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Policy Title

1.0 Preamble

On September 15, 2017, the Provincial government took a step forward by raising the minimum wage by 50 cents to \$11.35/hour. However, this 50 cents increase is not enough. It should also be noted that the current Provincial government promised to increase the minimum wage to \$15/hour, but does not have a timetable as to when they will raise the minimum wage.

Families living on minimum wage have a hard, if not impossible, time making ends meet often forcing them to work more than one job. Furthermore, students who earn minimum wage often cannot earn enough to pay their both their tuition fees and the cost of living. With the present minimum wage, a full time employee will earn approximately \$23,000 per year before taxes, or roughly 19,905.24 after taxes¹. This places minimum wage earners below the low income cut-off which is set at \$24,600. A \$11.35/hour minimum wage is simply not enough to lift an individual out of poverty. Additionally, for those who serve alcohol as part of their employment the minimum wage is even lower, at \$10.10/hour, to account for tipping. This results in significantly lower wages for employees in establishments where tips are typically lower, such as coffee shops that also serve alcohol.

Those earning minimum wage are disproportionately those that need assistance the most. The popular conception of a majority of minimum wage earners being highschool students working their first job is not an accurate picture. Among those earning minimum wage, 47% are over the age of 25.² Furthermore, 63% of minimum wage earners are women, and nearly 10,000 of the 120,000 minimum wage earners in BC are over the age of 55³. In BC those earning minimum wage constitute about 6.4% of the labour force. The notion that teenagers will benefit the most from an increase to the minimum wage is a myth as someone who is 26 is just as likely to get a raise as someone who is 16⁴.

2.0 Definitions

Minimum wage - A Provincial and territorial labour standard that ensures all workers receive a base wage

¹ <http://neuvoo.ca/tax-calculator/British+Columbia-25000?salary=23000®ion=British+Columbia>

² "Time to increase the Minimum Wage," BCFED, accessed October 04, 2017, <http://bcfed.ca/issues/minimum-wage>.

³ ibid

⁴ David Macdonald, "Ontario needs a raise: who benefits from a \$15 minimum wage?" Canadian Centre for Policy Alternatives Ontario Office, accessed December 14, 2017,

https://www.policyalternatives.ca/sites/default/files/uploads/publications/Ontario%20Office/2017/07/Ontario_Needs_a_Raise_2017.pdf



Low-income cut-off (LICO) - The income threshold where a family is likely to spend 20% or more of its income on food, shelter and clothing than the average family, leaving less income available for other expenses such as health, education, transportation and recreation. LICOs are calculated for families and communities of different sizes

Low-income measure after tax (LIM-AT) - a fixed percentage (50%) of median adjusted after-tax income of households observed at the person level, where 'adjusted' indicates that a household's needs are taken into account.

3.0 Policy

Whereas, the current minimum wage is at \$11.35/hour; and

Whereas, the Provincial government promised to increase the minimum wage to \$15/hour, but does not have a timetable as to when the increase will occur; and

Whereas, studies have shown that increasing the minimum wage can help grow the economy⁵; and

Whereas, a higher minimum wage reduces the rate of poverty⁶; and

Whereas, low wage workers face impossible choices such as buying food, paying utilities, or paying the rent. The result can be spiraling debt, constant anxiety, and long-term health problems. In many cases it means that the adults in the family are working long hours, often at two or three jobs, just to pay for basic necessities. s; and,

Whereas, among minimum wage earners in BC,, 63 %are women; and

Whereas, nearly 150,000 single parents living in BC, 81% of whom are women. Almost half (49.5%) of these single parents live below Statistics Canada's low-income cut-off (LICO) before tax. A single parent working full-time, year-round, in a minimum wage job will find themselves thousands of dollars below the poverty line;⁷ and; and

Whereas, in 2014, 19.8% of BC's children, 0–17 years old, were living in poverty, representing 163,260 children as measured by Statistics Canada's Low Income Measure (LIM) after income taxes. In 2014, BC's

⁵ David Card, and Alan B. Krueger. "Minimum Wages and Employment: A Case Study of the Fast-Food Industry in New Jersey and Pennsylvania." *The American Economic Review* 84, no. 4 (1994): 772-93. <http://www.jstor.org/stable/2118030>.

⁶ Mike Konczal, "Economists agree: Raising the minimum wage reduces poverty," *The Washington Post*, January 04, 2014, accessed October 04, 2017, https://www.washingtonpost.com/news/wonk/wp/2014/01/04/economists-agree-raising-the-minimum-wage-reduces-poverty/?utm_term=.b2b0bce69d98

⁷ "BC Minimum wage and Women: the facts (Vancouver, British Columbia: BCFED)", accessed October 4, 2017,

<http://bcfed.ca/sites/default/files/attachments/BCFED%20minimum%20wage%20fact%20sheet%20-%20women.pdf>.



child poverty rate was higher than the national average of 18.5%; and⁸.

Whereas, studies have shown that children from low-income families are less likely to do well at school, more likely to have lower literacy levels, and as adults to suffer from job insecurity, underemployment, and poor health;⁹ and

Whereas, many of those earning minimum wage are students or recent graduates who are trying to pay off the costs of their education or student loans. This is difficult to do while also working to cover the cost of living, as the average student would need to work roughly 540 hours (about 14 weeks full time) at minimum wage each year just to cover tuition;¹⁰ and

Whereas, in BC, the average student who takes on a student loan graduates with 35,000 dollars of debt for a four year degree; and

Whereas, poverty costs taxpayers \$8-9 billion per year in health care costs, education, policing and criminal justice, and lost economic opportunities¹¹.

4.0 Resolution

Therefore be it resolved that the Kwantlen Student Association support the increase in the minimum wage to \$15/hour by the BC Provincial Government; and

Be it further resolved that the increase be implemented by the end of 2020, and be applied to all workers

⁸ "2016 BC Child Poverty Report Card" First Call BC Child and Youth advocacy coalition, November 24, 2016, , accessed October 4, 2017, <http://still1in5.ca/wp-content/uploads/2016/11/2016-BC-Child-Poverty-Report-Card.pdf>.

⁹ "BC Minimum wage and poverty: the facts (Vancouver, British Columbia: BCFED)", accessed October 4, 2017, <http://bcfed.ca/sites/default/files/attachments/BCFED%20minimum%20wage%20fact%20sheets%20-%20poverty.pdf>

¹⁰ "BC Minimum wage and students: the facts (Vancouver, British Columbia: BCFED)", accessed October 4, 2017, <http://bcfed.ca/sites/default/files/attachments/BCFED%20minimum%20wage%20fact%20sheet-%20students.pdf>

¹¹ "BC Minimum wage and poverty: the facts (Vancouver, British Columbia: BCFED)", accessed October 4, 2017, <http://bcfed.ca/sites/default/files/attachments/BCFED%20minimum%20wage%20fact%20sheets%20-%20poverty.pdf>