

THE GOOD, THE BAD, AND THE UGLY

ALBERTA'S MINIMUM WAGE PLAN

Over the next few weeks, you'll be hearing a lot about our new government's promise to **raise the minimum wage to \$15/hr by 2018**. Our industry association, Restaurants Canada, is part of the dialogue.

This is an important issue for all of us.



We're not opposed to a minimum wage increase. Wages need to keep up with the cost of living.

The problem is when wages go up too high, too fast



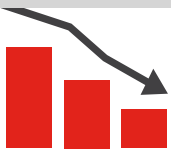
The government's plan means a 50% increase in wages in just three years – and 63% if the liquor-server wage is phased out.



We'll see a sharp increase in our payroll taxes too – our share of Workers Comp, EI and CPP costs.

TAXES

All this is happening just as our economy takes a nosedive. Talk about bad timing.



Our employees are the most important part of our business. But if our costs rise this much, we'll have to reduce our staffing levels.



The restaurant industry is proud to be one of the largest employers in Alberta, and we want to keep growing, creating new jobs.



We need a minimum wage plan that works for everyone.

Our message to government:

1. Announce minimum wage annually, based on the current economic climate, and give business owners enough time to adjust to higher costs.
2. Keep the liquor-server wage, which recognizes that servers in licensed restaurants and bars are not minimum wage earners when you factor in tips. This allows restaurateurs to pay more to staff who don't earn tips.
3. Introduce a first-job wage differential to encourage small businesses to hire young, inexperienced workers looking for their first job.