

## ORAL QUESTION—KEVIN O'REILLY, MLA FRAME LAKE

### QUESTION 265-18(3): MINIMUM AND LIVING WAGES

MARCH 14, 2018

**MR. O'REILLY:** Merci, Monsieur le President. My questions are for the Minister of Education, Culture and Employment, who is responsible for the minimum wage. As I pointed out earlier today, the latest report on minimum wage is a rehash of the 2014 report that was produced by a committee that is not at arm's length from government, and it contained no preferred recommendation. Is the Minister willing to revise the terms of reference for the Minimum Wage Committee to make it more independent of government and give direction that a preferred recommendation needs to be put forward? Mahsi, Mr. Speaker.

**MR. SPEAKER:** Masi. Minister of Education, Culture and Employment.

**HON. ALFRED MOSES:** Thank you, Mr. Speaker. Just a little information for Members and the public: the Minimum Wage Committee was made in 2013, and its sole purpose was to meet and review relevant information, research, and data to determine suitable options for a change to the minimum wage.

Every two years, they review this area of the minimum wage. They bring options to myself, and we make the decisions on what meets the needs of not only the employees, but also the employers. We have to make sure that there is a fine balance and that we don't put extra hardships on our employers when we do look at increases to the minimum wage.

The committee is made up of business individuals as well as non-government organizations, and I think it brings a very good, balanced perspective, and at this time, I do not see a need for change in that area. Thank you, Mr. Speaker.

**MR. O'REILLY:** Well, I am disappointed to hear that. When you have two reports and they are virtually carbon copies of each other, something is not right, and I have made suggestion about how the Minister can improve it, but he doesn't seem to want to take that. I will try a different tack here.

Another issue is indexing. Eight other Canadian jurisdictions now index their minimum wage, or intend to begin this practice soon. This is something the Minister could begin to do now without waiting for the next round of review. Will the Minister direct that the NWT minimum wage now be indexed to inflation or cost of living?

**HON. ALFRED MOSES:** Setting the minimum wage to increase with inflation could actually limit our ability to explore other options for adjusting the minimum wage rates. Prior to the forming of the Minimum Wage Committee, they did look at such measures as the Consumer Price Index. At that time, it was felt that having this committee of business, labour organizations, and the community was the best way to go to look at all areas that would help set the options for minimum wage. At this time, the minimum wage will be indexed to inflation. We're not looking at it at this time.

**MR. O'REILLY:** Well, I'm getting some straight answers from the Minister today, which is a little unusual. I have described the living wage, which is a defensible figure calculated through a nationally recognized procedure. Our territorial data does not allow for detailed calculation of a living wage for each of our communities. Will the Minister commit to working with his colleague the Minister of Finance and, where necessary, Statistics Canada to expand the range of data collection in our communities to enable calculation of a local living wage?

**HON. ALFRED MOSES:** Currently, there is no jurisdiction in all of Canada that has legislated living wage as part of minimum wage policy. I feel that, the way we look at our minimum wage and review that minimum wage every two years, we are doing what is best for not only the employees, but as I mentioned earlier, what's best for the employers. I can bring this to Cabinet and have those discussions. At this time, we are going to continue with the process of how we develop and determine what a minimum wage is every two years.

**MR. SPEAKER:** Masi. Oral questions. Member for Frame Lake.

**MR. O'REILLY:** Merci, Monsieur le President. I guess what I am hearing from the Minister is the status quo is okay, and when Alberta has a higher minimum wage than we do this fall, people should just move to Alberta. Currently, recipients of income support receive allowances that are adjusted according to where a person lives, and that reflects a difference in cost of living. If this principle applies to income support, why don't we apply it to the minimum wage? Will the Minister commit to beginning the work to develop a methodology to calculate a local living wage for all of our communities, and move the minimum wage to a living wage? Thank you, Mr. Speaker.

**HON. ALFRED MOSES:** Just to give you a little information here. When we increase the minimum wage come April 1<sup>st</sup> of this year, about 700 people in the Northwest Territories will be affected, will be getting an increase. Having a living wage, as I mentioned, would possibly have some impacts on our employers. We all know that a lot of our businesses and people who do business in the Northwest Territories don't even pay the minimum wage; they pay a lot higher than that. In the communities, it gets even higher. You won't be looking at a living wage, and we will continue the same route that we are on. Thank you, Mr. Speaker.