

The NB Common Front for Social Justice is advocating for an increase in the minimum wage to a livable wage of \$15.00 an hour.

We are asking that the provincial government implement pre-planned increases to reach the \$15.00 an hour as quickly as possible.

In addition to minimum wage, we are advocating for changes to ten (10) provincial Employment Standards.

Why does minimum wage need to increase in New Brunswick...

It will put money in the pockets of hard-working citizens

As of April 2016, full-time workers at minimum wage will be making a gross income of \$22,152 a year (40 hours x \$10.65). This is not even half of the average wage in New Brunswick. It is also barely above the 2013 poverty line which is \$18,772. Minimum wage workers and their families are struggling to provide for their basic needs. The cost of basic needs, such as food, heating and rent, increase every year. These are not luxuries. They are everyday necessities and that extra income would enable workers to not have to choose what other family needs have to be sacrificed.

It will provide a decent living

The NB Common Front for Social Justice has researched the economic situation of minimum wage workers in our province and it has compared their net annual income with a standard annual budget. In each of the seven scenarios it studied (individual, single parent with kids or a couple with kids), they all had an annual deficit between \$1,500 and \$12,000.

When a person works full-time and is forced to access a food bank to avoid going hungry: they are not paid a decent wage.

When a lone-parent woman has a full-time job, relies on government programs such as social housing but still struggles to make ends meet: she is not paid a decent wage.

When both parents work full-time, receive a daycare subsidy but are still struggling to have enough money to provide for their family at the end of the month: they are not paid a decent wage.

It will reduce poverty

FIGHT FOR LUTTER POUR **15** + JUSTICE

Working full-time should allow a person to live above the poverty line. A step-by-step plan to quickly increase minimum wage to \$15 is essential in lifting full-time workers out of poverty. This increase will improve the economic security of individuals and families which translates to having a decent quality of life: clean and safe housing, nutritious food, adequate clothing for all seasons, etc. Not only does the family unit benefit from having a decent revenue, but the entire community benefits as well. Community services such as food banks, soup kitchens, school breakfast programs, housing programs won't be run thin on resources. There will be a decrease in the need for government help such as subsidies. People will feel more independent and less reliant on government resources.

It won't kill jobs

Increases in minimum wage have had very little impact, if any, on employment rates. In cases where there was a change, there may have been other factors involved and/or it was a slight temporary change.

The recent study (2015) done by David Green published by Canadian Centre for Policy Alternatives says: "It finds almost no evidence of any connection whatsoever between higher minimum wages and employment levels in Canada." (*Dispelling Minimum Wage Mythology: The Minimum Wage and the Impact on Jobs in Canada, 1983-2012*)

It will help employers and the economy

Higher wages will result in a lower turnover rate, which saves money for employers. Employees with higher wages will stay longer and become more knowledgeable and confident; therefore they will increase their productivity. Higher wages also means that these workers have more money in their pockets that they will spend in their local economy. Increase in minimum wage means an increase for local goods and services. Therefore there will be more money spent at local groceries stores, restaurants, retail stores, convenience stores, etc. Ironically, those are the businesses (big and small) where most employees make minimum wage. Workers on minimum wage aren't going out of the country on vacation or spending big money online, they shop where they can use coupons and find the sales from their local flyers. Increasing minimum wage gives the employee the ability to fully participate in the economy as an active consumer which in turn allows for economic growth in the community they live in.

It is a myth that most minimum wage workers are teenagers.

In 2015, there were 18,500 workers making minimum wage and 66.5% of these workers were 20 years old or older. Therefore these workers are working to support themselves and their families.

It will help young workers

In 2015, 33.5% of workers making minimum wage were 15-19 years of age; they are a valuable asset to the workforce. This particular age group in the workforce is gaining work experience, learning work ethics and acquiring transferable skills for future employment. Some of them may be saving money for post-secondary education and their income helps alleviate expenses that may otherwise be incurred by their parents such as for clothing, accessories, electronics, etc.

It will reduce income inequality

The New Brunswick median total income for all census families was \$67,340 in 2013. Minimum wage today is only 33% of the median wage. The International Monetary Fund (2014) points out that “higher levels of inequality are correlated with fewer and shorter spells of growth.” Therefore if New Brunswick wants to grow and prosper, it has to enable all of its citizens to have a decent wage in order to contribute to the economy. In *The Case for Increasing the Minimum Wage: What does the academic literature tell us?*, Green (2015) says that an increase in minimum wage will reduce inequality among wage earners - “...a minimum wage is a useful tool for moving toward a more just, more equal society.”

It will benefit women

In 2015, 10,300 (55.7%) of workers earning minimum wage were women. A little more than half (58%) of them were in part-time jobs. No matter what their level of education, women are more likely to have minimum wage jobs.

In our document “One step forward, two steps back” (2016), we found that women working in part-time jobs has tripled between 2005 and 2015. Although there could be many explanations for this statistic, the fact is that part-time jobs do not guarantee a minimum number of hours, most do not come with any benefits and they are insecure employment.

In the article *Women’s work: what’s it worth to you?* (2016), Kate McInturff states that, “Nearly a third of women who work part time do so because of lack of access to child care. Public investments in the affordability and availability of child care will make it easier for women to take full-time work. Good for them, good for household incomes, good for the economy.”

Still today, women are predominantly at the head of lone parent households. If minimum wage increased, perhaps women who are lone parents and working part-time would be more inclined to get a full-time job as it would increase their revenue considerably and they might actually consider paying for child care with the assistance of daycare subsidies.

FIGHT FOR LUTTER POUR 15 + JUSTICE

This extra income also symbolizes inclusivity. These women would have more access to healthier foods for them and their children, and they would also have more access to transportation (public transit, taxi, etc.) for health related appointments and even community events that are family focused. Overall, they would be in a better position to take care of their family.

NB Common Front for Social Justice Inc.
www.frontnb.ca