

***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.”*

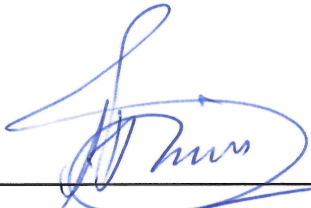
Now, therefore, the Minister directs the establishment of an impartial Fair Wages

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<sup>th</sup> day of September, 2017.



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Honourable Harry Bains, Minister of Labour