

**Say NO to the \$15/hour minimum wage:
no one comes out a winner!**

To: Mrs. Dominique Vien, Minister of Labour

Fax to CFIB at 1 514 861-1711

cc: My MNA _____

From: _____

Name

Signature

Business Name

Business Postal Code

For some time now, unions and other activists have been pressuring the government to raise the minimum wage to \$15/hour, i.e., an increase of about 40%. Such a wage hike would significantly impact a small business like my own.

Increasing the minimum wage to \$15/hour would have the following impacts:

- Increase my labour costs (including higher payroll taxes).
- Create an equivalent upward pressure on the wages of my other employees.
- Reduce the working hours of some of my employees.
- Reduce the size of my staff.
- Defer certain investments (employee training, equipment purchases, etc.).
- Increase my prices.

Other impacts: _____

Say “yes” to other solutions that would better support low-income workers

If the government wants to help full-time minimum-wage workers in a meaningful way, there are various tax measures it could promote rather than increasing the minimum wage. These include reducing the personal income tax rate, giving tax credits, or setting a higher basic exemption. Such measures would offer a win-win solution for everyone!

*After completing this page, please email it to samque@fci.ca or fax it to 1 514 861- 1711
or give it to your CFIB representative.*

How does making a job more expensive help the economy?

Annual impact per employee of a \$4.35/hr increase in your business costs

	Part-time (20 hours/wk) 1,040 hours/year	Full-time (40 hours/wk) 2,080 hours/year
Minimum wage as of May 1 st , 2016 = \$10.75	\$11,180	\$22,360
If minimum wage rises to \$15/hour	\$15,600	\$31,200
Added annual cost per employee	\$4,420	\$8,840
X Multiplied by the number of employees you currently have	X	X
= Total annual increase to you (new added cost X number of employees)	=	=

Note: This table does not include employer contributions and payroll taxes.

A few facts about the minimum wage!

- **In addition to the harmful effects on small business, reputable economists** have clearly shown that when the minimum wage exceeds 50% of the average hourly wage (which is currently around \$24/hour), the results are increased **school dropouts and unemployment** among youth and minimum-wage workers. In other words, the very people who were supposed to benefit are the ones who are adversely affected.
- We also need to keep in mind that, **over the past 10 years** in Quebec, the **minimum wage has increased by nearly 40%**, while the **average hourly wage has risen by nearly 30%** and **inflation has been around 15%** during this same period.
- The \$15/hour minimum wage movement began in the U.S., where the situation is not at all the same as in Quebec. In Seattle, for instance, the average wage is much higher than here and, unlike here, that city had not seen a minimum wage increase for years.

Implementing tax measures: a better solution for everyone!

Adopting such tax measures as lowering the tax rate, giving tax credits or increasing the basic personal exemption, i.e., the portion of income that is not subject to personal tax, would result in more money in workers' pockets at no additional cost to SMEs. This would then promote job creation and benefit the whole economy.

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