

Increasing the Minimum Wage in Ontario

A Flawed Anti-Poverty Policy



by Charles Lammam and Hugh MacIntyre

MAIN CONCLUSIONS

■ As part of its Poverty Reduction Strategy, former Premier Kathleen Wynne's government was planning to raise the minimum wage from \$11.60 in 2017 to \$15 per hour by 2019. But, raising the minimum wage is not an effective way to alleviate poverty, primarily because the policy fails to provide help targeted to families living in poverty.

■ In 2015, the latest year of available data, 90.8% of workers earning minimum wage in Ontario did not live in low income families. Though counterintuitive, it makes sense once we explore their age and family situation. In fact, most of those earning minimum wage are not the primary or sole income-earner in their family.

■ In 2017, the year before Ontario was to increase the minimum wage, 59.2% of all minimum wage earners were under the age of 25 and the vast majority of them (86.3%) lived with a parent or other relative.

■ Moreover, 17.8% of all minimum wage earners had an employed spouse. Of these, 95.7% had spouses that were either self-employed or earning more than the minimum wage. Just 2.1% of Ontario minimum wage earners were single parents with young children.

■ In addition to ineffectively targeting the working poor, raising the minimum wage also produces several unintended economic consequences to the detriment of young and inexperienced workers. These include fewer job opportunities, decreases in hours available for work, reductions in non-wage benefits, more automation, and higher consumer prices, which disproportionately hurt the working poor.

■ A work-based subsidy is a more effective policy since it better targets the benefits to those in need without these negative economic consequences.

Introduction

As part of its Poverty Reduction Strategy, former Premier Kathleen Wynne's government raised the minimum wage on January 1, 2018 from \$11.60 to \$14.00 per hour, a 20.7% increase overnight.¹ Another increase is scheduled on January 1, 2019 that will raise it to \$15; thereafter annual increases will be indexed to inflation.²

According to former Premier Wynne: "Millions of workers in Ontario are finding it almost impossible to support their families on a minimum wage that just doesn't go far enough" (Government of Ontario, 2017a). Her rationale for such swift and dramatic hikes to the minimum wage shows a fundamental lack of understanding about who earns the minimum wage in Ontario. When she said this in 2017, 446,000 workers in Ontario earned the minimum wage—representing 7.4% of Ontario workers—not millions. Second, raising the minimum wage is not an efficient means of providing help targeted to families living in poverty, contrary to what the former premier's comments suggest. The inability to provide help targeted at the working poor, coupled with the associated negative unintended economic consequences, is why raising the minimum wage is not an effective way to alleviate poverty.

This publication evaluates increasing the minimum wage as a strategy for alleviating poverty in Ontario. It is divided into four sections: the first presents the evolution of Ontario's minimum

wage since 2003; the second discusses the characteristics of minimum wage earners in Ontario; the third briefly discusses the unintended economic consequences of raising the minimum wage; and the last points to an alternative policy option—a work-based subsidy such as the Canada Workers Benefit—that provides more focused help for the working poor without causing the same negative economic consequences.

Ontario's minimum wage increases in context

Before discussing the characteristics of those earning minimum wage, it is useful to give the background of the government's plan to raise the minimum wage to \$15 per hour by 2019. Starting in 2003, Ontario's minimum wage began a period of increases that outstripped inflation: overall prices (inflation) have increased by 34% since 2003, compared to a nominal increase of 119% in the minimum wage rate. Figure 1 displays the average minimum wage rates in Ontario for each year from 2003 to the planned rate in 2019.³ To control for inflation, the rates are in constant 2019 dollars.

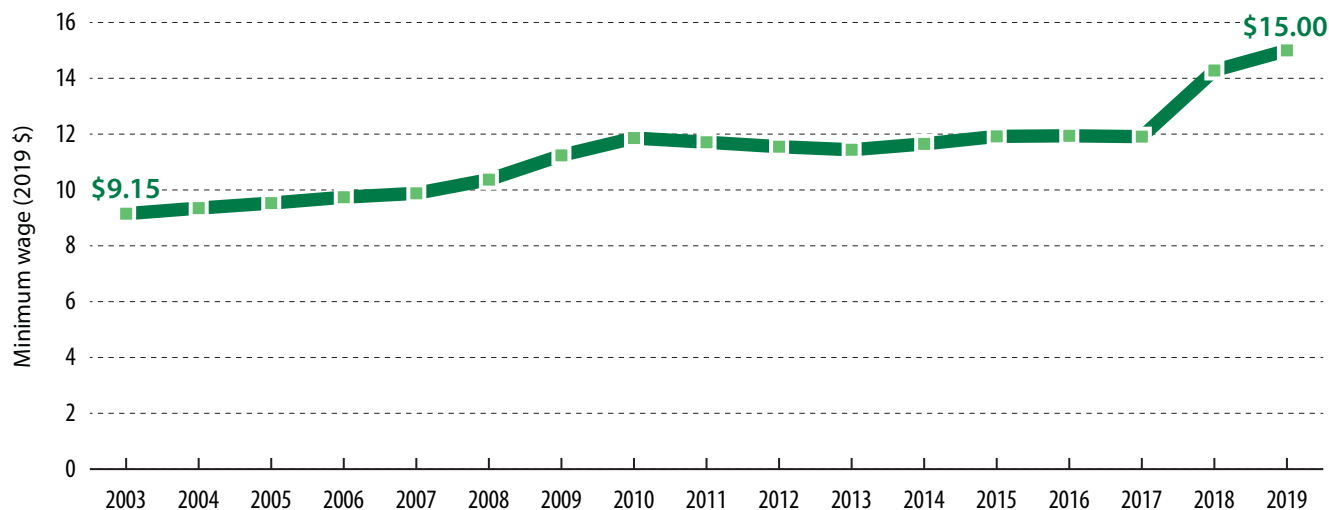
From 2003 to 2010, the minimum wage rate rose from \$9.15 to \$11.86 (2019 \$), representing growth of 30% after adjustment for inflation. Subsequently, the minimum wage rate largely stabilized and fluctuated between \$11.44 and \$11.91 until 2017. The rate is set to grow rapidly

1 For an overview of the Government of Ontario's Poverty Reduction Strategy, see Government of Ontario, 2018.

2 The minimum wage per hour for students and liquor servers is lower: \$13.15 and \$12.20 in 2018, and \$14.10 and \$13.05 in 2019 (Government of Ontario, 2017b).

3 The minimum wage rate is presented in figure 1 as an annual average to account for the fact that the rate often changes during the year. For instance, Ontario changed its minimum wage from \$11.40 to \$11.60 on October 1, 2017. Since there were multiple rates in the year, an average is calculated weighted by the time period that each rate was in force. This means that the average for 2017 is \$10.45 (in nominal dollars).

Figure 1: Minimum wage rates (2019 \$) in Ontario, 2003–2019



Notes: [1] The minimum wage rates are pro-rated averages of the legislated minimum wage rates. For example, Ontario changed its minimum wage from \$11.40 to \$11.60 on October 1, 2017, resulting in an average rate of \$10.45 for 2017. [2] Inflation rates for 2018 and 2019 are projections from the Ontario government's 2017 budget. Sources: Canada.ca, 2017; Statistics Canada, 2018b; Ontario, Ministry of Finance, 2017.

from \$11.91 to \$15.00 by 2019. That amounts to a 26% increase in the inflation-adjusted minimum wage in two years. In other words, the increase over just two years is almost as large proportionally as the eight-year increase during the mid-to-late 2000s. Over the entire period in the chart, Ontario's inflation-adjusted minimum wage will increase 64%.

The \$15 minimum wage will put Ontario out of step with most other Canadian and international jurisdictions. A typical way to compare minimum wage rates across jurisdictions is relative to the median hourly wage. Generally, industrialized countries have a minimum-to-median wage ratio of about 0.50, meaning that the minimum wage is generally half the median wage (Eisen, Lammam, and Watson, 2017). As of 2017, Ontario approximately conformed to this norm with a minimum-to-median wage ratio of 51.3.

However, just two years later in 2019, Ontario's minimum-to-median wage ratio is projected

to be 0.64, well above the typical ratio of 0.50. Ontario is also expected to have the highest minimum wage rate relative to the median wage in Canada. This is a concern because, as Eisen, Lammam, and Watson explain, "the move to a much higher minimum-to-median wage ratio heightens the probabilities of substantial adverse employment effects" (2017: 1). Put simply, the speed of the increase and the level of the minimum wage will likely worsen the unintended consequences of an increased minimum wage.

Minimum wage fails to give help targeted at the working poor

To assess the minimum wage as a strategy for alleviating poverty, it is important to measure how well the program helps those living in poverty. If Ontario's minimum wage earners are not typically living in poverty, then many of the poor would not benefit and much of the benefit would go instead to the those who are not poor.

An anti-poverty policy that does not provide help targeted at the poor is not an efficient way of providing assistance to those in need.

This section discusses the latest available data on the characteristics of minimum wage earners. Most of this data is for 2017, the year before Ontario began to implement the rapid increase of the minimum wage to \$15 per hour and so reveals how well that policy was targeted at families in poverty at the time it was announced. The group of primary interest is those earning minimum wage at the time of the policy announcement. Knowing who earns the minimum wage is critical for an evidence-based understanding of why raising the minimum wage does not effectively target the working poor.

Defining poverty or “low-income”

While Canada does not have an official poverty line, Statistics Canada’s low income cut-off (LICO) is often used as a proxy for measuring absolute poverty.⁴ There are other measures of low income in Canada, namely the low income measure (LIM) and the market basket measure (MBM). However, the advantage of LICO is that it is closely tied to the share of family income that is used to pay for necessities relative to the average. Specifically, a family would be at the threshold if it is expected to spend 20 percentage points more of its family income on necessities than the average family. This connection to spending on necessities is important because poverty is often defined as a lack of adequate basic necessities to sustain long-term health and well-being (Lammam and MacIntyre, 2016).

Most workers earning minimum wage in Ontario do not live in low-income families

Based on data from a special tabulation by Statistics Canada using the *Canadian Income Survey* (Statistics Canada, 2018c), in 2015, the latest year of available income data, 9.2% of minimum wage earners in Ontario lived in a low-income family.⁵ In other words, more than nine of 10 Ontario minimum wage workers did not live in low-income families. Interestingly, the rate of low income for the general population in Ontario was 9.3% in 2015 (Statistics Canada, 2018a), virtually identical to the 9.2% rate for those earning minimum wage. This means that a minimum wage earner in Ontario was just as likely to live in low income as someone from the general population.

The fact that most Ontarians earning minimum wage do not live in low income families is a critical insight. It helps explain why the two academic studies measuring the effect of raising the minimum wage on poverty in Canada both found that it did not reduce poverty. Campolieti, Gunderson, and Lee (2012)—using multiple measures of low income (including LICO) as proxies for poverty—measured the impact on poverty of increases in the minimum wage in Canada from 1997 to 2007, controlling for other economic factors. They found that the minimum wage had no effect on poverty and that 70% of the benefits of an increased minimum wage go to those who are not poor.

The other Canadian study measured the impact of minimum wage increases from 1981 to 2004 and found that a 10% increase in the minimum wage is associated with a 4% to 6% increase

⁴ A key distinction between “poverty and low income is that poverty is the deprivation of necessities and is not dependent on the condition of others, while low income is well-being relative to other members of society. For more discussion, see Lammam and MacIntyre, 2016.

⁵ The low income rates under alternative measures of low income are 10.5% for the low income measure and 13.4% for the market basket measure (Statistics Canada, 2018c).

in the percentage of families falling below the LICO threshold (Sen, Rybczynski and Van De Waal, 2011). The authors explained the increase in relative poverty by noting that a reduction in employment (and thus income) as a consequence of an increase in the minimum wage results in some families falling below the low income threshold.

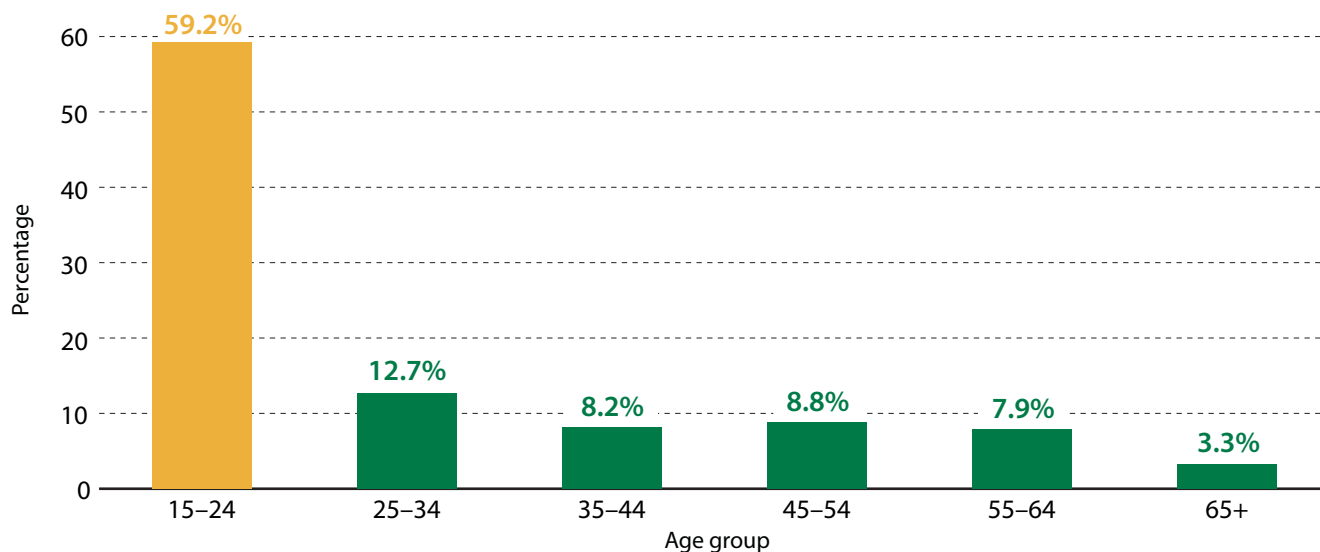
Most workers earning minimum wage in Ontario are not the primary or sole earner in their family

It is certainly counterintuitive that virtually all Ontarians earning minimum wage do not live in low-income families. This result begins to make sense once we explore their age and family situation.⁶ The following data is based on a special

tabulation of the *Labour Force Survey* provided by Statistics Canada (2018d) for 2017, the latest year of data available and the year before Ontario began its rapidly increase in the minimum wage.⁷ The data show that most of those earning minimum wage are not the primary or sole income-earner in their family. This is consistent with the findings of past research (Murphy, Lammam, and MacIntyre, 2016; Ontario, Ministry of Labour, 2014).

First, consider that most minimum wage earners in Ontario were young.⁸ Figure 2 displays the distribution of those earning minimum wage by age group. Those under the age of 25 constituted 59.2% of all minimum wage earners, by far the largest group. Another 12.7% of minimum wage

Figure 2: Shares (%) of workers earning minimum wage in Ontario, by age group, 2017



Source: Statistics Canada, 2018c.

6 For a complete breakdown of the characteristics of workers earning minimum wage in Canada and Ontario in 2017, see Appendix 1 and Appendix 2 (pp. 11-12).

7 Note that the share of those in low-income families who are earning minimum wage is for the year 2015 and data on other characteristics of minimum wage earners is for 2017 because the data come from two different Statistics Canada surveys: the low income statistics come from the *Canadian Income Survey* and the rest of the data come from the *Labour Force Survey*.

8 This is not to trivialize the importance of a youth's contribution to the income of a low income family. However, the vast majority of minimum wage earners are not part of a low income family and such families are less likely to rely heavily on a youth's contribution.

earners were in the group aged 25 to 34 years old. Small shares belonged to older age groups. In fact, the smallest group was also the oldest, with 3.3% of those earning minimum wage being 65 or over.

For many youths, a minimum wage job is their first, and often a stepping stone to higher paid employment. In fact, typically minimum wage earners do not remain such for long but increase their incomes as they gain experience (Long, 1999).⁹

Notably, the vast majority of youths earning minimum wage lived with a parent or other relative. Specifically, 86.3% of minimum wage earners in Ontario aged 15 to 24 lived with family. Among this group of youths, most (58.5%) are attending school while living at home.

The share of young minimum wage earners living with family is even larger for the younger members of this age group. Almost all (94.5%) of the minimum wage earners aged 15 to 19 lived with a parent or other relative. In short, minimum wage earners in 2017 tended to be teenagers or youths living with family.

Moreover, many older minimum wage earners in Ontario were also not the prime or sole income earner in their family: 17.8% of minimum wage earners had an employed spouse. Of these, 95.7% had spouses who were either self-employed or earning more than the minimum wage. This reinforces the point that many minimum wage earners are not actually supporting a family on a single minimum wage income alone.

Thankfully, it is quite rare for a single parent with a young child to be working at a minimum

wage job. In 2017, only 2.1% of Ontarians earning minimum wage were single parents with young children. While proponents of increasing the minimum wage often give the impression that many of those earning the minimum wage are single parents struggling to support a family, the reality is different as only a small share of minimum wage earners are in this circumstance.

The weakness of the connection between earning the minimum wage and living in low income families is not news to the Ontario government. In 2014, the government commissioned an advisory panel on the minimum wage to provide recommendations on future increases. Like this publication, the report of the Minimum Wage Advisory Panel examined the characteristics of Ontarians earning the minimum wage in 2012 and concluded: “Many minimum wage workers are youth who live in non-poor families, or are persons in multiple earner families where the combined earnings takes them out of poverty” (Ontario, Ministry of Labour, 2014: 36). A later study that examined the characteristics of Canadian minimum wage earners in 2014 also found similar results (Murphy, Lammam, and MacIntyre, 2016). Indeed, the weak connection between minimum wage earners and living in low income has been consistent over time.

Workers earning minimum wage in Ontario tend to be less educated and work part-time

Proponents of raising the minimum wage have sometimes voiced a concern that there is a widespread problem of minimum wage earners being skilled workers with university degrees (e.g., Van Santvoort, 2017). In reality, and consistent with

⁹ Additional Canadian research has shown the transience of minimum wage work. Battle (2003) found that of Canadians that have held their position for five years, only 1% were minimum wage earners. Gunderson (2007) found that nearly half (46.4%) of minimum wage earners in Ontario had been at their position for less than a year.

their young age profile, Ontarians earning minimum wage in 2017 were usually less educated than the general population of workers. Table 1 compares the share of minimum wage workers who attained various levels of education to the general population of workers.

In 2017, 55.6% of those earning the minimum wage had a high school diploma or less. In contrast, the share of workers in Ontario's general population with only this level of education is 27.9%. In other words, a minimum wage worker was much more likely to have completed only high school or less than Ontario workers in general. The difference between the general population of workers and minimum wage workers is even more stark when looking at those who obtained less than high school diploma: 27.0% of minimum wage earners had less than a high school diploma compared to 7.6% of workers overall.

Moreover, a minimum wage worker was much less likely (13.0%) to have a university degree than workers in general (33.0%). For those minimum wage workers who did have a university degree, the job was likely a stepping stone to a more highly paid position, as it is rare for someone with a university degree to be earning minimum wage. In fact, of the nearly two million Ontario workers with a university degree in 2017, only 2.9% had a minimum wage job.

In addition to being young and generally less educated, minimum wage earners are more likely to work part-time. In 2017, 60.5% of Ontario minimum wage earners worked part-time. By comparison only 18% of all workers worked part-time. It is rare for full-time workers to earn the minimum wage—only 3.6% do. The data clearly does not support the notion of a large cadre of full-time workers earning the minimum wage.

Table 1: Educational attainment of the general population of workers and workers earning minimum wage in Ontario

Educational level	General population of workers	Workers earning minimum wage
High school diploma or less	27.9%	55.6%
Some post-secondary	6.4%	13.2%
Post-secondary diploma or certificate	32.7%	18.2%
University degree	33.0%	13.0%

Source: Statistics Canada, 2018d.

Minimum wage increases produce negative economic consequences

Raising the minimum wage does not efficiently target assistance to the working poor. But it also produces several unintended economic consequences to the detriment of young and inexperienced workers. Increasing the minimum wage is a government-mandated rise in the price of low-skilled labour. This artificially raises the cost of labour and, in absence of productivity gains, businesses respond in a myriad of ways to offset this increase, producing several negative unintended consequences.

Just as consumers purchase less of a good if the price rises with no corresponding increase in quality, businesses often respond to an increase in the minimum wage by purchasing less labour. The result is fewer job opportunities for workers, particularly young and inexperienced workers. Canadian empirical research has generally found that a 10% increase in the minimum wage rate reduces employment among teens by 3% to 6% (Godin and Veldhuis, 2009; Gunderson, 2014; Ontario, Ministry of Labour, 2014). In fact, after an extensive search, we identified 20 Canadian studies of the minimum wage published in academic journals between 1979 and 2017 (table 2).

Table 2: Twenty Canadian studies of the minimum wage from academic journals

Year	Author(s)	Title	Journal
1979	Cousineau	Impact du salaire minimum sur le chômage des jeunes et des femmes au Québec.	<i>Industrial Relations</i>
1979	Fortin	L'effet du salaire minimum sur les prix, l'emploi et la répartition des revenus : le cas du Québec.	<i>Industrial Relations</i>
1979	Maki	The Effect of Changes in Minimum Wage Rates on Provincial Unemployment Rates, 1970–77.	<i>Industrial Relations</i>
1980	Swidinsky	Minimum Wages and Teenage Unemployment.	<i>Canadian Journal of Economics</i>
1983	Schaafsma and Walsh	Employment and Labour Supply Effects of the Minimum Wage: Some Pooled Time-Series Estimates from Canadian Provincial Data.	<i>Canadian Journal of Economics</i>
1984	McKee and West	Minimum Wage Effects on Part-Time Employment.	<i>Economic Inquiry</i>
1985	Mercier	Les effets du salaire minimum sur l'emploi des jeunes au Québec.	<i>Industrial Relations</i>
1992	Cousineau, Tessier, and Vaillancourt	The Impact of the Ontario Minimum Wage on the Unemployment of Women and the Young in Ontario: A Note.	<i>Industrial Relations</i>
1996	Kan and Sharir	Minimum-Wage and Probability-of-Getting-a-Job Effects in a Simultaneous Equations Model of Employment and Participation: Canada 1975–1991.	<i>Canadian Journal of Economics</i>
1999	Baker, Benjamin, and Stanger	The Highs and Lows of the Minimum Wage Effect: A Time-Series Cross-Section Study of the Canadian Law.	<i>Journal of Labor Economics</i>
2003	Yuen	The Effect of Minimum Wages on Youth Employment in Canada: A Panel Study.	<i>The Journal of Human Resources</i>
2005	Campolieti, Fang, and Gunderson	How Minimum Wages Affect Schooling-Employment Outcomes in Canada, 1993–1999.	<i>Journal of Labor Research</i>
2005	Campolieti, Fang, and Gunderson	Minimum Wage Impacts on Youth Employment Transitions, 1993–1999.	<i>Canadian Journal of Economics</i>
2006	Campolieti, Gunderson, and Riddell	Minimum Wage Impacts from a Prespecified Research Design: Canada 1981–1997.	<i>Industrial Relations</i>
2009	Fang and Gunderson	Minimum Wage Impacts on Older Workers: Longitudinal Estimates from Canada.	<i>British Journal of Industrial Relations</i>
2010	Myatt and McDonald	The Robustness of Provincial Panel-Data Studies of Minimum Wages in Canada.	<i>Canadian Journal of Regional Science</i>
2011	Sen, Rybczynski, van de Waal	Teen Employment, Poverty, and the Minimum Wage: Evidence from Canada.	<i>Labour Economics</i>
2013	Brochu and Green	The Impact of Minimum Wages on Labour Market Transitions.	<i>Economic Journal</i>
2014	Campolieti, Gunderson, and Lee	Minimum Wage Effects on Permanent versus Temporary Minimum Wage Employment.	<i>Contemporary Economic Policy</i>
2017	Rybczynski and Sen	Employment Effects of the Minimum Wage: Panel Data Evidence from Canadian Provinces.	<i>Contemporary Economic Policy</i>

The consensus among them is that increases of the minimum wage reduce employment opportunities for young (under 25) workers.¹⁰ Not one of these Canadian studies contradicts this conclusion. While research from the United States similarly finds declines in youth employment as a result of increasing the minimum wage, unlike the Canadian research, there is more disagreement among researchers. For a detailed discussion of the state of the US research, see Murphy, Lammam, and MacIntyre (2016).

The minimum wage can affect workers in more subtle ways as well. For example, businesses can reduce their labour costs by decreasing hours available for work. A review of the literature by the advisory panel on minimum wages established by the Ontario government highlights evidence that raising the minimum wage is associated with a reduction in hours worked. As the advisory panel's final report points out, focusing on employment reductions alone understates the total effect of the minimum wage on workers (Ontario, Ministry of Labour, 2014: 35). A reduction in hours means minimum wage hikes could leave some workers earning less overall even if their hourly wage increased.¹¹ This is because total earnings are determined by hourly rates multiplied by hours worked. If the increase in hourly rate is not sufficient to offset the reduction in hours, then the worker will have lower overall earnings.

Besides reducing employment and work hours, businesses can respond in other ways to offset government-mandated wage increases. For instance, employers can reduce non-wage compensation (fringe benefits) such as on-the-job training (Ontario, Ministry of Labour, 2014). Businesses may also respond by moving towards more automation in providing products and services (Lordan and Neumark, 2018). Finally, businesses may pass costs on to customers through higher prices.¹² Perversely, this most negatively affects low-income customers, who, with less disposable income, can least afford price increases (Macurdy, 2015).

Given the fast pace of the increases of the minimum wage in 2018 and 2019, the adverse consequences could be exacerbated as businesses struggle to adjust to rapid government-mandated increases in labour costs. In fact, the Ontario government's panel on minimum wage pointed out that the adverse effects are larger if done rapidly rather than spread over a long period (Ontario, Ministry of Labour, 2014: 34).

A more effective policy to help the working poor—a work-based subsidy

Fortunately, another policy option is available to help the working poor that provides targeted benefits to those in need without producing the

10 Interestingly, Fang and Gunderson (2009) found that raising the minimum wage increased employment for older workers (aged 50 and over). The authors' preferred explanation is that, in the event of a minimum wage increase, employers substitute away from inexperienced younger workers to more experienced older workers.

11 A study examining recent minimum wage increases in the City of Seattle found that low-wage workers (defined as those earning under \$19 per hour) were made worse off on average as a result of the reduction in hours (Jardim et al., 2017). Specifically, raising the minimum wage from \$11 to \$13 in Seattle led to an average net reduction in earnings of \$125 per month for low-wage workers. For a summary of Jardim et al., 2017, see Lammam, MacIntyre, and Hunt, 2017.

12 A review of almost 30 studies show that, on balance, research finds that increasing the minimum wage raises prices (Lemos, 2008).

same negative economic consequences. A work-based subsidy, which is a cash transfer directly from governments to low-income workers, is worthy of consideration.¹³

An example of such a program in Canada is the federal government's Canada Workers Benefit (CWB)—formerly the Working Income Tax Benefit. This program, first created in 2007, was recently enhanced in the 2018 federal budget. With the enhancements announced in the budget, couples or single parents with family incomes below \$36,483 will receive a maximum benefit of \$2,335 while single workers making less than \$24,111 will receive a maximum of \$1,355 (Canada, Department of Finance, 2018). Since the program is based on family income, it is

more efficient than a minimum wage in directing benefits to lower-income Canadians who are in need of assistance.

Moreover, unlike the minimum wage, a work-based subsidy does not artificially increase the cost of employing low-skilled workers. While raising the minimum wage reduces job opportunities, a work-based subsidy encourages employment. This is because a potential recipient must have some employment income to receive any benefits from the CWB and so are encouraged to enter the work force. Empirical evidence on similar programs in the United States and the United Kingdom has found that this type of program does indeed encourage employment, particularly among single mothers (Chan and Moffitt, 2018).

Conclusion

In an effort to alleviate poverty among workers, the Ontario government is raising the minimum wage to \$15 per hour at the beginning of 2019. However, this is not an efficient strategy for assisting the working poor for two reasons. First, it poorly targets those in need of help. Second, the minimum wage produces unintended economic

consequences that harm young and inexperienced workers, including fewer job opportunities, decreased hours, reduced benefits, more automation, and higher prices. Instead of pursuing the flawed policy of raising the minimum wage, the Ontario government should consider more effective alternatives such as a work-based subsidy.

¹³ For a fuller discussion on work-based subsidies, see Lammam and MacIntyre, 2015.

Appendix 1: Characteristics of workers earning minimum wage, Ontario, 2017

	Total employees		Minimum wage		
	Total (000s)	Share (%)	Total (000s)	Incidence (%)	Share (%)
Total	6,019.7	100.0	445.5	7.4	100.0
Age					
15–19	307.0	5.1	168.5	54.9	37.8
20–24	612.1	10.2	95.1	15.5	21.3
25–34	1,396.6	23.2	56.6	4.1	12.7
35–44	1,252.9	20.8	36.5	2.9	8.2
45–54	1,318.0	21.9	39.1	3.0	8.8
55–64	945.4	15.7	35.0	3.7	7.9
Educational attainment					
Less than a highschool diploma	460.0	7.6	120.5	26.2	27.0
Highschool diploma	1,218.1	20.2	127.1	10.4	28.5
At least some post-secondary	4,341.5	72.1	197.9	4.6	44.4
Some post-secondary	385.0	6.4	58.8	15.3	13.2
Post-secondary diploma or certificate	1,969.3	32.7	81.0	4.1	18.2
University degree	1,987.2	33.0	58.1	2.9	13.0
Job status					
Full-time	4,935.6	82.0	176.2	3.6	39.6
Part-time	1,084.0	18.0	269.4	24.9	60.5
Household status					
Member of a couple [1]	3,412.6	56.7	104.0	3.0	23.3
Spouse not employed	627.4	10.4	24.8	4.0	5.6
<i>Youngest child is less than 18 years</i>	247.2	4.1	8.1	3.3	1.8
<i>No children or youngest child 18 or older</i>	380.2	6.3	16.7	4.4	3.7
Spouse employed	2,774.3	46.1	79.1	2.9	17.8
<i>Spouse making minimum wage or less</i>	65.0	1.1	3.4	5.2	0.8
<i>Spouse making greater than minimum wage</i>	2,324.7	38.6	61.6	2.6	13.8
<i>Spouse self-employed</i>	384.5	6.4	14.1	3.7	3.2
Head of household, no spouse	463.8	7.7	31.5	6.8	7.1
<i>Youngest child is less than 18 years</i>	181.5	3.0	9.2	5.1	2.1
<i>No children or youngest child 18 or older</i>	282.3	4.7	22.3	7.9	5.0
Son, daughter, or other relative living with family [2]	1,296.0	21.5	264.2	20.4	59.3
15–19 in school	173.7	2.9	107.4	61.8	24.1
15–19 not in school	113.6	1.9	51.8	45.6	11.6
20–24 in school	107.1	1.8	25.6	23.9	5.7
20–24 not in school	310.2	5.2	42.6	13.7	9.6
25 or over in school	28.4	0.5	3.0	10.6	0.7
25 or over not in school	563.0	9.4	33.7	6.0	7.6
Single	833.6	13.8	44.3	5.3	9.9
Living alone	585.7	9.7	23.3	4.0	5.2
15–24	36.4	0.6	4.0	11.0	0.9
25–54	399.1	6.6	11.4	2.9	2.6
55 and over	150.2	2.5	7.9	5.3	1.8
Living with non-relatives	247.8	4.1	21.0	8.5	4.7
15–24	63.2	1.0	11.0	17.4	2.5
25–54	164.2	2.7	9.2	5.6	2.1
55 and over	20.4	0.3	—	—	—
Member of a low-income household (2015) [3]	243	4.3	51	21.0	9.2

Notes: [1] The sum of persons with a working or non-working spouse does not add up to the total number of persons with spouses since certain spouses may have been outside the target group. This happens when one of the spouses is a member of the armed forces or is in an institution (and there may be other reasons). The *Labour Force Survey* only collects information on the spouse not out of scope. [2] A low-income household is defined as being below the Low Income Cut-Off (after taxes and government transfers). The low income data come from the *Canadian Income Survey* (CIS). The latest year available at the time of writing was 2015. [3] “—” indicates that data are not available.

Sources: Statistics Canada, 2018c, d.

Appendix 2: Characteristics of workers earning minimum wage, Canada, 2017

	Total employees		Minimum wage		
	Total (000)s	Share (%)	Total (000)s	Incidence (%)	Share (%)
Total	15,609.6	100.0	1,018.1	6.5	100.0
Age					
15–19	806.5	5.2	369.4	45.8	36.3
20–24	1,577.1	10.1	219.3	13.9	21.5
25–34	3,642.6	23.3	130.9	3.6	12.9
35–44	3,374.8	21.6	87.3	2.6	8.6
45–54	3,314.8	21.2	90.3	2.7	8.9
55–64	2,426.8	15.5	84.1	3.5	8.3
Educational attainment					
Less than a highschool diploma	1,332.3	8.5	272.6	20.5	26.8
Highschool diploma	3,014.7	19.3	268.9	8.9	26.4
At least some post-secondary	11,262.6	72.2	476.6	4.2	46.8
Some post-secondary	1,042.7	6.7	149.9	14.4	14.7
Post-secondary diploma or certificate	5,566.9	35.7	202.8	3.6	19.9
University degree	4,653.0	29.8	123.9	2.7	12.2
Job status					
Full-time	12,770.4	81.8	414.4	3.2	40.7
Part-time	2,839.3	18.2	603.6	21.3	59.3
Household status					
Member of a couple [1]	8,942.0	57.3	256.5	2.9	25.2
Spouse not employed	1,634.7	10.5	58.8	3.6	5.8
Youngest child is less than 18 years	620.3	4.0	19.2	3.1	1.9
No children or youngest child 18 or older	1,014.5	6.5	39.6	3.9	3.9
Spouse employed	7,271.2	46.6	196.7	2.7	19.3
Spouse making minimum wage or less	162.7	1.0	14.6	9.0	1.4
Spouse making greater than minimum wage	6,129.7	39.3	148.0	2.4	14.5
Spouse self-employed	978.8	6.3	34.0	3.5	3.3
Head of household, no spouse	1,144.3	7.3	63.2	5.5	6.2
Youngest child is less than 18 years	515.1	3.3	20.2	3.9	2.0
No children or youngest child 18 or older	629.1	4.0	43.0	6.8	4.2
Son, daughter, or other relative living with family	2,920.1	18.7	573.2	19.6	56.3
15–19 in school	449.5	2.9	235.8	52.5	23.2
15–19 not in school	300.0	1.9	113.1	37.7	11.1
20–24 in school	270.5	1.7	60.8	22.5	6.0
20–24 not in school	680.9	4.4	88.2	13.0	8.7
25 or over in school	60.9	0.4	6.4	10.5	0.6
25 or over not in school	1,158.2	7.4	69.0	6.0	6.8
Single	2,576.4	16.5	121.7	4.7	12.0
Living alone	1,812.2	11.6	66.4	3.7	6.5
15–24	120.7	0.8	10.7	8.9	1.1
25–54	1,211.0	7.8	33.3	2.7	3.3
55 and over	480.6	3.1	22.3	4.6	2.2
Living with non-relatives	764.2	4.9	55.3	7.2	5.4
15–24	206.3	1.3	29.0	14.1	2.8
25–54	496.2	3.2	23.8	4.8	2.3
55 and over	61.7	0.4	2.5	4.1	0.2
Member of a low-income household (2015) [2]	608	4.2	115	18.9	11.2

Notes: [1] The sum of persons with a working or non-working spouse does not add up to the total number of persons with spouses since certain spouses may have been outside the target group. This happens when one of the spouses is a member of the armed forces or is in an institution (and there may be other reasons). The *Labour Force Survey* only collects information on the spouse not out of scope. [2] A low-income household is defined as being below the Low Income Cut-Off (after taxes and government transfers). The low income data come from the *Canadian Income Survey* (CIS). The latest year available at the time of writing was 2015.

Source: Statistics Canada, 2018c, d.

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