



The Canadian Poverty Institute 150 Ambrose Circle SW Calgary, Alberta T3H 0L5

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Submission to the Alberta Ministry of Labour on Proposed Increases to the Provincial Minimum Wage

Summary Report

The Canadian Poverty Institute strongly asserts that nobody who is working full-time should find themselves in a condition of poverty. We understand that the responsibility for income security is threefold: individuals assume responsibility through work; business assumes responsibility for providing a just wage; and government is responsible for providing the appropriate regulatory regime and income replacement in situations of need.

When individuals are working to meet their responsibility it is incumbent upon business and government to meet their respective responsibilities to provide a just wage and the appropriate policy and regulatory regimes that will support that.

Accordingly, the Canadian Poverty Institute supports the gradual increase of the Alberta minimum wage to \$15 per hour. Our support is based on our understanding of Alberta's human rights obligations as well as the economic, social and fiscal benefits of an increased minimum wage.

Key Points

- Employment quality continues to fall across Canada, with growing economic insecurity affecting the most marginalized members of our society.
- As a signatory to the International Covenant on Economic, Social and Cultural Rights, Alberta is obligated to provide
 workers a fair wage to provide a decent living for themselves and their families.
- Research indicates that minimum wage increases have not historically dampened employment or increased the cost
 of living.
- Minimum wage increases benefit Alberta families and children. Contrary to popular belief, minimum wage workers are older permanent employees, many of whom are supporting families with children.
- Increased minimum wages strengthen family resilience and improve their ability to access education and training and other resources necessary to move out of poverty.
- Increasing the minimum wage has important economic benefits including increased productivity and consumer spending power.
- Minimum wage increases have important public fiscal benefits as the impact of low-wage employment generates ssignificant public cost. Transferring that cost from the private to the public sector in effect represents a subsidy to business.

Our Reccommedations

- 1. Fully implement the increased minimum wage prior to the next general election.
- 2. Provide specificity on implementation dates.
- 3. Provide predictability in the implementation schedule.
- 4. Proceed incrementally.
- 5. Provide offsetting tax breaks for small business to be phased out over time.
- 6. Index the minimum wage to inflation to guide future increases.
- 7. Conduct social and economic impact assessments post-implementation.

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About the Canadian Poverty Institute

The Canadian Poverty Institute is an inter-disciplinary research and teaching institute housed within Ambrose University in Calgary. The mission of the Canadian Poverty Institute is to contribute to the healing of poverty through teaching, research and public education. Established in 2014, the Institute works with government, non-profit organizations and churches to provide opportunities to learn about poverty and research solutions. The Canadian Poverty Institute is resourced by a well-qualified, dedicated inter-disciplinary team of faculty, staff and students working to advance our mission. The Canadian Poverty Institute is available to conduct independent research on poverty and related topics in Alberta and beyond.

For more information please contact:

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