

NOTICE OF MOTION**City Council Support \$10/hour Minimum Wage Proposal****Moved by: Councillor Michael Walker** _____**Seconded by: Councillor Michael Thompson** _____**SUMMARY:**

On October 17, 2006, a private members bill (*Bill 150*) requesting the Ontario minimum wage be increased to \$10.00/hour was tabled in the Ontario Legislature by MPP Cheri DiNovo. Ontario currently has 15% of its population living below the poverty level and many of these people live and work in Toronto.

Currently, 200,000 Ontarians earn the minimum wage of \$8.00/hour (as of Feb.1, 2007); 1.2 million Ontarians earn less than \$10.00/hour. Frequently the citizens most in need of help are immigrants and women; the best help government can give is to legislate a proper and fair wage for these citizens and their families.

In 1972, when Ontario's minimum wage was \$2.00/hour, using the Bank of Canada's inflation calculator, our working poor were making the equivalent of almost \$10.00/hour then. Our working poor are poorer now than they were in 1972.

Toronto constitutes the largest portion of Ontario's service industry and as such, the citizens in the City of Toronto would be one of the main beneficiaries if Bill 150 is enacted. Toronto would reduce the percentage of its residents who are living below the poverty level if the minimum wage was increased to \$10.00. More residents could spend more in local businesses to boost the local economy.

Small businesses already competitively pay their employees to retain them so a \$10.00/hour minimum wage would not adversely affect our small business sector. On the other hand, large businesses do pay the majority of their employees at or above the minimum wage. If we have to choose who to support between a citizen living in poverty versus the interests of big business, we must always choose to protect and improve the quality of life for the citizens most vulnerable in our society. With corporate profits reaching 14% of Canada's Gross Domestic Product (GDP) in 2005, when bank profits last year were \$20 billion, it is apparent that our government can sensibly afford to redirect some of that excess profit to those citizens living at or below the poverty line.

In our society, there are two growing extremes: the wealthy and the poor. We can see by Ontario's wealthiest incomes increasing by 21% since 1995, these two solitudes are further entrenching themselves to the detriment of our whole society. Our middle class is shrinking, while more than a million Toronto area citizens now live below Toronto's poverty line of \$29,800.00/year. For us to ignore reality and allow these two solitudes to drift farther apart is dangerous for a society, most

particularly our democratic society.

The current minimum wage at \$8.00/hour produces a yearly salary of approximately \$15,400.00 and a \$10.00/hour minimum wage produces a salary of \$19,000.00. This increase in the minimum wage would give greater dignity and freedom to these citizens living near or in poverty by paying them a wage they could better live on and is thus, fairer.

Many organizations are supporting Bill 150, including the 195,000 worker strong, Toronto & York Region Labour Council.

As government, we need to mitigate the social impacts and operating costs poverty burdens our society with. Health costs, underemployment, inadequate education, and crime, to name a few, would be mitigated for the better if the minimum wage was \$10.00/hour and citizens could live a more decent life on what little they receive.

As the Toronto Star said, this is a moral question. And it's time to act.

RECOMMENDATIONS:

1. In the spirit of natural justice and in recognition of government's basic role to protect those citizens in our society most vulnerable and in need, City Council hereby endorses provincial Bill 150 which would raise the minimum wage to \$10.00/hour;
2. City Council petition Queen's Park to enact Bill 150;
3. A copy of this resolution be sent to all municipalities (over 50,000 population) in Ontario.

Date of Meeting: February 5, 2007

According to Chapter 27, Council Procedures:

Fiscal Impact Statement provided	
Should have Fiscal Impact Statement prior to debate Requires two-thirds to waive requirement if Council wishes to debate	*
Should be referred to Committee/Community Council Requires two-thirds vote to consider at this meeting	
Motion Recommendations are Urgent – (e.g. Health and Safety)	

* Deputy City Manager and Chief Financial Officer to advise.

Members should discuss their Motions with appropriate City staff to ensure the correct information is included.

Motions Without Notice:

According to Chapter 27, Council Procedures:

Fiscal Impact Statement provided	
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Should have Fiscal Impact Statement prior to debate Requires two-thirds to waive requirement if Council wishes to debate	*
Should be referred to the Committee/Community Council Requires two-thirds vote to consider at this meeting	
City Clerk, in consultation with the Chair, agrees that the Motion Recommendations are Urgent – (e.g. Health and Safety)	

* Deputy City Manager and Chief Financial Officer to advise.