



A New Approach to Alberta's Minimum Wage

TO: **Standing Committee on the Economy**

Honourable Thomas Lukaszuk
Minister of Employment and Immigration

FROM: Name _____
 Company _____
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 Signature _____

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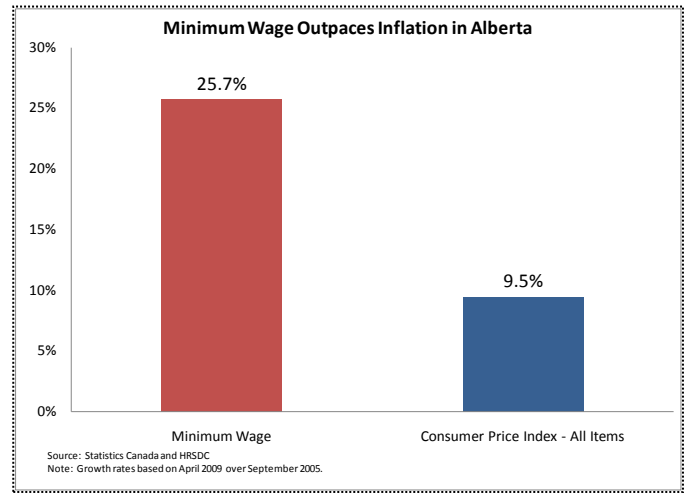
RE: MINIMUM WAGE REVIEW

Dear Members of the Standing Committee on the Economy,

The foodservice industry creates thousands of entry-level and part-time job opportunities in communities across Alberta. To continue doing so, we need a new approach to the minimum wage. Labour costs already account for one third of our sales and minimum wage rates have increased much faster than inflation.

In the restaurant industry, most minimum-wage earners are secondary-income earners or students. Many minimum wage employees in our industry also earn gratuities that push their hourly earnings well above the general minimum wage.

Given the current economic uncertainty, and the ever increasing cost of key inputs such as energy, labour, and food, I hereby call on the Standing Committee on the Economy to recommend that:



- The existing policy of linking minimum wage to the previous year's annual wage inflation rate be eliminated. The existing policy does not reflect current labour market conditions and fails to provide me with enough notice to revise labour budgets and implement minimum wage adjustments. Minimum wage adjustments need to be done in small easy steps to absorb increments and at least six months notice should be given prior to implementing any minimum wage increase.
- A training wage for the first 500 hours of work for new employees be introduced as other provinces have done to recognize the considerable costs associated with properly training employees. Giving me this flexibility will help ensure more students are afforded invaluable first time job experience.
- A gratuity differential, which is a lower minimum wage paid to servers in licensed establishments, be introduced as Quebec and Ontario have done recognizing the significant income earned by liquor servers. Giving me this flexibility would make it easier to devote more of my labour budget to attract and retain hard to find back of the house non-tipped employees. The differential would be put in place by freezing servers' wage rates during the next general minimum wage increase. Wages would not be rolled back.

Sincerely,

A concerned Alberta restaurant operator