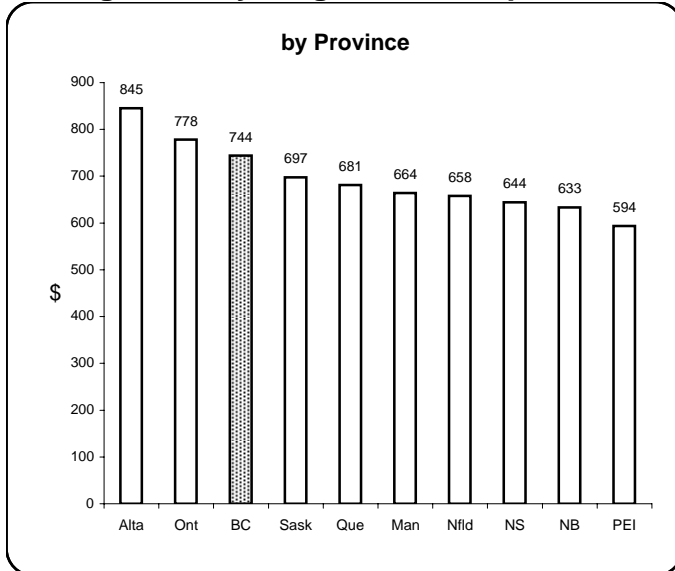
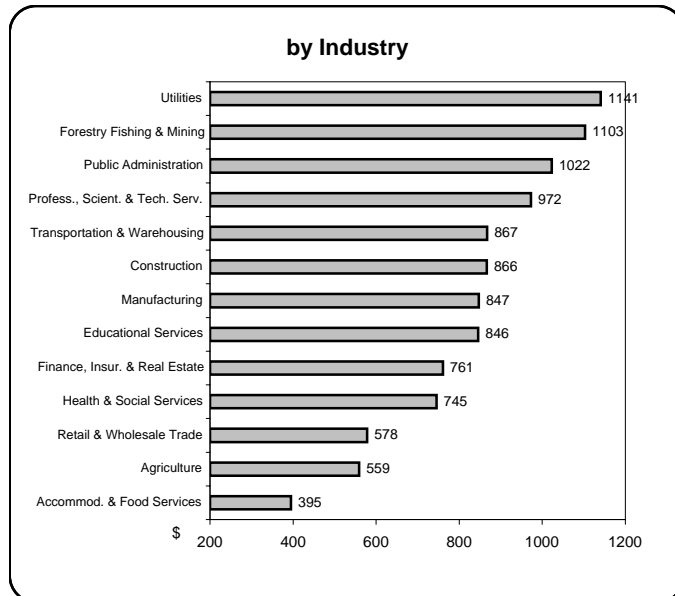
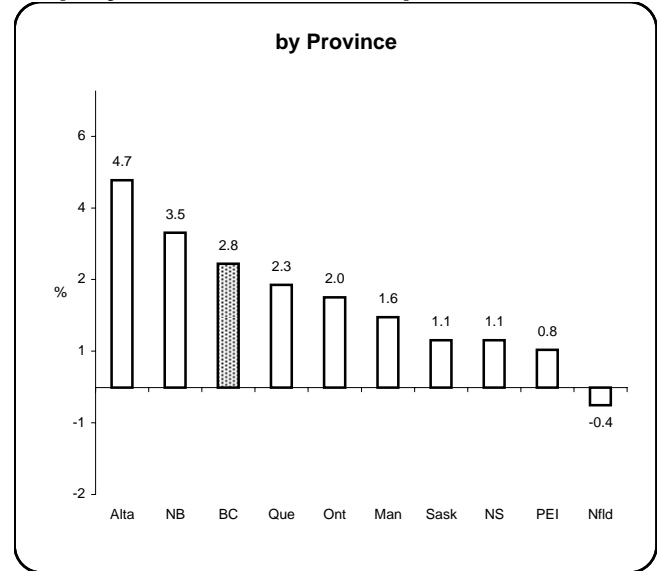


Earnings & Employment Trends ♦ September 2007

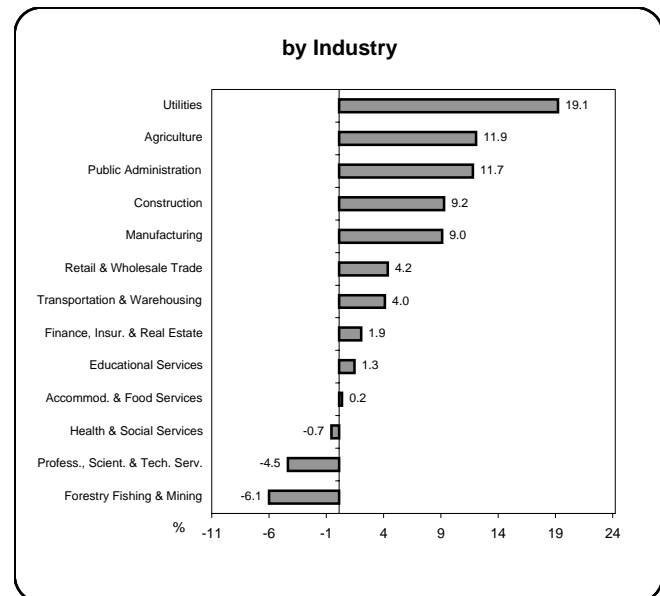
Average Weekly Wage Rate* - September 2007



Employment Growth* - September 2007



* Latest 12 month average



* Month over same month previous year (unadjusted)

Prepared by: BC STATS

Source: Statistics Canada Labour Force Survey

An Update on the Minimum Wage in BC

What is the Minimum Wage in BC?

In a series of incremental increases between 1998 and 2001, the minimum wage in British Columbia increased from \$7.00 to \$8.00 per hour.

Although BC's official minimum wage is \$8.00, in November 2001, the province introduced a special wage of \$6.00 for inexperienced workers. This wage rate (commonly referred to as the "training wage") applies to employees who had no paid employment prior to November 2001 and have accumulated less than 500 hours of paid employment with one or more employers.

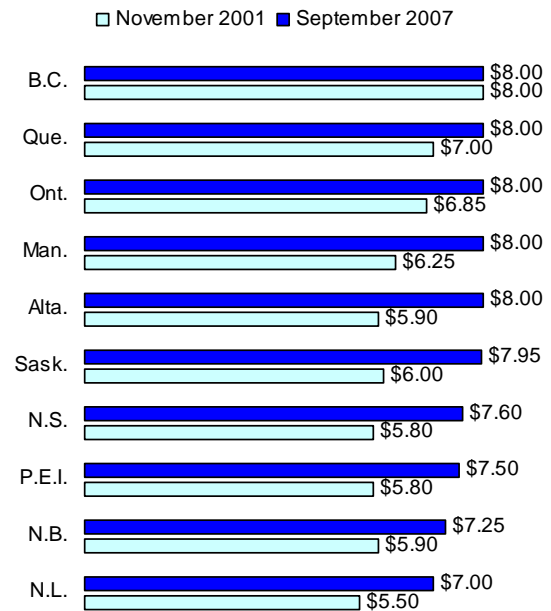
How Does BC's Minimum Wage Compare to Other Provinces?

When the final increase to \$8.00 per hour became effective in November 2001, BC's minimum wage was \$1.00 higher than the next highest provincial minimum wage in Canada. At that time, six out of ten Canadian provinces had a minimum wage of \$6.00 or less. The difference between the highest provincial minimum wage and the lowest provincial minimum wage was \$2.50.

Since 2001, minimum wage increases in other provinces have eroded that differential. Now, the difference between the highest provincial minimum wage and the lowest provincial minimum wage is just \$1.00.

As of September 2007, the minimum wage is \$8.00 per hour in five out of ten Canadian provinces. Ontario plans to increase its minimum wage to \$8.75 in March 2008. When that increase becomes effective, BC will no longer have the highest provincial minimum wage in Canada.

The minimum wage is \$8.00 per hour in five provinces

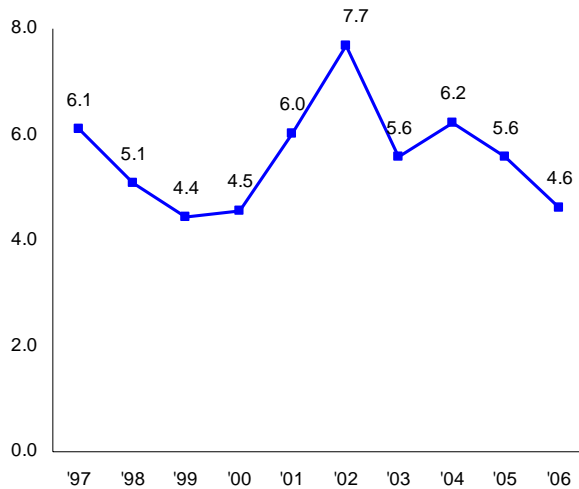


Source: Human Resources and Social Development Canada

How Many Workers are Earning the Minimum Wage?

In 2006, 4.6% of employed workers in BC earned the minimum wage or less. This equates to roughly 82,000 employees. Statistics Canada began collecting earnings information via the Labour Force Survey in 1997. The proportion of employed workers in BC earning the minimum wage or less increased in 2002, but has since returned to prior levels.

The share of minimum wage earners in BC has fluctuated over time



Source: Statistics Canada, Labour Force Survey

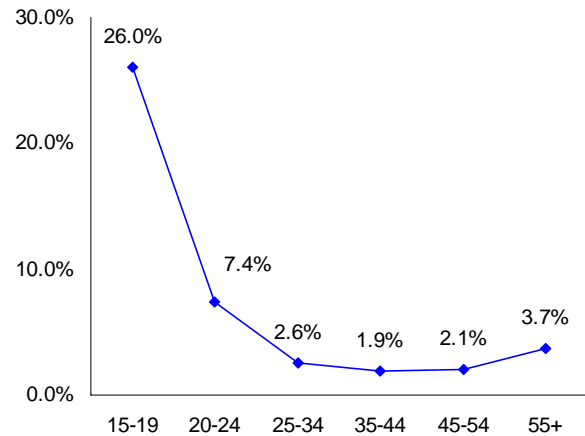
Who are the Most Likely to Earn the Minimum Wage in BC?

The likelihood of earning the minimum wage¹ in BC varies across different groups.

Women are almost twice as likely as men to earn the minimum wage; 6% of women earned the minimum wage in 2006, while just over 3% of men earned the minimum wage.

The probability of earning the minimum wage is highly correlated with age. The likelihood of earning the minimum wage decreases sharply after age 19, but rises slightly as workers approach their 50's.

The percentage of employed workers earning the minimum wage declines with age



Source: Statistics Canada, Labour Force Survey, custom tabulation

There are various reasons why so many youth earn the minimum wage. Youth have higher rates of part-time and seasonal work while they pursue their education, and are more likely to be employed in industries that traditionally pay low wages. For example, in 2006, 24% of employed 15-24 year olds worked in retail trade, and 21% worked in accommodation and food services. In contrast, only 10% of workers aged 25 and over worked in retail trade, and 5% in accommodation and food services.

The percentage of employed workers who earn the minimum wage is also strongly related to educational attainment. In 2006, just over 14% of workers with less than high school earned the minimum wage. Only 5% of high school graduates earned the minimum wage, and less than 3% of those with some post-secondary education earned the minimum wage.

The length of time an employee has worked at his or her job also impacts the likelihood of earning the minimum wage. Ten percent of workers employed in their current positions for one year or less earned the minimum wage in 2006. Workers employed in their current position for one to five years were half as likely to earn the minimum wage, while those who were employed in their current position for five

¹ Throughout this article, reference to minimum wage earners includes those who earn less than the minimum wage.

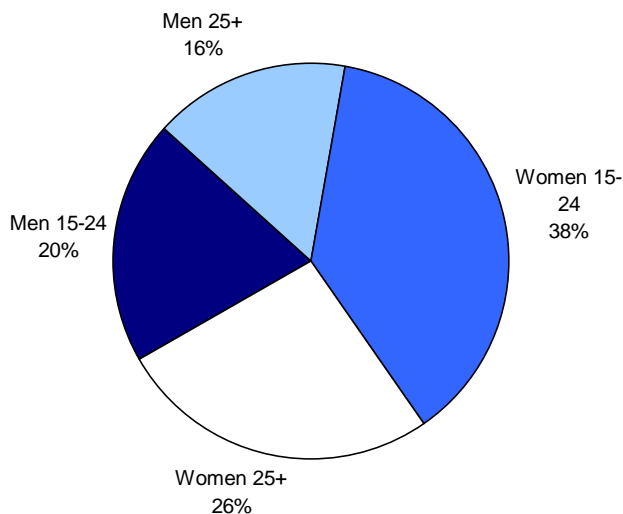
years or more were ten times less likely to earn the minimum wage.

By industry, the employees most likely to earn the minimum wage in 2006 worked in accommodation and food services (15.6%), and agriculture (13.1%). Workers in construction, health care and social assistance, and professional, scientific, and technical services were the least likely to earn the minimum wage (rates were 1.3%, 1.3%, and 1.4%, respectively).

Who are Most of BC's Minimum Wage Earners?

Almost two-thirds (64%) of BC's minimum wage earners in 2006 were women. Teenagers (age 15-19) accounted for 38% of all minimum wage earners in 2006, and youth (age 15-24) accounted for 58%. The remaining 42% of minimum wage earners were spread relatively evenly across the older age groups.

Women and youth make up a large share of all minimum wage earners



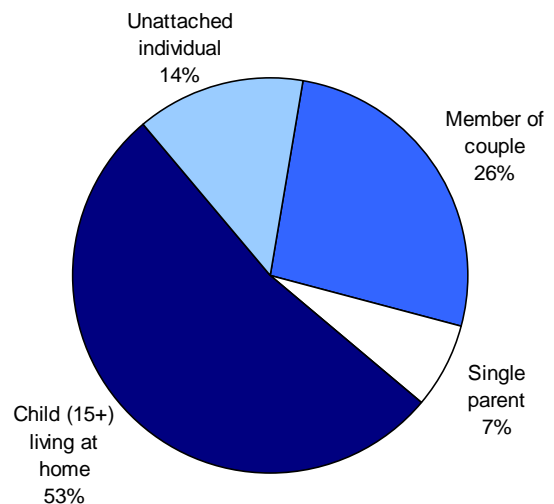
Source: Statistics Canada, Labour Force Survey, custom tabulation

Ninety percent of minimum wage earners were employed in the service-producing sector, with accommodation and food services (30%) and trade (28%) making up significant portions of all minimum wage earners.

Small firms (less than 20 employees) accounted for more than their share of all minimum wage earners in 2006; 37% of minimum wage earners were employed in firms with less than 20 employees, yet these firms only employed 23% of all workers in BC.

The majority of minimum wage earners in 2006 did not have dependents. Over half of all minimum wage earners were sons or daughters living at home with their parents. A further 14% of minimum wage earners were living unattached, either alone or with non-relatives.

Two thirds of minimum wage earners live with their parents or are unattached



Source: Statistics Canada, Labour Force Survey, custom tabulation

Approximately one-quarter of minimum wage earners in 2006 had a spouse or common-law partner. In 4 out of 5 cases, the minimum wage earner's spouse was also employed.

In 2006, 12% of minimum wage earners (approximately 9,900 employees) were sole-income earners supporting at least one dependent. Of these, 9,200 were supporting one or more children under the age of eighteen.

Data source: Statistics Canada, Labour Force Survey. Hourly wage rate includes tips and commissions.