

## Backgrounder

### BC's Minimum Wage Workers

Fewer than 110,000 B.C. workers earn minimum wage or less. These workers are more likely to be young, female, part-time workers and members of low-income households.

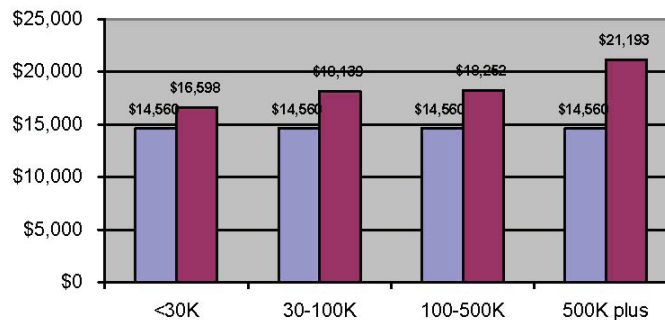
Women and young people living in low-income families benefit most from a minimum wage increase. Over two-thirds of minimum wage workers over the age of 24 are women. And 1 in 8 workers over the age of 24 earn less than \$10 per hour.

### Minimum Wage Trends

B.C.'s minimum wage was last increased six years ago, to \$8/hr. Since 2001, every Canadian province and all adjacent American states have increased minimum wages. Washington, Oregon and California have minimum wages over \$9/hr (equivalent C\$) and increase their minimum wages annually. Ontario's minimum wage is set to increase to \$10.25/hr in 2010.

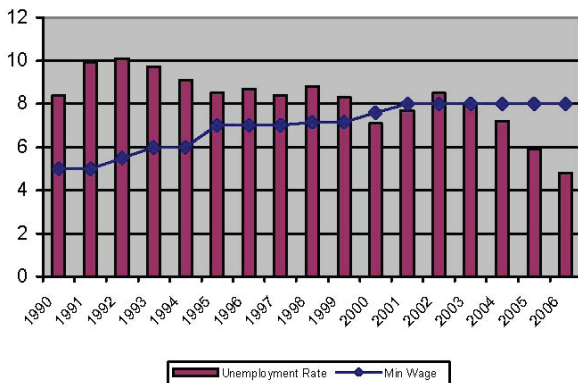
### Poverty and the Minimum Wage

B.C.'s minimum wage earners earn significantly less than Canada's Low Income Cut Off (LICO). The B.C. Progress Board uses LICO as a benchmark of B.C.'s socio-economic progress. To meet it a full time B.C. worker needs to earn between \$9.10 and \$11.60/hour.

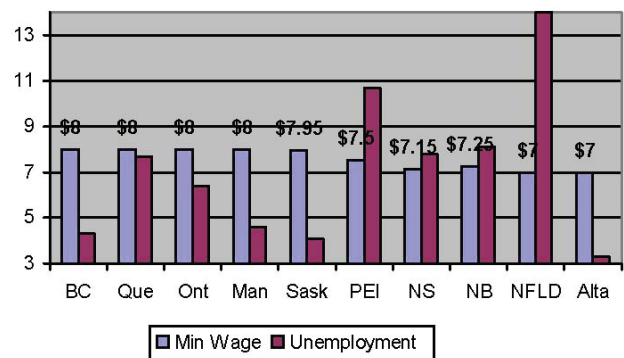


Across Canada, there is no correlation between minimum wage rates and unemployment. With the exception of Alberta, the provinces with the highest minimum wages have the lowest unemployment rates. In B.C., unemployment has trended down as the minimum wage has increased.

Minimum Wage Rates and Unemployment in BC



Minimum Wages and Unemployment Rates Canada 2007



## Small Business Support

A one-per-cent reduction in the Small Business Tax rate will reduce taxes a maximum of \$4,000. Additionally it will benefit the 200,000 plus self-employed earning a median income of \$29,000 in B.C.

B.C.'s small business tax rate was last reduced in 2000 to 4.5 per cent. Currently three provinces have a lower rate and Manitoba has just announced a two stage reduction to 1 per cent in 2009.

<b>Province</b>	<b>Small Business Tax Rate</b>	<b>Threshold</b>
BC	4.5%	\$400,000
Alberta	3%	\$430,000
Sask.	4.5%	\$450,000
Manitoba	3%	\$400,000
Ontario	5.5%	\$400,000
Quebec	8%	\$400,000
New Brunswick	1%	\$475,000
Nova Scotia	5%	\$400,000
Nfld.	5%	\$400,000
PEI	4.3%	\$400,000