



## **MINIMUM WAGE vs. LIVING WAGE**

### ***Minimum wage vs. living wage***

Minimum Wage is the lowest pay rate an employer can pay an employee under the law.

A living wage is what workers need to bring home based on the actual costs of living. The living wage is calculated as the hourly rate at which a household can meet its basic needs. It gets families out of severe financial stress by lifting them out of poverty and providing a basic level of economic security.

### ***Facts***

The last increase to minimum wage in New Brunswick was over two years ago, on April 1, 2012. The minimum wage was set at \$10/hr, not enough for workers and their families to meet their basic need and to be active in the economy.

According to Statistics Canada, approximately 17 000 workers in New Brunswick are working minimum wage jobs. Of those, 60% are women and 40% are men. Figures also show that 38% of New Brunswickers over the age of 35 earn a minimum wage.

Figures from Food Banks Canada show that a significant number of people assisted by food banks in New Brunswick are workers.

Many argue that raising the minimum wage kill jobs. However, on January 14, 2014, 75 leading economists, including 7 Nobel laureate released a statement stating that “*increases in the minimum wage have had little or no negative effect on the employment of minimum-wage workers, even during times of weakness in the labour market*”

### ***The NBFL’s position on minimum wage vs. living wage***

It’s unacceptable that the last minimum wage increase in New Brunswick was over two years ago, while basic needs like food, shelter, electricity, home heating, transportation, etc. are continuously increasing.

Workers and their families require a living wage to ensure all of their basic needs are met and to increase their purchasing power to contribute to their local economy.

The provincial government should put a time-table in place with clear dates and amounts of future minimum wage increases and respect that commitment.

### ***During the next provincial election, ask the candidates:***

- The last increase to minimum wage in New Brunswick was over 2 years ago, do you think that’s fair for workers?
- What is your opinion on increasing the minimum wage to a living wage?
- If elected, when will you increase the minimum wage and will you put in place a time table for future increases?