

MEMBER'S STATEMENT — KEVIN O'REILLY, MLA FRAME LAKE

WAGE TOP-UP PROGRAM AND MINIMUM WAGE

May 27, 2020

MR. O'REILLY: Merci, Monsieur le President. To support low-income workers during the pandemic, the Department of Finance has implemented a wage top-up program. NWT workers aged 15 or over and earning less than \$18 per hour are eligible. Program covers April 1 to July 31, 2020. Workers who receive commissions or tips must include those amounts as part of their income for the purpose of the program. Students who, as part of their school curriculum, are employed in the work program and those who are self-employed are not eligible.

Employers are required to apply and receive one-time compensation of \$50 per eligible employee, and their portion of Canada Pension Plan and Employment Insurance costs for the top-up will also be covered under the program. A grant is paid to each business that successfully applies based on the hours worked for each employee during a given month. The employer is required to include in the employees' paycheque a lump-sum wage to top-up payment in the business's next available payroll cycle. Total cost for the four-month program is estimated at \$6.2 million, with the federal government covering \$4.74 million or about 75 percent.

To be clear, Mr. Speaker, I support the wage top-up program as it can support many of the service sector workers who provide key programs and services and will assist in economic recovery. However, the need for this program is the clearest sign that our minimum wage is too low. Thirteen dollars and forty-six cents per hour is not enough to get by on, and it is no surprise to many Northerners.

In March 2019, Alternatives North released research reports that calculated each parent in a family of four would have to earn \$23.95 hourly in Yellowknife, \$24.75 in Hay River, and \$23.78 in Inuvik for a decent standard of living.

This government uses a multi-stakeholder process to review the minimum wage. Committee has two government reps, one of whom shares two employee representatives, two from employers, and one from is social agency, two finance employee service consultants. The committee's 2014 and 2018 reports are almost verbatim. The report observed raising the minimum wage will have "little bearing on many Northerners living in poverty because fewer than 1,121,000 workers the NWT make less than \$15 an hour." I will have questions later today for the Minister of Finance on how we can keep the wage top-up program as the floor for new NWT minimum wage. Mahsi, Mr. Speaker.