

Bill 44 The Employment Standards Code Amendment Act (Minimum Wage)

May 30, 2022



Bill 44: *The Employment Standards Code Amendment Act (Minimum Wage)*

The Manitoba Federation of Labour is Manitoba's central labour body, representing the interests of over 30 affiliated unions and over 125,000 unionized workers in the province.

No one should work full time but still live in poverty. One would think this would be a statement we could all agree with. But, right now thousands of minimum wage earners can work full time and still fall below the poverty line because our minimum wage is far too low to pay the bills. And it is far too low because The Pallister-Stefanson government passed legislation to keep it that way early on in its mandate.

I want to highlight why working families need the government to immediately and significantly increase the minimum wage up to a living wage level. But first, I want to speak to how we got to a place where Manitoba could have the lowest minimum wage in the country this year – which is absolutely embarrassing.

Under Brian Pallister, the government froze the minimum wage in its first year in government, leaving minimum earners \$400 poorer when you consider inflation. Following that freeze, the Pallister-Stefanson government tied annual increases to the previous calendar year's rate of inflation.

Because minimum wage was frozen well below the level it needed to be for earners to afford to pay for the basics like food and rent, the government legislated the minimum wage to stay at a poverty level for years.

The MFL, unions, workers, economists, and anti-poverty advocates were clear with the government at the time that these decisions would leave low-wage workers behind, and strand them in poverty-wage work. And even though this government knew that, it did it anyway.

Under the Pallister-Stefanson government, working families have fallen further and further behind the rest of the country. We saw how, year after year, Manitoba fell towards the back of the pack when it came to minimum wage. And still, the government did nothing.

The Stefanson did nothing when the Progressive Conservative government of New Brunswick announced it would increase that province's minimum wage by \$2 in 2022 because they were embarrassed by how low their minimum wage was.

New Brunswick's increase meant that Manitoba's minimum wage fell to second-lowest in the country, just barely ahead of Saskatchewan. And still, the government did nothing. Then, when Saskatchewan announced recently that it would significantly

increase its minimum wage, and leave Manitoba in the dust in last place in the country – the Premier’s first response was don’t worry, wages will just rise on their own.

It should have never come to this, where Manitoba is at risk of having the lowest minimum wage in the country. We think that Manitobans are worth a whole lot more than dead last.

Many minimum wage workers are parents, everyday Manitobans who are working hard to provide for their families. Even with the impacts of the COVID-19 pandemic, Statistics Canada data shows that over 23,000 Manitobans worked for minimum wage in 2021. And contrary to the myths, most minimum wage earners are adults, and the majority of minimum wage earners are not students. Half of all minimum wage earners work at places that employ 20 employees or more (not small ‘mom and pop’ shops). And the majority of minimum wage workers are women.

When our minimum wage falls behind, the workers who earn it fall behind too, making it harder and harder to keep a roof over their head and food on the table. Because of this provincial government’s decisions, these workers have fallen so far behind that it will take significant steps from this government to ever catch up. Manitoba’s workers deserve a whole lot better.

I know that this bill doesn’t set what the minimum wage should be, and that government wants to consult before that number is set. That consultation is something that we have been calling for, through the Labour Management Review Committee, for years.

The MFL’s view on our minimum wage is simple. We believe that the minimum wage should be a living wage. If you work for minimum wage, you should make enough to afford the necessities of life. Food, rent, clothing, transportation, things like that. If you work full time in Manitoba, you should live above the poverty line. Plain and simple.

We know that the rising prices at the pumps and at the grocery stores are hitting working families hard, and they are hitting the lowest-wage workers hardest. To be able to make ends meet and afford the necessities, this government needs to take immediate steps to boost the minimum wage to a living wage level.

Two years ago, CCPA-Manitoba calculated that the living wage for Winnipeg was just over \$16/hr. That was two years ago, and we know that the cost of everything has gone up significantly since then. I would imagine the living wage level is considerably higher than that now. We hope that determining the living wage level for 2022 would be part of these consultations, and this calculation should happen on a yearly basis with government.

Taking immediate steps to boost the minimum wage is the most significant thing government could do to put more money in the pockets of low-wage workers in our

province, the very workers who are hit the hardest from the high inflation that working families are struggling with. And these workers spend a higher proportion of their income in the local economy than any other category of worker. In fact, they often spend money at the businesses they work for, like grocery stores or restaurants.

Manitoba's labour movement will continue to fight for a province with a minimum wage that lifts people out of poverty, not one that traps them in it. It's time for the Stefanson government to start working for working families and make this a reality.

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