

Alberta
Minimum Wage Profile
April 2016 – March 2017



Introduction

The *Alberta Minimum Wage Profile* presents current information on persons whose average hourly earnings¹ are at or below minimum wage in Alberta and other provinces. Statistics include the percentage of employees² earning at or below minimum wage in each province plus the characteristics for those persons in Alberta.

The profile is based on minimum wage rates that are effective for two reference periods: April 1, 2015 to March 31, 2016 and April 1, 2016 to March 31, 2017.

Interprovincial Analysis

Over the two reference periods, Alberta's minimum wage rose from \$11.20 on October 1, 2015 to \$12.20 on October 1, 2016. The number of employees earning at or below minimum wage in Alberta increased over the two reference periods from 59,200 to 94,800 or from 3.1% to 5.0%, ranked third for lowest percentage of minimum wage earners among the Canadian provinces. For Canada, the proportion decreased between the two periods to 6.6% from 6.9% as provinces raised their minimum wages (Table 1).

Between March 31, 2016 and March 31, 2017, eight provinces and two territories raised their minimum wage rates (Table 2).

Eight provinces and one territory have scheduled increases to their minimum wage rates in 2017. (For more information, see Appendix C).

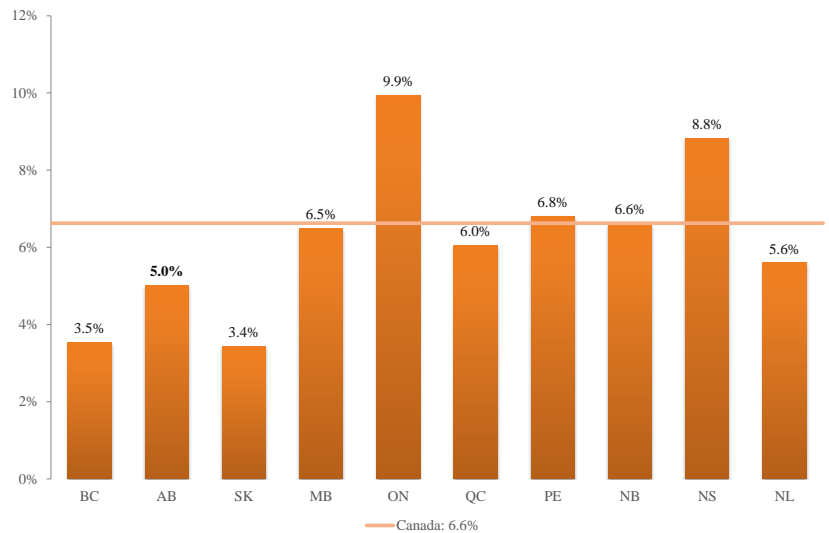
Table 1: Percentage of Employees Earning Minimum Wage

| | April 2015 - March 2016 | April 2016 - March 2017 |
|---------|-------------------------|-------------------------|
| Alberta | 3.1% | 5.0% |
| Canada | 6.9% | 6.6% |

Table 2: Minimum Wage on March 31, 2015 and March 31, 2016

| Province | 31-Mar-16 | 31-Mar-17 |
|---------------------------|-----------|-----------|
| Ontario | \$11.25 | \$11.40 |
| Quebec | \$10.55 | \$10.75 |
| Yukon | \$10.86 | \$11.07 |
| Nova Scotia | \$10.60 | \$10.70 |
| Manitoba | \$11.00 | \$11.00 |
| Newfoundland and Labrador | \$10.50 | \$10.50 |
| Prince Edward Island | \$10.50 | \$11.00 |
| Saskatchewan | \$10.50 | \$10.72 |
| Alberta | \$11.20 | \$12.20 |
| Northwest Territories | \$12.50 | \$12.50 |
| New Brunswick | \$10.30 | \$10.65 |
| Nunavut | \$11.00 | \$13.00 |
| British Columbia | \$10.45 | \$10.85 |

Figure 1: Percentage of Employees Earning Minimum Wage by Province



¹ See definition (Average hourly earnings) in Appendix A

² See definition (Employees) in Appendix A

Alberta Analysis

At 32.6%, the 15 to 19 year old group remained the largest group of minimum wage earners in Alberta, and the 20 to 24 year old group was the second largest in the April 2016 to March 2017 period (Table 3).

The proportion of minimum wage earners increased for the following four age groups in the April 2016 – March 2017 period compared to the April 2015 – March 2016 period:

20 to 24 years, up 2.2 percentage points;
25 to 29 years, up 0.4 percentage points;
30 to 34 years, up 0.8 percentage points; and
50 to 54 years and over, up 2.0 percentage points.

There were proportionately fewer minimum wage earners in all other age groups in the current reference period compared to the previous period (Table 3).

Just over half, or 58.5%, of minimum wage earners worked part-time between April 2016 and March 2017 (Table 4).

As in the previous reference period, a larger proportion, or 74.3% of minimum wage earners were in permanent employment (Table 5).

During the current reference period, 41.2% of minimum wage earners were parents of which 15.7% were single earner families with children (Table 6).

During the current reference period, 44.9% of minimum wage earners were living with their parents. Another 28.8% were the main income earner in their household (Table 7).

Table 3: Proportion of Alberta Minimum Wage Earners by Age (years)

| | April 2015 - March 2016 | April 2016 - March 2017 |
|-------|-------------------------|-------------------------|
| 15-19 | 32.7% | 32.6% |
| 20-24 | 17.9% | 20.1% |
| 25-29 | 9.6% | 10.0% |
| 30-34 | 6.6% | 7.4% |
| 35-39 | 6.4% | 5.2% |
| 40-44 | 5.7% | 5.5% |
| 45-49 | 3.6% | 3.4% |
| 50-54 | 2.4% | 4.4% |
| 55+ | 15.1% | 11.4% |
| Total | 100.0% | 100.0% |

Table 4: Proportion of Alberta Minimum Wage Earners by Type of Work

| | April 2015 - March 2016 | April 2016 - March 2017 |
|-----------|-------------------------|-------------------------|
| Full-Time | 43.3% | 41.5% |
| Part-Time | 56.7% | 58.5% |
| Total | 100.0% | 100.0% |

Table 5: Proportion of Alberta Minimum Wage Earners by Job Permanence

| | April 2015 - March 2016 | April 2016 - March 2017 |
|------------|-------------------------|-------------------------|
| Permanent | 76.7% | 74.3% |
| Temporary* | 23.3% | 25.7% |
| Total | 100.0% | |

*includes seasonal, temporary, and casual employees.

Table 6: Proportion of Alberta Minimum Wage Earners by Family Type

| | April 2015 - March 2016 | April 2016 - March 2017 |
|--------------------------------------|-------------------------|-------------------------|
| Married, Dual earners with Children | 29.5% | 25.4% |
| Married, Dual earners no children | 20.4% | 22.1% |
| Married, Single earner no children | 6.6% | 6.8% |
| Married, Single earner with children | 8.5% | 9.2% |
| Other | 15.9% | 17.5% |
| Single Parent with children | 7.0% | 6.6% |
| Unattached individual | 12.1% | 12.5% |
| Total | 100.0% | 100.0% |

Note: Children are only considered if under 18

Table 7: Proportion of Alberta Minimum Wage Earners by Position in Household

| | April 2015 - March 2016 | April 2016 - March 2017 |
|---|-------------------------|-------------------------|
| Head of house hold | 31.9% | 28.8% |
| Spouse | 14.9% | 16.1% |
| Son or daughter (or Son or daughter in law) | 44.1% | 44.9% |
| Parent (or parent in law) | * | 4.0% |
| Other | 6.6% | 6.0% |
| Total | 100.0% | 100.0% |

* Insufficient data

Of all minimum wage earners, 42.0% had less than one year of job tenure in the April 2016 – March 2017 reference period. The proportion that had one to five years of job tenure was 46.4%, which was higher than the 41.3% in the previous reference period. Overall, the proportion of minimum wage earners who had job tenure of five years or less increased from 82.0% in the previous period to 88.4% in the current reference period (Table 8).

Between April 2016 and March 2017, less than one quarter of Alberta minimum wage earners were students (Table 9).

Of all Alberta minimum wage earners over the April 2016 to March 2017 period, 26.5% had some high school as their highest level of education and 28.7% had high school diplomas as their highest level of education. The proportion with less than high school was lower in the current period, at 28.4%, compared to the previous period, at 31.5% (Table 10).

Females made up 57.8% of the minimum wage earners in Alberta in the current reference period, which is lower than the 61.2% in the previous period. The proportion of male minimum wage earners from April 2016 to March 2017 was 42.2% (Table 11).

Table 8: Proportion of Alberta Minimum Wage Earners by Job Tenure

| | April 2015 - March 2016 | April 2016 - March 2017 |
|----------------------|-------------------------|-------------------------|
| Less than One Year | 40.6% | 42.0% |
| One to Five Years | 41.3% | 46.4% |
| More than Five Years | 18.0% | 11.6% |
| Total | 100.0% | 100.0% |

Table 9: Proportion of Alberta Minimum Wage Earners by Student Status

| | April 2015 - March 2016 | April 2016 - March 2017 |
|-------------|-------------------------|-------------------------|
| Student | 35.7% | 24.7% |
| Non-Student | 64.3% | 75.3% |
| Total | 100.0% | 100.0% |

Table 10: Proportion of Alberta Minimum Wage Earners by Highest Educational Attainment

| | April 2015 - March 2016 | April 2016 - March 2017 |
|---------------------------------------|-------------------------|-------------------------|
| 0-8 Years (Elementary) | 3.7% | 2.0% |
| Some High School | 27.8% | 26.5% |
| High School Graduate | 27.4% | 28.7% |
| Some Post-Secondary | 7.7% | 10.2% |
| Post-Secondary Certificate or Diploma | 19.6% | 17.2% |
| University Degree | 13.8% | 15.4% |
| Total | 100.0% | 100.0% |

Table 11: Proportion of Alberta Minimum Wage Earners by Sex

| | April 2015 - March 2016 | April 2016 - March 2017 |
|--------|-------------------------|-------------------------|
| Female | 61.2% | 57.8% |
| Male | 38.8% | 42.2% |
| Total | 100.0% | 100.0% |

Between April 2016 and March 2017, more than half, or 60.1%, of Alberta's minimum wage earners were employed in two industries: Retail Trade and Accommodation and Food Services (Table 12).

Between April 2016 and March 2017, more than half of Alberta minimum wage earners worked in the following three occupational groups: Service support and other service occupations, n.e.c.³, 20.3%; Sales support occupations, 18.7%; and Service representatives and other customer and personal services occupations, 14.8% (Table 13).

Table 12: Proportion of Alberta Minimum Wage Earners by Industry

| | April 2015 - March 2016 | April 2016 - March 2017 |
|---|-------------------------|-------------------------|
| Accommodation and Food Services | 25.4% | 26.6% |
| Retail Trade | 27.7% | 33.5% |
| Other Services (except Public Administration) | 9.2% | 6.9% |
| Information, Culture and Recreation | 5.8% | 6.9% |
| Educational Services | 4.9% | 6.1% |
| All Other Industries | 27.1% | 20.0% |
| Total | 100.0% | 100.0% |

Table 13: Proportion of Alberta Minimum Wage Earners by Occupation

| | April 2015 - March 2016 | April 2016 - March 2017 |
|---|-------------------------|-------------------------|
| Service support and other service occupations, n.e.c. ³ | 17.4% | 20.3% |
| Sales support occupations | 19.4% | 18.7% |
| Sales representatives and salespersons - wholesale and retail trade | 10.3% | 14.8% |
| Service representatives and other customer and personal services occupations | 8.6% | 10.0% |
| Service supervisors and specialized service occupations | 6.1% | 6.6% |
| Care providers and educational, legal and public protection support occupations | 5.7% | 3.5% |
| Professional occupations in education services and; Paraprofessional occupations in legal, social, community and education services | 5.9% | 5.7% |
| Workers in natural resources, agriculture and related production and; Transport and heavy equipment operation and related maintenance occupations | 5.4% | 4.2% |
| Other occupations | 21.3% | 16.1% |
| Total | 100.0% | 100.0% |

³ Not elsewhere classified

Appendix A

Methodology

The data for this profile are gathered from the Labour Force Survey (LFS) conducted by Statistics Canada. Each month, the Labour Economics and Statistics Unit of Alberta Labour receives LFS files from Statistics Canada. This includes a microdata file, which contains the complete file of all LFS responses.

The minimum wage analysis is performed on the microdata using the statistical software package SAS. The Canadian territories are excluded from this analysis. Twelve-month averages are used to ensure the results are not affected by seasonality. The microdata files for each of the twelve months examined are combined into one large data set and annual averages are then calculated. In this profile, the results are an average of the April 2016 to March 2017 numbers.

Minimum wage rates often change; therefore the minimum wage profile will differ from one report to the next.

All data on the number of minimum wage earners and their characteristics are from Statistics Canada, LFS microdata files.

Definitions

These definitions are from Statistics Canada, except for “Employees” and the occupational and industrial groups.

Employees

In this analysis, people who were either self-employed or listed as having an hourly wage rate of \$0.00 were removed from the overall employment figure to determine the number of employees. Please note that the number of employees in organizations is different from the employment figure for Alberta.

Full-Time Employees

People who usually work 30 hours or more per week at their main or only job.

Minimum Wage Earner

People whose average hourly earnings are equal to or less than the minimum wage rate. Some employees fall outside the scope of the Employment Standards Code’s minimum wage provisions and may earn less than minimum wage. See Section 8 of the Employment Standards Regulation and section 2(3)(g) of the Code for more information.

Part-Time Employees

People who usually work less than 30 hours per week at their main or only job.

Permanent Job

A permanent job is one that is expected to last as long as the employee wants it, given that business conditions permit. There is no pre-determined termination date.

Temporary Job

A temporary job has a predetermined end date, or will end as soon as a specified project is completed. Included in temporary jobs are seasonal, temporary, term or contract jobs; also include work done through a temporary help agency; casual jobs; and other temporary work.

Average hourly earnings

Average hourly earnings before taxes and other deductions, and include tips, commissions and bonuses. Because tips, commissions and bonuses are included, the analysis may not include all minimum wage earners. This variable is not exclusive to wage earners and includes employees who are salaried, work on commission and other pay schemes. Because it is just based on hourly earnings and not hourly wage the analysis may include persons who are not minimum wage earners.

Industry

North American Industry Classification System – Canada 2012

<http://www.statcan.gc.ca/eng/subjects/standard/naics/2012/index>

Appendix B

Fact Sheet: Minimum Hourly Wage Rates

| Province | Current Rate and Rank | Effective Date |
|----------|-----------------------|----------------|
| NU | \$13.00 (1st) | 1-Apr-16 |
| NT | \$12.50 (2nd) | 1-Jun-15 |
| AB | \$12.20 (3rd) | 1-Oct-16 |
| ON | \$11.40 (4th) | 1-Oct-16 |
| YK | \$11.32 (5th) | 1-Apr-17 |
| PE | \$11.25 (6th) | 1-Apr-17 |
| MB | \$11.00 (7th) | 1-Oct-15 |
| NB | \$11.00 (7th) | 1-Apr-17 |
| NS | \$10.85 (8th) | 1-Apr-17 |
| BC | \$10.85 (8th) | 15-Sep-16 |
| QC | \$10.75 (9th) | 1-May-16 |
| NL | \$10.75 (9th) | 1-Apr-17 |
| SK | \$10.72 (10th) | 1-Oct-16 |

For more information on minimum wage rates please visit: <http://srv116.services.gc.ca/dimt-wid/sm-mw/menu.aspx?GoCTemplateCulture=en-CA>

Appendix C

Provinces with Upcoming Minimum Wage Increases

| Province | Minimum Hourly Wage Rate as of March 31, 2016 | New Minimum Hourly Wage Rate | Effective Date |
|---------------------------|---|---------------------------------|--------------------|
| Alberta | \$12.20 | \$13.60 | October 1, 2017 |
| | | \$15.00 | October 1, 2018 |
| British Columbia | \$10.85 | \$11.25 | September 15, 2017 |
| New Brunswick | \$10.65 | \$11.00 | April 1, 2017 |
| Newfoundland and Labrador | \$10.50 | \$10.75 | April 1, 2017 |
| | | \$11.00 | October 1, 2017 |
| Nova Scotia | \$10.70 | \$10.85 | April 1, 2017 |
| Ontario | \$11.40 | \$11.60 | October 1, 2017 |
| Prince Edward Island | \$10.75 | \$11.25 | April 1, 2017 |
| Quebec | \$10.75 | \$11.25 | May 1, 2017 |
| | | \$11.75 | May 1, 2018 |
| | | \$12.10 | May 1, 2019 |
| | | \$12.45 | May 1, 2020 |
| Yukon | \$11.07 | \$11.32 | April 1, 2017 |

For more information on minimum wage rates please visit: <http://srv116.services.gc.ca/dimt-wid/sm-mw/menu.aspx?GoCTemplateCulture=en-CA>

Call us or visit our website for more information or to find the following publications:

- Annual Alberta Labour Market Review
- Monthly Alberta Labour Force Statistics Highlights and Packages
- Alberta's Occupational Demand and Supply Outlook
- Alberta Labour Force Profiles
- Alberta Industry Profiles

<http://work.alberta.ca/labour/labour-market-information.html>

In Edmonton: 780.422.4266

Long distance: 1.800.661.3753

© 2017 Government of Alberta.

Published: April 2017.

ISBN 978-1-4601-3395-8

ISSN 2292-9223

