

Study: Maximum insights on minimum wage workers: 20 years of data, 1998 to 2018

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Minimum wage work is one of the key elements associated with precarious employment in Canada. In addition to lower wages, minimum wage workers are also less likely to receive non-wage benefits such as a pension plan, supplementary health benefits or paid sick leave (see the note to readers). In recent years, minimum wage employment has been of particular interest as a result of notable changes in minimum wage levels in Ontario, Alberta and British Columbia.

A new study published today provides a comprehensive picture of the evolution of minimum wage work in Canada over the last two decades. This study, "[Maximum insights on minimum wage workers: 20 years of data](#)," uses data from the Labour Force Survey to examine changes in the profile of minimum wage employees from 1998 to 2018, as well as changes in their wages relative to other workers.

Compared with 1998, minimum wage employees in 2018 were relatively more likely to live in urban areas, work in retail trade, be employed in a large firm, work full time and be older than 24.

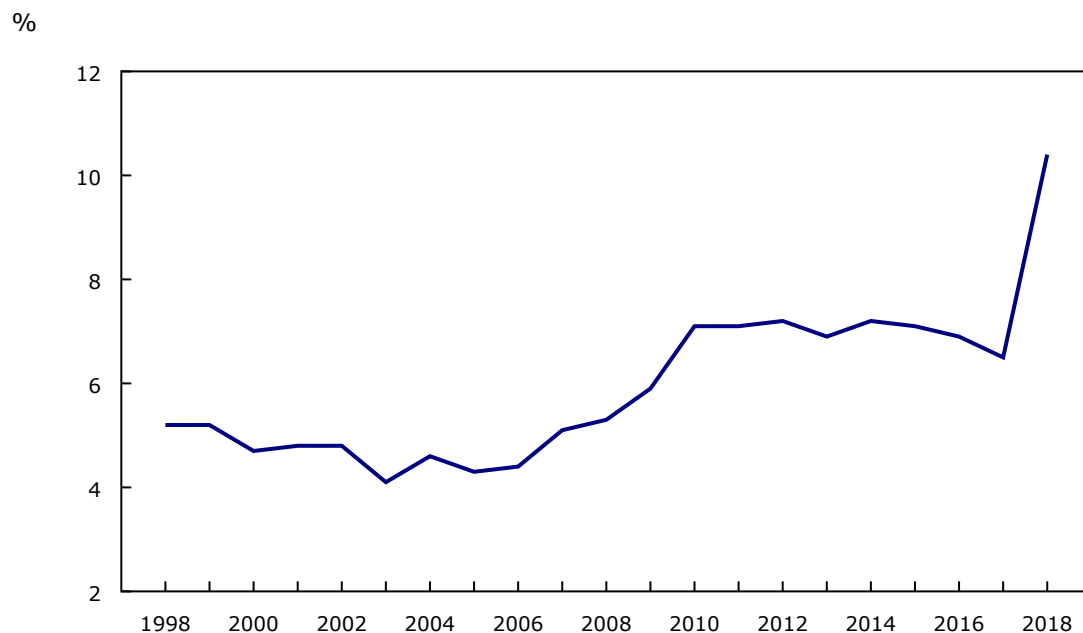
These changes in the characteristics of minimum wage employees occurred primarily over two periods. First, just prior to—and throughout—the 2008–2009 recession, the proportion of employees earning minimum wage rose, with an increasing number of new and existing workers in minimum wage jobs.

Second, in 2018, the proportion of employees earning minimum wage rose to unprecedented levels, as increases in the minimum wage levels in Ontario, Alberta and British Columbia resulted in a number of existing employees joining the ranks of minimum wage workers.

Results for the first six months of 2019 show that the percentage of employees earning minimum wage declined from 10.2% to 9.2% compared with the same period in 2018. This decline was almost entirely the result of fewer minimum wage employees in Ontario. Over the same period, the number of non-minimum wage employees in Ontario increased substantially (+7.6%). This may be an early indication of a labour market wage adjustment resulting from minimum wage increases.



Chart 1
Sharp growth in the proportion of employees earning minimum wage from 2017 to 2018



Note(s): Minimum wage workers as a percentage of total employees, 1998 to 2018.

Source(s): Labour Force Survey ([3701](#)).

From 1998 to 2018, the average nominal minimum wage—unadjusted for inflation—in Canada increased at a faster pace (+3.5% annually) than the average nominal wage for all employees (+2.7% annually).

For more information on minimum wage workers in Canada, see "[Maximum insights on minimum wage workers: 20 years of data.](#)"

Note to readers

A recent report from the Standing Committee on Human Resources, Skills and Social Development and the Status of Persons with Disabilities identifies low-wage work as one of the key elements of precarious work in Canada. See "[Precarious Work: Understanding the Changing Nature of Work in Canada.](#)"

Definitions, data sources and methods: survey number [3701](#).

The article "[Maximum insights on minimum wage workers: 20 years of data](#)" is now available online in the *Labour Statistics: Research Papers* series ([75-004-M](#)).

For more information, contact us (toll-free: 1-800-263-1136; 514-283-8300; [STATCAN.infostats-infostats.STATCAN@canada.ca](#)).

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