

Minimum Wage Increase 2017 Qs & As

1. What are the new minimum wage rates?

- On Oct. 1, 2017, the basic minimum wage will increase to \$11.60 per hour, from \$11.40 per hour. Special rates for specific job categories or employees will increase proportionately.

Minimum Wage Increases for Specific Job Categories

Minimum Wage Rate	Oct. 1, 2016 to Sept. 30, 2017	Oct. 1, 2017 to Sept. 30, 2018
General minimum wage	\$11.40 per hour	\$11.60 per hour
Students under 18 who work not more than 28 hours per week when school is in session, or work during a school break or summer holidays	\$10.70 per hour	\$10.90 per hour
Liquor servers	\$9.90 per hour	\$10.10 per hour
Hunting and fishing guides	Working under 5 consecutive hours: \$56.95 per day Working 5 or more hours: \$113.95 per day	Working under 5 consecutive hours: \$58 per day Working 5 or more hours: \$116 per day
Homeworkers (employees doing paid work in their own home for an employer)	\$12.55 per hour	\$12.80 per hour

2. Labour and anti-poverty advocates claim that the recent increases of the minimum wage, with subsequent increases linked to the Consumer Price Index (CPI), does not come close to the \$15 per hour minimum wage they say is needed to alleviate poverty.

- By October 2017, the general minimum wage will have increased by almost 70 per cent since 2004.

- That's in stark contrast to the years when minimum wage remained frozen between 1996 and 2003.
- The latest rates are the result of changes to legislation that were passed in 2014 to tie minimum wage increases to Ontario's Consumer Price Index, a measure of inflation.
- In the past, minimum wage increases were made on an ad hoc basis, subject to political whims. That was unfair to workers and businesses.
- By ensuring that our province follows a consistent, predictable and impartial process of increasing the minimum wage, we are giving businesses stability, while putting more money into the pockets of our hard workers.

3. Is the government considering a \$15 minimum wage at some point?

- When we introduced legislation back in 2014 that tied future minimum wage increases to the consumer price index (CPI), we did so because it fit the approach that was needed at the time. It provided businesses with the predictability they needed, and also guaranteed annual increases for workers. It also took these decisions out of the hands of politicians.
- Let's not forget that the minimum wage has nearly doubled since we formed a government. The Conservatives had frozen it for years, and we knew that was horribly unfair.
- Full-time minimum wage earners in the province are now making nearly \$3,000 more per year than they did just four years ago. That's money they didn't have before that they can now use to help out with family expenses, or to sign their kids up for sports.
- Our minimum wage policy will be reviewed in 2019, and we will be looking at whether the current model is still the best approach. We certainly believe it is right now.

4. Will a \$15 minimum wage be part of your campaign platform?

- As the legislation says, the review of our minimum wage policy must happen by 2020. The reason this review was put into the legislation was because we knew that approaches change, and the approach that was needed at the time might not be the approach needed in the future.
- We are constantly reviewing our policies and initiatives to make sure we're properly addressing the needs of Ontarians. We're committed to making sure no one feels undervalued or under-appreciated in their work, and the policies we put forward will reflect that commitment. That will be our focus over the next few months and heading into next year's campaign.

5. What do you say to the critics who say that raising the minimum wage by 20 cents to \$11.60 still isn't enough to live on?

- Our minimum wage policy is just one part of our plan – one that is boosting the wages and income of Ontarians who need it the most. Through initiatives such as a predictable and growing minimum wage, as well as progressive approaches like an updated fair wage policy, we are committed to improving the lives of workers and their families.
- The Changing Workplaces Review is examining our changing and modernizing Ontario economy, and we will be taking substantial action that will address precarious employment in Ontario, and make life a lot better for vulnerable workers.
- The steps we're taking to close the gender wage gap will also create a framework where women can be equal in the workforce.

6. What is the Consumer Price Index?

- The Consumer Price Index is a number that is published by Statistics Canada under the federal Statistics Act. It is an indicator of changes in consumer prices and is obtained by comparing, over time, the cost of a fixed basket of goods and services purchased by consumers.

7. Businesses and critics claim that annual increases will not take into consideration future economic challenges.

- Annual adjustments to the minimum wage are tied to changes to the Ontario Consumer Price Index (CPI). Tying minimum wage to the CPI ensures that the minimum wage keeps up with the cost of living.
- Changes to the minimum wage are announced by April 1 of each year and effective on October 1 of that year. This gives businesses and families time to plan for any increases.
- There will also be a five-year review of the minimum wage and the process for adjustments.
- Raising the minimum wage puts more money in people's pockets, gives our businesses predictability and helps build a more prosperous economy, while ensuring a fair society for all.

8. The final report of the Minimum Wage Advisory Panel called for April 1 to be the annual date for minimum wage increases. Why are you using October 1 instead?

- The yearly announcement by April 1 and effective date of October 1 take into account the need for businesses to plan for increases and reflect input from various sectors who asked that certain times of the year be avoided.

- The announcement by April 1st reflects the availability of published CPI data.
- Businesses need the time to plan accordingly. The legislation requires the government to give six-month's notice for future annual increases in the minimum wage.
- A notice period of six months is seen as a more appropriate length of notice for businesses.

7. What happens if there is deflation? Would the minimum wage go down?

- If there was a negative change in CPI (i.e. deflation), minimum wages would not change.

8. When will the process for minimum wage adjustment be reviewed again?

- The process for minimum wage adjustment will be reviewed every 5 years, as recommended by the Panel. The next review will be made before October 1, 2020 and every 5 years afterwards. This review process provides an opportunity to ensure that the minimum wage policy continues to meet the needs of Ontario's businesses and low-paid earners.

9. What should employees do if they have not received their minimum wage increases?

- Employees should try to contact their employer or former employer about the employment standards right(s) they believe have been violated and the amount of money they believe they are owed. If the issue cannot be resolved, the employee may want to file a claim online with the Ministry of Labour at Ontario.ca/ESAforms.