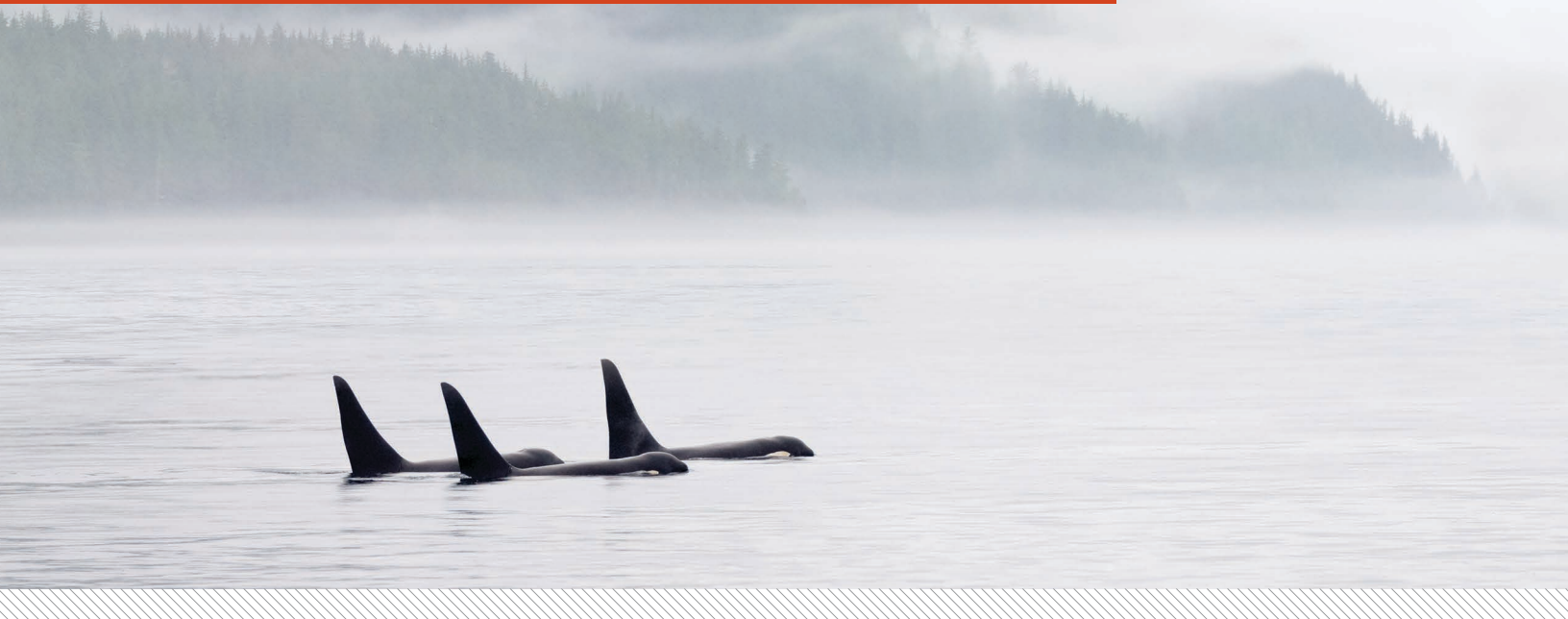


BC SOLUTIONS

News & Commentary from the Canadian Centre for Policy Alternatives' BC Office | JANUARY 2019



Implementing the *UN Declaration on the Rights of Indigenous Peoples* in BC

BY KUKPI7 JUDY WILSON

In the span of a decade, we have moved from the *UN Declaration on the Rights of Indigenous Peoples (UNDRIP)* being largely absent from political and public discourse in BC, to being fully endorsed by both the federal and provincial governments. In May 2017, implementation of the *UN Declaration* was called “foundational” to the *Confidence and Supply Agreement* between the BC NDP and BC Green Party. Two months later, each new BC cabinet minister was tasked with implementing the *UN Declaration* in their mandate letters from the Premier. This is indeed good news.

But what could and should implementation of *UNDRIP* actually look like in BC? And why should BC now undertake its full implementation?

The *UN Declaration*, adopted by the United Nations General Assembly in 2007, is the product of many years of dialogue and deliberative work by state governments and Indigenous peoples from around the globe. It is the most comprehensive universal instrument specifically addressing the human rights of the world’s Indigenous peoples. *UNDRIP* does not create any *new* rights; rather, it is the expression of established international human rights as applied to Indigenous peoples. For these reasons, those who oppose implementation of the *UN Declaration* must answer why they are opposed to human rights generally. And if they aren’t, then why are they opposed to human rights only when applied to Indigenous peoples?

The Truth and Reconciliation Commission (TRC) Calls to Action specifically call for the *UN Declaration* to be adopted as the framework for reconciliation. Simply put, one cannot be in support of the TRC Calls to Action and not also favour full implementation of the *UN Declaration*—they are inseparable. →

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So, for all of us who seek to uphold human rights and to honour the TRC Calls to Action, our real challenge is not *if* we should implement the *UN Declaration*, but only *how*.

To be sure, this is a challenging question. Addressing the long legacy of colonialism is hard. It involves replacing power and control over the lives of Indigenous peoples with a future where Indigenous self-determination leads the way, including in protecting our land, air and water, addressing the scourge of social ills including the devastating drug epidemic, and in making decisions about how our territories are used.

Fundamental to the *UN Declaration* is an understanding that government must move from a “duty to consult” to a genuine process of obtaining the free, prior and informed consent of Indigenous Nations in all matters pertaining to our Title and Rights.

Implementation will require significant action of many types by Indigenous peoples, Crown governments and the public. But, undoubtedly, one thing that will be required as a vital starting point is new framework legislation that embeds the *UNDRIP* in BC law. Historically, legislation has been a weapon to oppress Indigenous peoples. For this oppression to be addressed, and justice and reconciliation flourish, new laws are needed.

Federally, a private member’s bill, Bill C-262, is currently moving through the Senate. If passed, it will establish a mechanism for ensuring the laws of Canada are aligned with the *UN Declaration*. This is a positive development.

Now is the time to take similar legislative action in BC. On November 27 we released a paper—*True, Lasting Reconciliation: Implementing the United Nations Declaration on the Rights of Indigenous Peoples in British Columbia law, policies and practices*—that describes an implementation approach for this province that, if pursued, will help move us out of the history of Crown-Indigenous conflict, advance redress of these historical wrongs, and build a stronger shared future. We outline a multi-pronged implementation strategy that is meaningful, workable, and will bring long-needed change.

Among our report’s key recommendations are the following:

- As noted, BC needs framework legislation that is modelled on and builds upon the federal Bill C-262. This Act must be co-developed and co-drafted with Indigenous organizations. Among other things, it should oblige the BC government to adopt an implementation Action Plan, to systematically review all BC laws, policies and practices to ensure compliance with the *UN Declaration*, and include a mechanism for ongoing independent oversight and accountability to ensure implementation of the Action Plan;
- Implementation requires a focus on Indigenous self-determination. This means that implementation will look different in different places. Efforts of governments or other actors cannot prescribe, define or determine Indigenous peoples’ own priorities. The government must be prepared to appropriately resource Indigenous peoples in their self-determining initiatives;
- Moving forward, tangible steps on the ground are needed to turn words into action (and our report offers some recent positive examples); and
- The government should undertake public education and outreach to raise awareness of the *UN Declaration* in BC, within the public service and the school system, and among the general public.

Fully implementing the *UN Declaration* in BC must be done without fear from shifting from outdated colonial notions. It is the right and necessary thing to do. And doing so will bring provide a foundation for government to government relationship including addressing economy uncertainty, social injustices and systemic discrimination within BC. Now is the time to truly realize this commitment.

Kukpi7 Judy Wilson is Secretary-Treasurer of Union of BC Indian Chiefs and Chief of Neskonlith Indian Band.

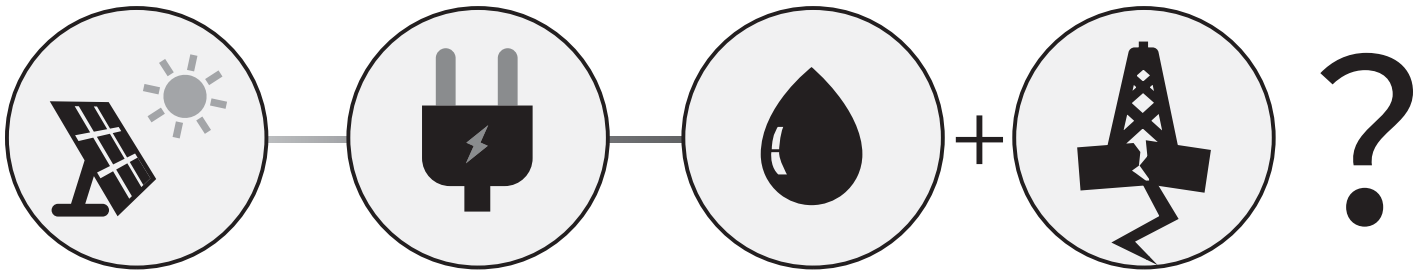
Happy retirement, Dianne!

If you’ve ever contacted the CCPA–BC, there’s a good chance you’ve met Dianne Novlan—and that you think she’s an amazingly lovely person. Dianne has provided invaluable support to our donors, volunteers, staff. Really anyone who comes to her with a question or a need.

For 15 years she has kept us organized, provided guidance and encouragement, helped us learn languages, shared cute pictures, brought in treats, joked with us, and, in general, kept our wheels in motion. We couldn’t be more grateful.

And that’s why we’re very annoyed with her for deciding to retire. Dianne, we’ll never forgive you. Just kidding. We will miss Dianne tremendously, and hope she has a fantastic retirement full of books, travel, family and gardens.





BC's shiny new climate plan: A look under the hood

BY MARC LEE

BC's new climate plan, Clean BC, is a big and visionary document that was instantly lauded by environmental groups and businesses alike. While there is a lot to like in the plan, a reality check is in order, in particular the challenge of fitting in liquefied natural gas (LNG).

BC's new climate plan integrates climate, employment and industrial policies into a coherent economic development strategy for the province, including many support programs for worker skills and training. It is important to have a vision of a low-carbon BC in which different sectors of society can imagine themselves.

Clean BC includes a requirement that 10 per cent of new passenger vehicles sold in 2025 be zero-emission vehicles, rising to 30 per cent in 2030, and 100 per cent in 2040.

All new buildings will be mandated to be "net zero ready" by 2032, meaning their annual energy needs, on average, could be met by rooftop solar panels. Existing buildings will be eligible for a new retrofit program, including BC's stock of social housing.

Rather than beginning to slowly wind down fossil fuel production, the Province's objective is to increase production, while powering upstream fracking and processing with electricity from the Site C dam.

The measures contained in the plan will be funded in the 2019 BC Budget, although we will have to wait until February for full costing in many cases. Importantly, the plan includes stronger annual reporting and forecasting of emissions, and independent assessments. And there do not appear to be any gimmicks, like using carbon offsets to meet targets.

Ultimately, the new climate plan only gets us 75 per cent of the way to our 2030 target; future measures to close the gap

are promised in the next 18 to 24 months. By the time those new measures get implemented, however, we will already be bearing down on 2030.

In the lead-up to the new climate plan, the BC government repeatedly stated that LNG would fit into it. But as the 75 per cent number tells us, it does not.

It is possible that LNG Canada can be made to fit within BC's 2030 targets, but locked-in emissions will make it extremely difficult, if not impossible, for BC to meet its 2040 and 2050 targets of 60 and 80 per cent emission reductions, respectively.

Rather than beginning to slowly wind down fossil fuel production, the Province's objective is to increase production, while powering upstream fracking and processing with electricity from the Site C dam. This poses a range of environmental challenges including GHG emissions associated with construction and flooding of land. And the transmission line to connect Site C to those operations will likely cost hundreds of millions of dollars—which will be paid for by all BC Hydro customers.

If any province can make the leap to zero carbon it ought to be BC. Unfortunately, the plan reflects problematic "all of the above" thinking, which says yes to everything—new green industries and technologies AND more fossil fuel development.

Marc Lee is a senior economist at the CCPA-BC.

Power in numbers: A conversation with new CCPA–BC Director Shannon Daub

Last spring our founding Director, Seth Klein, announced that he would be stepping down after 22 years at the helm of the CCPA–BC. Our board began the process of transition planning to find the right person to fill Seth’s shoes. In the fall, they decided the obvious choice was right before us: (now-former) Associate Director Shannon Daub. Lindsey Bertrand sat down with Shannon to talk about how she came to take on this new role.

Let’s start at the beginning. How did you first become interested in social justice?

My parents were teachers, and they raised my sister and me with strong values—they taught us to care about other people, to question the status quo, and not to accept injustice.

I also grew up in a rural area where there were a lot of lower-income families, but the middle school I went to had kids both from my community and from a much more affluent nearby community. That was the first time I really started to understand socioeconomic difference. I saw how various kinds of social privilege played out in the classroom and in who was able to participate in sports and field trips, and my eyes were opened to those sorts of issues.

How long was it before you came across the CCPA’s work?

I first heard about the CCPA when I was in university and getting into activism related to federal government policy. The Liberals at the time had run on a very progressive platform that included all kinds of good policy promises, but within a couple of years of forming government they were bringing in a major austerity budget full of cutbacks. One day I was in the library and I came across some CCPA publications about “deficit hysteria,” the obsession with balancing budgets at all costs. Those publications really helped me to piece together what I was seeing in the political realm, and to understand the broader economic issues and political moment.

||| We didn’t have a lot of money, but we had a huge amount of ambition to grow and to shape public debates about issues like poverty, inequality, free trade and globalization, taxes, education, health care.

You started working at the CCPA–BC not long after that. What was the BC Office like back then?

The office was just a couple of rooms on the eighth floor of the Dominion Building in Vancouver, put together with donated



office supplies and desks. This was 1997. I remember we had a dial-up internet connection, and we used to shout “Is anyone online?!” around the office before any of us could connect. We didn’t have a lot of money, but we had a huge amount of ambition to grow and to shape public debates about issues like poverty, inequality, free trade and globalization, taxes, education, health care and more.

It was an interesting time to be starting up. Right-wing groups like the Fraser Institute dominated a lot of the public policy conversation back then, and people were really hungry for an organization that could challenge the drumbeat of so-called “free-market” ideas.

It seems like the CCPA–BC has been pretty successful in doing that.

Our impact has certainly grown. We went from being “the upstart” with little budget or experience to becoming an effective, high-profile, well-respected, credible source of research and analysis.

What was happening as you made that progress?

Well for one thing, we grew—from a staff of just Seth to the 15-person staff we have today, and a team of more than 60 research associates. We also launched major projects—like the Economic Security Project, Climate Justice Project, and now the Corporate Mapping Project—that saw us bring academic and community-based researchers and social movements together. Through these projects, we've been able to do important original research and train dozens of students.

The CCPA-BC will continue to be a fearless source of ideas and research. We'll work closely with our allies, we'll experiment and find new ways of reaching people, and we'll outline a vision for what a just society can look like.

So, what comes next, with you as BC Director?

A first priority will be strengthening and building new relationships with organizations that represent Indigenous people, people of colour, and people who are marginalized as a result of other inequities. We're also thinking about how progressives can effectively challenge the growing far-right populism that we're seeing here in Canada, in the US and in many other parts of the world.

On another note, I'm also really looking forward to getting to know more of the CCPA-BC supporters around the province. We are a people-driven research institute—donations large and small are the core funding for this organization—and there's power in our numbers.

The CCPA-BC will continue to be a fearless source of ideas and research. We'll work closely with our allies, we'll experiment and find new ways of reaching people, and we'll outline a vision for what a just society can look like. In these times of climate and ecological crisis, and gross inequalities of wealth and power, that's more important than ever.

Lindsey Bertrand is the CCPA-BC's online engagement specialist. Shannon Daub is now the BC Director of the CCPA.

Recipients of the 2018 Power of Youth Awards

The Power of Youth Leadership Awards recognize and celebrate young progressive leaders in British Columbia who are driving change toward a more socially, economically and environmentally just society. This year we honour the following recipients:

For Social Movement Building— Haley Hodgkinson

Haley is a passionate advocate for youth in her community, and is dedicated to opening dialogue around mental health and substance use. She has worked with youth organizations across Chilliwack and Agassiz, creating platforms for young people in her community to speak up about the issues they face.



For Research, Analysis and Solutions— Zoë Yunker

Zoë's research examines the ways that corporate influence finds its way into policy-making and civil society, often limiting the options available for addressing social and ecological injustices. She combines her research with a commitment to community organizing, including acting as co-chair of Divest Victoria and co-founding the BC-wide LNG Network.



Our priorities for BC Budget 2019

Our submission to the 2019 BC Budget Consultations calls upon the new BC government to build on last year's strong start, and go further to address the social, economic and environmental challenges facing our province.

Recognize that we can make lives better

BC has the economic and fiscal capacity to make significant investments in our public sector and the critical services it provides. The Budget 2018 First Quarterly Report projects substantial surpluses over the next two years.

Given this capacity, as well as historically low interest rates, we're looking for February's BC Budget to make bold new investments in British Columbia—over and above the important and welcome ones announced in Budget 2018.

Implement a comprehensive poverty reduction plan

The BC government deserves credit for formally committing to legislated poverty reduction targets. That said, the targets themselves lack ambition and the aim should be to exceed them.

Budget 2019 should prioritize immediate and significant increases for social assistance and investment in low-income housing, in order to eliminate the most extreme, severe, and/or deep forms of poverty. In addition, we recommend new measures to reduce working poverty, make education and training more accessible to low-income people and address the specific needs of populations for which poverty is most acute.

Expand climate action initiatives

Between 2001 and 2016, BC spent triple what has been budgeted for fire response. Budget 2019 should make the costs of climate change adaptation more transparent.

BC Budget 2019 should also improve and expand BC's carbon tax to fund new public investment in climate action, such as

retrofitting buildings and developing low-carbon transportation, district energy systems and just transition programs for workers.

Invest (further) in affordable housing

The 2018 BC Budget took some major new steps towards housing affordability, particularly on the taxation side and in commitments to build affordable units. Budget 2019 should increase new investment to get to the 114,000 new units over 10 years promised during the election, with a focus on rental, social and co-op housing.

To assist renters, we recommend reformulating the Home Owner Grant into an income-tested benefit for owner and renter households alike.

With substantial surpluses projected, BC has the economic and fiscal capacity to make significant investments in our public sector and the critical services it provides.

Invest in public transit

There is an urgent need for stable, long-term capital funding for public transit in Metro Vancouver and related infrastructure in other municipalities. The BC government should commit 100 per cent of the capital costs of major new transit infrastructure.

Additionally, to make it easier for low-income people throughout BC to get around, more coherent regional and long-haul transit services should be supported through BC Transit.

Strengthen public education

Budget 2019 should make substantial investments to ensure students with learning disabilities and special needs receive the supports they need. As well, after years of delays to seismic upgrading, it's critical that the current pace of investment be maintained and accelerated.

For post-secondary education, there is a pressing need to increase funding for colleges and universities, and to boost financial supports available for students.

Strengthen public health care

As the epidemic of overdose deaths continues, Budget 2019 should provide any and all resources needed to save lives,





including ensuring those with addictions have access to a safe, reliable supply of opioids (as opposed to the toxic, unpredictable street supply).

/// As the epidemic of overdose deaths continues, Budget 2019 should provide any and all resources needed to save lives.

Additionally, the Budget should complement the laudable new investments in seniors' residential care staffing with increased access to home support services. Capital investments are also needed. Budget 2019 should expand on recent investments to reduce surgical wait times, fund community health centres and move toward universal pharmacare coverage.

Continue building an affordable child care system

We were pleased to see that Budget 2018 laid the foundation of an affordable, universal child care system. Budget 2019 should build on this, and boost investment to address critical shortages of licensed child care spaces. Instead of only making grants to child care providers, BC should directly invest in publicly owned child care facilities.

Budget 2019 should also further increase wages in this low-paid sector by \$1/ hour in 2019/20, and provide funding for professional development. Additional investment should go into

further reducing fees towards the goal of \$10/day for full-time programs and \$7/day for part-time programs.

Reform natural resource revenues

Revenues are up in the forest sector, but sustaining those revenues in future years appears unlikely, due in part to wildfires and to the continued export of unprocessed raw logs. The Province needs a plan to address these issues and generate more forest revenues.

Gas royalties are in an ongoing decline as the Province continues to heavily subsidize fracking and other fossil fuel infrastructure.

To safeguard the interests of British Columbians, the government needs to ensure that public natural gas and water resources are adequately valued and adequately tracked.

Create a fairer tax system

Budget 2019 could make our tax system fairer by focusing tax expenditures on households that truly need them and introducing a new top income tax bracket of 22 per cent on incomes above \$200,000, which would generate over \$500 million per year. We also recommend convening a Fair Tax Commission to review the provincial tax system in its entirety.

Learn more about any of these recommendations by reading our BC Budget 2019 series at: policynote.ca/budget2019. Facing graphic from the BC Poverty Reduction Coalition's ABCplan.ca.

Whose wealth is it anyway?

BC's top 10 billionaires and the rest of us

BY ALEX HEMINGWAY & DAVID MACDONALD

Economic inequality has exploded in recent decades—globally, in Canada, and here in BC. Much of our concern about inequality has focused on the growth of extreme disparities between the incomes of the very rich and those of us on the middle and lower rungs of the income ladder. But there's been much less focus on the related problem of *wealth* inequality.

Wealth—or net worth—is the sum of all of a household's assets (house, car, financial investments, etc.) minus all of their debts (mortgage, credit card, student loan, etc.).

French economist Thomas Piketty's weighty tome, *Capital in the Twenty-First Century*, has helped put the issue of wealth inequality on the agenda. In it, Piketty argues that those who make money from their existing wealth are amassing a growing share of global wealth than those who make money from their labour. This view dovetails with recent findings from the OECD and IMF, which have begun to sound the alarm about the damaging effects of inequality on economic growth.

When it comes to wealth inequality in BC, there's plenty to be concerned about—25 billion reasons, in fact. That's the combined net worth of the wealthiest 10 families in BC. Together, they now have the same wealth as the bottom 1.32 million British Columbians combined—nearly a third of the province's population. In fact, your typical top-10 BC billionaire is a whopping 5,845 times wealthier than the typical BC household.

Let that sink in for a minute.

The typical British Columbian family (the “median,” right in the middle of the wealth distribution) has a net worth of \$429,400. In contrast, the median of the 10 billionaire families has a net worth of \$2.51 billion—amounting to a combined \$24.9 billion.

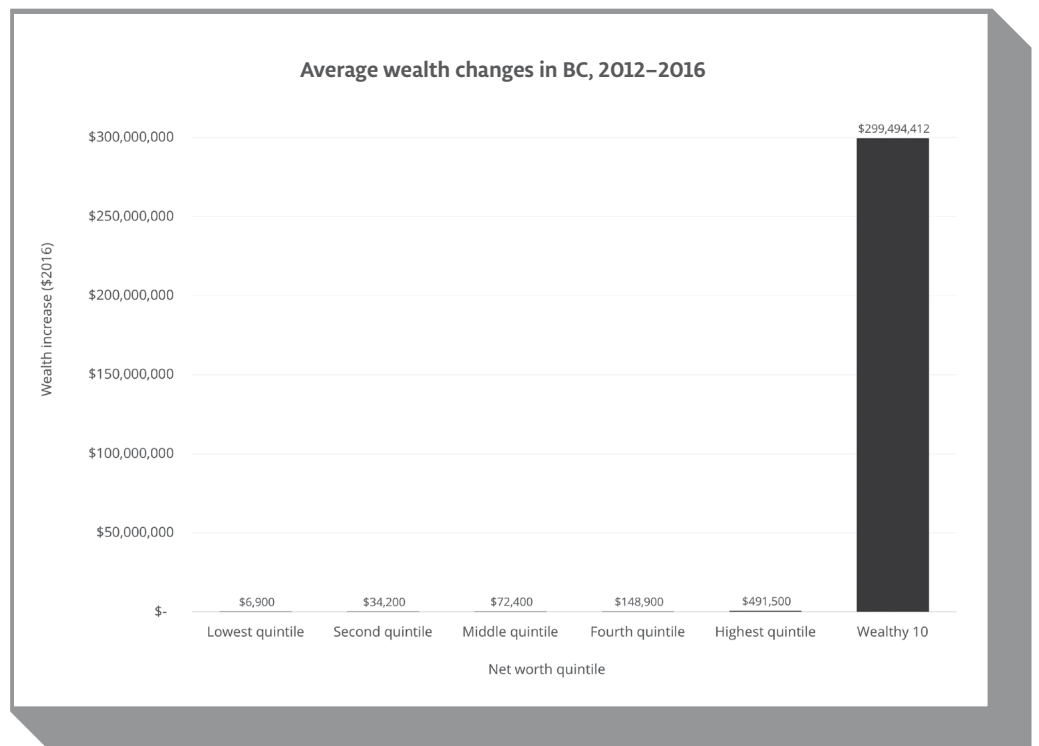
Furthermore, these richest 10 families increased their net worth by an average of

\$299 million each between 2012 and 2016, dwarfing the gains of other BC families, even those who are relatively well off (see figure).

What do the top 10 wealthiest British Columbians have in common?

Much of the wealth of BC's richest families is inherited. Seven of the 10 fortunes are now in their second generation or more, which means those billions aren't solely the result of hard work or earned success. They're a result of privilege—being born with the proverbial silver spoon in your mouth.

It is also notable that all of the 10 wealthiest BC families have substantial investments in real estate or property development (though some much more than others).



NOTE: AVERAGE NET WORTH FOR THE LOWEST QUINTILE IN 2016 IS ACTUALLY NEGATIVE (\$-1700), BUT THIS IS AN INCREASE OVER 2012 (\$-8600)

The typical BC billionaire is 5,845 times wealthier than the typical BC household.

That's the difference between a 5-foot-tall person and

Mount Everest.



Why does extreme wealth inequality matter?

Some would say that these disparities in wealth are nothing to worry about. But extreme inequality has important implications.

First, it's a reminder that we are one of the richest societies in the world. If the wealth in this province was not simply amassed by the richest few, we could well afford to tackle urgent problems like the climate crisis, the housing affordability crisis, or extreme poverty and homelessness.

Second, international evidence shows that countries with greater income inequality are likely to have lower life expectancy, worse health outcomes, higher crime rates, and lower levels of social trust. These outcomes appear to be worse up and down the income scale—not just for the poor—suggesting that inequality is bad for everyone, including those who are better off.

Third, inequality is fraying an already-threadbare social fabric. Political instability is on the rise, along with right-wing populist movements that promise to save the middle class by scapegoating vulnerable groups. If we fail to address massive inequalities in wealth and power, these more ominous political forces seem poised to fill the vacuum.

What can we do about extreme wealth inequality?

Strikingly, public policies have often made the growth and persistence of wealth inequality worse, not better. BC saw a significant erosion of tax fairness over the past two decades, and Canada's tax system privileges income from owning capital compared to income earned from work. For example, capital gains are taxed at half the rate of labour income, and generous tax credits apply to dividends paid by Canadian corporations to their shareholders.

Canada is also the only country in the G7 without an inheritance tax, which allows vast fortunes to be passed along from one generation to the next. The CCPA has called for an inheritance tax of 45 per cent on estates worth over \$5 million. This would apply only to about 1.8 per cent of BC families, but would both reduce inequality and raise \$2 billion per year nationwide, which could be used to make crucial public investments that benefit everyone.

The CCPA has also proposed closing numerous tax loopholes that overwhelmingly benefit the richest 10 per cent of Canadians, such as the special treatment of capital income, which would raise billions of dollars more per year both federally and provincially.

In BC, we've also called for progressive property taxes that would require the wealthiest landowners to pay more. Last year the provincial government took important steps to help capture more of BC's massive land value for the public good. But more still needs to be done to reshape the property tax system along progressive lines.

Taken together, our recommendations would go a long way to reducing the damaging levels of wealth concentration in this province and country. To find a path out of what is an increasingly frightening political moment around the world, we need to act decisively against extreme inequality. This is also a precious opportunity to take back control and harness our enormous wealth for the common good.

Alex Hemingway is an economist and Public Finance Policy Analyst at the CCPA-BC. David Macdonald is a senior economist with the CCPA's National Office.

Who owns and benefits from Canada's fossil fuel sector?

BY BILL CARROLL & JOUKE HUIJZER

Many Canadians—politicians and business people in particular—are quick to tout the value of the fossil fuel sector to our national economy. But who primarily benefits from these industries?



PHOTO: GARTH LENZ

The major investors in Canada's fossil fuel sector (oil, bitumen, gas and coal) have high stakes in maintaining business as usual, rather than addressing the industry's serious climate change issues.

Our recent report, *Who Owns Canada's Fossil-Fuel Sector? Mapping the network of ownership and control*, shows that substantial ownership and strategic control of our fossil fuel sector is in the hands of a few major players. These shareholders have both an *interest* in the sector's continued growth and the *economic power* to shape its future. They include:

- Foreign-based fossil fuel transnationals (notably Exxon Mobil and Royal Dutch Shell);
- Canadian banks (notably Royal Bank of Canada, Toronto-Dominion Bank and Bank of Montreal);
- Wealthy families, such as the Montreal-based Desmarais family who control investment company Power Corporation of Canada; and
- Asset management firms such as BlackRock and Capital Group (both based in the US).

Decades ago, foreign control of Canada's energy sector was seen as a threat to our self-determination, but the trend towards more Canadian corporate control has made little difference in how the industry functions. Rather than representing the national interest, these Canadian owners pursue their own interests in maximizing immediate profits from extracting and processing fossil fuels.

Shareholdings, however, are not the only capital relations between high finance and big carbon.

Canadian banks are major lenders to the fossil fuel sector. To illustrate the scale of the loans, consider that from 2017 until the federal government purchase in May 2018, the Kinder Morgan Trans Mountain Pipeline Expansion project had a \$5.5 billion loan facility agreement with the five Canadian big banks. Without such financial enablement, megaprojects such as the proposed pipeline could not be mounted.

The urgency to respond to climate change cannot be overstated. We agree with the leading divestment group 350.org that financial institutions must end lines of credit and project loans for fossil fuel infrastructure like new pipelines and fracking drill rigs. This, in effect, would keep the carbon in the ground, enabling us to respond to climate change before it's too late.

Bill Carroll is Professor of Sociology at the University of Victoria and was founding Director of Social Justice Studies. He co-directs the Corporate Mapping Project with the CCPA-BC's Shannon Daub. Jouke Huijzer worked as a research assistant for the Corporate Mapping Project at the University of Victoria in the fall of 2015. Currently he is pursuing a PhD at the Vrije Universiteit Brussel. Download the report at: corporatemapping.ca/who-owns



This article is part of the Corporate Mapping Project, a research and public engagement project investigating the power of the fossil fuel industry in Western Canada, led by the University of Victoria, the Canadian Centre for Policy Alternatives (BC and Saskatchewan Offices) and Parkland Institute. This research is supported by the Social Science and Humanities Research Council of Canada (SSHRC).

Workers' rights in BC should reflect the realities of the 21st century economy

BY IGLIKA IVANOVA & MARK THOMPSON

BC's workplace laws were written in the 20th century when there were no smartphones and most workers spent their careers in permanent full-time jobs with one or two employers. These laws are undergoing a long-overdue review, but judging by the consultation paper issued in the summer, the proposed reforms still won't reflect the realities of the 21st century.

Advances in digital technology are disrupting the traditional employer-employee relationship in a way that our *Employment Standards Act* is not designed to handle. Work is now organized differently, and a growing number of workers are not covered by the Act and the basic protections it offers.

The problem is particularly significant for workers in the gig economy—a business model that uses online platforms to match consumers with people selling services.

It appears that owners of these platforms derive much of their profit—and gain a competitive advantage over traditional service providers—by classifying workers who sell their labour through the platform as “independent contractors,” thereby avoiding the responsibilities (and costs) of more traditional employment relationships.

Gig economy workers, however, are rarely true entrepreneurs who set their own hours and rates. Many have little control over their labour and receive pay rates set by the platform. Workers can also be penalized for rejecting assignments—hardly fitting the independent contractor label.

Gig economy workers are part of the growing army of people in atypical employment arrangements with a lack of security, including frequent on-call work, short-term contracts, and few, if any, benefits.

We don't know the size of BC's on-demand service economy, but it's likely significant given the results of a 2017 CCPA–Ontario study of the gig economy in Greater Toronto. The study found that the gig economy exacerbates existing inequalities—lower-income earners are more likely to provide services through online platforms while higher-income earners are more likely to be consumers. Similarly, the majority of on-demand service providers are racialized workers while the majority of consumers are non-racialized.

Gig economy workers are part of the growing army of people



PHOTO: MYSTERSHOT / STOCK

in atypical employment arrangements with a lack of security, including frequent on-call work, short-term contracts, and few, if any, benefits.

These workers may not fit the traditional definition of employee, but they deserve basic workplace rights and protections.

To provide these protections, BC should broaden the definition of “employee” covered by the *Employment Standards Act*, and add a new classification for gig economy workers (and perhaps multiple variations adapted for specific sectors and industries). Additionally, the onus to prove that a worker is an independent contractor and not an employee should be shifted to the employer.

The gig economy is here to stay and it's time for BC's workplace rights to catch up to the realities of the 21st century economy.

Iglika Ivanova is a senior economist at the CCPA–BC. Mark Thompson is a professor emeritus in the Sauder School of Business and a CCPA–BC research associate.



CCPA-BC Gala 2018

For our 2018 Annual Fundraising Gala, we were joined by Desmond Cole, an award-winning writer whose work focuses primarily on systemic racial injustice in Canada. Cole's talk gave us much to think about, including the ways that anti-Black and anti-Indigenous racism, among other forms, shape life in Canada today—from everyday attitudes to public policy and policing practices. He also challenged us to better understand how white supremacy works in our society, and not to focus our concerns about racism only on the far right. You can watch Cole's talk at: policyalternatives.ca/cole2018

Our gala wouldn't be possible without the hard work of our staff and volunteers, and of course the amazing CCPA supporters who attended or have otherwise supported our work. Thank you to all of you.



The BC Poverty Reduction Coalition accepting the 2018 Community Impact Leadership Award



Former CCPA staffer & volunteer extraordinaire Tracy Ho & Sano



Outgoing CCPA-BC Director Seth Klein



Incoming CCPA-BC Director Shannon Daub (centre) with board members Jennifer Whiteside & Lily Grewal

PHOTOS BY JOSHUA BERSON & TERRA POIRIER

BC SOLUTIONS

News and commentary from the Canadian Centre for Policy Alternatives' BC Office

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The CCPA-BC is located on unceded Coast Salish territory, including the lands belonging to the xʷməθkʷəy̓əm (Musqueam), Skwxwú7mesh (Squamish) and səłilwətaʔ /Selilwitulh (Tsleil-Waututh) Nations.

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