



# Closing the Gap: Creating an Economy that Works for Everyone

RECOMMENDATIONS TO THE SELECT STANDING  
COMMITTEE ON FINANCE AND GOVERNMENT  
SERVICES FOR BRITISH COLUMBIA'S 2024 BUDGET



## 2024 BC Budget Submission

This document was compiled from the many presentations made by CUPE members to the BC Standing Committee on Government Finance and Services consultations held June 2023.

## About CUPE BC

CUPE BC represents more than 100,000 workers in British Columbia who deliver public services across a wide range of sectors including public and post-secondary education, childcare, community social services, community health, local government, transit, emergency services, and libraries.

We acknowledge that our province of British Columbia is located on the homelands of 203 distinct Indigenous nations and cultures; more than 30 different languages and close to 60 unique dialects are spoken in the province. We ask all participants to reflect, acknowledge and honour in their own way the First Nation land on which they are located.



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# INTRODUCTION

## About CUPE BC

The Canadian Union of Public Employees British Columbia (CUPE BC) represents more than 100,000 workers in British Columbia who deliver public services across a wide range of sectors including public and post-secondary education, childcare, community social services, community health, local government, transportation, emergency services, and libraries. Our members' ability to deliver quality public services and goods is greatly determined by B.C.'s provincial budget; in turn, our members are an integral part of how the province translates the budget into the public services that are foundational to strong and healthy communities.

CUPE BC appreciates the opportunity to submit its views on priorities for the 2023 budget to the Select Standing Committee on Finance and Government Services. Through presentations by CUPE district councils and locals, and by the CUPE BC Executive Board, CUPE members voices were heard in this process, and thereby made a contribution to shaping the coming provincial budget.

## Key Investments Made in 2023

British Columbia's 2023 budget made a number of strategic investments in services and systems that support communities and help the province's most vulnerable build better lives for themselves and their families. From funding to expand school lunch programs, to long overdue support for people on income and disability assistance, along with key measures to address housing, homelessness, healthcare funding, and mental health and addictions, there were substantial

investments on a number of critical issues facing communities across the province. Additionally, the \$2.7 billion investment of additional funding from the 2022 year, which was presented along with the 2023 Budget, provided much-needed support to many public services critical to communities and families.

## More Substantial Progress is Needed in 2024

While Budget 2023 made substantial progress on a number of issues important to working people, remedies tended to address symptoms and not causes, and the situations being addressed by the measures in last year's budget have worsened. Housing remains out of reach for many low- and middle-income earners, cost of living continues to increase and undermine affordability for families, the mental health and addictions crisis continues to take the lives of our loved ones, and our public services and education systems continue to buckle under the strain of ever increasing demand and funding that does not keep pace. At the same time, the gap between the wealthy and everyone else continues to grow as those in the highest income brackets benefit from high prices, high interest rates, and a misaligned tax system.

Budget 2024 must address these challenges head on, with a mix of systemic changes and regular, ongoing funding to our public services and infrastructure. The twenty recommendations in this document represent this approach, suggesting key measures to address the causes of the issues facing British Columbians, and funding for the public services that support our families, communities and economies.

# CHILDCARE & EDUCATION

## Invest in Public Education

The current inflationary pressures on K-12 funding add new stress to an already fragile system. The capacity of school districts to absorb new costs without proportional funding increases was heavily challenged during the COVID-19 pandemic, and is even less today. A funding model is needed that prepares the system for continued growth and expansion, and better addresses annual and irregular cost pressures arising from new challenges. In particular, it is crucial that government strengthen K-12 programs that support the well-being of B.C.'s youth—especially those with special and complex needs, gender diverse students, Indigenous, Black and racialized students, and other equity deserving students. Funding is also needed to address the increasing prevalence of violence in K-12 workplaces across the province.

The existing funding model is based on student numbers, and therefore fails to properly account for fixed costs that increase each year. Without a fair system of block funding in addition to the per-student funding, districts are having to take money out of the classroom to pay for increasing facilities, maintenance, infrastructure, and district-wide administrative and overhead costs. This can affect low- and high-growth districts alike.

Lack of adequate public funding stresses all aspects of the system, including staffing structures. Increased workloads caused by unfilled vacancies and absences not covered by temporary staff adds more volume to already challenging work. Funding shortfalls

lead districts to expanding precarious work, relying too heavily on casual, temporary and part-time workers, rather than creating full-time, family-sustaining jobs. These factors, combined with already low wages and seasonal layoffs, places extreme pressure on all workers, exacerbating their experience of the ongoing housing and mental health crises in our community. For school districts, this leads to recruitment and retention challenges that constitute a positive feedback loop of growing precarity and a growing staffing shortage.

**RECOMMENDATION 1:** Provide additional funding for school districts to address structural shortfalls in the existing K-12 funding model, and better address inflationary pressures faced by districts in all parts of B.C.

## Address Recruitment and Retention Challenges the the K-12 System

Recruitment and retention is a growing problem in the K-12 sector, where staff struggle with a number of structural challenges that force qualified workers out of the sector. One such issue is wage fairness for skilled trades workers. Data shows that trades wages in the K-12 sector are commonly 9 to 12 percent lower than those paid to the same positions in the adjacent municipal sector. These substantially lower wages in public education place school district employers at a significant disadvantage in the competition for skilled trades workers, and will eventually lead to much higher costs as districts will be forced to contract externally. Over a 35 year career, a worker who did not

seek the substantially higher pay of a different sector would be sacrificing hundreds of thousands in lost income, effectively forcing a worker to make that choice.

Another structural problem affecting recruitment and retention of a key profession in the sector is the lack of hours for education assistants and other classroom and student support professionals (EAs). EAs work under challenging conditions with some of our districts' most vulnerable learners, and do so with limited resources and an income that leaves them struggling to make ends meet. Low incomes, high workload, and less than full-time work, along with the seasonal nature of most EA jobs, creates tremendous pressure on workers, both at work and at home. Without significant reform, EAs will leave the profession faster than they can be replaced, and districts will fall far short of the number of EAs needed to meet demands. Providing full-time hours for EAs will not only stabilize the workforce and repair recruitment and retention challenges, it will better support the vulnerable kids, strengthen the families of currently precarious workers, and provide a ready workforce to increase childcare spaces in schools.

**RECOMMENDATION 2:** Address staff shortages and retention challenges in public education by funding solutions to the structural issues forcing workers out of the K-12 sector.

## Create a Public Option for School-Aged Care

Despite historic investments by the B.C. government, families continue to face challenges finding reliable childcare spaces. Without proper access to affordable childcare spaces, parents are forced into long commutes and multiple drop-off and pick-up locations. Alternately, they face the guilt and

anxiety of placing their children in unlicensed care spaces, without confidence in the facility or provider. These struggles persist because B.C.'s model for childcare is one in which nearly all childcare, including those on school grounds, is provided by for-profit and not-for-profit providers—there is no public option operating alongside the private model.

The negative effects of relying only on a market-based model are downloaded onto parents who are not able to find affordable, reliable care in their community, and workers whose jobs are precarious and who are not paid a living wage, have few benefits, and no access to a pension. Ultimately, the result of this system is a lack of spaces to meet parent demands, and insufficient compensation to recruit and retain staff. What British Columbia needs is a public option for school-aged care, one that provides reliable, stable, and accessible childcare in every community.

The integration of before- and after-school care into the public education system is that public option. Public childcare in schools means fewer transitions and better care for kids, better jobs for workers, and better access to the reliable and affordable spaces parents need. Importantly, a public option in schools delivers these benefits while maintaining parents' choice of school- or community-based care. This model—which includes the Seamless Day for younger years—is among the highest regarded system for early learning and care around the world, and it could be implemented across our province using existing spaces, and, in many cases, using existing and underemployed staff already working in our school system.

**RECOMMENDATION 3:** Invest in the creation of seamless and integrated childcare, operated in-house by school districts, to create thousands of new childcare spaces in public schools across the province.

## Increase Childcare Options & Make Employment More Sustainable

There is a critical lack of school aged childcare options for B.C. families, while at the same time school districts in B.C. are experiencing historic difficulties recruiting and retaining qualified education assistants. These two issues have a common solution – integrated before and after school care operated by school districts provided by the existing education assistant workforce.

Most education assistants work between four and six hours per school day, and only have work nine months of the year. Frequently these workers are left struggling to make ends meet and must work second and third jobs to provide for their families. The “Seamless Day” pilot projects that provide integrated before- and after-school care in kindergarten classrooms have been highly successful, but this program doesn’t address the school aged care needs of most B.C. families because it is limited to kindergarten classes. The province should build on the success of the “Seamless Day” pilots by expanding access to integrated school age care to children up to age 12 in every public school. The standing labour force of educational assistants within our school districts is highly skilled, able to provide the care and education required, and has been calling for increased access to full-time hours for decades.

Lack of school age care is a critical problem facing almost every community in B.C. Investing in publicly delivered before- and after-school care leverages the advantages of the existing public education system—governance and public oversight, robust administrative structures, available physical spaces appropriate for this age cohort, and an available highly qualified workforce. In-house

delivery of integrated childcare by school districts is a win-win solution that provides the childcare families need and the additional hours K-12 workers have been seeking.

**RECOMMENDATION 4:** Increase hours for education assistants by delivering school aged childcare publicly through school districts.

# HEALTH AND COMMUNITY SERVICES

## Expand Supports to Better Address Mental Health & Addiction

Mental health and addiction continue to be issues impacting many across British Columbia, and services are not currently meeting the needs and demand of people across the province. As bad as the mental health and addictions crisis is across the province generally, the challenges are compounded in rural and Northern communities. Greater mental health supports for frontline workers in community health and emergency services are needed to ensure that workers are supported when they are in crisis, so that they can receive early intervention, and to support a more stable and healthier workforce.

CUPE BC recommends the creation of more stand-alone addiction treatment facilities that support equity-seeking people, as existing facilities do not meet demand and can fail to address the distinct needs of those with marginalized and intersecting identities. These supports should also provide culturally safe care for those in need, including Indigenous and racialized people.

CUPE BC further recommends \$100 million in new funding for emergency supports for the overdose crisis. It is not enough to only fund these supports in large urban centres; the problems of mental health and addiction very much exist in rural and Northern communities, but are often amplified as support options are limited. When services exist only in urban centres, people must leave their support systems in order to get the help they need, which is detrimental to their recovery.

CUPE BC also recommends dedicated and direct funding for E-Comm 9-1-1 to expand its scope to providing mental health supports for people in crisis. Callers have increasingly required the support of professionals trained to support them while facing mental health crises, but staff do not currently have training to fully support this work. By supporting this recommendation, 9-1-1 operators can de-escalate situations and provide immediate support to callers to help keep callers and others in our communities safer.

**RECOMMENDATION 5:** Increase funding for mental health and addiction supports, including supports in Northern and rural communities.

## Address Recruitment & Retention in the Community Social Services Sector

The province's commitment to closing the compensation gap between sectors deserves credit. This work is the first step in addressing long-standing recruitment and retention issues in the Community Social Services sector.

Community Social Services is significantly underfunded, resulting in ongoing and worsening recruitment and retention issues. Funding gaps mean staff experience unsustainable workload while grappling with increasingly complex issues such as being first responders in the opioid and overdose crisis. Staff are often forced to work alone, managing untenable workplace situations in isolation.

Insufficient funding produces unmet needs for persons seeking service, resulting in increased violence towards front line staff. Community social service workers are experiencing rising burnout and mental health and addictions issues. Too often, these workers are forced to take extended medical leaves or to leave the sector altogether, only compounding the shortage of workers.

Without increased funding, Community Social Services will remain a sector in crisis, grappling with ongoing recruitment and retention issues as a result of staff burnout, and mental and physical injury.

**RECOMMENDATION 6:** Adequately fund Community Social Service providers to address recruitment and retention issues in the sector.

## Invest in Public Libraries Through Permanent Provincial Funding

As municipalities struggle with limited financial options and social and economic pressures downloaded from senior governments, workers and the public feel the effects. This is incredibly evident in the library sector. The pandemic intensified the role of libraries as important community spaces. The public is now seeking increased help from library workers for a diverse array of services not traditionally associated with libraries. Libraries are warming centres in winter and cooling centres in summer. They are free educational spaces for children and youth. They provide refuge to vulnerable members of B.C. communities. The breadth of library work is expanding rapidly, due to changing climate and increased social precarity. Yet library workers are doing this important work while facing a pay equity gap relative to other public sector jobs.

BC's rural libraries are especially important hubs for community services and internet access. Small rural libraries, funded by local municipalities, have far fewer resources to fund services like printed materials, the internet, and other digital and technological resources. Worse, many rural and Indigenous communities in B.C. have little or no access to library services. Direct provincial funding is needed to support all libraries, especially those in B.C.'s small and remote communities and those serving nearby reserve communities.

March 2023 funding (of \$45 million over 3 years) from the provincial budget surplus allocates \$12.5 million to enhancement of services, with the bulk of the remaining funding allocated to administrative support for library systems – not to libraries or library workers directly. The one-time funding neither addresses the pay equity gaps library workers suffer relative to other sectors, nor the issue that despite being unionized workers, most library workers are in jobs that are precarious and irregular. Library workers are largely a feminized workforce, and the lack of investment into their jobs over the long-term keeps them rooted in working poverty.

**RECOMMENDATION 7:** Increase funding for public libraries in B.C. to ensure adequate funding to deliver and expand services and programming, considering the needs of rural and remote libraries and those serving nearby reserve communities, and addressing the problem of part-time and precarious work in libraries across B.C.

# HOUSING

## Expand Public Housing to Meet BC's Housing Needs, Today

Private development has been BC's remedy to the shortage of affordable housing; however, this model is downloading cost onto renters, embedding social inequities, and leaving out the specific needs of people who face historical marginalization, particularly Indigenous peoples. All people have a right to housing, yet it is especially unjust that any Indigenous person should face difficulty accessing housing on their unceded territories.

Working class people province-wide have less and less ability to generate financial equity. No longer does stable employment mean a guarantee of safe and affordable housing. Middle class people now require significant generational wealth to enter the housing market. Working families paying disproportionately into their rent are in financially precarious positions and more vulnerable to houselessness in times of crisis.

The CCPA BC calls for 25,000 new non-market rental units per year to be built provincially. A focus on housing, rather than home ownership, opens the door to practical solutions that the province can afford, chiefly building non-market housing self-financed by the rents of occupants.

**RECOMMENDATION 8:** Substantially expand public development and delivery of non-market housing, with sufficient resources to address BC's housing crisis, and inclusive of a social housing model that affirms the right to housing for all citizens, including those from marginalized and vulnerable backgrounds.

## Institute Meaningful Rent Control

It was reported by CMHC that the 2022 average asking rent for vacant units in Vancouver was 43% higher than the average rent for occupied units. At the same time, 2-bedroom apartments that changed tenants between 2021 and 2022 were re-released at rents that were an average of 23.9% higher. In contrast to this, 2-bedroom units that did not change tenants between 2021 and 2022 had average rents that increased 3.9%. Worst of all, the share of units affordable to renters with the lowest 20% of incomes in Vancouver account accounted for only 1% of units.

Market rents are out-of-control due to the lack of real government controls on rent increases at turnover between tenants, typically called "vacancy controls". Without vacancy controls, landlords are functionally able to raise the rents at will between tenants, downloading the cost of the housing market onto renters.

The skyrocketing cost of purchasing housing in B.C. has placed pressure on rents province-wide, and rents will continue to inflate at a greater rate than local wages can address unless government controls are put in place. Without such controls, working people will continue being pushed out of their existing, often inadequate, housing.

**RECOMMENDATION 9:** Immediately implement strict vacancy controls on market residential rental units provincially.

## Create a Crown Corporation to Develop Public Housing

Lack of affordable housing is not just a problem in the lower mainland. The housing crisis is felt deeply in smaller communities, and this is especially true in the Kootenays. Middle class British Columbians are struggling to find adequate housing that they can afford to rent, and purchasing a home is simply beyond possibility for many.

The cost of purchasing housing and lack of real rent control has put extreme pressure on the cost of rent, which inflates much faster than local wages can address. Consequently, many working people are simply not able to keep up with the out of control rise in housing costs and are being pushed out of their existing, often meagre, housing. It must be noted that the housing crisis disproportionately impacts equity denied people. Without significant government action and investment there is no reason to believe this trend will change.

For more than a decade various levels of government have attempted to tinker with the housing market in fruitless efforts to address the lack of affordable housing. It is time to realize there is no market-based solution to the housing crisis gripping this province. The government of British Columbia must take bold action to reimagine the future of housing for the growing number of citizens who will never own their homes. There are practical solutions that the province can afford, chiefly building high-quality non-market housing that is self-financed through the rents of occupants.

CUPE members, like other working people, are struggling to make ends meet and increasingly this means they are precariously housed. The response to this crisis must be

on a scale that matches the severity of the problem; the situation calls on government to act boldly and swiftly in every community to build the housing that people desperately need.

**RECOMMENDATION 10:** Create and mandate a public housing developer, a new crown corporation or similar agency, to build publicly owned high-quality non-market housing with the resources required to address the scale of British Columbia's housing crisis.

# POST-SECONDARY EDUCATION & SKILLS TRAINING

## Restore Public Funding for Post-Secondary Education

The largest challenge facing post-secondary in B.C. is chronic underfunding. Several generations of governments have contributed to a reversal of the funding model for colleges and universities, moving from majority public funding to a system of mostly private funding at many colleges, institutes and universities. This has left our institutions short on resources, competing with each other for student numbers, and focused on hiking fees, fundraising, revenue generation and the sale of education to international students.

This funding environment results in particularly anemic services in more rural and remote communities where institutions lack the prestige and international appeal to generate sufficient revenue, through international students and private sector partnerships, to meet the educational needs of rural B.C. students, forcing them to attend institutions further from home and significantly increasing the cost of their education.

The province's Future Ready plan certainly recognizes the scope of the training and skills shortage in B.C. and promises significant investments to create targeted training opportunities for B.C. workers. However, it falls short because it fails to address the decades of under-funding that have literally left us with crumbling public post-secondary institutions. You cannot build a strong house on a poor foundation.

The provincial government must move away from the block funding model and

return to enrolment- and service-specific funding models that ensure funds are spent accountably, and that proper funding is delivered for the varying programs and services in relation to their cost and value. B.C. public post-secondary institutions require a significant funding increase and a move to a stable funding model with dedicated funding allocations for student, academic and ancillary services to address our province's critical skills shortage.

**RECOMMENDATION 11:** Increase funding of post-secondary institutions to restore majority public funding of base budgets with a progressive increase to 75% base public funding, including increased research funding and capacity.

## Public Delivery of Campus Services

As mentioned above, chronic underfunding has put immense pressure on all parts of our post-secondary system, but the cuts have disproportionately been applied to campus services and facilities. In some areas, institutions are simply contracting work out to low-wage, for-profit companies whose return on investment is enhanced by shorting our campus communities of the services they rely on.

Precarious work and the negative effects of contracting out in the post-secondary sector is most strongly felt by those who work in food, custodial, and facilities. This work is outsourced to large corporations such as Compass, Sodexo, Chartwells, Best Service Pro, and a whole host of firms providing trades and maintenance services. These

corporations pay poverty wages and use pending contract bids as an excuse not to improve poor working conditions. This operational model has ramifications for the state of maintenance and upkeep on B.C.'s post-secondary campuses and for the overall quality of employment provided by B.C.'s tax dollars.

This government must be commended for the repatriation of public sector work in health care. It is logical to expand that support to post-secondary institutions with the development of a framework to bring work back in house. This is an important issue as universities and colleges are major employers, and privatization weakens campus communities and the surrounding communities in which our institutions are located. The privatization of these services is also an equity issue, as women and racialized people are primarily impacted by contracted out work at post-secondary campuses and suffer the most from poverty wages and lack of access to benefits and retirement security through a pension.

**RECOMMENDATION 12:** Increase funding for campus services, bring outsourced campus services back in-house, and provide additional resources to address deferred maintenance.

## Ensure Accessibility for Trades Training

Women, Indigenous and racialized people are underrepresented in the skilled trades workforce in B.C., this has been a problem for decades. Isolation, discrimination, and poor workplace cultures have long been barriers for entering and staying in the trades. Significantly increasing the number of women and other underrepresented groups in trades careers is crucial to building diversity in the trades and increasing overall trades

participation, particularly given the current skilled trades labour shortage.

While major investments in the care economy are vital to the success of our province, these tend to be more female-dominated jobs, it is important that we also make room for women and gender minorities in male-dominated sectors. Permanent funding for the BC Centre for Women in Trades will help ensure that investments in work in the trades are more equitable.

The Future Ready Plan does contemplate connecting more workers with training and education for in demand fields, but more action is required to connect young people, especially young women, Indigenous, and racialized youth with opportunities in the trades. The province is missing out on a key opportunity to facilitate this while young people are connected to our public K-12 education system. Trades liaison positions in every school district can address a knowledge deficit among young people regarding the trades as a career path and these liaisons could be especially effective with outreach to students from groups who are traditionally underrepresented in the trades.

**RECOMMENDATION 13:** Support women and other traditionally underrepresented groups in the trades by permanently funding the BC Centre for Women in Trades and creating trades liaisons in the public K-12 education system.

# PUBLIC TRANSPORTATION

## Increase Investment in Public Transit Operations & Infrastructure

Public transit is a key community service across British Columbia. Transit systems make excellent use of public resources by providing sustainable and affordable mobility to all citizens, and connecting people to the services, education, employment, and community resources they require. Accessible transit helps address inequity by providing equal access to mobility and amenities, and helps address the climate crisis by replacing personal vehicle transportation with far more environmentally friendly modes of transportation. While the highly urbanized areas of the province have good access to a diverse range of transit options, including rapid transit, rural and suburban communities are challenged by inaccessible systems.

For too many British Columbians, transit systems are too indirect and too infrequent to be a reliable transportation option. This is particularly true for rural and remote communities, where travel between communities and to a regional center is often required to access health care, employment, education and other basic services; thus the lack of public transit for these trips means a lack of access to key services for many British Columbians. Even in locations where transit is widely accessible and meets the needs of citizens, as in Metro Vancouver, fares can be a substantial barrier, and reliance on this funding can create instability. The COVID-19 pandemic illustrated the fragility of funding models that over-rely on service fees, and looking to the future, this instability is likely to continue as resources from gas taxes will decline with the move to electric vehicles.

Increased, stable and forward-looking funding is needed to support and expand public transportation systems. This investment will facilitate growth in services, reduce reliance on fees and gas taxes, help B.C. address the climate crisis, and provide good jobs to workers, all while getting citizens where they need to go in support of families, communities, and businesses.

**RECOMMENDATION 14:** Increase investments in public transit, including urban, suburban, rural, and intercommunity systems, and permanently fund BC Bus North.

## Connect Communities with Safe and Accessible Public Transportation Networks

Rural access to essential services was highlighted during the pandemic when the Northern B.C. transportation system was reduced. Many people in rural communities rely on bus services to access health services, employment, education, and visit family. B.C. Bus North provides intercity service between Prince Rupert, Prince George, Dawson Creek, Fort St. John, Fort Nelson, Valemount and many communities in between. However, many communities are still lacking this service. Profit-driven private companies are not willing to provide the bus services that rural communities need.

Public transportation in the Kootenays, especially transportation between communities, runs too infrequently to be reliable for working people. In most rural parts of rural British Columbia people must travel between communities to access employment,

education, and the health care they require. With the growing cost of fuel as well as an increased desire to reduce personal vehicle trips to help address the effects of climate change, many people wish they could make greater use of public transportation if available and reliable. However, this is simply not an option when service within and between communities is not frequent enough to provide for the trips required. If B.C. is going to make the shift away from private vehicles and make more efficient use of our transportation network, it must make public transit reliable and convenient for everyone, including those who live in smaller and more rural communities.

Finally, the Highway of Tears Symposium Report's Victim Prevention Recommendation 1 is the implementation of an affordable shuttle bus transportation system along the entirety of Highway 16. The extension of that funding is commendable, and the next step is to permanently fund and expand this life-saving service, ensuring fair wages and safe working conditions for BC Bus North workers.

**RECOMMENDATION 15:** Permanently fund BC Bus North with increased funding to improve service frequency on all four BC Bus North routes, and expansion of the service to connect more communities around the province.

## Invest in Public Operation

In 2022, British Columbia saw its longest transit strike ever. A year later, another transit strike is on its way to reaching that same milestone as CUPE 561 members, who operate the Fraser Valley Transit System, have been on strike since March. These labour disputes, a total of three in the last year, are indicative of a system that does not work for workers or communities, one that appears

to deny the fair wages paid to workers in publicly operated systems like Victoria and Metro Vancouver.

Bringing B.C.'s transit systems under public operation has the capacity to accomplish much more than wage fairness and affordability for workers. As in other sectors, repairing wage inequities across the sector helps address recruitment and retention challenges by providing the life-long, family supporting jobs, along with a pension, that encourage qualified applicants to join and stay with high-quality employers. This has a positive effect on the service provided, with a stronger supply of labour to meet the increasing demands of growing communities, and a province that is leading the way in addressing climate change.

Moving to public operation is also the right thing to do for citizens and communities: it strengthens the connection between elected officials and the public services they oversee on citizens' behalf, ensures private profit doesn't subtract funds from services and the workers who provide them, and ensures stability in service delivery. Whether the example of Greyhound's swift abandonment of B.C.'s small communities, or the several labour disputes within the BC Transit contract operator system, privatization necessarily places profits first, and workers and the community second. Removing private profit, creating a fully public system, would ensure the needs of transit users and workers alike were at the heart of these important systems vital to the health of our communities and economy.

**RECOMMENDATION 16:** Move to a system of public delivery for all public transit systems across the province.

# TAX FAIRNESS

## Fairly Tax High Income Earners

The growing gap between the wealthy and remainder of society has expanded further during and following the COVID-19 pandemic, and created a widespread affordability crisis that continues despite substantial government investments. A key missing piece of the puzzle—one without which our progress cannot keep pace with the scale of the challenges we face—is the generating of new funds by expanding and strengthening our systems of progressive taxation.

Progressive taxation both ensures that there are resources to enact the types of social spending essential to a fair and just society, and ensures everyone contributes fairly according to their means. When a fair share of resources is drawn from wealthy individuals and corporations, British Columbians are better able to participate equally in the economy. For our province, more robust and sustainable progressive taxation would mean better funding for critical investments in housing, childcare, healthcare, education, public transportation, infrastructure, and the many other public services citizens rely on.

An example of a simple change that would immediately make B.C.'s tax system fairer is the creation of a new tax brackets for high income earners. B.C.'s income tax brackets for 2023 will feature a maximum rate of 20.5 percent applied to all incomes over \$240,076, meaning that all income earned over this amount is taxed at a flat rate. Just a year ago, this threshold was \$227,091, which means B.C. has effectively moved \$13,000 of each top income earner's wages to a lower tax

bracket in the last year alone, an effective tax cut of 4% for the highest incomes our system recognizes. While there does need to be a recognition of inflation within the setting of tax thresholds, the income gap grows beyond inflationary patterns, and unchecked, has resulted in a system where the tax burden is unfairly centred on middle-income earners.

**RECOMMENDATION 17:** Extend progressive taxation to higher income levels by creating additional tax brackets for incomes above \$240,076, at rates higher than 20.5 percent.

## Close Tax Loopholes that Erode Progressive Tax Policy

An important element of progressive taxation is ensuring that tax expenses and exemptions are fair and equitable, each serving a *bona fide* public policy or economic objective. As far back as 2018, British Columbia's Auditor General raised concerns over this very issue, recommending more transparency on the reporting of tax expenditures, which total approximately \$7 billion per year.

When our tax system's rules, definitions, allowances, and exceptions are not properly designed and applied, tax policy, and the fairness inherent to its design, are undermined. The result is undesired and unregulated outcomes that unfairly enrich some, and deny resources from others.

Ultimately, misalignment of tax system rules denies resources to all of the important functions of government, and in times of crisis, adds to the provincial debt. A process

is needed to analyze the current structure of tax deductions to ensure they function as intended, and meet the policy objectives of the province in the coming decade.

Such an analysis need not only focus on closing loopholes, but could also seek new, amended, or more creative ways to use the tax system to meet new and emerging policy goals, and better entrench fairness, accountability and transparency.

**RECOMMENDATION 18:** Review and amend the structure of tax exemptions and credits, including their definitions, allowances, exceptions and rules, to ensure progressive tax policy outcomes align with current and future fiscal goals.

# WORKER PROTECTIONS

## Support Workers Experiencing Violence & Mental Health Challenges

Working on the front lines during the pandemic exacerbated existing workplace challenges. The number and severity of violent incidents in the workplace steadily increased as a result of sector underfunding, however violence in the workplace escalated during the pandemic as clients coped with the withdrawal of many services and uncertainty. Community Social Services and K-12 members are now regular victims of physical, sexual and verbal assaults. Many are afraid to go to work because of the threat of violence. Some of our members live with permanent injuries or disabilities due to violence at work. Members repeatedly express the need for access to paid mental health leave to help mitigate the trauma they experience working on the front lines.

Despite this increase in violence and the additional number of WorkSafeBC claims, members are not provided adequate training or debriefing to help prevent and address the psychological aftermath of such workplace violence.

Community Social Services and K-12 sectors must be provided consistent and improved training and supports to help our members effectively address and de-escalate violence in the workplace.

**RECOMENDATION 19:** Fund at least 5 days of paid mental health leave to support workers and that the province develop effective workplace violence prevention programs.

## Increase Core Funding to the Labour Relations Board & Employment Standards Branch

The Labour Relations Board and Employment Standards Branch both do essential work in British Columbia to ensure that there is a more level playing field between workers and employers. We strongly believe that all workers deserve the representation of a union, but provisions must be in place to protect both unionized and non-unionized workers.

Funding must be significantly increased to the Labour Relations Board and the Employment Standards Branch to ensure that there is a fair system in place for workers with proper supports that can be accessed in a timely way. Increased funding to the LRB will ensure that all workers have access to a fair and timely union certification process. With the introduction of card check certification, more workers than ever are looking for the protections of a union, but this can only be possible if the infrastructure is in place through the Labour Relations Board. More Industrial Relations Officers will help to better support this process, and to expeditiously and fairly support unionization.

Increased funding to the Employment Standards Branch will ensure that workers are protected and that employers are held accountable when they violate workers' rights. The Employment Standards Branch is still facing a backlog from the COVID pandemic, and delays hurt working people who often do not have the luxury of affording to wait through a lengthy process. From 2013-

2017 alone, the ESB failed to collect \$14.9 million in owed wages, hurting workers and their families who rely on this money.

We can and must do more to support workers in British Columbia, and addressing budgetary constraints in the Labour Relations Board and Employment Standards Branch will help to do so.

**RECOMMENDATION 20:** Significantly increase funding to Labour Relations Board and Employment Standards Branch

# CONCLUSION

## Well-Funded and Robust Public Services, along with Progressive Taxation, are the Keys to a Better BC for Everyone

Public services support communities and residents, are democratic and accountable, and are key vehicles for upholding and advancing sustainability, inclusivity, diversity and equity. Progressive taxation is our most valuable tool to ensure the extremes of wealth and poverty are fairly limited. Expanding progressive taxation and increasing funding for public services are British Columbia's best strategies to build a more inclusive economy that works for everyone, a society that is fair and equal, an environment that is sustainable, and a better British Columbia where all can enjoy prosperity into the future.

## Averting an Economic Crisis

At times of economic uncertainty, public sector services are critical resources to avoid negative social and economic outcomes that devastate the lives of citizens and create a financial and social crisis. As inflation slowly cools, families are left with a range of higher prices for necessary goods that outstrip their income. Additionally, the added pressure of sky-high interest rates is pushing the cost of living beyond the financial capacity of far too many in our province.

Budget 2024 must take decisive, systemic and substantial action to prevent the inflation/interest rate crisis from turning into a family debt and bankruptcy crisis. Consumer reliance on debt financing, a housing market based on the availability of low-interest mortgages, and low levels of savings conspire together to place our

economy in an extremely precarious situation. The potential for a deep economic crisis should motivate meaningful averting efforts in Budget 2024, including bolstering public services and systems, and undertaking bold actions to address our most pressing issues.

## An Economy That Works for Everyone

Our proposals focus on high-level budget policy issues and specific pressing needs identified by our frontline members working across public services in every corner of the province. Investments in the public sector, like those suggested above, are one of the most effective strategies for averting an economic crisis, and supporting stability and growth.

These investments support the services citizens require, and the increased public spending helps support economic growth for everyone. Furthermore, funding for the public sector has "multiplier" effects on the private sector as revenue flows to the industries that supply the necessary materials and services for the initial investment, and consumer spending power is increased by the value of the public services delivered.

Perhaps most importantly for our shared economic future, investments in public services and systems provide a foundation for low- and middle-class British Columbians to better participate equally in our economy for the benefit of their families, and for the benefit of our province's shared prosperity.

# LIST OF RECOMMENDATIONS

**RECOMMENDATION 1:** Provide additional funding for school districts to address structural shortfalls in the existing K-12 funding model, and better address inflationary pressures faced by districts in all parts of B.C.

**RECOMMENDATION 2:** Address staff shortages and retention challenges in public education by funding solutions to the structural issues forcing workers out of the K-12 sector.

**RECOMMENDATION 3:** Invest in the creation of seamless and integrated childcare, operated in-house by school districts, to create thousands of new childcare spaces in public schools across the province.

**RECOMMENDATION 4:** Increase hours for education assistants by delivering school aged childcare publicly through school districts.

**RECOMMENDATION 5:** Increase funding for mental health and addiction supports, including supports in Northern and rural communities.

**RECOMMENDATION 6:** Adequately fund Community Social Service providers to address recruitment and retention issues in the sector.

**RECOMMENDATION 7:** Increase funding for public libraries in B.C. to ensure adequate funding to deliver and expand services and programming, considering the needs of rural and remote libraries and those serving nearby reserve communities, and addressing the problem of part-time and precarious work in libraries across B.C.

**RECOMMENDATION 8:** Substantially expand public development and delivery of non-market housing, with sufficient resources to address BC's housing crisis, and inclusive of a social housing model that affirms the right to housing for all citizens, including those from marginalized and vulnerable backgrounds.

**RECOMMENDATION 9:** Immediately implement strict vacancy controls on market residential rental units provincially.

**RECOMMENDATION 10:** Create and mandate a public housing developer, a new crown corporation or similar agency, to build publicly owned high-quality non-market housing with the resources required to address the scale of British Columbia's housing crisis.

**RECOMMENDATION 11:** Increase funding of post-secondary institutions to restore majority public funding of base budgets with a progressive increase to 75% base public funding, including increased research funding and capacity.

**RECOMMENDATION 12:** Increase funding for campus services, bring outsourced campus services back in-house, and provide additional resources to address deferred maintenance.

**RECOMMENDATION 13:** Support women and other traditionally underrepresented groups in the trades by permanently funding the BC Centre for Women in Trades and creating trades liaisons in the public K-12 education system.

**RECOMMENDATION 14:** Increase investments in public transit, including urban, suburban, rural, and intercommunity systems, and permanently fund BC Bus North.

**RECOMMENDATION 15:** Permanently fund BC Bus North with increased funding to improve service frequency on all four BC Bus North routes, and expansion of the service to connect more communities around the province.

**RECOMMENDATION 16:** Move to a system of public delivery for all public transit systems across the province.

**RECOMMENDATION 17:** Extend progressive taxation to higher income levels by creating additional tax brackets for incomes above \$240,076, at rates higher than 20.5 percent.

**RECOMMENDATION 18:** Review and amend the structure of tax exemptions and credits, including their definitions, allowances, exceptions and rules, to ensure progressive tax policy outcomes align with current and future fiscal goals.

**RECOMMENDATION 19:** Fund at least 5 days of paid mental health leave to support workers and that the province develop effective workplace violence prevention programs.

**RECOMMENDATION 20:** Significantly increase funding to Labour Relations Board and Employment Standards Branch

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