

Airport concession workers juggle low wages and precarity at Canada's #1 airport.

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A Report by
UNITE HERE Local 40



Who Deserves a Living Wage at YVR Airport?

Airport concession workers, overwhelmingly immigrant women, juggle low wages and precarity at Canada's #1 Airport

Vancouver International Airport (YVR) earned the distinction of being the first airport in Canada to be certified as a living wage employer in 2022. While that milestone is to be commended, there is a significant disparity between those covered by the living wage at YVR and those who are not. Passengers travelling through Canada's number one airport¹ may be surprised to learn that YVR's policy does not apply to hundreds of low wage staff on the frontlines serving customers, pouring lattes, or preparing meals in this bustling airport.

YVR has consistently been ranked Canada's best airport over the years. Although impacted by a steep decline during the pandemic, air travel through YVR has rebounded. In 2023, over 24.9 million travelers passed through the airport, an increase of 31% over 2022,² and YVR's third best year on record for passenger volume.³ Solid growth is also on track for 2024. In the first four months of 2024, passenger volume is up 8% over the same period last year. YVR also hit a milestone last year, reaching the second strongest financial results in its history, generating \$631.6 million in revenues, an increase of 28% over 2022.⁴

In contrast, survey and employment data reveals that for YVR's airport concession workers, the economic rebound has yet to arrive. While YVR collected \$85.4 million in concession revenues last year,⁵ low-wage workers behind the counters report income insecurity and struggle to make ends meet in Metro Vancouver. These are the food servers, bartenders, cooks, dishwashers, baristas, cashiers, food preparation and warehouse workers who serve thousands of travelers and airport staff every day. A review of survey and other data reveals that YVR's concession workers are predominantly racialized women who earn far below the Metro Vancouver living wage of \$25.68.

YVR's living wage policy covers approximately 2,500 airport workers, a small fraction of the nearly 30,000 people who work at the airport and on Sea Island.

Photo credit (cover photo): Jeff Whyte

¹ https://www.newswire.ca/news-releases/yvr-reclaims-top-spot-as-best-airport-in-north-america-854617542.html.

² YVR Passengers (Enplaned & Deplaned) 1992 – present, Vancouver Airport Authority.

³ https://dailyhive.com/vancouver/vancouver-international-airport-yvr-statistics-spring-break-2024

⁴ Vancouver Airport Authority Consolidated Financial Statements, December 31, 2023.

⁵ Ibid.

Concession workers are employed by operators who are subject to the demands of the Vancouver Airport Authority. The airport authority enters into lease agreements with multi-national airport concession operators to operate food, beverage, and retail outlets inside the terminals. They operate outlets such as Starbucks, Lift Bar & Grill, Whistler Brewing Lodge, Steamworks Bar & Grill, Freshii, among other recognizable brands. Ultimately, the airport authority shapes the economics, policy and operations for outlets. That includes details such as customer pricing, setting hours for outlets, with start times as early as 4:30AM and as late as 1AM, with implications for staff who rely on public transportation, and requiring security screenings and background checks for workers.

YVR's living wage policy covers approximately 2,500 airport workers, a small fraction of the nearly 30,000 people who work at the airport. YVR could set policy that requires concessionaires to provide living wages. Currently, YVR requires its cleaning and security contractors to follow its living wage policy but has not extended that to other low-wage workers at the airport. A review of data and survey results reveals that it is time for YVR to apply the same policy to its airport concession workers.

"Vancouver is very expensive and so it becomes important to receive living wage."

Survey Respondent

"Hard to survive with the wages I have now."

Survey Respondent

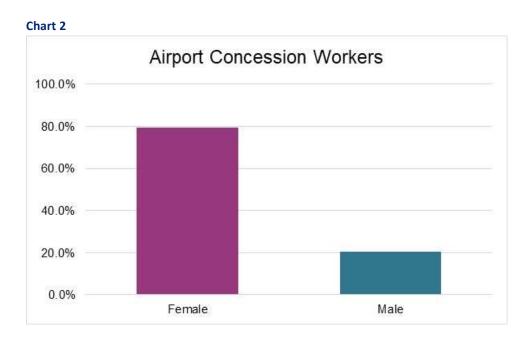
YVR airport concession staff, primarily women, earn well below the living wage.

According to employment data, the average wage for YVR airport food and beverage workers is \$18.27, which is nearly 30% below the Metro Vancouver living wage (Chart 1).



The average wage for concession staff is only \$.045 cents higher, \$18.72, if tipped workers, such as servers and bartenders, are excluded.

Strikingly, the data also reveals that nearly 80% of airport F&B concession jobs are overwhelming staffed by women (Chart 2).



This stands in stark contrast to Vancouver Airport Authority's own employees.

According to most recent available figures, the majority of Vancouver Airport Authority staff are male, while females account for 43% (Chart 3).⁶ This discrepancy may reflect that as roles become more senior and managerial, fewer women occupy those positions. Whereas women are predominantly employed in occupations that correspond with traditional gender roles and low-paid work involving caring, clerical, catering, cashiering, and cleaning occupations.⁷

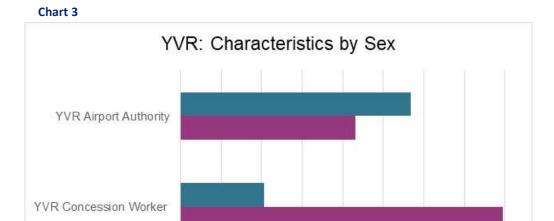
Similarly, occupational hierarchies are characterized by disparities by gender as well as disparities related to immigration status, race or ethnicity.⁸ Workers in the service sector are more likely to be racialized or immigrants who face additional barriers in the labour market.⁹

⁶ YVR 2023 Sustainability Report: ESG Performance. Table: Total Number of Employees by Employment Contract, Employment Type, and Gender (2023).

⁷ Melissa Moyser, 2017, "Women and paid work," Women in Canada: A gender-based statistical report. Statistics Canada.

⁸ Alice Műrage, et al. January 2024, A paradox in COVID-19 pandemic recovery, Increased precarity of women hotel workers in British Columbia, Beyond Recovery, Canadian Centre for Policy Alternatives.

⁹ Ibid.



Figures for nonbinary or other identities were unavailable.

10%

At YVR, this divide is pronounced. Approximately 80% of airport F&B workers sampled are visible minorities, many of whom are immigrants or newcomers to Canada. In comparison, 41% of Vancouver Airport Authority staff are visible minorities and 2.6% identified as Indigenous peoples (Chart 4).¹⁰

■ Male ■ Female

20%

30%

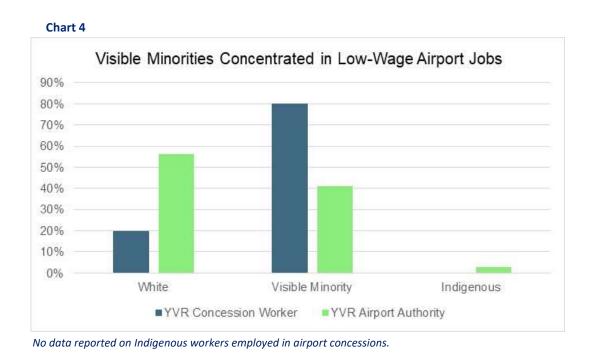
40%

50%

60%

70%

80%



¹⁰ YVR 2023 Sustainability Report: ESG Performance. Table: Airport Authority Demographics vs Labour Market Demographics 2022. 2023 data was not available.

Significant pay gap between YVR executives and airport concession workers

The gap is also illustrated by pay inequality. A CEO to worker pay ratio is commonly used by publicly traded companies and organizations to shine a light on inequities between the top and lowest paid earners. At YVR, the CEO pay ratio to the average full-time airport concession worker is 59:1. That gap has widened from last year's ratio of 52:1.

YVR CEO and President Tamara Vrooman earned a base pay of \$621,300 in 2023. Her total pay package, including short-term and long-term incentive pay, perquisites such as a car allowance, car maintenance and parking, professional memberships and financial planning services, rose to \$2.15 million, an increase of 13% over last year. It should be noted that Ms. Vrooman is the first woman to helm the Vancouver Airport Authority and has taken a lead role in driving sustainability across the YVR community.

Average total compensation for other top executive staff at YVR was \$547,017 in 2023.¹³ In comparison, an airport concession worker with full-time hours would earn, on average, \$36,540 a year (Chart 5).



However, some concession workers reported that even though they were hired to work full-time, they do not always receive full-time hours. Others reported having no control over their schedule and being expected to be at the beck and call to the needs of the airport. Unpredictable work schedules, low pay and precarity stemming from those factors can also lead to higher turnover.

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¹¹ Typically, the ratio is measured by CEO pay to median employee pay. Median employee pay for YVR airport concession staff may be lower than the table demonstrates due to fluctuations in hours worked.

¹² YVR 2023 Executive Compensation Report.

¹³ Ibid.

"Aside from the low wage, [we] were hired as full-time but only scheduled 2-3 days a week."

Survey Respondent

"No respect for availability and days off...

I have never had a job where I have to be available 24/7."

Survey Respondent

Worker retaliated against after advocating for YVR living wage

Although hundreds of YVR airport workers benefit by being covered under the living wage policy, those not covered by the policy can face consequences for demanding equitable treatment. In April 2024, an immigrant food service worker who signed a petition advocating for a \$25 YVR airport living wage was terminated by YVR operator, MGM Food Services. The worker, Ann John, who was employed at an A&W outlet operated by MGM in the International Terminal at YVR, signed the petition and encouraged her coworkers to sign as well.

Several days after Ms. John signed the petition, MGM management held an all-employee meeting where they warned employees about the petition circulating widely among airport workers. At the meeting, management learned that Ms. John had added her name to the petition and had spoken to her co-workers about it as well. The company posted a notice on the employee bulletin board cautioning workers about the \$25 living wage petition.

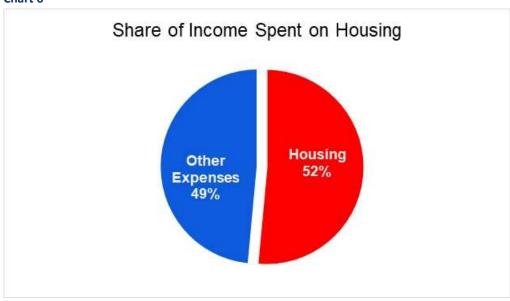
Two weeks later, management told Ms. John she was "not a good fit" for the company and was fired. Ms. John had not been disciplined for any reason during her year and a half of employment. Ms. John has since filed a human rights complaint against MGM for discrimination.

YVR's living wage policy should not tolerate operators who discourage workers from advocating for a living wage or engage in other discriminatory actions.

Drowning in unaffordability

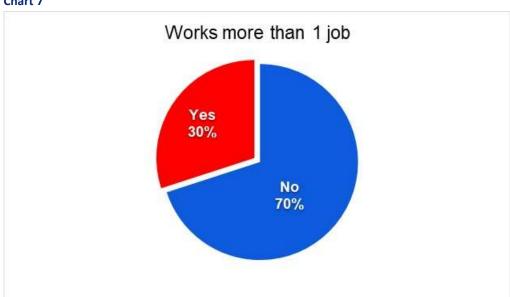
As the cost of living becomes increasingly out of reach in Metro Vancouver, concession workers are scraping by to cover housing costs and bills. According to a survey of airport concession staff, workers reported their rent or mortgage costs were, on average, \$1,575 per month. That would account for 52% of monthly income for a full-time concession worker (Chart 6). However, some reported having to pay as much as \$2000 or \$3000/month.





Workers also reported working multiple jobs to support themselves. Approximately 30% of YVR concession workers surveyed said they are working more than one job (Chart 7).

Chart 7

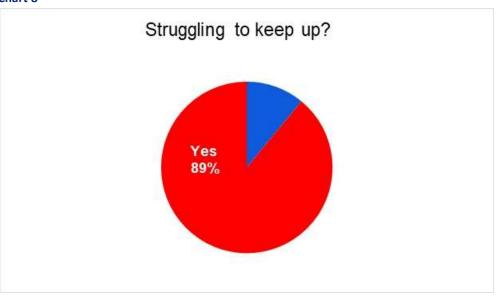


"No time to spend with family because of two jobs and still no money!"

Survey Respondent

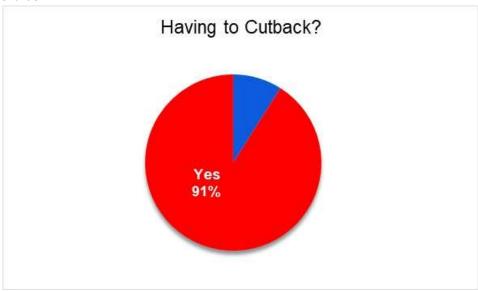
Moreover, 89% of workers reported struggling to keep up with housing costs and bills (Chart 8).

Chart 8

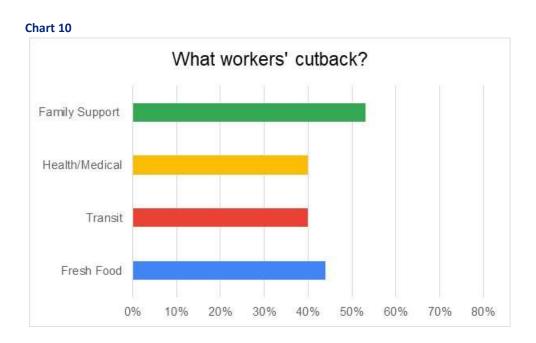


A higher percentage of workers, 91%, reported having to cut back in order to cover rents or mortgages and other bills (Chart 9).

Chart 9



Workers reported having to cut a wide variety of costs on a daily basis, yet common themes emerged (Chart 10).



Less money to support immediate and extended families.

Most workers, 53%, reported having to cut back on family support for immediate or extended family. Many of YVR's airport concession workers are first generation immigrants to Canada or newcomers. It is common for immigrants, particularly newcomers, to send money abroad to support family or to pool resources among extended family living in Canada.¹⁴

Airport F&B workers are facing food insecurity.

Ironically, while those surveyed work in the F&B industry, 44% surveyed reported having to cut back on fresh food. Food insecurity is defined by inadequate or unpredictable access to quality food due to affordability or availability. Low wage earners who cannot afford nutritious fresh foods may see impacts on their health and wellbeing and can impact health care costs down the road.¹⁵

Too few have medical coverage and needed to cut back on health care related costs.

Many workers, 40%, reported having to cut back on health and medical costs. Yet, some YVR airport workers work for contractors under which few workers have extended medical coverage. For example, only 29% of concession workers employed by SSP Group, which operates outlets such as Lift Bar & Grill, Whistler Brewing, Starbucks and other units, have some kind of extended health or dental coverage through their employer.

¹⁴ https://www.cbc.ca/news/canada/manitoba/inflation-remittances-overseas-1.6529266

¹⁵ https://proof.utoronto.ca/food-insecurity/

Transit is a challenge for airport workers, especially with end to YVR transit subsidy

Similarly, 40% reported cutting back on transit costs. The survey was completed prior to YVR abruptly terminating its transit reimbursement subsidy this February. The program enabled contracted concession workers to obtain reimbursement for early morning and late-night taxi or Uber rides outside of SkyTrain hours. The airport has implemented an earlier opening time requiring workers to report to work as early as 4:30AM with no accessible public transit. Workers without subsidies report having to pay over \$100/week for cabs to get to work in the morning.

"It takes me an hour and a half to commute each way from work. My early shift does not have transit and suspending the Uber program greatly affects my schedule and life."

Survey Respondent

Summary Recommendations:

Based on the results of the surveys and other data, the Vancouver Airport Authority should adopt the following measures to address economic inequality experienced by airport concession staff:

- Address wage disparity at YVR Airport by implementing a \$25 living wage policy for concession staff.
- Terminate contracts with concessionaires that discriminate or violate the fundamental rights of workers.
- Reinstate the YVR transit reimbursement program so that low-wage staff who rely on public transit can reasonably work early morning and late-night shifts.

Methodology:

Data was collected from online and in-person surveys of 139 YVR Airport concession workers by UNITE HERE Local 40 in January and February 2024. Employment data covering approximately 500 concession workers who are members of UNITE HERE Local 40 was also analyzed.

UNITE HERE Local 40 represents thousands of hospitality workers across British Columbia, including YVR airport concession workers who participated in the survey.

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