

Ontario should boost minimum wage to \$10

It's not only the right thing to do, but it makes good business sense

Just before Christmas, Ontario MPPs quickly passed legislation to raise their own wages 25 per cent. A day or so into the New Year, Canada's top CEOs had already made more than the average Canadian. Both news items were met with a certain chagrin, but have since passed from the collective consciousness.

Meanwhile, The Living Wage Bill, Bill 150, which asks that Ontario's poorest workers be paid a minimum wage that will allow them to pay their rent and feed their children — \$10 an hour — is struggling to find its way into committee due to the government's lack of support. The bill has passed second reading and has garnered vast support from organizations and individuals. But a concerted and powerful few in the government continue to oppose it.

Campaign 2000, the campaign to end child poverty, was endorsed by all major political parties federally in 1989 and has proved a dismal failure. One in six children in Ontario live in poverty. Contrast that to Ireland where the child poverty rate is less than two per cent. Children here comprise 40 per cent of food bank users, many of whose parents work full time. We have become inured to the sight of food banks, breakfast programs for children and homeless people sleeping over grates in our cities. I remember a conversation with my father as a teenager about the 1930s when he described soup kitchens and homelessness and I said, "That could never happen again, Dad." Little did I know.

The UN Committee on Economic, Social and Cultural Rights issued a set of conclusions evaluating Canada's performance and found the minimum wage in all provinces was "insufficient to enable workers and their families to enjoy a decent standard of living." We know that. Try to raise a child or two on a salary of \$8 an hour over a 40-hour week in Toronto. Many do.

Two-thirds of minimum wage earners in



■ GUEST COMMENTARY

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Ontario are women who need a food bank to help them get through the month, leave children with unlicensed and unsupervised daycare providers, go to thrift stores for clothes and struggle to find time and money to get the education, language classes or extra support they need so one day they might earn more. Economic arguments that raising minimum wage levels cause unemployment overlook the daily reality of these women.

Students who earn minimum wage are another case in point. Most of them will end up with student loans of \$20,000 or more. They need every penny they earn to be able to pay down that debt. If the province is unwilling to lower tuition fees, then it needs to raise the minimum wage to help them pay tuition.

Paying larger wages will cost business. That's clear. However, most small businesses will benefit more than suffer. Minimum wage earners don't tend to have cars and do their spending close to home at local small businesses. The big box stores, who will feel the bite of increased minimum wages, will also be able to attract more qualified staff with lower turnover as their employees could actually live on their salary and wouldn't need to supplement it with another job or two. I was a small business owner who dealt with big business owners in the personnel field back in the 1980s and I nev-

er paid temporary staff or full-time placements less than \$10 an hour — and that was decades ago. If raising minimum wages hurt business, places like Ireland would have suffered instead of benefited by their raise in minimum wage to an equivalent of \$11. Or Britain with its more than \$10 minimum wage.

If minimum wage raises truly cause unemployment, we should all be unemployed by now since minimum wage rates have risen steadily over the years. Most businesses need tax relief, particularly small businesses. That's far more salient than wages.

Helping business by condemning people to live in poverty is not ethical and not savvy. When a mother cannot afford to leave the welfare rolls and work for minimum wage, business and society pay the difference. Poverty necessitates extra health, education and social service costs. It has been estimated that it costs less to provide housing than to keep the homeless on the streets. New York figured this out. Raising the minimum wage, in and of itself, will not eradicate poverty. But it's a step in the right direction.

Employees who can survive on what you pay them is not an impediment to business. Otherwise, one might argue slavery and child labour help business. They might help the bottom line, but would we really want to live in a world like that? Those were the arguments used for slavery and child labour — that business would collapse if they were abolished, the economy would suffer and unemployment would rise. Even if that were true, who would dare argue for it? How can we ethically support a wage that we would not be able to survive on?

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