommendations

The FWC understands the minimum wage to be the lowest wage an employer can pay a worker and that the reason for this is to protect low wage workers. The minimum wage for liquor servers should be equal in protection to that received by other workers. The recommendation is for two initial increases to be about the same as that for the increases to the general minimum wage, and subsequent increases provided to allow employers time to adjust to the elimination of this alternate minimum wage.

- The FWC recommends that the minimum wage for liquor servers be raised to equal the general minimum wage. This should be raised incrementally in order to give employers time to adjust. This incremental increase will ensure that liquor servers receive the general minimum wage of \$15.20/hour by 2021. We recommend that the liquor server wage increase on June 1 each year, beginning in 2018, with the following amounts:

Year	\$ increase	Minimum wage
2018	\$1.30	\$11.40
2019	\$1.30	\$12.70
2020	\$1.25	\$13.95
2021	\$1.25	\$15.20

- The FWC recommends that a future employment standards review examine tipping practices in BC. This should examine standards to determine when tips are considered wages, review the practice of using tips to enhance the wages of non-tipped workers, and ensure that tipping practices are transparent.

4 Live-in home support workers

Context

This is an unusual minimum wage category in that it appears there are very few, and possibly no workers who receive this alternative minimum wage. The restricted definition of the category means that only those paid through a government funded program meet this criterion. These workers are all unionized and their wages are covered by collective agreements that are above this minimum wage. When a collective agreement is in place the provisions of the collective agreement apply.

A live-in home support worker is defined in legislation as a person who:

- Is employed by an agency, business or other employer providing, through a government funded program, home support services for anyone with an acute or chronic illness or disability not requiring admission to a hospital; and
- Provides those services on a 24 hour per day live-in basis without being charged for room and board.³⁵

Government funding includes payments from BC's health authorities and from Veterans Affairs Canada, but does not include funding from ICBC, WorkSafeBC, old age security, or the guaranteed income supplement.

³⁵ Employment Standards Act Regulation, Part 1, Definitions.

A live-in home support worker differs from other groups such as in-home caregivers, domestic workers, night attendants, sitters, and residential care workers.³⁶

As the interpretation guidelines for the Employment Standards Act and Employment Standards Regulation notes, definitions under the Regulation are interpreted narrowly because they take away benefits and protections conferred by the Act. That means that all employment conditions described in the definition must be met in order to qualify as a live-in home support worker.³⁷

For a home support service to be considered a government funded program, as required in the definition, it must receive the majority of its funding either directly from the government through a contractual arrangement for these services, or it must be received indirectly by money that has been designated by government specifically for the purchase of home support services.

As is explained below, these conditions either no longer apply, or workers are all unionized and paid on different arrangements by collective agreements.

The information for this analysis comes from a detailed research report for the FWC undertaken by Professor Kendra Strauss, Director of the Simon Fraser University Labour Studies Program, *The Alternative Minimum Wage for Live-in Home Support Workers in B.C.: An Analysis*. The FWC also received information from the Ministry of Labour, public consultations, written submissions, and Statistics Canada.

Findings

History of minimum wage for home support workers

The category of live-in home support worker came into effect in BC in 1995. The change in name was a result of a recommendation from a review of employment standards in 1994.³⁸ This review also recommended that the exclusion from hours of work provisions of the Employment Standards Act (ESA) continue for these workers, but that they should be paid for 12 hours during a 24-hour period (according

36 See definitions in Kendra Strauss, *The Alternative Minimum Wage for Live-in Home Support Workers in B.C.: An Analysis*, prepared for the Fair Wages Commission, 2018, www.sfu.ca/labour/fairwagescommission/FairWagesCommissionReports.html

37 Interpretation Guidelines Manual British Columbia Employment Standards Act and Regulations, Part I, Section 1, Definitions – Live-Home Support Worker.

38 Thompson 1994 (supra note 13), p. 70-72.

to regulations for premium pay for above a regular day), and if they worked longer they should be paid for an additional three hours or the time actually worked at their regular rate.

Not all of the recommendations of the 1994 review were implemented. In 1995, the BC government set the alternate minimum wage for live-in home support workers at a daily wage 10 times the minimum wage rate, at \$65/day. Since then the daily rate has increased at the same rate as the general minimum wage. The current rate is \$113.50 for each day or part day worked. Live-in home support workers are excluded from the hours of work and overtime provisions of the ESA.

The daily rate for live-in home support workers is applied to all hours of work within a 24 hour period, whether below or above the normal eight-hour day, and workers are not charged room and board. As Strauss explains, this group is treated in different ways in legislation from other categories of caregivers.³⁹ This can have important implications for pay in that the daily minimum wage for live-in home support workers could provide a lower total pay than other similar categories if more than the standard eight-hour day occurs. A worker in this category who worked a 12-hour shift at \$113.50/day would be paid 71% of the normal pay of a domestic worker and 43% of the normal pay of an in-home caregiver.⁴⁰ That is, a live-in home support worker does not receive overtime pay for hours above those for the normal working day in BC and the alternative minimum wage is only equivalent to 10 hours of pay at the general minimum wage.

In the past the Ministry of Labour in consultation with the Ministry of Health has had discussions with industry associations and other stakeholders to consider a range of options for dealing with this alternate minimum wage. Since live-in home support workers who provide services through a government-funded program that is covered by the ESA legislation are used very rarely, if at all, this minimum wage appears to be irrelevant. The discussions about dealing with this category involved a range of considerations from abolishing the category altogether to revising and extending it so that it is not limited to only workers employed through government funded programs.⁴¹

It appears that this process began in April 2016 following a BC Employment Standards Tribunal ruling that asserted that the current standard for live-in home support workers cannot be applied to non-government funded home support service providers.⁴² This tribunal occurred because some private home care providers were paying their employees as though this alternate minimum wage applied. The

39 See Strauss 2018 (supra note 36), p. 5, for details about the distinctions for various other categories of caregivers in the home and how they are treated in the ESA in BC.

40 Strauss 2018 (supra note 36), Table I.

41 Communication from the Ministry of Labour.

42 Government funding includes BC's health authorities and from Veterans Affairs Canada, but does not include funding from ICBC, WorkSafeBC, old age security, or the guaranteed income supplement. These definitions are a result of Employment Standards Tribunal decisions.

organization that represents the employers of live-in domestic workers would like the law to be changed so that it covers the workers they hire who live-in while providing care.⁴³

Since there is a possibility that this legislation could be revised to expand the definition of live-in home support workers to include non-government paid home support service providers, information about how these workers are treated in other jurisdictions, the characteristics of the workers, and the normal remuneration of workers in this broad category will be examined. The information received on this issue from public consultations will also be considered.

Other provinces

The BC approach in using the specific category of live-in home support worker is not used in other provinces. But most provinces have exemptions and alternative minimum wages for similar categories of domestic workers and caregivers. A brief review indicates some of the variations from BC practices. (For details see Appendix VIII.)

- Domestic workers are exempt from minimum wage legislation in New Brunswick, Nova Scotia, the Northwest Territories, and the Yukon.
- In Quebec, Newfoundland and Labrador, and Prince Edward Island domestic workers must be paid the minimum wage.
- Live-in domestic workers in Alberta are paid a minimum of \$2,582 per month with stipulations about the number of hours worked. Domestic employees are exempt from overtime compensation and restrictions on maximum hours of work, but are not exempt from requirements for rest periods and days of rest.
- In Saskatchewan, live-in caregivers must be paid the general minimum wage for the first eight hours worked.
- In Ontario, homecare workers are usually entitled to up to 12 hours at the prevailing minimum wage rate.
- In Manitoba, domestic workers, including those who live-in and who work more than 12 hours per week, must be paid at least the minimum wage.

43 Letter from BC Care Providers Association to the Minister of Labour, November 29, 2017.

Characteristics of home support workers

The broad category of home support workers is primarily female and over-represented by immigrant and racialized workers. The average age of community health workers in BC was 47, with one third aged 55 or over. These are characteristics that broadly mirror international evidence on live-in caregivers and home support workers.

The Health Employers Association of BC (HEABC) provides information about the Community Subsector of care workers, which can give an indication of who is doing this type of work. HEABC indicates that in the entire Community Subsector (in 2013) there were 15,200 workers with 22% working full time, 12% part time, 23% regular workers, and 43% casual. Men accounted for only 5.2% of the workers in 2017.

Within this broad category there are 8,000 community health workers in BC who care for clients in a variety of publicly-funded health care settings. Most of these (74%) work for home support agencies and community mental health services (19%). It appears that part-time and casual work is increasing in this area, with more split shifts and less time per client. This is probably related to indications of an increase in workers holding multiple jobs, going from about 6% in 1987 to over 22% in 2017.

The four main unions in community care are the BC Government and Service Employees' Union (BCGEU), which in 2014 organized 70% of the workers, the Hospital Employees' Union (HEU), the United Food and Commercial Workers (UFCW), and the Health Sciences Association (HSA).

Wages for general category of home care workers

Since the BC category of live-in home support worker does not correspond to the main occupational or industrial classification systems used by Statistics Canada, finding wage data needs to rely on workers in similar categories. Because all the workers who provide publicly-funded home support services are unionized, the wages in this sector are above the minimum wage.⁴⁴ The occupational category that comes closest to live-in home support workers includes home support workers, housekeepers, and related occupations.⁴⁵

The federal Job Bank, which collects information about the prevailing wage for low-wage positions under the Temporary Foreign Worker Program, determines the low, median, and high wages for home support

44 It should be noted that under the BC ESA where a collective agreement is in place, most of the provisions of the collective agreement apply instead of the minimum standard set out in the Act and Regulations.

45 This is Statistics Canada occupational classification NOC 441. See Strauss 2018 (supra note 36) at pp. 8-11 for a full discussion of these categories.

workers, housekeepers, and related occupations across Canada. The 2015-16 median wage in BC is around \$17.35/hour, the low wage is \$11.35, and the high wage is \$23.00. There are other measure that give different results, so wage figures need to be treated with caution. From what exists, it appears that public sector wages for this broad category are higher than private sector wages.

The requirements regarding hours of work and rest times in collective bargaining contracts are higher than the current alternate minimum wage regulations for this group. The collective agreement of the Health Employers Association of BC and the Health Services and Support – Community Subsector Association of Bargaining Agents prescribes the following regarding live-in and overnight shifts:

- Live-in shifts are to be paid at a minimum of 13 hours or more, at the employee’s regular rate of pay. All hours paid will be used to determine benefit entitlement and seniority. Employees shall receive two consecutive days off after five consecutive days worked in a week.
- Overnight shifts shall be paid at a minimum of 10 hours or more, at the employee’s regular rate of pay.

The pay for the hours of work actually performed under trade union contracts is higher than that provided for in the existing minimum wage.

The proposals of the BC Care Providers Association for extending the alternative minimum wage for live-in caregivers also makes recommendations for amending the legislation. It argues that having these non-government workers receive pay at the general minimum wage is prohibitively expensive. The revisions proposed would deal with expanding the definition of a live-in home support worker to include those paid privately, extending the client base to anyone with a chronic illness or disability, and setting new minimums for daily rates and hours of work.⁴⁶

Information from public consultations

The FWC received information about the minimum wage as related to the general conditions of those doing care work from workers, trade unions, and groups supporting care workers. Only a few specifically dealt with the very limited category for which the alternative minimum wage applies. There were no specific comments from employers on this issue.

The main themes we heard from the consultations in Nanaimo, Victoria, Vancouver, and Prince George was that live-in domestic workers have difficult working conditions without appropriate compensation.

46 BC Care Providers Association letter to the Minister of Labour, November 29, 2017.

These included the following comments and observations:

- *These live-in workers are only paid minimum wage for 10 hours of work. They are unable to earn overtime rates, even if their eight-hour rest period is interrupted.*
- *On-call should be deemed to be part of working hours. Live-in home support workers are sometimes on-call for 24 hours a day without pay or overtime pay.*
- *The different classes of domestic workers in the ESA and Regulation serve to confer different rights for workers who do essentially the same work.*
- *Regulations are complicated and discourage workers from filing complaints when their rights are violated.*
- *The work is highly gendered and racialized, and it seems that adequate value is not placed on care work for those who are elderly or disabled.*

Conclusions and recommendations

This category covers few or no workers. This is because the definition of a live-in home support worker is very restricted. It applies only to those who are employed through a government funded program, providing home support services for anyone with an acute or chronic illness or disability not requiring hospitalization. Other provinces do not have this specific classification of home support worker.

All of the workers who are employed through a government funded program are unionized, so no workers would be receiving this alternative minimum wage, if the service is supplied. It appears that in the past there have been private providers who have used this alternative minimum wage, but an Employment Standards Tribunal ruling found this not to be lawful.

There is a proposal to the Ministry of Labour from the BC Care Providers Association for extending this alternative minimum wage to private sector workers. This appears to be beyond the scope of the FWC, and something that would need to be discussed between various other ministries for a decision to occur. Since these workers are currently covered by the general minimum wage, this would incur a reduction in their wage protection.

Recommendation

- The FWC recommends that the alternate minimum wage for live-in home support workers be abolished.

5 Resident caretakers

Context

An alternate minimum wage for resident caretakers in BC has been in effect since at least 1981. A resident caretaker is defined as someone who lives in an apartment building that has more than eight residential suites and is also employed as a caretaker, custodian, janitor, or manager of a building that meets the definition of apartment.⁴⁷

The minimum wage is calculated as a monthly amount and varies depending on the number of units involved:

- 9 to 60 units: \$681.00/month plus \$26.29 for each suite (for example, if someone manages 42 units, including their own suite, the wage would be \$1,827.18); and
- 61 or more units: \$2,319.65/month.

If a person works less than a full month, the above rates are prorated based on the number of days worked.

Resident caretakers' wages may be less than the general minimum wage if they work a regular 40-hour work week, since the pay per hour can be highly variable based on the number of units and the hours of work required. For example, a resident caretaker who takes care of 42 units and works 40 hours/week for the month would be paid about \$10.83/hour and much less if working full time in a smaller building. If a resident caretaker takes care of 61 units and works 40 hours/week for the month, the wage would be \$13.85/hour.

⁴⁷ Employment Standards Regulation, Part 1, Definitions.

Resident caretakers must be designated as occupying that role by their employer in writing; otherwise they are entitled to be covered by the general minimum wage. There may be more than one designated resident caretaker for a building. If a relief caretaker is employed for weekends and vacations, this person is paid the regular minimum wage.

Live-in caretakers are not entitled to daily or weekly overtime pay, but are entitled to 32 consecutive hours free from work each week and eight consecutive hours a day. Overtime pay is only necessary if they are required to work during their 32 hours of rest time. This is one and a half times the regular wage. This group of workers is covered by statutory holiday and annual vacation provisions of the Employment Standards Act.

Rent is sometimes deducted from pay or in lieu of pay. This is permitted for live-in caretakers, but only with written authorization from the employee. The Interpretation Guidelines Manual for the ESA is quite explicit that it is not acceptable for the employer to assume this arrangement, because the law explicitly prohibits it unless permission is given in writing.⁴⁸

The alternate minimum wage for resident caretakers has increased at roughly the same rate (75%) as the general minimum wage since 1994.⁴⁹

It is unclear how many people the alternate minimum wage for resident caretakers covers or has covered in the past. It is also unclear how many hours they generally work, how much they typically earn, or the characteristics of this group of workers. There appears to have been no examination of this particular group in BC in the past, and statistical information is not available.

Comparisons with other provinces

BC is the only province that prescribes an alternate minimum wage for resident caretakers, also referred to as 'building services providers' or 'residential-service facility workers' in other provinces and territories. It is unclear why this alternate minimum wage was initially established in BC. In every other jurisdiction in Canada, residential caretakers are protected by the general minimum wage, although they are not always protected by other employment standards regulations. In Saskatchewan and Nova Scotia they are exempt from overtime pay. In Manitoba they are exempt from 'day of rest' legislation. In the Northwest Territories rent cannot be clawed back from the minimum wage.

48 Interpretation Guidelines, ESR Section 17 – Minimum Wage – Resident caretakers.

49 The Ministry of Labour provided the resident caretaker alternate minimum wages from 1994 to 2017.

Findings from consultations

The FWC consulted people through public hearings throughout the province, through the submission of briefs, and through other written comments. The commission did not hear from any employers or landlords, nor any former or current resident caretakers themselves, and only one community group specifically discussed resident caretakers.

Community groups, trade unions, and some individuals feel that all alternate minimum wage categories should be abolished. This includes the alternate resident caretaker wage. Both at in-person consultations and through written submissions, they argued that no exceptions to general minimum wage protection should exist for any worker. One community group raised the issue of the lack of protection in the enforcement of how rent is treated as part of the wage. It appears that in some cases this occurs without the explicit permission of the employee. This appears to be an issue related to enforcement of employment standards regulations.

The only other major issue that was brought to the attention of the FWC was the practice of avoiding the minimum wage provisions for this group of workers through the practice of hiring a caretaker as an independent contractor. It appears to be not uncommon for property managers to designate the live-in caretaker, or caregiver couple, as a contractor and pay below the alternate minimum wage rates, or to waive the rent as a form of remuneration. This issue, and the one related to how rent is treated, are enforcement issues related to employment standards regulations that should be examined in any employment standards review.

Conclusions and recommendations

The alternate minimum wage for resident caretakers has existed since 1981 and BC is the only jurisdiction in Canada with an alternate minimum wage for this group of workers.

It appears there has been no review or examination of this minimum wage since it began. Statistics Canada does not have a specific category for this group, so the characteristics of these workers are also not known.

The issues that came to the attention of the FWC relate to how the regulations regarding the minimum wage are treated by employers. It appears that the regulations that currently exist regarding how rent is treated as part of the wage is not necessarily followed and that the rent is either treated as the equivalent

of the minimum wage, or deducted as a matter of course for the wage. Also, it appears that the minimum wage is circumvented by off-site building managers or owners, by hiring live-in caretakers on contract.

Recommendations

- An employment standards review should examine the regulations around contracting out for resident caretakers to understand if this practice should be regulated.
- An employment standards review might consider making the treatment of rent separate from the payment of the wages of the resident caretaker.
- In the near future, the permanent FWC should undertake original research in order to understand the relevance of this alternative minimum wage.
- The FWC recommends that on June 1, 2018 the alternate minimum wage for resident caretakers increase at the same rate as the general minimum wage for the two categories of resident caretaker units. The specific rates will be:

2018	11.5% increase 9-60 units = \$759.32 (+ 30.43/unit) 61+ units = \$2,586.40
2019	9.5% increase 9-60 units = \$831.45 (+ 33.32/unit) 61+ units = \$2,832.11
2020	5.4% increase 9-60 units = \$876.35 (+ 35.12/unit) 61+ units = \$2,985.04
2021	4.1% increase 9-60 units = \$912.28 (+ 36.56/unit) 61 + units = \$3,107.42

6 Live-in camp leaders

Context

An alternate minimum wage came into effect in 1997 for live-in camp leaders in BC and they are currently entitled to \$90.80/day. 'Live-in camp leaders' refers to those employed by a charity or non-profit seasonal camp and who provide instruction or counselling to campers under the age of 19. They are also defined in BC's Employment Standards Regulation as providing their service on a 24-hour basis without being charged for room and board.

The definition of live-in camp leader minimum wage applies only to those working in charities or non-profits. Live-in camp leaders working in for-profit camps are protected by the general minimum wage. Before 1997, live-in camp leaders working in non-profits were protected by the general minimum wage and it is unclear why this alternate minimum wage was initially established.

The daily rate for live-in camp leaders has gone from \$56.00/day in 1997 to the current rate of \$90.80/day or part day worked. This is an increase of \$34.80 or 62.1%, which is equivalent to the percent increase for the general minimum wage for the same time period.

The current rate of \$90.80/day would mean that live-in camp leaders are being paid equivalent to the general minimum wage if they work a regular eight-hour day. However, the much longer hours in their work schedules results in live-in camp leaders making less than the general minimum wage. They are also exempt from overtime pay.

It is unclear how many people the alternate minimum wage for live-in camp leaders covers or has covered in the past, nor is there information on the characteristics of workers who hold these jobs. It is also unclear how many hours they generally work or how much they typically earn in a season. This class of worker is very specific and as a result, there is not specific information about how many or who is employed in general labour force statistics.

Comparisons with other provinces

BC is not the only province that allows live-in camp leaders, or sometimes workers in non-profits, to be paid less than the general minimum wage. However, BC is the only province that prescribes a set alternate minimum wage for these workers. Other provinces either cover all live-in camp leaders under general minimum wage protection (Ontario) or they exclude camp leaders at non-profits (Alberta, Quebec, Manitoba, New Brunswick), or non-profit workers more generally (Saskatchewan, PEI). Nova Scotia also excludes live-in camp leaders from overtime pay.

Findings from consultations

The FWC consulted people through public hearings throughout the province, through the submission of briefs, and through other written comments. The commission heard from very few individuals who had experience either employing or working as live-in camp leaders, although both an employer and former live-in camp leader spoke at a consultation. There is a marked distinction between employers who want to keep the lower alternate minimum wage whereas community groups, trade unions, and former live-in camp leaders would like to see it abolished.

An employer that ran a non-profit based summer camp argued that the minimum wage needs to be low so that the youth who can't otherwise afford camp still have the opportunity to go. They argued that non-profit summer camps will be dramatically impacted in their ability to offer affordable camps that provide programming for low income youth. The employer stressed that most live-in camp leaders are youth in an entry level position. They are generally seasonal staff, between 17 and 18 years old. The employer felt that being a live-in camp leader provides teenagers with extensive training and can be career setting for some, at which point they can move up in the organization and make more than \$20/hour.

Community groups and trade unions held the relatively unanimous opinion to abolish alternate minimum wages altogether, including the live-in camp leader wage. Both at in-person consultations and through written submissions, they argued that no exceptions to general minimum wage protection should exist for any worker. If the alternate minimum wage for live-in camp leaders was abolished, those working at non-profits camps would be covered by general minimum wage protection like their peers who work at for-profit camps.

The former live-in camp leader who spoke at a FWC consultation reinforced that he was not compensated for overtime hours despite being on-call on a 24-hour basis. Camp leaders often receive food but do not get regularly scheduled breaks and lack regulatory protection. In this case, room and board was provided

for a \$5/day nominal amount, which is inconsistent with regulations that state room and board is to be included in the alternate minimum wage.

The experience of a former live-in camp leader points to the need for a review and better enforcement of employment standards regulations regarding overtime pay, break time, and protection against illegal deductions which is beyond the scope of this commission.

Conclusions and recommendations

Live-in camp leaders receiving the alternative minimum wage are those employed by a charity or non-profit seasonal camp for campers under 19 years of age. The minimum wage is \$90.80/day on a 24-hour basis with no regulations stipulating any rest time or days off.

No other jurisdiction in Canada has a similar alternative minimum wage and no other charities have alternate minimum wages for their workers.

The FWC had no information from workers in this category during the consultations, and one camp leader talked to us about the significance of this lower wage for maintaining a camp. The assumption is that these workers are very young and gain valuable experience. There is no data available from Statistics Canada about this group of workers.

There is also no information about how the alternate minimum wage for live-in camp leaders is carried out, what conditions are like for these workers especially regarding breaks, and what kind of living situations they find themselves in. It appears this issue has not been examined by the government at any time. The lack of rest periods or days off is especially troubling, considering the probable age of most of these workers.

Recommendations

- The FWC recommends that the alternate minimum wage for live-in camp leaders increase at the same percent each year as the general minimum wage, beginning June 1, 2018:

Year	% increase	Minimum wage
2018	11.5%	\$101.24
2019	9.5%	\$110.87
2020	5.4%	\$116.86
2021	4.1%	\$121.65

- The FWC recommends an employment standards review to establish regulations regarding time off and rest periods.
- The FWC recommends that the future permanent FWC conduct an investigation with original research into the merits of this alternate minimum wage.

7 Permanent fair wages commission

IN THE FIRST REPORT OF THE FWC a recommendation was made that a permanent commission be established to make recommendations about increasing the minimum wage in the future. At that time we indicated that the two additional phases of the work of the FWC would likely give more insight into the tasks that a permanent commission could undertake.

The tasks that were identified in the first report were the following:

- Establish a permanent commission with a staff to examine issues related to low wages in BC and to give advice on increases to the minimum wage.
- Provide for a permanent research function for the commission so that it can examine the changing nature of the labour market and how well new forms of work are protected with existing minimum wage coverage.
- Establish a predictable indicator that is the basis for future minimum wage increases.
- Establish a way to ensure that the advice to the commission is representative of community interests.

This report has identified areas that should be added as tasks to the potential work of a permanent fair wages commission that was recommended in the first report of the Commission. These additional recommendations are as follows:

- Conduct a review of all of the alternative wage categories in this report, after a suitable period of time, to ensure that they are functioning appropriately for both workers and employers.

- Initiate original research on two areas identified in this report for which there is currently little or no information to inform an adequate evaluation of the efficacy of the alternative minimum wage. These are resident caretakers and live-in camp leaders.
- Undertake an examination of areas indicated in the general recommendations in this report.
- Conduct reviews of occupations that are currently completely exempt from minimum wage coverage.

The third report of the FWC, which will deal with how to reconcile the difference between the minimum wage and a liveable wage, will undoubtedly uncover other issues that could be reviewed in the future by a permanent fair wages commission.

8 Summary of recommendations

Farm workers paid by piece rate

Recommendations

- The FWC recognizes the significance of piece rates as an incentive system and recommends that it be maintained, but not in the way it currently operates. The minimum wage should be a floor and piece rates should be available as an incentive.
 - o The FWC recommends a phase in of the general minimum wage to give employers time to adjust:
 - 15% increase to all piece rates on June 1, 2018; and
 - Institute the general minimum wage on June 1, 2019.
 - o The FWC recommends that all farm workers receive at least the general minimum wage by June 1, 2019. This means if workers do not receive the equivalent of the general minimum wage for picking at piece rates their remuneration will be increased to equal the general minimum wage.
- The FWC recommends that the piece rate system as it is currently constructed be continued, in the short term, in order to maintain an incentive system in piece rates.

- The FWC recommends that in the future, once the general minimum wage is fully implemented, piece rates as an incentive be reviewed by a permanent FWC, in consultation with industry and workers. This would be to determine whether it should be government or employers who should set the piece rates that are used as an incentive system above the general minimum wage.
- The FWC recommends that a more thorough review of employment standards be undertaken to review the requirements for detailed and accurate time and payment records. This will be important for transparency regarding working times and remuneration.
- The FWC understands that the chances being recommended are substantial. We therefore recommend that the permanent FWC review this new system after a reasonable amount of time, to ensure that it is functioning appropriately for both workers and employers.

Liquor servers

Recommendations

- The FWC recommends that the minimum wage for liquor servers be raised to equal the general minimum wage. This should be raised incrementally in order to give employers time to adjust. This incremental increase will ensure that liquor servers receive the general minimum wage of \$15.20/hour by 2021. We recommend that the liquor server wage increase on June 1 each year, beginning in 2018, with the following amounts:

Year	\$ increase	Minimum wage
2018	\$1.30	\$11.40
2019	\$1.30	\$12.70
2020	\$1.25	\$13.95
2021	\$1.25	\$15.20

- The FWC recommends that a future employment standards review examine the tipping practices in BC. This should examine standards to determine when tips are considered wages, review the practice of using tips to enhance the wages of non-tipped workers, and ensure that tipping practices are transparent.

Live-in home support workers

Recommendation

- The FWC recommends that the alternate minimum wage for live-in home support workers be abolished.

Resident caretakers

Recommendations

- An employment standards review should examine the regulations around contracting out for resident caretakers to understand if this practice should be regulated.
- An employment standards review might consider making the treatment of rent separate from the payment of the wages of the resident caretaker.
- In the near future, the permanent FWC should undertake original research in order to understand the relevance of this alternative minimum wage.
- The FWC recommends that on June 1, 2018 the alternate minimum wage for resident caretakers increase at the same rate as the general minimum wage for the two categories of resident caretaker units. The specific rates will be:

2018	11.5% increase 9-60 units = \$759.32 (+ 30.43/unit) 61+ units = \$2,586.40
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2020	5.4% increase 9-60 units = \$876.35 (+ 35.12/unit) 61+ units = \$2,985.04
2021	4.1% increase 9-60 units = \$912.28 (+ 36.56/unit) 61 + units = \$3,107.42

Live-in camp leaders

Recommendations

- The FWC recommends that the alternate minimum wage for live-in camp leaders increase at the same percent each year as the general minimum wage, beginning June 1, 2018:

Year	% increase	Minimum wage
2018	11.5%	\$101.24
2019	9.5%	\$110.87
2020	5.4%	\$116.86
2021	4.1%	\$121.65

- The FWC recommends an employment standards review to establish regulations regarding time off and rest periods.
- The FWC recommends that the future permanent FWC conduct an investigation with original research into the merits of this alternate minimum wage.

Permanent fair wages commission

This current report has identified areas that should be added as tasks to the potential work of a permanent fair wages commission that was recommended in the first report of the Commission.

Recommendations

- Conduct a review of all of the alternative wage categories in this report, after a suitable period of time, to ensure that they are functioning appropriately for both workers and employers.
- Initiate original research on two areas identified in this report for which there is currently little or no information to inform an adequate evaluation of the efficacy of the alternative minimum wage. These are resident caretakers and live-in camp leaders.
- Undertake examination of areas indicated in the general recommendations in this report.
- Conduct reviews of occupations that are currently completely exempt from minimum wage coverage.

Appendix I. Terms of Reference for the Fair Wages Commission

FINAL Terms of Reference

FAIR WAGES COMMISSION

Whereas the general minimum wage in British Columbia is \$11.35/hour and the liquor server minimum wage is \$10.10/hour as of September 15, 2017;

And whereas among Canadian provinces, minimum wages range from \$10.72 to \$12.20/hour as of August 2017, although Alberta has announced a commitment to be at \$15/hour by October 2018 while Ontario has plans to reach \$15/hour by January 2019;

And whereas with the cost of living in BC, a person working full-time in a minimum wage job cannot make ends meet or support a family;

And whereas in contrast to the minimum wage, a living wage is designed to reflect what earners in a family need to bring home based on the actual costs of living in a specific community;

And whereas government intends to increase the minimum wage to \$15/hour as part of a plan to create good jobs, fair wages and build a sustainable economy in every sector and in every corner of the province, including indexing it to inflation in the future so as not to fall behind;

And whereas the Confidence and Supply Agreement from May 2017 contains the following commitment at Section 2 (e): *“Immediately establish an at-arm’s-length Fair Wages Commission that will be tasked with establishing a pathway to a minimum wage of at least \$15 per hour and overseeing regular rate reviews. The commission will bring forward recommendations regarding strategies to address the discrepancy between minimum wages and livable wages. The commission will make its first report on a new minimum wage within 90 days of its first meeting.”*

Now, therefore, the Minister directs the establishment of an impartial Fair Wages Commission as follows:

1. The Commission will consist of a Chair, one representative of employer interests and one representative of worker interests. These three Commission members will be appointed by the Minister of Labour. The Minister may add two members (one who represents employer interests and one who represents worker interests) to the Commission if needed after the first report is submitted (as per item 4 below) to address the complexities of the discrepancy between minimum wages and living wages.

2. The budget for the Commission will come from the Ministry of Labour. Payment for the Commission Chair and its members will be in accordance with government policy. The Ministry will provide administrative support for the Commission, including research and website support.
3. The Commission will determine its own procedures, including the format for reporting to the Minister and communications. It is expected that the Commission will engage in consultations with and receive submissions from interested stakeholders from all regions of the province including but not limited to representatives of economists, trade unions, the technology sector, small business, and youth.
4. The Commission will make its first report on a new minimum wage within 90 days of its first meeting. The first meeting of the Commission will take place on or before October 1, 2017 to enable a first report no later than December 31, 2017. The report should be in writing to the Minister of Labour and address the issues in items 5 to 7, inclusive, below. The timing for items 8 and 9 are for discussion with the Minister but are not required to be included in the first report to the Minister.
5. The Commission must prepare recommendations on the general minimum wage that will result in a series of increases over time to reach a \$15/hour minimum wage. Where possible, the recommendations should support the principles of regular, measured, and predictable increases over time to allow employers an appropriate notice period to plan for the changes on the way to a \$15/hour minimum wage.
6. The Commission should consider the impact of minimum wage increases in other jurisdictions including those jurisdictions that have committed to achieving \$15/hour. Consideration should be given to the prevailing views on the impact of minimum wage increases on employment.
7. The Commission must consider and make recommendations on the other minimum wage rates under the *Employment Standards Regulation*.
8. The Commission must prepare recommendations related to regular rate reviews once the \$15/hour minimum wage is achieved, including the Commission's role in overseeing regular rate reviews. The Commission should give consideration to the BC consumer price index and other factors (e.g., economic and labour market conditions), and provide recommendations on when and how the increases beyond the \$15/hour minimum wage should be determined.

9. The Commission will review the issue of what constitutes a “living wage” and the elements that make up determining a “living wage”, including a jurisdictional scan of the issue in BC and across Canada. Recognizing rapid changes occurring in the economy, the Commission will make recommendations regarding strategies to address the discrepancy between the minimum wage and a “living wage”.

10. The Minister of Labour will make the Commission’s reports public after a reasonable period of time to review and consider them. The Minister will also provide the reports to Cabinet.

Given under my hand this 29 day of September, 2017.

Honourable Harry Bains, Minister of Labour

Appendix II. BC minimum wage legislation

Employment Standards Act

EMPLOYMENT STANDARDS REGULATION

[includes amendments up to B.C. Reg. 158/2017, September 15, 2017]

Part 4 — Minimum Wages

Minimum hourly wage

15 Subject to sections 16 to 18.1, the minimum wage is \$11.35 an hour.

Minimum daily wage

- 16** (1) The minimum daily wage for a live-in home support worker is \$113.50 for each day or part day worked.
- (2) The minimum daily wage for a live-in camp leader is \$90.80 for each day or part day worked.

Minimum wage — resident caretakers

- 17** The minimum wage for a resident caretaker is,
- (a) for an apartment building containing 9 to 60 residential suites, \$681.00 a month plus \$27.29 for each suite, and
- (b) for an apartment building containing 61 or more residential suites, \$2 319.65.

Minimum wage — farm workers

18 (1) The minimum wage, including 4% of gross earnings vacation pay, for farm workers who are employed on a piece work basis and hand harvest the following berry, fruit or vegetable crops, is, for the gross volume or weight picked, as follows:

(a) apples	\$18.89 a bin (27.1 ft ³ / 0.767 m ³);
(b) apricots	\$21.73 a 1/2 bin (13.7 ft ³ / 0.388 m ³);
(c) beans	\$0.259 a pound / \$0.571 a kg;
(d) blueberries	\$0.438 a pound / \$0.966 a kg;
(e) brussel sprouts	\$0.180 a pound / \$0.397 a kg;
(f) cherries	\$0.248 a pound / \$0.547 a kg;
(g) grapes	\$20.07 a 1/2 bin (13.7 ft ³ / 0.388 m ³);
(h) mushrooms	\$0.260 a pound / \$0.573 a kg;

(i) peaches	\$20.07 a 1/2 bin (12.6 ft ³ / 0.357 m ³);
(j) pears	\$21.27 a bin (27.1 ft ³ / 0.767 m ³);
(k) peas	\$0.323 a pound / \$0.712 a kg;
(l) prune plums	\$21.27 a 1/2 bin (13.7 ft ³ / 0.388 m ³);
(m) raspberries	\$0.395 a pound / \$0.871 a kg;
(n) strawberries	\$0.380 a pound / \$0.838 a kg.

- (1.1) The minimum wage for farm workers who are employed on a piece work basis and hand harvest daffodils is \$0.152 a bunch (10 stems) for gross number picked.
- (2) Each employer of farm workers must display, in a location where they can be read by all employees, notices stating the following:
- (a) the volume of each picking container being used;
 - (b) the volume or weight of fruit, vegetables or berries required to fill each picking container;
 - (c) the resulting piece rate.
- (3) Farm workers described in subsection (1), and their employers, are exempted from section 58 of the Act on condition that the farm workers receive not less than the minimum wage described in subsection (1).
- (4) A farm labour contractor must keep records of the following information:
- (a) the name of each worker;
 - (b) the work site location and dates worked by each worker;
 - (c) the fruit, vegetable, berry or flower crop picked in each day by each worker;
 - (d) the volume or weight picked in each day by each worker.
- (5) The records required by subsection (4) must
- (a) be in English,
 - (b) be kept at the employer's principal place of business in British Columbia, and
 - (c) be retained by the employer for 2 years after the employment terminates.

Minimum wage — liquor servers

- 18.1** (1) In this section, “**liquor server**” means an employee
- (a) whose primary duties are as a server of food or drink or both, and
 - (b) who, as a regular part of his or her employment, serves liquor directly to customers, guests, members or patrons in premises for which a licence to sell liquor has been issued under the *Liquor Control and Licensing Act*.
- (2) The minimum wage for a liquor server is \$10.10 an hour.

Appendix III. Agricultural piece rates 1981-2017

Table III.1 General minimum wage and piece rate increases (apple to daffodil) in BC: 1981-2017

YEAR	MONTH OF INCREASE	GENERAL MINIMUM WAGE	PIECE RATE (APPLE TO DAFFODIL)						
			APPLE	APRICOT	BEAN	BLUEBERRY	BRUSSEL SPROUT	CHERRY	DAFFODIL
			\$/BIN	\$/1/2 BIN	\$/LB.	\$/LB.	\$/LB.	\$/LB.	\$/BUNCH
1981		\$3.65	\$8.00	\$8.50	\$0.100	\$0.195	\$0.070	\$0.105	-
1982		\$3.65	\$8.00	\$8.50	\$0.100	\$0.195	\$0.070	\$0.105	-
1983		\$3.65	\$8.00	\$8.50	\$0.100	\$0.195	\$0.070	\$0.105	-
1984		\$3.65	\$8.00	\$8.50	\$0.100	\$0.195	\$0.070	\$0.105	-
1985		\$3.65	\$8.00	\$8.50	\$0.100	\$0.195	\$0.070	\$0.105	-
1986		\$3.65	\$8.00	\$8.50	\$0.100	\$0.195	\$0.070	\$0.105	-
1987		\$3.65	\$8.76	\$9.35	\$0.110	\$0.215	\$0.080	\$0.115	-
1988	July	\$4.50	\$9.86	\$10.48	\$0.125	\$0.240	\$0.085	\$0.130	-
1989	October	\$4.75	\$10.41	\$11.06	\$0.130	\$0.255	\$0.090	\$0.135	-
1990	April	\$5.00	\$10.96	\$11.64	\$0.135	\$0.265	\$0.095	\$0.145	-
1991		\$5.00	\$10.96	\$11.64	\$0.135	\$0.265	\$0.095	\$0.145	-
1992	February	\$5.50	\$12.05	\$12.81	\$0.150	\$0.295	\$0.105	\$0.160	-
1993	April	\$6.00	\$12.05	\$12.81	\$0.150	\$0.295	\$0.105	\$0.160	-
1994		\$6.00	\$12.05	\$12.81	\$0.150	\$0.295	\$0.105	\$0.160	-
1995	March	\$6.50	\$13.16	\$13.99	\$0.165	\$0.295	\$0.115	\$0.173	-
	October	\$7.00	\$13.16	\$13.99	\$0.165	\$0.295	\$0.115	\$0.173	-
1996		\$7.00	\$13.16	\$13.99	\$0.165	\$0.295	\$0.115	\$0.173	-
1997		\$7.00	\$13.16	\$13.99	\$0.165	\$0.295	\$0.115	\$0.173	-
1998	April	\$7.15	\$13.44	\$15.46	\$0.184	\$0.312	\$0.128	\$0.177	\$0.112
1999		\$7.15	\$14.46	\$16.63	\$0.198	\$0.336	\$0.138	\$0.190	\$0.112
2000	November	\$7.60	\$15.37	\$17.68	\$0.210	\$0.357	\$0.146	\$0.202	\$0.112
2001	November	\$8.00	\$16.18	\$18.61	\$0.222	\$0.376	\$0.154	\$0.213	\$0.125
2002		\$8.00	\$16.18	\$18.61	\$0.222	\$0.376	\$0.154	\$0.213	\$0.125
2003		\$8.00	\$15.60	\$17.94	\$0.210	\$0.362	\$0.149	\$0.205	\$0.125
2004		\$8.00	\$15.60	\$17.94	\$0.214	\$0.362	\$0.149	\$0.205	\$0.125
2005		\$8.00	\$15.60	\$17.94	\$0.214	\$0.362	\$0.149	\$0.205	\$0.125

Table III.1 Continued

YEAR	MONTH OF INCREASE	GENERAL MINIMUM WAGE	PIECE RATE (APPLE TO DAFFODIL)						
			APPLE	APRICOT	BEAN	BLUEBERRY	BRUSSEL SPROUT	CHERRY	DAFFODIL
			\$/BIN	\$/1/2 BIN	\$/LB.	\$/LB.	\$/LB.	\$/LB.	\$/BUNCH
2006		\$8.00	\$15.60	\$17.94	\$0.214	\$0.362	\$0.149	\$0.205	\$0.125
2007		\$8.00	\$15.60	\$17.94	\$0.214	\$0.362	\$0.149	\$0.205	\$0.125
2008		\$8.00	\$15.60	\$17.94	\$0.214	\$0.362	\$0.149	\$0.205	\$0.125
2009		\$8.00	\$15.60	\$17.94	\$0.214	\$0.362	\$0.149	\$0.205	\$0.125
2010		\$8.00	\$15.60	\$17.94	\$0.214	\$0.362	\$0.149	\$0.205	\$0.125
2011	May	\$8.75	\$17.06	\$19.62	\$0.234	\$0.396	\$0.163	\$0.224	\$0.137
	November	\$9.50	\$17.06	\$19.62	\$0.234	\$0.396	\$0.163	\$0.224	\$0.137
2012	May	\$10.25	\$17.06	\$19.62	\$0.234	\$0.396	\$0.163	\$0.224	\$0.137
2013		\$10.25	\$17.06	\$19.62	\$0.234	\$0.396	\$0.163	\$0.224	\$0.137
2014		\$10.25	\$17.06	\$19.62	\$0.234	\$0.396	\$0.163	\$0.224	\$0.137
2015	September	\$10.45	\$17.39	\$20.00	\$0.239	\$0.404	\$0.166	\$0.228	\$0.140
2016	September	\$10.85	\$18.06	\$20.77	\$0.248	\$0.419	\$0.172	\$0.237	\$0.145
2017	September	\$11.35	\$18.89	\$21.73	\$0.259	\$0.438	\$0.180	\$0.248	\$0.152

Table III.2 General minimum wage and piece rate increases (grape to strawberry) in BC: 1981-2017

YEAR	MONTH OF INCREASE	GENERAL MINIMUM WAGE	PIECE RATE (GRAPE TO STRAWBERRY)							
			GRAPE	MUSH-ROOM	PEACH	PEAR	PEA	PRUNE PLUM	RASP-BERRY	STRAW-BERRY
			\$/1/2 BIN	\$/LB.	\$/1/2 BIN	\$/BIN	\$/LB.	\$/1/2 BIN	\$/LB.	\$/LB.
1981		\$3.65	\$8.50	\$0.110	\$8.50	\$9.00	\$0.125	\$9.00	\$0.155	\$0.150
1982		\$3.65	\$8.50	\$0.110	\$8.50	\$9.00	\$0.125	\$9.00	\$0.155	\$0.150
1983		\$3.65	\$8.50	\$0.110	\$8.50	\$9.00	\$0.125	\$9.00	\$0.155	\$0.150
1984		\$3.65	\$8.50	\$0.110	\$8.50	\$9.00	\$0.125	\$9.00	\$0.155	\$0.150
1985		\$3.65	\$8.50	\$0.110	\$8.50	\$9.00	\$0.125	\$9.00	\$0.155	\$0.150
1986		\$3.65	\$8.50	\$0.110	\$8.50	\$9.00	\$0.125	\$9.00	\$0.155	\$0.150
1987		\$3.65	\$9.35	\$0.120	\$9.35	\$9.86	\$0.135	\$9.85	\$0.170	\$0.165
1988	July	\$4.50	\$10.48	\$0.135	\$10.48	\$11.10	\$0.155	\$11.10	\$0.190	\$0.185
1989	October	\$4.75	\$11.06	\$0.145	\$11.06	\$11.71	\$0.160	\$11.71	\$0.200	\$0.195
1990	April	\$5.00	\$11.64	\$0.150	\$11.64	\$12.33	\$0.170	\$12.33	\$0.210	\$0.205

Table III.2 *Continued*

YEAR	MONTH OF INCREASE	GENERAL MINIMUM WAGE	PIECE RATE (GRAPE TO STRAWBERRY)							
			GRAPE	MUSH-ROOM	PEACH	PEAR	PEA	PRUNE PLUM	RASP-BERRY	STRAW-BERRY
			\$/1/2 BIN	\$/LB.	\$/1/2 BIN	\$/BIN	\$/LB.	\$/1/2 BIN	\$/LB.	\$/LB.
1991		\$5.00	\$11.64	\$0.150	\$11.64	\$12.33	\$0.170	\$12.33	\$0.210	\$0.205
1992	February	\$5.50	\$12.81	\$0.165	\$12.81	\$13.56	\$0.190	\$13.56	\$0.235	\$0.225
1993	April	\$6.00	\$12.81	\$0.165	\$12.81	\$13.56	\$0.190	\$13.56	\$0.235	\$0.225
1994		\$6.00	\$12.81	\$0.165	\$12.81	\$13.56	\$0.190	\$13.56	\$0.235	\$0.225
	March	\$6.50	\$13.99	\$0.181	\$13.99	\$14.81	\$0.206	\$14.81	\$0.255	\$0.247
1995	October	\$7.00	\$13.99	\$0.181	\$13.99	\$14.81	\$0.206	\$14.81	\$0.255	\$0.247
1996		\$7.00	\$13.99	\$0.181	\$13.99	\$14.81	\$0.206	\$14.81	\$0.255	\$0.247
1997		\$7.00	\$13.99	\$0.181	\$13.99	\$14.81	\$0.206	\$14.81	\$0.255	\$0.247
1998	April	\$7.15	\$14.29	\$0.185	\$14.29	\$15.13	\$0.230	\$15.13	\$0.281	\$0.271
1999		\$7.15	\$15.38	\$0.199	\$15.38	\$16.28	\$0.247	\$16.28	\$0.302	\$0.292
2000	November	\$7.60	\$16.34	\$0.212	\$16.34	\$17.30	\$0.263	\$17.30	\$0.321	\$0.310
2001	November	\$8.00	\$17.20	\$0.223	\$17.20	\$18.22	\$0.277	\$18.22	\$0.338	\$0.326
2002		\$8.00	\$17.20	\$0.223	\$17.20	\$18.22	\$0.277	\$18.22	\$0.338	\$0.326
2003		\$8.00	\$16.58	\$0.215	\$16.58	\$17.56	\$0.267	\$17.56	\$0.326	\$0.314
2004		\$8.00	\$16.58	\$0.215	\$16.58	\$17.56	\$0.267	\$17.56	\$0.326	\$0.314
2005		\$8.00	\$16.58	\$0.215	\$16.58	\$17.56	\$0.267	\$17.56	\$0.326	\$0.314
2006		\$8.00	\$16.58	\$0.215	\$16.58	\$17.56	\$0.267	\$17.56	\$0.326	\$0.314
2007		\$8.00	\$16.58	\$0.215	\$16.58	\$17.56	\$0.267	\$17.56	\$0.326	\$0.314
2008		\$8.00	\$16.58	\$0.215	\$16.58	\$17.56	\$0.267	\$17.56	\$0.326	\$0.314
2009		\$8.00	\$16.58	\$0.215	\$16.58	\$17.56	\$0.267	\$17.56	\$0.326	\$0.314
2010		\$8.00	\$16.58	\$0.215	\$16.58	\$17.56	\$0.267	\$17.56	\$0.326	\$0.314
	May	\$8.75	\$18.13	\$0.235	\$18.13	\$19.21	\$0.292	\$19.21	\$0.357	\$0.343
2011	November	\$9.50	\$18.13	\$0.235	\$18.13	\$19.21	\$0.292	\$19.21	\$0.357	\$0.343
2012	May	\$10.25	\$18.13	\$0.235	\$18.13	\$19.21	\$0.292	\$19.21	\$0.357	\$0.343
2013		\$10.25	\$18.13	\$0.235	\$18.13	\$19.21	\$0.292	\$19.21	\$0.357	\$0.343
2014		\$10.25	\$18.13	\$0.235	\$18.13	\$19.21	\$0.292	\$19.21	\$0.357	\$0.343
2015	September	\$10.45	\$18.48	\$0.240	\$18.48	\$19.58	\$0.298	\$19.58	\$0.364	\$0.350
2016	September	\$10.85	\$19.19	\$0.249	\$19.19	\$20.33	\$0.309	\$20.33	\$0.378	\$0.363
2017	September	\$11.35	\$20.07	\$0.260	\$20.07	\$21.27	\$0.323	\$21.27	\$0.395	\$0.380

Table III.3 Percent increases for general minimum wage and piece rates (apple to daffodil) in BC: 1981 – 2017

YEAR	GENERAL MINIMUM WAGE % INCREASE	% INCREASE TO PIECE RATE (APPLE TO DAFFODIL)						
		APPLE	APRICOT	BEAN	BLUEBERRY	BRUSSEL SPROUT	CHERRY	DAFFODIL
1981	0.0%	-	-	-	-	-	-	-
1982	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	-
1983	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	-
1984	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	-
1985	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	-
1986	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	-
1987	0.0%	9.5%	10.0%	10.0%	10.3%	14.3%	9.5%	-
1988	23.3%	12.6%	12.1%	13.6%	11.6%	6.3%	13.0%	-
1989	5.6%	5.6%	5.5%	4.0%	6.3%	5.9%	3.8%	-
1990	10.0%	5.3%	5.2%	3.8%	3.9%	5.6%	7.4%	-
1991	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	-
1992	10.0%	9.9%	10.1%	11.1%	11.3%	10.5%	10.3%	-
1993	9.9%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	-
1994	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	-
1995	8.3%	9.2%	9.2%	10.0%	0.0%	9.5%	8.1%	-
	7.7%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	-
1996	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	-
1997	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	-
1998	10.0%	2.1%	10.5%	11.5%	5.8%	11.3%	2.3%	1.8%
1999	0.0%	7.6%	7.6%	7.6%	7.7%	7.8%	7.3%	0.0%
2000	6.3%	6.3%	6.3%	6.1%	6.2%	5.8%	6.3%	0.0%
2001	5.3%	5.3%	5.3%	5.7%	5.3%	5.5%	5.4%	11.6%
2002	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
2003	0.0%	-3.6%	-3.6%	-5.4%	-3.7%	-3.2%	-3.8%	0.0%
2004	0.0%	0.0%	0.0%	1.9%	0.0%	0.0%	0.0%	0.0%
2005	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
2006	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
2007	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
2008	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

Table III.3 *Continued*

YEAR	GENERAL MINIMUM WAGE % INCREASE	% INCREASE TO PIECE RATE (APPLE TO DAFFODIL)						
		APPLE	APRICOT	BEAN	BLUEBERRY	BRUSSEL SPROUT	CHERRY	DAFFODIL
2009	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
2010	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
2011	9.4%	9.4%	9.4%	9.3%	9.4%	9.4%	9.3%	9.6%
	8.6%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
2012	7.9%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
2013	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
2014	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
2015	2.0%	1.9%	1.9%	2.1%	2.0%	1.8%	1.8%	2.2%
2016	3.8%	3.9%	3.9%	3.8%	3.7%	3.6%	3.9%	3.6%
2017	4.6%	4.6%	4.6%	4.4%	4.5%	4.7%	4.6%	4.8%

Table III.4 Percent increases for general minimum wage and piece rates (grape to strawberry) in BC: 1981 – 2017

YEAR	GENERAL MINIMUM WAGE % INCREASE	% INCREASE TO PIECE RATE (GRAPE TO STRAWBERRY)							
		GRAPE	MUSH- ROOM	PEACH	PEAR	PEA	PRUNE PLUM	RASP- BERRY	STRAW- BERRY
1981	0.0%	-	-	-	-	-	-	-	-
1982	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
1983	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
1984	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
1985	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
1986	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
1987	0.0%	10.0%	9.1%	10.0%	9.6%	8.0%	9.4%	9.7%	10.0%
1988	23.3%	12.1%	12.5%	12.1%	12.6%	14.8%	12.7%	11.8%	12.1%
1989	5.6%	5.5%	7.4%	5.5%	5.5%	3.2%	5.5%	5.3%	5.4%
1990	10.0%	5.2%	3.4%	5.2%	5.3%	6.3%	5.3%	5.0%	5.1%
1991	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
1992	10.0%	10.1%	10.0%	10.1%	10.0%	11.8%	10.0%	11.9%	9.8%
1993	9.9%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
1994	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

Table III.4 Continued

YEAR	GENERAL MINIMUM WAGE % INCREASE	% INCREASE TO PIECE RATE (GRAPE TO STRAWBERRY)							
		GRAPE	MUSH- ROOM	PEACH	PEAR	PEA	PRUNE PLUM	RASP- BERRY	STRAW- BERRY
1995	8.3%	9.2%	9.7%	9.2%	9.2%	8.4%	9.2%	8.5%	9.8%
	7.7%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
1996	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
1997	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
1998	10.0%	2.1%	2.2%	2.1%	2.2%	11.7%	2.2%	10.2%	9.7%
1999	0.0%	7.6%	7.6%	7.6%	7.6%	7.4%	7.6%	7.5%	7.7%
2000	6.3%	6.2%	6.5%	6.2%	6.3%	6.5%	6.3%	6.3%	6.2%
2001	5.3%	5.3%	5.2%	5.3%	5.3%	5.3%	5.3%	5.3%	5.2%
2002	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
2003	0.0%	-3.6%	-3.6%	-3.6%	-3.6%	-3.6%	-3.6%	-3.6%	-3.7%
2004	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
2005	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
2006	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
2007	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
2008	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
2009	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
2010	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
2011	9.4%	9.3%	9.3%	9.3%	9.4%	9.4%	9.4%	9.5%	9.2%
	8.6%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
2012	7.9%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
2013	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
2014	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
2015	2.0%	1.9%	2.1%	1.9%	1.9%	2.1%	1.9%	2.0%	2.0%
2016	3.8%	3.8%	3.8%	3.8%	3.8%	3.7%	3.8%	3.8%	3.7%
2017	4.6%	4.6%	4.4%	4.6%	4.6%	4.5%	4.6%	4.5%	4.7%

Appendix IV. Cross-jurisdictional comparison of farm worker minimum wages

	GENERAL MINIMUM WAGE	FARM WORKER MINIMUM WAGE	ADDITIONAL NOTES
CANADA			
British Columbia	\$11.35	General hourly wage for SAWP workers. Piece rates for specified hand harvested crops for domestic workers.	<ul style="list-style-type: none"> Domestic farm workers who harvest specified crops by hand may be paid by piece rate and must be paid the minimum rate set by the Employment Standards Regulation for each crop. Farm workers paid by piece rate are not required to make the general minimum wage. Farm workers are not entitled to overtime pay.
Alberta	\$13.60	General minimum wage.	<ul style="list-style-type: none"> Farm workers are covered by the general minimum wage. Exemption: farm worker employed by family member.
Ontario	\$14.00	Piece rate at least equivalent to general minimum wage.	<ul style="list-style-type: none"> Must receive at least what they would have earned per hour working at the general minimum wage. Not covered by limits on hours, rest days, overtime pay, or vacation pay in the Employment Standards Act.
Quebec	\$11.25	Piece rate at least equivalent to general minimum wage.	<ul style="list-style-type: none"> Must receive at least what they would have earned per hour working at the general minimum wage, otherwise workers are paid on yield. When yield is affected by crop conditions, worker is entitled to general minimum wage.
Saskatchewan	\$10.96	General minimum wage.	<ul style="list-style-type: none"> Farm workers are covered by the general minimum wage.
Manitoba	\$11.15	General minimum wage.	<ul style="list-style-type: none"> Farm workers are covered by the general minimum wage. Exemption: farm worker employed by family member.
Newfoundland	\$11.00	Piece rate at least equivalent to general minimum wage.	<ul style="list-style-type: none"> Must receive at least what they would have earned per hour working at the general minimum wage. Farm workers are not entitled to overtime pay.

Appendix IV *Continued*

	GENERAL MINIMUM WAGE	FARM WORKER MINIMUM WAGE	ADDITIONAL NOTES
Nova Scotia	\$10.85	Piece rate.	<ul style="list-style-type: none"> • Farm workers paid on a piece rate basis for harvesting fruit, vegetables, and tobacco and are not required to make the general minimum wage. • Farm workers under 16 are exempt from general minimum wage. • Exempt from overtime, holiday pay, and day of rest.
New Brunswick	\$11.00	Piece rate at least equivalent to general minimum wage.	<ul style="list-style-type: none"> • Must receive at least what they would have earned per hour working at the general minimum wage.
Prince Edward Island	\$11.25	General minimum wage.	<ul style="list-style-type: none"> • Farm workers are covered by the general minimum wage.
UNITED STATES			
Washington		Makes reference to piece rates; no established piece rates.	<ul style="list-style-type: none"> • Must receive at least what they would have earned per hour working at the general minimum wage if working on commission or piece rate basis. Business must keep track of actual hours worked and the piece rate units; employers must make up the difference each week if piece rate units do not equal amount equivalent to minimum wage. • Employers must pay farm workers separate rate of pay for rest breaks in addition to piece rate wage agreements; pay must be equivalent to regular rate of pay or minimum wage, whichever is greater. • Farm workers not entitled to overtime pay.
California		Makes reference to piece rates; no established piece rates.	<ul style="list-style-type: none"> • Must receive at least what they would have earned per hour working at the general minimum wage.
New Jersey		Makes reference to piece rates; no established piece rates.	<ul style="list-style-type: none"> • Must receive at least what they would have earned per hour working at the general state minimum wage. • Farm workers not entitled to overtime pay.
Michigan		Makes reference to piece rates; no established piece rates.	<ul style="list-style-type: none"> • Must receive at least what they would have earned per hour working at the general state minimum wage; covers youth 16 and over and farms with more than two employees.

Appendix V. Share of liquor servers in BC by job characteristics: 2016

	SHARE OF LIQUOR SERVERS	SHARE OF TOTAL EMPLOYEES	NUMBER OF LIQUOR SERVERS (IN '000s)	NUMBER OF TOTAL EMPLOYEES (IN '000s)
NUMBER OF JOBS				
Single job	89.6%	93.9%	17.2	1,769.1
Multiple jobs	10.4%	6.1%	2.0	115.5
Total	100.0%	100.0%	19.2	1,884.6
UNION COVERAGE				
None	97.4%	70.3%	18.7	1,324.4
Coverage		29.7%		560.2
TYPE OF JOB				
Permanent	70.8%	87.7%	13.6	1,653.7
Temporary	29.2%	12.3%	5.6	230.9
Total	100.0%	100.0%	19.2	1,884.6
JOB TENURE				
1 – 6 months	19.3%	12.4%	3.7	234.1
7 – 12 months	17.2%	8.7%	3.3	163.7
13 – 60 months	49.0%	32.5%	9.4	612.4
61+ months	14.6%	46.4%	2.8	874.4
Total	100.0%	100.0%	19.2	1,884.6
REASON PART-TIME				
Voluntary	78.1%	75.7%	10.0	254.5
Involuntary	21.9%	24.3%	2.8	81.7
Total part-time	100.0%	100.0%	12.8	336.2
Total			19.2	1,884.6

Source: Statistics Canada custom tabulation using a 2016 Labour Force Survey confidential file. Note: Numbers may not add up to 100% due to rounding; definition of liquor server: employees who are employed in the occupation of bartender or food/beverage server in the industries of either drinking places (alcoholic beverages) or full-service restaurants and limited seating eating places and if employees usually receive tips; liquor server and total employees refer to those over 19 years of age.

Appendix VI. Share of liquor servers in BC by hourly wage and weekly household earnings: 2016

	SHARE OF LIQUOR SERVERS	SHARE OF TOTAL EMPLOYEES	NUMBER OF LIQUOR SERVERS (IN '000s)	NUMBER OF TOTAL EMPLOYEES (IN '000s)
HOURLY WAGE				
≤ \$10.85	16.1%	4.6%	3.1	86.6
\$10.86-\$15.00	52.1%	17.8%	10.0	334.8
\$15.01-\$21.00	23.4%	21.3%	4.5	401.9
≥\$21.01	8.3%	56.3%	1.6	1,061.4
Total	100.0%	100.0%	19.2	1,884.6
WEEKLY HOUSEHOLD EARNINGS				
Quintile 1: \$600.00 - \$740.00	51.6%	19.2%	9.9	361.7
Quintile 2: \$740.01 - \$1,200.00	16.1%	19.4%	3.1	364.7
Quintile 3 & 4*: \$1,200.01 - \$2,384.50	22.4%	38.6%	4.3	727.5
Quintile 5: \$2,384.51 - \$10,980	9.9%	22.9%	1.9	430.7
Total	100.0%	100.1%	19.2	1,884.6

Source: Statistics Canada custom tabulation using a 2016 Labour Force Survey confidential file. Notes: Quintiles 3 & 4 are combined due to low numbers; numbers may not add up to 100% due to rounding; definition of liquor server: employees who are employed in the occupation of bartender or food/beverage server in the industries of either drinking places (alcoholic beverages) or full-service restaurants and limited seating eating places and if employees usually receive tips; liquor server and total employees refer to those over 19 years of age.

Appendix VII. Cross-jurisdictional comparison of liquor server minimum wages

	MINIMUM WAGE		TIP REGULATIONS
	GENERAL	LIQUOR SERVER*	
British Columbia	\$11.35	\$10.10	<ul style="list-style-type: none"> • Ownership and deductions: Tips and gratuities are the property of the employee and cannot be used to cover business costs. • Pooling or sharing: Employers can require employees to pool their tips and share with other employees that would otherwise have no access to tips. • Additional note: Liquor server alternate minimum wage introduced in 2011.
Alberta	\$13.60	General minimum wage	<ul style="list-style-type: none"> • Ownership and deductions: Tips are not considered wages. Employers cannot make deductions without advance written permission and not for sub-standard workmanship, breakage, or dine-and-dash type losses or cash shortages. • Pooling or sharing: Tips are not covered by the employment standards codes; each workplace decides how tips are to be handled among employees. • Additional note: Differential liquor server wage abolished in 2016.
Ontario	\$14.00	\$12.20	<ul style="list-style-type: none"> • Ownership and deductions: Employers can't withhold, make deductions from, or make their employees return their tips and other gratuities including to cover things like spilled food or beverages, broken supplies (e.g. dishes and glassware), losses or damages (e.g. from theft or customers who don't pay their bill). • Pooling or sharing: Employers can withhold or take an employee's tips or other gratuities if they are collecting and redistributing them later in a tip pool. Employers can participate in a tip pool if they: are a sole proprietor (i.e. the exclusive owner) of the business or a director, partner or shareholder in the business and regularly spend most of their time doing the same work as the employees who share in the tip pool, or other employees in the same industry that would normally receive or share tips. • Additional note: Latest minimum wage increases still include a liquor server alternate wage.

	MINIMUM WAGE		TIP REGULATIONS
	GENERAL	LIQUOR SERVER*	
Quebec	\$11.25	\$9.45 for any tipped workers	<ul style="list-style-type: none"> • Ownership and deductions: An employer who collects tips must remit them in full to the employee who provided the service. Tips include service charges added to the customer's bill, but do not include the administration charges added to the bill. • Pooling or sharing: An employee receiving tips has the right to participate in a tip-sharing arrangement. This arrangement, whether verbal or in writing, must result from the free and voluntary consent of the employees who are entitled to the tips. The employer cannot impose such an arrangement on employees or intervene in the reaching of such an arrangement. Employees who participate in a tip-sharing arrangement may ask their employer to manage the application of the arrangement and to distribute the tips among all of the participants. An employee hired in an establishment where a tip-sharing arrangement already exists is required to take part in this arrangement. Tipped workers cannot participate in the tip pool. • Additional note: Lower minimum wage for any tipped workers, including liquor servers. Tips must be recorded by the employee and employer for reporting purposes and the provision of benefits, such as EI and CPP.
New Brunswick	\$11.00	General minimum wage	<ul style="list-style-type: none"> • Ownership and deductions: Tips and service charges are the properties of the employee; employer cannot withhold or deduct from tips as wages or partial wages. • Pooling or sharing: Employer may adopt tip pooling practices to the benefit of some or all of the employees, but the employer cannot take some of the tips for themselves.
Prince Edward Island	\$11.25	General minimum wage	<ul style="list-style-type: none"> • Ownership and deductions: Tips and service charges are the properties of the employee; employer cannot withhold or deduct from tips as the wages or partial wages of the employee unless previously agreed upon. If tips are taken by the employer, they must be returned within 60 days. Tips can be calculated as additional wages for the purposes of CPP and EI. • Pooling or sharing: No employer can require an employee to share their tips with other employees or the employer. Employer may adopt tip pooling practices to the benefit of some or all of the employees, but the employer cannot take some of the tips for themselves. Employees must be notified in writing at the time of hire of any tip pooling practices.
Nova Scotia	\$10.85	General minimum wage	<ul style="list-style-type: none"> • Ownership and deductions: Tips are not considered wages. Tips and gratuities are not protected by employment standards code. • Additional note: No liquor server differential but experience differential: \$10.85/hour for experienced workers, \$10.35/hour for inexperienced workers.

	MINIMUM WAGE		TIP REGULATIONS
	GENERAL	LIQUOR SERVER*	
Newfoundland	\$11.00	General minimum wage	<ul style="list-style-type: none"> • Ownership and deductions: Tips and service charges are the properties of the employee and employees cannot be required to share the tip with an employer, manager, or supervisor.
Saskatchewan	\$10.96	General minimum wage	<ul style="list-style-type: none"> • Ownership and deductions: Tips are not considered wages. Tips are not protected from employers.
Manitoba	\$11.15	General minimum wage	<ul style="list-style-type: none"> • Ownership and deductions: Tips are not considered wages.
Yukon	\$11.32	General minimum wage	<ul style="list-style-type: none"> • Ownership and deductions: Tips are not considered wages.
Northwest Territories	\$12.50	General minimum wage	<ul style="list-style-type: none"> • Ownership and deductions: Tips are not considered wages.
Nunavut	\$13.00	General minimum wage	<ul style="list-style-type: none"> • Ownership and deductions: Tips are not considered wages.

Sources: Employment standards acts and regulations, provincial and territorial government websites. Note: *Liquor server or tipped worker.

Appendix VIII. Cross-jurisdictional comparison of live-in caregivers and equivalents

PROVINCE	MINIMUM HOURLY WAGE (as at Oct. 1, 2017)	LIVE-IN CAREGIVER DEFINITION	LIVE-IN CAREGIVER WAGE
Alberta	\$13.60 A scheduled minimum wage increase is set for Oct. 1, 2018 to \$15.00.	A domestic employee is a person employed to work in the employer's residence, for the care, comfort and convenience of members of that residence.	For domestic employees who live in: \$2,582/month. For domestic employees who don't live in: \$13.60 per hour.
Saskatchewan	\$10.96*	A care provider is someone hired primarily for the care and supervision of an immediate family member in either the home of the employer or the home of the family member requiring care. There are two types of care providers: come-in care providers (do not live in the home of the employer); and live-in care providers.	Come-in care providers are exempt from minimum wage. For live-in care providers, the hourly rate during the first eight hours is always at least the minimum wage.
Manitoba	\$11.15	Employees who live in homes to take care of, or supervise, a member of the employer's household, while residing in the employer's residence are domestic workers (including live-in nannies).	Domestic workers who work more than 12 hours per week must make at least minimum wage.
Ontario	\$11.60 The minimum wage will rise to \$14.00 in January 2018 and \$15.00 in January 2019.	Domestic workers are hired to work in a private home. They do things such as housekeeping, or provide care, supervision or personal assistance to children or people who are elderly, ill or disabled. An employee who is hired by a business, agency or any person other than the householder to perform homemaking services for a householder is classified as a 'homemaker.'	Domestic workers are covered by the Ontario Employment Standards Act on payment of wages. Home care workers (homemakers) are generally entitled to minimum wage for up to 12 hours per day.
Quebec	\$11.25	A domestic is an employee in the employ of a person and whose main function is the performance of domestic duties in the dwelling of that person, including an employee whose main function is to take care of or provide care to a child or to a sick, handicapped or aged person.	General minimum wage.

Appendix VII *Continued*

PROVINCE	MINIMUM HOURLY WAGE (as at Oct. 1, 2017)	LIVE-IN CAREGIVER DEFINITION	LIVE-IN CAREGIVER WAGE
Newfoundland and Labrador	\$11.00	No formal definition in law.	General minimum wage.
New Brunswick	\$11.00	No definition, but the provincial Employment Standards Act “does not include a person having control or direction of or being responsible, directly or indirectly, for the employment of persons in or about his private home.” The excludes domestic workers from minimum wage legislation.	Persons employed in a private home are exempt from the minimum wage.
Nova Scotia	\$10.85	The provincial minimum wage does not apply to employees who do domestic service for or give personal care to an immediate family member in a private home and are working for the householder or to employees who do domestic service for or give personal care in a private home and are working for the householder for 24 hours or less per week.	Domestic service and personal care workers employed in a private home are exempt from the minimum wage.
Prince Edward Island	\$11.25	No definition.	General minimum wage.
North West Territories	\$12.50 The minimum wage will rise to \$13.46 on April 1, 2018.	An employee employed in domestic work in a private residence in which his or her employer ordinarily resides.	Exempt from the minimum the wage.
Yukon	\$11.32*	Domestics are persons employed to provide cooking, cleaning, gardening, maintenance, chauffeuring, sitting, nursing, tutoring or other services to household.	Domestics are exempted from Part 2, Hours of Work and Overtime, of the Yukon Employment Standards Act. If domestics are not paid an hourly rate, then their minimum wage is eight hours multiplied by the current minimum wage rate to calculate the minimum amount for each day or part day worked.
Nunavut	\$13.00		The Labour Standards Act and provincial minimum wage applies to domestic workers when defined by regulation.

*These provinces have annual rate increases based on changes in the Consumer Price Index.

