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Working for minimum wage

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Canadian attempts at regulating wages started with the federal "Fair Wages Policy" of 1900. It was aimed at protecting workers engaged on all public works and government contracts. However, Canada was not a world leader in this area, the first minimum wage legislations having been enacted in New Zealand, Australia and Great Britain during the 1890s. By 1920, six Canadian provinces had passed laws to protect working women and children from exploitation. By the mid-1950s, minimum wage laws affecting male workers had become widespread.

The objectives of minimum wage legislation in Canada, as in many other industrial countries, have changed over time. These laws have been variously aimed at eliminating labour "sweating", assuring a "living wage" and protecting women and young workers. They have also been looked upon as a built-in device for economic stabilization, a tool for narrowing or maintaining the wage gap between organized and unorganized workers, and a weapon against poverty. Many of these goals overlap; the one that gets the most attention at a particular point in time is determined by the prevailing socio-political and economic climate.

This study examines the socio-demographic characteristics of minimum and sub-minimum wage earners - also referred to in this study as low-wage earners - and the types of jobs they hold. This information might provide useful insights about which workers and employers are likely to be affected by an increase in the minimum wage.

Worker profile

During 1986, an estimated 12 million people were employed as paid workers across Canada. Approximately one million, or one in twelve workers, earned \$4.00 or less an hour sometime during that year. Who were these low-wage earners?

Age

Persons working at or below the minimum wage tend to be young. In 1986, about 40% of all paid workers who earned \$4.00 or less an hour were between the ages of 16 and 19. Another 24% were aged 20 to 24. The comparable shares of these two groups in the paid work force in 1986 were much lower, 9% and 16% respectively. Adults (25-69 years) were a minority among low-wage earners, accounting for only 36%. Even so, the number of adults who reported earning the minimum wage or less at some time in 1986 was considerable (377,000).

Similarly, the incidence of low wages declined by age. About 37% of paid teenage workers earned \$4.00 or less sometime in 1986; among those aged 20-24, the proportion was 13%, and for adult workers, 4% ([Table 1](#)).



Table 1 Paid workers by hourly wage rate: selected characteristics, Canada, 1986

Source: 1986 Labour Market Activity Survey

The high proportion of low-wage earners among teenagers is not surprising: in 1986, six provinces - Prince Edward Island, Nova Scotia, Ontario, Manitoba, Alberta and British Columbia - permitted employers to pay wages lower than the general minimum to young workers and students ([Table 11](#)). Approximately one in five teenagers was paid less than the general minimum wage at some time in 1986. The majority of teenagers (85%) earning \$4.00 or less an hour were also full-time students in high school, college or university for eight or more months in 1986.

Sex

Women are also over-represented among low-wage earners. In 1986, they accounted for 45% of all paid employees, but comprised 60% of those earning the minimum wage or less. Women were almost twice as likely as men to be working for \$4.00 or less an hour, the incidence rates being 11% for women and 6% for men. Close to a quarter of a million adult women worked for the minimum wage or less sometime in 1986.

Married women and single-parent mothers are more likely to work at or below the minimum wage than men of the same status. About 7% of married working women received this rate in 1986 compared with 2% of married men. Approximately 9% of single-parent mothers were paid at \$4.00 or less per hour, compared with only a handful of their male counterparts.



Chart A **Incidence of minimum wage earners by age and sex, 1986**

Source: 1986 Labour Market Activity Survey

Education

The incidence of low wages is generally higher among less educated workers ([Table 2](#)). This is true for both adult and young workers. In 1986, the incidence ranged from a high of 11% for workers with no or some postsecondary education to a low of 3% for those with a university degree.



Table 2 **Paid workers by hourly wage rate and educational attainment, Canada, 1986**

Source: 1986 Labour Market Activity Survey

About 71% of the low-paid working population in 1986 consisted of persons whose education ended at the high school level or below; persons with similar education accounted for only 60% of the total paid employees that year. Some of the highly educated low-wage workers may be casual workers, students, older workers or retirees.

Geographical differences

The proportion of paid workers earning the minimum wage or less varies among Canada's provinces and major metropolitan areas. This variation is tied to several factors, including differences in industry mix and the degree of labour market tightness.

In Ontario and Quebec, about 8% of all paid workers received \$4.00 or less an hour at some time in 1986 ([Table 3](#)). The Atlantic provinces recorded larger proportions of low-paid workers: about 11% in both Newfoundland and Nova Scotia, and 14% in Prince Edward Island and New Brunswick. The incidence rates in Manitoba (7%) and Saskatchewan (4%) were lower than the national rate, but one should remember that the provincial minimum wage in these two provinces was higher than the \$4.00 cut-off. Similarly, the proportions were a bit higher in Alberta (9%) and British Columbia (10%), where the actual provincial minimum wage was below the \$4.00 cut-off.



Chart B Incidence of minimum wage workers by province, 1986

Source: 1986 Labour Market Activity Survey



Table 3 Paid workers by hourly wage rate, Canada and provinces, 1986

Source: 1986 Labour Market Activity Survey

For adult workers, the pattern of inter-provincial variation was much the same. The proportion at or below the \$4.00 cut-off ranged from a low of 3% in Manitoba and Saskatchewan, to a high of 7% in Newfoundland and New Brunswick.

The variations in low-wage incidence rates for adult paid workers in four census metropolitan areas - Montreal, Toronto, Oshawa and St. Catharines-Niagara - reflect, among other factors, differences in industry mix and labour market tightness ([Table 4](#)). [\(1\)](#)



Table 4 Paid workers by hourly wage rate in selected census metropolitan areas, 1986

Source: 1986 Labour Market Activity Survey

About 4% of Montreal's adult paid work force earned the minimum wage or less sometime in 1986, double the rate for the Toronto adult work force. Tighter labour market conditions in Toronto (with a 1986 annual average unemployment rate of 5.5% compared with 10.6% in Montreal) likely contributed to Toronto's low rate. In the auto manufacturing centre of Oshawa, only a handful of the adult paid workers were paid at the minimum or sub-minimum wage. In contrast, in St. Catharines-Niagara, where many workers are employed in the accommodation, food and beverage industry, about 7% of the adult paid employees worked for an hourly wage of \$4.00 or less.

Job profile

Although Canada's low-wage earners numbered one million in 1986, they actually occupied 1.2 million low-paying positions or jobs ([Table 5](#)). This is because some of these workers held two low-wage jobs at the same time (multiple jobholders) or at different times during the year (job changers). [②](#) What kinds of jobs carried the minimum wage of \$4.00 or less?



Table 5 Paid jobs by hourly wage rate, Canada and provinces, 1986

Source: 1986 Labour Market Activity Survey

Full-time/part-time

Part-time employment (less than 30 hours a week) features very prominently in low-paying jobs. Approximately 46% of jobs paying the minimum wage or less in 1986 were part-time, compared with 22% for all paid positions ([Table 6](#)). Young workers occupied about three-quarters of the low-paying part-time jobs. Approximately one-quarter of the low-paid part-time jobs entailed only a few (up to ten) hours of work a week: not surprisingly, most of these jobs were occupied by students.



Table 6 Paid jobs by hourly wage rate and full-time/part-time status, Canada, 1986

Source: 1986 Labour Market Activity Survey

Slightly more than a quarter of a million (274,000) of the low-paid jobs occupied by adults in 1986 were full-time. Why would so many adult workers accept full-time employment in low hourly rated jobs? Part of the answer lies in the fact that many of these positions were in the service industries, where tips, bonuses and commissions often feature prominently in total labour income. Also, for many of the less educated adults, these may have been the only jobs for which they were qualified. Other jobs may simply not be covered by minimum wage legislation (see [Table 11](#)).

Industry and occupation

Most jobs paying the minimum wage or less are in the service sector. The highest incidence of low pay in 1986 was in accommodation, food and beverage services, where about one in three paid jobs carried the minimum wage or less ([Table 7](#)). Several factors account for this high incidence. A major one is the ample supply of youth labour. Close to half of the low-paying jobs in this industry were occupied by teenagers (mostly part-time students). Second, workers in this particular industry often benefit from non-wage incomes, such as tips. The lowest incidence of low-paying jobs was in finance and insurance, and in communications and other utilities (both 2%).



Chart C **Full-time/part-time employment distribution, 1986**

Source: 1986 Labour Market Activity Survey



Table 7 **Paid jobs by hourly wage rate and industry, Canada, 1986**

Source: 1986 Labour Market Activity Survey

A higher than average proportion of workers in retail trade was employed at the minimum or sub-minimum wage, but many workers in this industry receive commissions and bonuses to supplement their hourly wages. A high incidence of low-wage jobs existed in agriculture (22%) in 1986, but many agricultural jobs are excluded from the minimum wage laws in several provinces ([Table 11](#)). Also, many agricultural workers receive other, non-monetary, remuneration - for example, free or reduced room and board.

The prevalence of low-wage jobs by occupation generally mirrors that by industry. In 1986, over half of all low-paying jobs were in sales and services ([Table 8](#)).



Chart D **Incidence of minimum wage jobs by industry, 1986**

Source: 1986 Labour Market Activity Survey



Table 8 Paid jobs by hourly wage rate and occupation, Canada, 1986

Source: 1986 Labour Market Activity Survey

Establishment size and job tenure

In 1986, small establishments - those employing fewer than 20 people - accounted for two-thirds of jobs paying the minimum wage or less ([Table 9](#)). In these establishments, approximately two out of three low-paying jobs were occupied by young people. At the other extreme, only 2% of jobs paying \$4.00 or less an hour were in large establishments, those employing 500 or more.



Table 9 Paid jobs by hourly wage rate, establishment size and job tenure, Canada, 1986

Source: 1986 Labour Market Activity Survey

For several reasons, many low-paying jobs are held for a brief period. First, the wage rate is not particularly attractive. Second, many of these jobs are occupied by students, with potentially weak and intermittent work force attachment. In 1986, only one in five of the low-wage jobs, compared with about one in two of all paid jobs, was occupied year-round. Looked at another way, about 38% of the low-wage jobs, compared with 19% of all paid jobs, had a tenure rate of three months or less.

Unionization and pension coverage

One goal of minimum wage legislation is to protect unorganized workers from exploitation. This being so, one would expect most persons working at the minimum or sub-minimum wage to be non-unionized. Data from the LMAS confirm this ([Table 10](#)). In 1986, only 6% of low-paid positions were occupied either by members of a union or some other bargaining agent, or by non-union members who had their wages covered by collective agreement. This compared with a rate of 34% for all paid positions.



Table 10 **Unionization and pension plan coverage rates, paid jobs, 1986**

Source: 1986 Labour Market Activity Survey

In addition to having a low unionization rate, workers occupying minimum or sub-minimum wage jobs seldom enjoy the privileges of an employer-sponsored pension plan - only 6% had coverage in 1986. This compared with a coverage rate of 36% for all paid positions.

The low rates of unionization and pension coverage among persons working at the minimum or sub-minimum wage is not surprising since many of these jobs are in small establishments. In addition, the large number of students in these jobs tends to inhibit unionization and reduces the attraction to participate in pension plans. Pension coverage among adult low-paid workers was higher, at 14%, and may be related to longer job tenure.



Chart E **Union and pension plan coverage for minimum wage jobs, 1986**

Source: 1986 Labour Market Activity Survey

Low wages and poverty

Are low-wage earners poor? For most Canadian workers, earnings from employment are the most important source of income. Nevertheless, earnings may not be a good indicator of poverty. The likelihood of a worker being poor depends not just on his or her wage rate, but also on factors such as the number of hours worked, employment and income status of other family members, personal wealth, and the availability of non-wage labour compensation such as tips, bonuses and commissions. The LMAS does not provide data on all of these factors, but it does offer some interesting insights on the issue of the working poor.

All things being equal, one would expect low-wage workers to be more likely to collect welfare than the average worker. The data support this perception. Although minimum and sub-minimum wage earners accounted for 9% of all paid workers in 1986, they constituted 22% of the total paid workers collecting welfare sometime during that year. Among adult workers earning the minimum wage or lower, about 10% reported that they collected social assistance at some time during the year. This was five times the proportion for all adult paid workers. Women accounted for 61% of adult low-paid workers who collected welfare.



Chart F **Welfare recipients among minimum wage workers, 1986**

Source: 1986 Labour Market Activity Survey

Compared to welfare collection, the links between low wages, receipt of unemployment insurance (UI) benefits and poverty are rather tenuous. About 21% of adult low-wage earners collected UI benefits at some time in 1986, slightly higher than the 17% for all adult paid employees. However, if their minimum and sub-minimum wages formed the basis for calculating their UI weekly benefits - which amount to 60% of insurable earnings - the weekly benefits of low-wage earners must have been very small.

Finally, about 20% of older low-wage earners (55-69 years) reported that they collected pension income at some time in 1986. However, it is impossible to determine from the LMAS what proportions of these pensioners took up low-paying jobs to make ends meet, because of inability to obtain better paying jobs, or because they preferred a low-paying job to leisure.

Conclusion

The use of minimum wage legislation as an anti-poverty measure is an issue that arises in most discussions of minimum wage laws. The issue of poverty may be irrelevant for some students earning the minimum wage or less, but the higher incidence of welfare collection by adult low-wage workers suggests the problem is real for this group. To establish the magnitude of the problem, however, one needs additional data such as the non-wage income and wealth of the worker as well as the financial position of other family members. These data, unfortunately, are not available from the 1986 LMAS. Despite this shortcoming, the LMAS does provide an important source of information for further research on low-wage earners and low-wage jobs. Future research could examine workers stuck in low-paid jobs, low-paid jobs serving as stop-gap measures, and the prevalence of moonlighting among low-wage earners.



Table 11 **Minimum wage rates and selected exemptions and exclusions to legislation**

Data source, definitions and coverage

The worker and job profiles in this study are derived from the 1986 Labour Market Activity Survey (LMAS). This household survey provides information on the socio-demographic characteristics of Canadian workers and describes their jobs (up to five per person) and wage rates of the jobs they held over the calendar year. Thus, it identifies workers employed at, above, or below the minimum wage. The LMAS wage rates are straight time-compensation for labour services: they exclude tips, bonuses and commissions.

For this study, the minimum wage rate is the one stipulated for experienced adult workers, sometimes referred to as the general minimum wage rate. This rate varies from province to province. Also, within each province, the rate for workers under federal jurisdiction can differ from those under provincial jurisdiction. For all or most of 1986, the federal general minimum wage, as well as that of the six provinces from Newfoundland to Ontario, was \$4.00 an hour. Of the four western provinces, two had slightly higher rates, with Manitoba at \$4.30 and Saskatchewan at \$4.50. The other two had slightly lower rates, with Alberta at \$3.80 and British Columbia at \$3.65 (see [Table 11](#)).

Because the \$4.00 an hour general minimum wage prevailed across most of Canada in 1986, and since the differences in the western provinces somewhat offset each other, this rate was selected as the minimum wage cut-off for this study.

Notes

Note 1

In all four centres, the legislated general minimum wage in 1986 was \$4.00 an hour. Furthermore, the work forces of Toronto and Montreal were fairly close in number, as were those of Oshawa and St. Catharines-Niagara.

Note 2

The 12 million paid workers occupied 14.8 million paid jobs in 1986. Thus, the ratio of one to twelve remains relatively unchanged whether one examines the incidence of minimum and sub-minimum wages for workers or for jobs.

References

- Labour Canada. *Employment Standards Legislation in Canada*. (No. L163-2208-88E), 1989.
- West E. and M. McKee. *Minimum Wages: The New Issues in Theory, Evidence, Policy and Politics*. Economic Council, (No. EC 22-81/1980E), 1980.

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Source

Perspectives on Labour and Income, Winter 1989, Vol. 1, No. 3 (Statistics Canada, Catalogue 75-001E).
This is the first of six articles in the issue.



Table 1

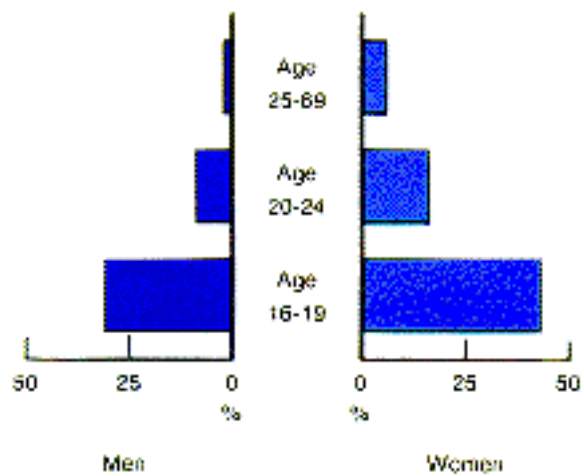
Paid workers by hourly wage rate: selected characteristics, Canada, 1986

	Paid workers		Low-wage incidence rate*
	Total	At \$4.00 or less	
	'000		%
Age and sex			
Both sexes			
All ages (16-69)	12,045	1,035	9
16-24	3,009	658	22
16-19	1,111	414	37
20-24	1,898	244	13
25-69	9,035	377	4
25-54	7,925	327	4
55-69	1,111	50	4
Men			
All ages (16-69)	6,566	409	6
16-24	1,570	278	18
16-19	590	186	32
20-24	980	92	9
25-69	4,996	132	3
25-54	4,304	113	3
55-69	692	19	3
Women			
All ages (16-69)	5,479	626	11
16-24	1,439	381	26
16-19	521	228	44
20-24	919	153	17
25-69	4,040	245	6
25-54	3,621	214	6
55-69	419	31	7
Family status and sex			

Men			
Spouse present	4,080	91	2
Lone parent	139	--	--
Others	2,347	314	13
Women			
Spouse present	3,248	221	7
Lone parent	414	37	9
Others	1,817	367	20
<i>Source: 1986 Labour Market Activity Survey</i>			
<i>* Percentage of all paid workers at \$4.00 or less.</i>			

Incidence of minimum wage earners by age and sex, 1986

Among both men and women, the proportion of low wage earners was highest among teenagers.



Source: 1986 Labour Market Activity Survey.

Table 2

Paid workers by hourly wage rate and educational attainment, Canada, 1986

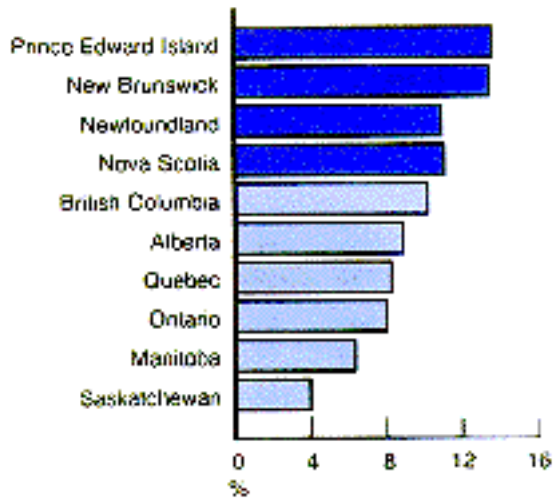
	Paid workers		Low-wage incidence rate*
	Total	At \$4.00 or less	
	'000		%
Educational level			
16-69 years, all levels	12,045	1,035	9
0-8 years	1,113	88	8
Some secondary	6,054	644	11
Some postsecondary	1,416	155	11
Postsecondary diploma	1,804	90	5
University degree	1,658	58	3
25-69 years, all levels	9,035	377	4
0-8 years	1,031	66	6
Some secondary	4,270	195	5
Some postsecondary	809	31	4
Postsecondary diploma	1,406	42	3
University degree	1,519	43	3

Source: 1986 Labour Market Activity Survey

** Percentage of all workers paid at \$4.00 or less.*

Incidence of minimum wage workers by province, 1986

The proportion of low wage workers is highest in Atlantic Canada.



Source: 1986 Labour Market Activity Survey.

Table 3

Paid workers by hourly wage rate, Canada and provinces, 1986

	Paid workers		Low-wage incidence rate*
	Total	At \$4.00 or less	
	'000		%
All ages (16-69)			
Canada	12,045	1,035	9
Newfoundland	239	27	11
Prince Edward Island	56	8	14
Nova Scotia	378	43	11
New Brunswick	308	42	14
Quebec	3,007	251	8
Ontario	4,681	379	8
Manitoba	482	31	7
Saskatchewan	407	17	4
Alberta	1,180	104	9
British Columbia	1,307	134	10
Ages 25-69			
Canada	9,035	377	4
Newfoundland	175	12	7
Prince Edward Island	40	--	--
Nova Scotia	280	17	6
New Brunswick	229	16	7
Quebec	2,277	103	5
Ontario	3,500	123	4
Manitoba	356	10	3
Saskatchewan	294	10	3
Alberta	875	42	5
British Columbia	1,010	42	4

*Source: 1986 Labour Market Activity Survey*** Percentage of all workers paid at \$4.00 or less.*

Table 4

Paid workers by hourly wage rate in selected census metropolitan areas, 1986

	Paid workers		Low-wage incidence rate*
	Total	At \$4.00 or less	
	'000		%
All ages (16-69)			
All metropolitan areas	7,592	575	8
Montreal	1,485	111	7
Toronto	1,796	88	5
Oshawa	93	6	6
St. Catharines-Niagara	133	16	12
Non metropolitan areas	4,453	460	10
Ages 25-69			
All metropolitan areas	5,672	199	4
Montreal	1,108	49	4
Toronto	1,330	25	2
Oshawa	70	--	--
St. Catharines-Niagara	102	7	7
Non metropolitan areas	3,363	178	5

Source: 1986 Labour Market Activity Survey

** Percentage of all workers paid at \$4.00 or less.*

Table 5

Paid jobs by hourly wage rate, Canada and provinces, 1986

	Canada	Nfld.	P.E.I.	N.S.	N.B.	Que.	Ont.	Man.	Sask.	Alta	B.C.
Hourly wage rate (\$)	'000										
0.01 - 1.99	124	4	--	3	3	28	44	6	5	15	15
2 - 3.99	599	10	3	13	18	150	236	21	12	63	73
4.00	457	15	5	32	27	102	161	8	--	42	64
4.01 - 4.99	1,151	25	8	43	32	244	493	67	66	95	78
5.00 - 5.99	1,544	43	13	57	40	346	613	73	63	155	143
6.00 - 6.99	1,199	26	7	49	36	263	482	60	47	117	112
7.77 - 9.99	3,206	73	17	101	88	808	1,210	136	118	330	325
10.00 - 14.99	3,888	52	10	95	81	972	1,555	147	122	393	460
15.00 and over	2,632	28	5	52	43	614	1,104	80	68	289	349
Total	14,800	275	68	446	369	3,527	5,898	598	501	1,500	1,618

Source: 1986 Labour Market Activity Survey

Table 6

Paid jobs by hourly wage rate and full-time/part-time status, Canada, 1986

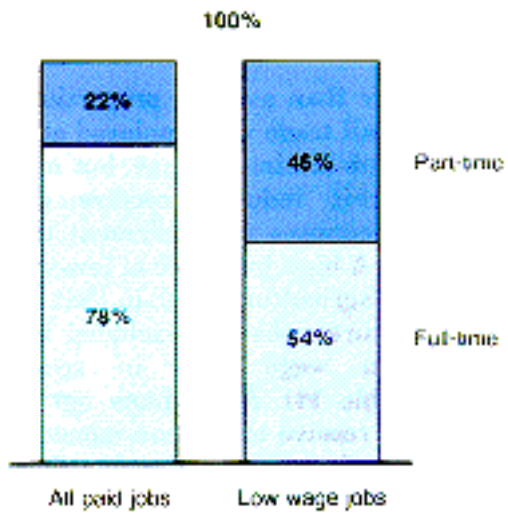
	Paid jobs		Low-wage incidence rate*
	Total	At \$4.00 or less	
	'000		%
Full-time/part-time status			
All ages (16-69)			
All jobs	14,800	1,180	8
Full-time jobs	11,605	642	6
Part-time jobs	3,195	538	17
Ages 16-24			
All jobs	4,312	777	18
Full-time jobs	2,811	368	13
Part-time jobs	1,501	410	27
Ages 25-69			
All jobs	10,489	403	4
Full-time jobs	8,794	274	3
Part-time jobs	1,695	128	8

Source: 1986 Labour Market Activity Survey

** Percentage of all paid jobs at \$4.00 or less.*

Full-time/part-time employment distribution, 1986

Nearly half of all low wage jobs compared with a fifth of all jobs were part-time.



Source: 1986 Labour Market Activity Survey.

Table 7

Paid jobs by hourly wage rate and industry, Canada, 1986

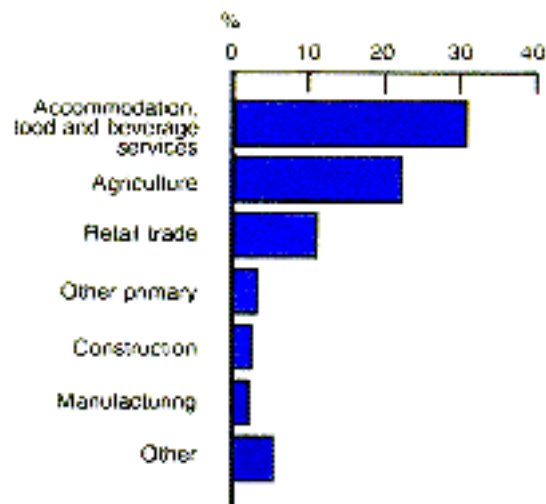
	Paid jobs		Low-wage incidence rate*
	Total	At \$4.00 or less	
	'000		%
All industries	14,800	1,180	8
Agriculture	283	63	22
Other primary	401	14	4
Manufacturing	2,569	65	3
Construction	865	23	3
Transportation and storage	602	19	3
Communication and other utilities	451	9	2
Wholesale trade	613	22	4
Retail trade	1,988	223	11
Finance and insurance	532	9	2
Real estate and insurance agents	223	20	9
Business services	662	33	5
Education services	1,043	45	4
Health and social services	1,249	55	4
Accommodation, food and beverage services	1,203	370	31
Other services	944	160	17
Government services	1,172	51	4

Source: 1986 Labour Market Activity Survey

** Percentage of all paid jobs at \$4.00 or less.*

Incidence of minimum wage jobs by industry, 1986

The proportion of low wage jobs was highest in accommodation, food and beverage services.



Source: 1986 Labour Market Activity Survey.

Table 8

Paid jobs by hourly wage rate and occupation, Canada, 1986

	Paid jobs		Low-wage incidence rate*
	Total	At \$4.00 or less	
	'000		%
All occupations	14,800	1,180	8
Managerial or professional	3,937	144	4
Clerical and related	2,702	160	6
Sales	1,292	150	12
Service	2,231	494	22
Food and beverage preparation	949	299	32
Lodging and other accommodation	110	17	15
Personal services	292	76	26
Primary occupations	559	86	15
Processing, machining and fabricating	2,029	63	3
Machining and related	343	6	2
Construction trades	870	17	2
Transport equipment operating	556	28	5
Material handling and other crafts	583	35	6
Occupations not elsewhere classified	40	4	9

Source: 1986 Labour Market Activity Survey

** Percentage of all paid jobs at \$4.00 or less.*

Table 9

Paid jobs by hourly wage rate, establishment size and job tenure, Canada, 1986

	Paid jobs		Low-wage incidence rate*
	Total	At \$4.00 or less	
	'000		%
Establishment size			
Total	14,800	1,180	8
19 persons or fewer	6,126	781	13
20-99 persons	4,554	306	7
100-499 persons	2,692	69	3
500 or more persons	1,428	24	2
Job tenure in 1986†			
Total	14,800	1,180	8
Under 4 weeks	493	79	16
4-13 weeks	2,340	372	16
14-26 weeks	2,298	269	12
27-51 weeks	2,620	221	8
52-53 weeks	7,049	239	3

Source: 1986 Labour Market Activity Survey

** Percentage of all paid jobs at \$4.00 or less.*

† Number of weeks worked in job in 1986.

Table 10

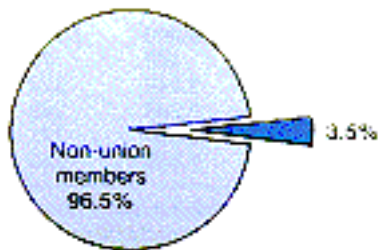
Unionization and pension plan coverage rates, paid jobs, 1986

	Unionized		Non-unionized but covered by a collective agreement		Covered by an employer- sponsored pension plan	
	All paid jobs	Min./sub-min. wage jobs	All paid jobs	Min./sub-min. wage jobs	All paid jobs	Min./sub-min. wage jobs
	%					
All ages (16-69)	29	4	5	2	36	6
16-24	13	2	4	2	12	2
25-69	36	7	5	3	46	14

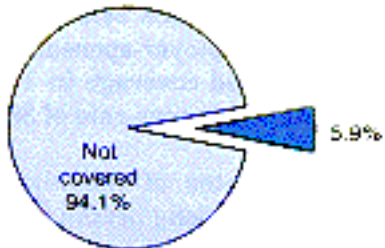
Source: 1986 Labour Market Activity Survey

Union and pension plan coverage for minimum wage jobs, 1986

Very few workers in low wage positions belonged to a union...



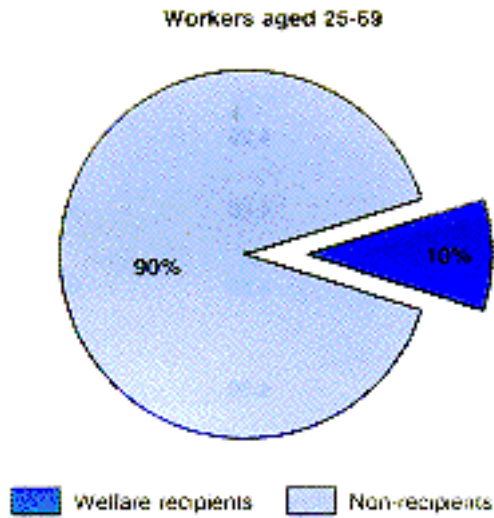
...and most were not covered by an employer-sponsored pension plan.



Source: 1986 Labour Market Activity Survey.

Welfare recipients among minimum wage workers, 1986

About one in ten low wage workers collected welfare sometime in 1986. This was five times the rate for all paid workers.



Source: 1986 Labour Market Activity Survey.

Table 11

Minimum wage rates and selected exemptions and exclusions to legislation

Jurisdiction	Rates for experienced adult workers					Rates for young workers and students				Exemptions (special rates)	Exclusions
	1986		1989			1986		1989			
	Rate	Effective date	Rate	Effective date		Rate	Effective date	Rate	Effective date		
	\$		\$			\$		\$			
Federal	3.50	05/01/81	4.00	05/26/86	under age 17	3.25	05/01/81	4.00	05/26/86	some trainees	
	4.00	05/26/86				4.00	05/26/86				
Newfoundland	4.00	01/01/85	4.25	04/01/88						domestics in private homes	certain named professions
Prince Edward Island	4.00	10/01/85	4.50	04/01/89	employees under 18	3.25	10/01/85	4.00	04/01/89		farm labourers, babysitters
Nova Scotia	4.00	01/01/85	4.50	01/01/89	under-age employees 14-18	3.55	01/01/85	4.05	01/01/89		agricultural workers, teachers
New Brunswick	3.80	10/01/82	4.50	10/01/89							agricultural workers, domestics
	4.00	09/15/86									
Quebec	4.00	10/01/81	5.00	10/01/89						workers in retail food industry, domestics	some agricultural workers, recreational workers, employees on commission
	4.35	10/01/86									
Ontario	4.00	10/01/84	5.00	10/01/89	students under 18 employed 28 hrs. a week or during a school holiday	3.15	10/01/84	4.05	10/01/89	workers in liquor and licensed establishments	some agricultural workers, teachers, some recreational workers
	4.35	10/01/86				3.50	10/01/86				

Manitoba	4.30	01/01/85	4.70	09/01/87	employees under 18	3.85	01/01/85	4.70	04/01/88	construction workers	most agricultural workers, babysitters
Saskatchewan											farm labourers
Alberta	4.50	08/01/85	4.50	08/01/85	employees under 18 not attending school	3.65	05/01/81	repealed	09/01/88	some listed professions	farm labourers, some listed professions
	3.80	05/01/81	4.50	09/01/88	employees under 18 attending school	3.30	05/01/81	4.00	09/01/88		
British Columbia	3.65	03/14/81	4.50	07/01/88	employees 17 and under	3.00	05/14/81	4.00	07/01/18	caretakers of buildings, domestics	farm labourers, some listed professions