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Releases

Government announcement abandons working people, guarantees workers will remain in poverty

VANCOUVER – The BC Federation of Labour is extremely disappointed with the BC Liberal government's announcement on minimum wage, saying it will do nothing to lift minimum wage workers out of poverty.

"Today's announcement guarantees that hundreds of thousands of British Columbians will continue to live in poverty for years to come," said Irene Lanzinger, President of the BC Federation of Labour. "Lifting the minimum wage to $10.45 is nowhere close to the increase that is needed – and indexing a poverty wage only entrenches people in poverty."

The BC Federation of Labour has been calling on the government to lift the minimum wage to $15/hr, a wage that would lift a full-time worker above the poverty line.

Government announced a $0.20 lift to the minimum wage, and a commitment to index that wage to annual CPI lifts.

"Under the government plan, the minimum wage will not reach $15/hr until 2034. That is unacceptable," said Lanzinger. "The government has abandoned the lowest paid workers in our province, and done so at a time when they are giving tax breaks to the wealthiest 2%."

Lanzinger pointed to Budget 2015, which provided a tax break to people earning over $150,000.

“Increasing the minimum wage is an important investment in our economy – ensuring working people have money to spend in their community is essential to supporting local business,” said Lanzinger. “Other jurisdictions have figured it out – they know that stagnant and poverty wages are what hurt the economy.”

Lanzinger also pointed out that there was no formal consultation on the government announcement. “We have been actively lobbying, but never did the government engage in public, thoughtful consultation with stakeholders on what the wage should be.”

“The government needs to change course. BC’s overall poverty rate in second highest in the country,” said Lanzinger. “Increasing the minimum wage is a vital step in a poverty reduction plan.”

For more information on the BCFED Fight for $15 Campaign visit www.fightfor15bc.ca.

-30-

Media contact: Jaime Matten 604-561-2663

Quick Facts on Minimum Wage:

• More than half a million British Columbians earn $15 or less. (24% of all workers)
60% are women
12% are seniors
58% are 25 or older

• More than 120,000 people in BC earn the minimum wage – (6.4% of all workers).
47% are 25 and older
63% are women
8% are seniors

only 23% are students living at home

(Note: the government says that 52% are living at home – but not all of these are students as they suggest. Only 23% are students, the others are people who can't afford to move out.)

• Most minimum wage employers are mid-to-large businesses.

65% have 20+ employees

46% (nearly half) have 500+ employees

55% of minimum wage employees have been in their job for at least a year

• Recent research from the Canadian Centre for Policy Alternatives, Dispelling Minimum Wage Mythology (Stanford, Brennan 2014), found almost no evidence that minimum wage increases hurt jobs. The study analyzed data from all 10 Canadian provinces between 1980 and 2012.

The Fight for $15 Campaign has a series of fact sheets that can be found at www.fightfor15bc.ca.