



PRESS RELEASE

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The Newfoundland and Labrador Federation of Labour is very disappointed at Friday's announcement by the provincial government to raise minimum wages by only 25 cents in October, 2014 and again by 25 cents in 2015.

"The Provincial government has clearly no interest in ensuring that the lowest paid in our workforce do not get totally left behind in an economy that is flourishing." Shortall states. "This is a regressive move on their part – They have obviously abandoned their previous position on the importance of minimum wage."

The Federation maintains that the evidence is there that minimum wage is an excellent policy tool to reduce the gap between wages, and that previous increases have had a positive impact on both the incomes and employment of workers. – especially women and youth.

Shortall points out that inflation increased by 5.5% between 2010 and 2012 and is projected to rise by another 2.6% in 2013. NL leads the country in economic growth, employment is up in all sectors – including those where there are a larger percentage of minimum wage earners. She adds that consumers are creating these jobs – not employers.

"This decision by government does not make sense no matter how you look at it", Shortall insists, "That additional income gets spent in local and regional economies, in the purchase of local goods and services – the advisory committee's recommendations would have helped to ensure our province is in a better place to live for all Newfoundlanders and Labradorians. Instead, government has chosen to abandon low-wage workers."

The Newfoundland and Labrador Federation of Labour represents over 65,000 members in 25 affiliated unions, and 500 union locals in every community in NL.

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