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Op-Eds

Raising the minimum wage an important step in tackling poverty

Today is April Fools' Day. It's a day to tell a few jokes, have some fun and be a bit of a prankster.

But today is also notable for something else.

It is the day that British Columbia officially moves into last place with the lowest minimum wage in the country.

That's right – as of today, no other province or territory in Canada pays their workers less than BC does.

And that is no joke.

Minimum wage in BC is $10.45/hour ($9.20/hour if you serve liquor). At this wage, a person working full-time and earning the minimum wage will live almost $6,000 below the poverty line.

That is astounding considering we have the highest cost of living.

Even the Premier has admitted it's a mistake to have the lowest minimum wage in the country, and recently mused about giving the minimum wage a needed boost.

Let’s hope she’s not talking about another measly 20 to 30 cents. Low-wage earners need more than an extra ten bucks at the end of the week to make a real difference in their ability to make ends meet.

This is Premier Clark’s chance to take real action on an issue that people care about.

In a recent poll, 83% of British Columbians agree that a person earning the minimum wage should live above the poverty line.

Further, 76% support raising the minimum wage to $15/hour.

In a province like ours where the cost of living is so high, $15/hour is the wage required to lift a full-time worker above the low-income cut-off (otherwise known as the poverty line).

Let’s put some numbers to this issue.

In BC, there are approximately 110,000 people earning the minimum wage. Those are people earning exactly $10.45/hour. Not a penny more.

But that number balloons to over half a million people – 509,400 - when you look at how many people are earning less than $15/hour.

Think of it this way, one quarter of BC’s workforce -27% of all working people - earn a wage that leaves them at or below the poverty line.

The Premier works overtime to justify paying poverty wages by painting the image that all low-wage earners are just teenagers living in their parents’ basements, earning pocket cash for their next video game purchase.

This is an insulting stereotype – and is far from the reality in this province.

Here’s the picture that the Labour Force Survey paints for us when it comes to who is earning less than $15/hour in our province.

The basic breakdown look like this: 60% are women; 82% are older than 20; and 13% are seniors.

But there are other interesting statistics we can glean as well. Despite the Premier's rhetoric, the Labour Force Survey tells us that 68% do not live at home.

And 53% have some post-secondary education.

But here is one statistic I find particularly interesting - the majority (51%) of workers earning less than $15/hour work for companies with more than 100 employees.

These are not the mom-and-pop shops in your neighbourhood. These are large retailers and fast food giants. These are the businesses turning big profits to fund massive CEO salaries while their employees go to the food bank.

It appears that it is small businesses that strive to pay their employees well. They understand the value of loyalty and the cost of high employee turnover.

It is also small businesses that depend on support from the local community. That means working people spending their money at their businesses – taking their kids to the movies, eating at the local restaurants, buying groceries, flowers, toys or clothes.

The public understands this argument too. 71% agree that increasing the minimum wage to $15/hour would be a boost to the local economy.

We all know the hidden costs of poverty – on our health care system, our education system, our justice system, and our long-term economic sustainability. It is well documented that there are costs to us individually, and as a society, when we leave people in poverty.

And not only do we have the lowest minimum wage in Canada, we are also the only province in Canada without a poverty reduction plan.

There is no dispute that ending poverty is a complex challenge and there is no one magic bullet.

But you can't tell me that paying working people a fair wage – a wage that places them above the poverty line – isn't an important step in tackling this challenge.

It is time Premier Clark and the BC Liberal government take this issue seriously.

Poverty is growing – we feel it in our communities, children and families are struggling, and the cost of living just keeps going up.

It is time for real action. And one concrete step the government can take today is to put a plan in place for a $15/hour minimum wage.

It is one important step towards building an economy that works for everyone.