



For Immediate Release
September 28, 2023

Minimum Wage Increase Is Too Little, Too Late

St. John's, NL – On October 1, minimum wage in Newfoundland and Labrador will finally reach \$15 per hour, nearly five years after labour and community organizers first launched a campaign calling for the increase. With rising costs of living and an affordability crisis, this increase in the minimum wage will still leave many working families living below the [poverty line](#).

“When you consider the record-high costs of housing, transportation and groceries in our province, \$15 per hour is simply not enough to make ends meet for minimum wage workers,” said Jessica McCormick, President of the Newfoundland and Labrador Federation of Labour. “Five years ago, this increase would have been cause for celebration. In 2023, it’s just not good enough. Workers need a living wage now.”

A living wage differs from the minimum wage in that it is calculated as the income a family would need to live and work in their community. It is often significantly higher than the minimum wage. In 2019, the Canadian Centre for Policy Alternatives calculated a living wage for St. John's to be \$18.85. Since then, rising costs would put a living wage at an even higher rate and those rates would vary by region.

According to Statistics Canada's Consumer Price Index report for August 2023, Newfoundland and Labrador had the fastest rental price growth in the country compared to last year. A minimum wage worker in Newfoundland and Labrador would need to earn \$15.94 per hour for an average market one-bedroom rental, and \$18.08 per hour for a two-bedroom rental. In St. John's, those thresholds increase to \$16.60 per hour for a one-bedroom rental and \$19.96 per hour for a two-bedroom rental.

“Workers should be able to earn a wage that provides them with a good quality of life. A living wage not only lifts workers out of poverty, but it also allows working families to support the healthy development of their children, and enables them to become full participants in the social, civic, and cultural aspects of their communities,” said McCormick.

Women, racialized workers and new immigrants are disproportionately represented among low-wage workers. Lifting these workers up also demonstrates a commitment to advance equity and justice.



-2-

“Now is the time for the provincial government to commit to a plan and timeline for implementing a living wage that gives working people a chance to thrive, not just survive,” concluded McCormick.

-30-

For media inquiries, please contact:

Jessica McCormick
President, Newfoundland and Labrador Federation of Labour
709-728-7147
jmccormick@nfl.nf.ca

JR/JM
Unifor 597