

Doing Right by People Matters Most

For more than a decade, Saint John businesses, community groups and government departments have been working together to eradicate multi-generational poverty in our city. The *Business Community Anti-Poverty Initiative* (BCAPI) believes this is the right thing to be doing. The social and economic benefits of breaking the poverty cycle for our families, our communities and our province are significant.

That's why this week's decision by the Province of New Brunswick to increase the minimum wage to \$10.00 per hour is a welcome announcement for BCIPI.

This modest 50 cent increase will not eliminate poverty by itself, but it will put essential income in the hands of hard working employees and many of our most vulnerable citizens. We believe New Brunswick is ready to make the necessary adjustments and pay just a fraction more to help the working poor. Employees are the most valuable assets of our businesses and therefore it is in the interest of every employer to do their very best to make it affordable for people to work, and to work with dignity.

At the current minimum wage of \$9.50 per hour and assuming a 35-hour work week, a full-time employee earns an annual income of \$17,290. The hourly 50 cent increase will raise this household's annual income by almost \$1,000. Now consider the 2010 poverty threshold set by Statistics Canada. The threshold for a single person living in Saint John is \$19,375 per year and for a single parent with one child, it is \$24,120 per year.

While BCIPI believes that the primary path out of poverty is to help children achieve their education - from cradle to career - , we also understand the need to help families thrive as children are more likely to do well when their parents do well. All parents need an adequate income to pay for their family's most basic needs.

For too many years, New Brunswick has had one of the lowest minimum wage rates in Canada and increases reflecting cost of living have been missing from the minimum wage equation for some time. We are now catching up, and catch up we must, in order to help New Brunswick's families.

A 50 cent increase will put New Brunswick's minimum wage on a par with our sister provinces, Nova Scotia and Newfoundland & Labrador. Both of these provinces have already achieved a \$10.00 minimum wage rate and PEI's rate is now \$9.60. A more equitable Atlantic Canada standard makes sense and strengthens our region.

BCAPI recognizes the challenges that an increased minimum wage may present to some businesses. But we believe the business community can weather this change, which does not exceed other provinces.

On behalf of BCIPI

Tom Gibbons,

Chair,

Business Community Anti-Poverty Initiative

www.bcapi.ca