

Earnings and Employment Trends ♦ September 2001

Minimum Wage Earners in BC – An Update

Since Statistics Canada began collecting earnings information via the Labour Force Survey in 1997, the evidence suggests there has been little change in the overall share of minimum wage¹ earners in BC. Just under 5% of BC paid workers were earning minimum wage or less, in 1998 through 2000.

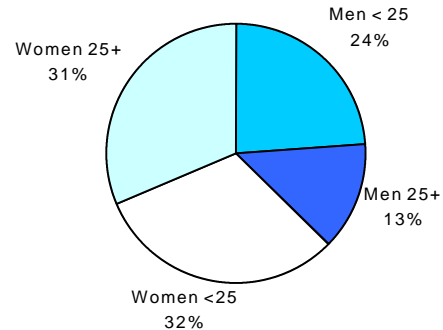
The Labour Force Survey asked usual hourly rate of pay including tips and commissions. Estimates are based on paid employees and exclude the self-employed and unpaid family workers.

The proportion of minimum wage jobs that were held by women increased from 59% in 1998 to 63% in 2000. Although only 6% of female paid workers were receiving minimum wage or less, this was double the proportion (3%) for male workers in 2000.

Youth represented just over half (55%) of all minimum wage earners although they were only 17% of all paid workers. Compared with 1998, the share of minimum wage jobs held by young men declined 4% while that of men 25 years and older remained unchanged. (See *Earnings and Employment Trends January 1999, Issue 99-01.*) However, young women, saw an increase of 2 percentage points in their share of these jobs, while the proportion held by women 25 and over did not move.

¹ Minimum wage in 1997 was \$7.00. It became \$7.15 on April 1, 1998 and \$7.60 on November 1, 2000.

Most Minimum Wage Earners* are Women (63%)

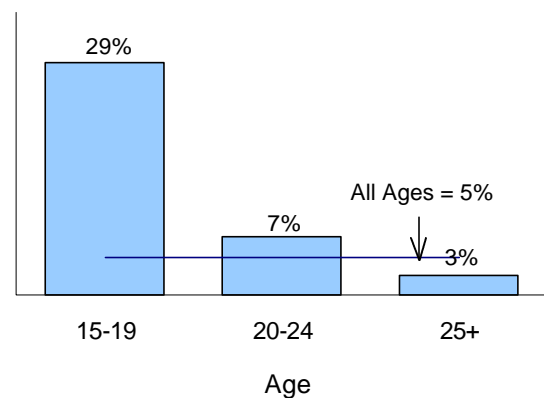


* Wages include tips & commissions

The probability of earning minimum wage is much greater among the young. This is due to the likelihood that many in this age group want seasonal or part-time work requiring lower levels of job experience as they pursue their education.

Age has a considerable impact on the likelihood of earning minimum wage*

Minimum Wage Earners as % of Paid Workers



Teens, those most likely to be in high school, were four times more likely to

hold a minimum wage job than were young adults (20 to 24 year olds).

Teenage employment was concentrated in the service sector (88%), particularly in trade, as well as in accommodation and food services industries. Twenty-nine per cent of those working in trade and 36% of those in accommodation and food services were at or below the minimum wage level.

Employment of young adults was more widely distributed among industries although four-fifths worked in the service sector. Accommodation and food services was the sector with the highest concentration of minimum wage earners (16%) among 20 to 24 year olds.

As with younger workers, four out of five paid workers twenty-five years and older were employed in the service sector. The accommodation and food services industry lead in the concentration of minimum wage workers at 7%, followed by trade and manufacturing at 3 and 2 per cent respectively.

Of all minimum wage earners, almost half (47%) reported earning less than minimum wage. A third of 15 to 19 year olds were in this category, 41% of 20 to 24 year olds and surprisingly, 62% of those 25 and older. Almost twice as many women as men worked for less than the minimum wage and for the 25 years and older group, three-quarters were women.

Source: Statistics Canada, Labour Force Survey, Custom Tabulation

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