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### **Re: Ride-hailing applicants in British Columbia**

Thank you for providing the BC Federation of Labour (BCFED) the opportunity to respond to submissions responding to our letter dated September 24, 2019. Our review of applicant responses has both confirmed and strengthened our position that the PTB's appraisal of applications must consider the rights and economic security of workers as integral to its mandate to create "sound economic conditions in the industry."

Precarious work and income insecurity are key public policy challenges facing BC. This fall, the BDO Canada Affordability Index [reported that the majority of Canadians](#) are living pay cheque to pay cheque. One factor driving this insecurity is the changing nature of work. Notably, there [is an increasing share](#) of workers in the Canadian labour market whose employers in the "gig-economy" have relieved themselves of responsibility to their workers and actively flout labour regulations.

In other jurisdictions, ride-hailing is dominated by employers that want to have their cake and eat it too — profiting from the labour of workers without adhering to basic employment standards. As a new sector is created here in BC, the PTB has an opportunity to create a vibrant sector that meets the clear demand for ride-hailing while respecting BC's labour laws.

### **Applicants indicate they will misclassify workers**

When companies misclassify workers as independent contractors—as many applicants to ride-hailing in BC have indicated they intend to do—workers suffer. They lose access to basic employment rights, like the ability to unionize. Furthermore, they are likely to miss out on other important employment protections like access to minimum wage and vacation pay; full access to workers compensation in the event of a workplace injury; employment insurance (including for parental leave); and the ability to make contributions to the Canada Pension Plan. Clearly, misclassifying workers negatively impacts the short and long-term economic security of workers and their families.

In their responses to the BCFED letter to the PTB, many applicants celebrated the "flexibility" ride-hailing can offer to workers, ignoring the [well-documented negative impacts](#) of the precarious work they

intend to create. This obfuscatory appeal to flexibility is meant to distract from an intention *not to abide* by BC's minimum labour standards.

### **PTB has an opportunity to get ride-hailing right**

There is mounting evidence from other jurisdictions that proactive action is necessary to ensure labour regulations are respected and enforced in the ride-hailing sector. All over the world, jurisdictions are scrambling to fix problems with unregulated ride-hailing companies, including their misclassification of workers. As our previous letter pointed out, workers are demanding their rights in courts, and governments—from New York, to London, to California—are beginning to act. The latest example is in the state of New Jersey where [Uber has been hit with a \\$650 million](#) bill in unemployment and disability taxes for not treating drivers as employees.

There's no need for BC to follow this path of dealing with misclassification retroactively. The PTB can get it right from the start by taking its mandate for sound economic conditions in the industry seriously. The PTB has the opportunity and responsibility to assess ride-hailing applications with a view to upholding the Province's labour regulations and securing minimum rights and protections for drivers. Not all applicants indicated an intention to ignore BC's labour regulations; in fact, some applicants spoke directly to a business model that would meet wage and benefit standards.

British Columbians expect as much. A [recent poll from Research and Co](#) showed that 75 percent of Metro Vancouver residents support requiring ride-hailing companies to follow BC's employment standards for overtime, minimum wage and vacation pay. The BC public want ride-hailing as a part of the passenger transportation mix — but they want drivers treated fairly too.

Respectfully submitted by,



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President



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Secretary Treasurer