



"A socially, adequate minimum wage is absolutely essential to a good society."  
*John Kenneth Galbraith, 1996*

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## **News Release**

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For Immediate Release

### **COALITION WELCOMES INCREASE IN MINIMUM WAGE TO \$10 Cautions that there is still work to be done**

ST. JOHN'S - On July 1, 2010, the Newfoundland and Labrador minimum wage will reach \$10 an hour. This is an important milestone for those of us who believe in economic justice, said Lana Payne, President of the Newfoundland and Labrador Federation of Labour (NLFL) which is a member of the Make work Pay Coalition.

But there is still work to do. "We would like to see a formula that would result in automatic annual increases in the minimum wage," said Ms. Payne. That formula could tie annual increases to the average wage increase in the province, or to the annual cost of living. This would prevent any erosion in the minimum wage over time."

"Our province must guard against what happened in the 1990s when increases to the minimum wage were infrequent and totally inadequate, causing the value of the wage to erode," said the labour leader. "While reaching the \$10 mark is incredibly important let's remember families earning low wages are still just keeping their heads above water."

By 2006, the province's minimum wage was worth considerably less than it had been in 1976 and far below the poverty line for someone working full-time at that wage. In response, the labour movement, women, student and social groups, as well as anti-poverty activists, formed the Newfoundland and Labrador Make Work Pay Coalition to fight for a \$10 minimum wage. At that time, 30% of people who worked in our province were making \$10 an hour or less and 40% of working women were. This was a shocking statistic that clearly contributed to the poverty being experienced by many families. The Coalition played a lead role in advocating for a \$10 minimum wage, through its "\$10 by 2010" Campaign which was launched in 2006.

"Historically, Newfoundland and Labrador had the lowest minimum wage in the Canada. We also had the highest poverty," Ms. Payne noted. "Neither is true today. And nor should it be. Our province has experienced much prosperity in the last number of years and we must ensure everyone benefits."



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Linda Ross is the President of the Provincial Advisory Council on the Status of Women whose mandate is to help advance the equality of women in Newfoundland and Labrador. "The majority of people working in low wage jobs in our province are women," commented Ms. Ross. "While Newfoundland and Labrador has experienced economic growth, the prosperity has not been equally shared by men and women as the higher paid jobs are primarily occupied by men. Increasing the minimum wage is a critical step in decreasing women's poverty, but those increases must continue. To make a real difference, we need to see women and men fairly compensated for their labour and we also need to see more women having the opportunity to enter higher paid occupations."

Daniel Smith, Newfoundland and Labrador chairperson of the Canadian Federation of Students, said the increase in minimum wage to ten dollars is a move that our Federation fully supports. "Moving the minimum wage towards a living wage is something that will benefit the province as a whole. It will help reduce poverty and make for a more just and equitable society."

Ms. Payne noted that our Coalition said from the beginning that having a decent minimum wage was important in any campaign to eradicate poverty. "It is not the only solution, but it must be *part* of the solution. No one working full-time should have incomes below the poverty line," said the labour leader. "This is about fighting poverty. And it is about dignity and respecting decent, hard work."

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