



September 29, 2023

Via Email: [precariousworkstrategy@gov.bc.ca](mailto:precariousworkstrategy@gov.bc.ca)

Ms. Janet Routledge, MLA  
Parliamentary Secretary for Labour  
Parliament Buildings  
Victoria BC V8V 1X4

Dear Parliamentary Secretary Routledge:

Thank you for the opportunity to comment on the Gig Worker Engagement process.

For many years, the Business Council of British Columbia has taken a strong interest in how digital transformation will affect B.C.'s economy, including through the [adoption of ridesharing, digital disruption, labour market adaptation, potential automation of some current B.C. jobs](#), and effects on productivity and living standards. To be sure, digital platforms are changing the nature of the "gig economy." While offering significant benefits to B.C.'s economy, there is a need to update the rules governing app-based work.

We are aligned with other business organisations in that the rules governing app-based work should be updated in a way that recognises the unique benefits these platforms provide for workers, consumers, and businesses. App-based workers benefit from the flexibility of choosing when and where to work, unlike typical employees. People can earn supplemental income while maintaining substantial independence. And given their flexibility and convenience, many communities and businesses rely on app-based platforms for mobility and delivery.

To prevent confusion and uncertainty, updates to the *Employment Standards Act* should clearly define what is a digital platform-based worker and what it is not. App-based work requires distinct benefits and protections. These benefits and protections should be sensitive to the realities of app-based work, which in many cases is quite different from regular employment since it allows a high degree of independence and flexibility for workers.

The updated rules should aim to strike a balance that combines the flexibility of independent contracting with some of the benefits and protections typically associated with an employee. Such benefits and protections should include:

- Minimum earnings standards so that workers benefit from the time they spend delivering services;
- Occupational accident insurance;
- Portable benefits so that workers can pool benefits from each of their sources of work; and
- Protections with respect to dispute resolution processes and termination.

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This consultation comes at a challenging time. Inflation is around 4 per cent per annum, twice the Bank of Canada's target. This goal of restoring inflation to 2 per cent per annum is not helped by the steady escalation of business costs that we have witnessed over the past few years. When higher labour costs are not backed by increases in labour productivity, they are likely to be felt by British Columbians in the form of higher prices passed on to consumers, or as lower real income growth as companies scale back their economic activities in the province. At the same time, increases in government-mandated payroll taxes and the scope and burden of regulations affecting the workplace also have knock-on impacts on labour demand and the viability of many smaller businesses in particular. Therefore, we urge the government to be mindful of the potential cost implications – for businesses, consumers, and workers – to any changes it may be contemplating to the *Employment Standards Act*.

Finally, we note that some advocacy groups argue that individuals engaged in app-based work are poorly paid, often earning less than the statutory minimum wage. Yet the labour market in B.C. has featured unusually large numbers of job vacancies for entry-level and other lower-skilled workers over the last couple of years, meaning that many people earning income from app-based work presumably could shift to “regular” employment paying at or above the statutory minimum and that is fully covered by the *Employment Standards Act*. This casts doubt on the veracity of the arguments advanced by certain advocacy organizations.

In conclusion, we urge the government to take a pragmatic, measured and balanced approach to updating the *Employment Standards Act* in respect of the gig economy and digital platform-based work.

Yours sincerely,



Laura Jones  
President and Chief Executive Officer



Ken Peacock  
Senior Vice President and Chief Economist

DW/vjc