

SOCIAL ISSUES COMMITTEE

*HIS WORSHIP, THE MAYOR
AND COUNCILLORS*

SUBJECT: HOSPITAL EMPLOYEES' UNION - LIVING WAGE CAMPAIGN

RECOMMENDATIONS:

1. THAT Council convey its concerns to the Minister of Health Services regarding the negative impacts associated with the wage reductions for housekeeping and dietary workers in B.C. hospitals that have occurred since the Province passed the Health and Social Services Delivery Improvement Act in 2002.
2. THAT a copy of this report be sent to the Hospital Employees' Union, 5000 North Fraser Way, Burnaby, B.C. V5J 5M3.

REPORT

The Social Issues Committee, at its meeting held on 2009 February 26, received and adopted the *attached* report providing information on the Hospital Employees' Union's Living Wage Campaign.

Since the Provincial government initiated its Core Service Review in early 2002, Council has expressed its concerns regarding a number of policy changes that have negatively impacted vulnerable individuals and families.

Consistent with this position, the Committee recommends Council convey its concerns to the Minister of Health Services regarding the negative impacts associated with the wage reductions for housekeeping and dietary workers in B.C. hospitals that have occurred since the Province passed the Health and Social Services Delivery Improvement Act in 2002.

Respectfully submitted,

Councillor P. Calendino
Chair

Councillor P. McDonell
Vice Chair

Copied to: City Manager Director Planning & Building

Councillor A. Kang
Member

TO: CHAIR AND MEMBERS
SOCIAL ISSUES COMMITTEE **DATE:** 2009 January 22

FROM: DIRECTOR PLANNING AND BUILDING **FILE:** 2100 20

SUBJECT: **HOSPITAL EMPLOYEES' UNION – LIVING WAGE CAMPAIGN**

PURPOSE: To provide the Committee with information on the Hospital Employees' Union's Living Wage Campaign.

RECOMMENDATIONS:

1. **THAT** Council convey its concerns to the Minister of Health Services regarding the negative impacts associated with the wage reductions for housekeeping and dietary workers in B.C. hospitals that have occurred since the Province passed the Health and Social Services Delivery Improvement Act in 2002.
2. **THAT** a copy of this report be sent to the Hospital Employees' Union, 5000 North Fraser Way, Burnaby, B.C. V5J 5M3.

REPORT**1.0 BACKGROUND**

At its meeting on 2008 May 26, Council received a delegation from members of the Hospital Employees' Union ((Jenifer Whiteside, Juvelita Dacpano, and Paula Mann) regarding its Living Wage Campaign. The delegation explained that since 2002, when the Health and Social Services Delivery Improvement Act (Bill 29) was passed, wages for cleaning and dietary staff in hospitals and care facilities have dropped to \$13 hour. The delegation provided background information on changes in the sector since 2002, and requested Council to endorse its campaign to encourage health authorities to require their contractors to pay "living wages"¹ to their employees. Council referred the delegation's request to the Social Issues Committee. This report responds to Council's request.

¹ According to the HEU, a living wage is "the amount of money a worker needs so they (sic) can live with dignity, self-respect and equality".

2.0 LIVING WAGE CAMPAIGN

On 2002 January 28, the Provincial government passed the Health and Social Services Delivery Improvement Act (Bill 29). The Act contained provisions that allowed health authorities to remove contracting out protections in health care workers' collective agreements and privatize dietary and housekeeping services in hospitals and care facilities. Four of BC's health authorities subsequently signed contracts with multi-national companies to provide cleaning and food services in hospitals in the Lower Mainland, Sunshine Coast and southern Vancouver Island. As a result of the changes, over 8000 public sector health care jobs in BC were terminated. Some of those who lost their positions were subsequently rehired by private contractors at lower wage rates.

In the Fraser Health region, a 5-year contract for housekeeping services was signed between the Fraser Health Authority and Paris-based, Sodexho. Under the Sodexho contract, housekeeping wages were reduced to \$10 an hour from approximately \$18.50 before privatization. The Hospital Employees Union has since organized housekeeping staff and negotiated wages of \$13.05 an hour, but with no pension and with reduced benefits. Fraser Health recently extended its commercial contract with Sodexho to 2009 August.

In 2008, the Hospital Employees' Union launched its Living Wage Campaign. The campaign calls on health authorities to require their contractors to pay "living wages" to their employees. As noted above, from the HEU's perspective, a living wage is "the amount of money a worker needs so they (sic) can live with dignity, self-respect and equality". It further adds that low wages have resulted in consequences that include:

- Family disruption as parents are forced to take two or more jobs to meet basic needs;
- Recruitment and retention problems that lead to short staffing and insufficient training;
- Fragmented health care teams that prevent nursing staff from communicating directly with support staff;
- Reductions in local economic and community activity, as workers' buying power is diminished and free time is limited; and
- Exploitation of new immigrants and other vulnerable populations who make up the majority of contracted-out workers in this sector.

Since the HEU delegation appeared before Council in May, HEU members have made presentations to health authorities and MLAs. Since September 2008, the HEU has also been drawing attention to a report released by the Canadian Centre for Policy Alternatives, First Call: BC Child and Youth Advocacy Coalition, and the Community Social Planning Council of Greater Victoria. The report identifies an hourly "living wage" in Metro Vancouver for a two-earner family with two young children as \$16.74 an hour for each parent working full-time. The rate is based on expenses (such as housing, childcare, food and transportation).

To: Social Issues Committee
From: DIRECTOR PLANNING AND BUILDING
Re: Hospital Employees' Union Living Wage Campaign
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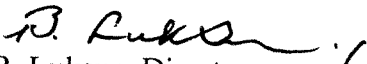
3.0 PREVIOUS COUNCIL SUPPORT

Since the Provincial government initiated its Core Service Review in early 2002, Council has expressed its concerns regarding a number of policy changes that have negatively impacted vulnerable individuals and families. In particular, Council has expressed concern regarding income assistance rates and tightened eligibility requirements for income assistance (2004); supported the Raise the Rates campaign that targeted income assistance rates and minimum wage (2006); and identified the need for longer term funding and regulatory changes, including an increase in the minimum wage, as essential for individuals and families seeking and/or needing to maintain housing (2008).

4.0 SUMMARY AND CONCLUSIONS

Consistent with the positions Council has taken on other impacts of the Province's Core Service Review, it is recommended that Council convey its concerns to the Minister of Health Services regarding wage reductions for housekeeping and dietary staff in B.C. hospitals that has occurred since the Province passed the Health and Social Services Delivery Improvement Act in 2002. The Act contained provisions that allowed health authorities to contract out housekeeping and dietary work in hospitals. Since the legislation was passed, hospital employee wages have been reduced to their current hourly rate of \$13.05. As noted in the Hospital Employees' Union's Living Wage Campaign, deteriorating wage rates have negatively affected workers, their families, communities and patients. The campaign calls on health authorities to require their contractors to pay a "living wage" to its employees (recently identified as \$16.74 an hour in Metro Vancouver for each parent working full-time with two young children).

It is further recommended that a copy of this report be sent to the Hospital Employees' Union, 5000 North Fraser Way, Burnaby, B.C.V5J 5M3.


B. Luksun, Director
PLANNING AND BUILDING

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Copied to: City Manager

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