

Alberta makes \$15 minimum wage regulations official

By Dean Bennett

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It's now on the books and in effect: Alberta's minimum wage will be \$15 an hour by 2018.

Labour Minister Christina Gray says cabinet has passed the required regulation to not only raise the rate to \$12.20 an hour this October, but also to boost it by \$1.40 an hour again in October 2017 and finally in October 2018.

The changes can only be rescinded by Premier Rachel Notley's cabinet or by a successor government.

The move aligns with promises made by Notley and Gray to hike the wage.

"One of the things we heard strongly from many of the stakeholders, including business, was the desire for certainty, to know what was coming," said Gray in an interview.

"In July we laid out the plan for all three years, and now we've enacted that plan for all three years."

Gray said it's critical to pay lower-end earners a fair wage, adding the money will be re-invested into the economy.

"We are committed to supporting to our low-wage Albertans, people who are working full-time jobs and are still not able to make ends meet," she said.

"We know that Alberta has the highest percentage of food bank use (for) working people."

Business and industry groups and opposition critics have been urging Notley's government to rethink the hike or at least further investigate its implications on the economy before acting.

They say the wage hikes are too much too fast and threaten to further cripple businesses still reeling from the protracted slump in oil prices.

Notley has repeatedly said her government won't relent, and earlier this summer dared opposition leaders to take action.

"I want to hear the opposition promise they'll take it away, that they'll roll back the minimum wage to where it used to be (which was) the lowest in the country," Notley told party members at the NDP Calgary convention on June 11.

As of Oct. 1, Alberta will have the highest minimum wage amongst all provinces. The territories — Nunavut (\$13/hour) and the Northwest Territories (\$12.50/hour) — remain higher.

The changes were promised by the NDP in the 2015 election campaign and began later that year with the wage rising from \$10.20 to the current rate of \$11.20 per hour.

On Oct. 1, it will rise by \$1 to \$12.20 an hour, then will rise to \$13.60 a year later, until reaching \$15 on Oct. 1, 2018.

The province is also making changes to the minimum wage paid to servers, bartenders and others whose main job is to dispense liquor.

Those workers have traditionally been paid \$1 an hour less than minimum wage to compensate for what was accepted to be more money in tips.

In 2015, the province closed the gap from \$1 to 50 cents an hour. As of Oct. 1, the gap will be gone completely and liquor servers will receive the same minimum wage as everyone else.

Gray said the gap needed to be closed because there had been too much variance in tips for liquor servers to make it reliable.

By 2018, compared to when Notley took office, the minimum wage will have risen 63 per cent

for liquor servers and 47 per cent for everyone else.

The Edmonton and Calgary chambers of commerce, the Canadian Federation of Independent Business, and the industry group Restaurants Canada have said a steep hike will hurt businesses already dealing with a recession economy and tens of thousands people losing their jobs.

The province estimates that 305,000 employed Albertans earn less than \$15 an hour, two-thirds of whom are women.

Of those figures, it estimates one in four are students, one-third are in retail, one quarter in food services, 40 per cent are heads of households, and five per cent are working single parents.