

# Ian Mulgrew: Forecheck, backcheck — how about a junior hockey paycheque?



IAN MULGREW  
[More from Ian Mulgrew](#)

Published on: October 21, 2016 | Last Updated: October 21, 2016 6:58 AM PDT



SHARE    ADJUST    COMMENT    PRINT

The sad legacy of how National Hockey League owners exploited players for much of the 20th century apparently lives on in major junior hockey.

Astoundingly, owners of B.C.'s six profit-driven teams seem to have persuaded the provincial Liberal cabinet to bring back indentured labour.

As colleague Rob Shaw of Postmedia reports today, the government has exempted the teams from meeting minimum wage laws when it comes to the players under contract.

The move was a response to class-action [lawsuits](#) filed on behalf of current and many former players, but still in the certification process in Ontario and Alberta.

The suits seek millions of dollars in outstanding wages, overtime pay, holiday pay and vacation pay saying the players were employees and deserved to be treated as such.

The litigation involves all Canadian Hockey League teams in Ontario, Western Canada, Quebec and the Maritimes, some of which are highly profitable.

## RELATED

### **B.C. exempted WHL teams from paying players minimum wage during lengthy lawsuit**

Ted Charney, the Toronto lawyer behind the actions, said the two-year-old litigation is proceeding apace in both jurisdictions and was not filed in B.C. because the Western Hockey League's headquarters is based in Calgary.

"It's one-stop shopping," he said.

Charney was not at all surprised that the B.C. government has moved to protect the owners — the same kind of legislative legerdemain happened in Saskatchewan and Nova Scotia.

He scoffed at the clubs' claim that being poor should exempt them from labour laws.

Players' expenses are covered, they receive a few hundred bucks pocket money and for every year played they qualify for a scholarship covering a year's post-secondary education, though there are some strings attached.

Still, team finances are shrouded in mystery.

The courts have been asked to force them to produce financial statements, tax returns and revenue-sharing agreements with the NHL, Sportsnet, the Memorial Cup and so on.

"They say like a mantra that if governments don't legislate them out of this, they'll have to close up — it's the most ridiculous statement," Charney fumed.

"Prove it! That's why we want access to their financial statements so we can show the world what they are really making. ... This is what the NHL said for years fighting the players' association. They were met with all the same arguments touted in this case."

The legal reasoning for the class-action is a Tax Court of Canada decision from 2000 involving the Brandon Wheat Kings, who claimed the government couldn't tax the players' stipends because they were involved in a form of private education.

The court said nonsense. While there was an educational component to their contracts, the court held that the players were paid to play hockey; they were not student-athletes.

That the Liberal cabinet would ignore that decision and not wait for this litigation to be resolved before giving the B.C. club owners a sweetheart deal raises questions.

Any employer asking for an exemption to workplace standards that apply to everyone else should be scrutinized with a jaundiced eye. When they come privately brandishing party membership cards and a history of party financial support, as Shaw reports, that should set off alarm bells.

Giants owner Ron Toigo says he's losing \$400,000 a year and that Giants attendance has nosedived to about 3,300 a game from 9,000 a decade ago. (The team relocated to Langley Township in the off-season and now plays its home games at the Langley Events Centre.)

But the financial health of the team is opaque.

Team expenses are estimated at about \$1.5-\$2 million annually, but there are various revenue streams — ticket revenue, merchandising, television revenue, NHL commissions — that make it impossible to figure out how much flows in.

As part of the class-action suit, Charney filed a study by Kevin Mongeon, an assistant professor in sport management at Brock University, showing franchise valuations.

The Giants were pegged at \$37.94 million, third in the west behind the Calgary Hitmen (\$68.95 million) and the Edmonton Oil Kings (\$51.06 million).

Other B.C. teams were said to be worth much less — the Kelowna Rockets \$7.37 million, the Kamloops Blazers \$5.39 million, Victoria Royals \$5.03 million, Prince George Cougars \$4.52 million, and the Kootenay Ice \$1.21 million. (See story on franchise values [HERE](#).)

It would cost B.C. teams about \$228,000 a year for a 24-player roster based on B.C.'s \$10.85 an hour minimum wage and a 35-hour work week for 25 weeks.

The young players know they don't get a fair shake, but they endure because it's a chance at making The Show and a potential multimillion-dollar contract. That most never get to the NHL does not negate the fact that this is an apprenticeship league for professional hockey teams — it's not amateur sports.

To make the roster and get hired at this level, the 16- to 20-year-old players require years of gruelling schedules of weight training and skill development aimed at landing a job, not having fun. Most have been literally working seriously at hockey since they were 11 or 12 or even earlier.

As a hockey mom, Premier Christy Clark knows this.

It is not about whether these young men are being “exploited” — under the law they are in an employer-employee relationship and deserve the same protections and same minimum wage as everyone else.

The Tax Court saw that; Clark and her cabinet should have, too.

[imulgrew@postmedia.com](mailto:imulgrew@postmedia.com)

[Twitter.com/ianmulgrew](https://twitter.com/ianmulgrew)