



December 2016

(Updated January 19, 2017)

MINIMUM WAGE

This bulletin has been prepared to provide Restaurants Canada members with our expectations for minimum wage increases to assist you in your budgeting and planning for the coming year. It provides a quick province-by province opinion and has been prepared by Restaurants Canada's regional Vice-Presidents, who lobby extensively on this issue.

Provincial Activities

NOVA SCOTIA

On April 1, 2016, Nova Scotia's minimum wage increased by 10 cents to \$10.70. Minimum wage for inexperienced workers (not working more than three months) increased by 10 cents to \$10.20.

The minimum wage review board has not met yet and no announcement has been made. Increases are to be adjusted by the percentage change in inflation based on the previous calendar year. Based on a projected CPI increase in 2016 of 1.2% an increase of 15 cents to \$10.85 on April 1, 2017 for the general wage and \$10.35 for inexperienced workers, could be expected. However, in an election year, with N.S.'s minimum wage trailing the other 3 Atlantic provinces, a 30 cent increase to \$11 is more likely.

Please note that as part of Atlantic Harmonization all four Atlantic Canada provinces have agreed to implement future wage increases at the same time on April 1st.

NEW BRUNSWICK

As of April 1, 2016 New Brunswick's minimum wage increased 35 cents to \$10.65.

In the last provincial election, the government made a campaign promise to raise minimum wage to \$11.00 by 2017 and thereafter to link minimum wage to inflation. The government recently confirmed that the minimum wage will increase to \$11 by April 1, 2017, instead of January 1, 2017 as initially indicated.

Please note that as part of Atlantic Harmonization all four Atlantic Canada provinces have agreed to implement future wage increases at the same time on April 1st.

NEWFOUNDLAND

Minimum wage applies to employees 16 years of age or older. On October 1, 2015 the minimum wage increased by 25 cents to \$10.50.

On November 24th the government announced its decision to raise the minimum wage twice in 2017 to bring it to \$11. The first increase to \$10.75 will be effective on April 1, 2017 and the second to \$11 on October 1, 2017.

Please note that as part of Atlantic Harmonization all four Atlantic Canada provinces have agreed to implement future wage increases at the same time on April 1st.

PRINCE EDWARD ISLAND

PEI increased the minimum wage rate twice in 2016 to bring the rate to \$11. The first increase of 25 cents to \$10.75 kicked in on June 1, and the second 25 cent increase to \$11 on October 1.

The minimum review board has met but no announcement has been made. Another increase is expected in April that will not exceed 25 cents.

Please note that as part of Atlantic Harmonization all four Atlantic Canada provinces have agreed to implement future wage increases at the same time on April 1st.

ONTARIO

On October 1st, 2016 Ontario raised the general minimum wage rate by 15 cents to \$11.40. The Liquor Server minimum wage increased by 10 cents to \$9.90 per hour.

Ontario's minimum wage rates are now subject to annual indexation based on the rate of inflation. The new rate will be published on or before April 1 and will come into effect on October 1. All categories will increase by the same percentage.

Based on current projections of a CPI increase of 2.1%, it is anticipated the general minimum wage will increase 25 cents to \$11.65, the student wage will increase 20 cents to \$10.90 and the liquor service wage will increase 20 cents to \$10.10 on October 1, 2017.

QUEBEC

The regular minimum wage increased by 20 cents to \$10.75 and for tipped minimum wage it increased by 15 cents to \$9.20, both effective May 1, 2016.

By limiting increases to CPI for several years, Quebec's minimum wage has fallen from one of the highest to one of the lowest in the country, and as a result has been the target of well-attended rallies calling for a \$15 minimum wage. The government resisted sustained pressure from unions and anti-poverty groups and listened to reason. On January 19th it was announced the general minimum wage will increase to:

- \$11.25 on May 1, 2017;
 - \$11.75 in 2018;
 - \$12.10 in 2019; and
 - \$12.45 in 2020.
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QUEBEC (CONT'D)

The government also continues to recognize the significant contribution of tips to server incomes and is increasing the differential between the general minimum wage and tipped wage.

The hourly tipped wage will increase from \$9.20 to \$9.45 on May 1, and then by an increment of 25 cents in 2018, and increments of 15 cents in 2019 and 2020, bringing the tipped wage to \$10.15.

MANITOBA

As of October 1, 2015, Manitoba's minimum wage increased by 30 cents to \$11.00.

The new PC government decided to freeze minimum wage after 8 years of successive increases that exceeded inflation by the previous NDP government.

It is unlikely that the Labour Management Review Committee (LMRC) made up of business and labour representatives will reach consensus on a minimum wage increase again this year, leaving any change to the discretion of the Minister of Labour.

The Minister is likely to peg minimum wage to inflation, which is projected to be 1.4%. As a result, it would be reasonable to expect a late spring announcement of an October 2017 increase of 15 cents or less.

SASKATCHEWAN

The minimum wage increased 22 cents to \$10.72 effective October 1, 2016

Under the *Saskatchewan Employment Act*, annual minimum wage increases are announced on or before June 30 of each year with the change coming into effect on October 1. The formula for the increase weighs equally the percentage changes in the provincial CPI and provincial Average Hourly Wage for the previous year. With the CPI projected to be 1.2% and the provincial Average Hourly Wage projected to be 0.5%, it would be reasonable to expect an increase of 10 cents to \$10.82 in October 2016.

ALBERTA

The general minimum wage increased \$1.00 to \$12.20 and the liquor server differential was eliminated effective October 1, 2016.

Despite the weak and deteriorating economic and employment climate in Alberta and a massive "Now is not the Time" campaign by Restaurants Canada and the industry in Alberta, Premier Notley and her government announced plans to plow ahead with their 2015 campaign commitment to increase minimum wage to \$15 by 2018.

The increases will be increments of \$1.40 as follows:

- October 1, 2017 - \$13.60
 - October 1, 2018 - \$15.00
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BRITISH COLUMBIA

As of September 15th, 2016, British Columbia's general minimum wage increased by 40 cents to \$10.85 and the liquor server wage also increased by 40 cents to \$9.60.

Both general and liquor server minimum wage will increase another \$.40 from \$10.85 to \$11.25 and \$9.60 to \$10 respectively effective September 15th, 2017. The government (if re-elected in 2017) maintains that future minimum wage increases will be linked to CPI as was initially promised in 2015.

However, if the NDP are elected in May 2017 the increase in September will likely be \$1.00. If elected the NDP have pledged to increase minimum wage to \$15 by the end of their mandate. One could assume roughly a \$1.00 increase per year to get to \$15 by 2021.

YUKON

As of April 1, 2016, Yukon's minimum wage increased by .35 cents to \$11.07.

On April 1 of each year, the minimum wage is adjusted based on the previous calendar year's Consumer Price Index for the city of Whitehorse. Based on a predicted CPI increase of 0.9% in 2016, it is expected the minimum wage increase will be about 10 cents to \$11.17.

N.W.T.

As of June 1, 2015 the minimum wage rate in N.W.T. increased by \$2.50 to \$12.50 – it hadn't changed since April 1, 2011.

NUNAVUT

Current minimum wage increased \$2.00 to \$13.00 on April 1, 2016. This was the first increase in more than 5 years.