

Should a suffering economy force the minimum wage down to help the small business owners in their time of hardship, or should the minimum wage be raised to get money back into the consumer base so the consumers can pay off debts, get money flowing through the market and round out the economic failings with the profits gained through the increased market activity? The only way to decide such controversial issues is through balancing the positive and negative aspects of higher and lower wages. The workers in the minimum wage positions must first be considered, especially those that are collage/university because the students need to pay off debts and loans. The effects of the wage change will have on the government must be looked at next, and finally, but perhaps most importantly, the way that the minimum wage would affect the small businesses of BC must be considered, particularly because these small businesses are so influential to our economy. Through the careful consideration of the changes the minimum wage would have on these three bodies: the workers, the government, and the small businesses it will be shown that the minimum wage should be raised.

For those that live and work in BC, a raise of minimum wages could only be positive. The vast majority of workers who earn minimum wage or low level income are those who are students, be it at high school or university. An increase in the wages that are made can only help the university students, who need the money to pay tuition and room and board at their universities. The raise would also get money moving through the marketplace with more vigour, as high school students spend money at the mall and businesses at a high rate. Though the raise of the minimum may increase the cost of certain goods, the consumer body would be able to adjust to the price increase with the help of their increased wages. “The idea that a good wage has a bad impact on the economy is why we have all the problems today.”^[1] (Keating, Jack. “BC Federation of Labour predicts minimum wage hike in 2011. The Province. December 19th 2010.) Not only does this point illustrate the importance of a wage increase, but it shows that the economic problems can be fixed, or at least helped by an increase in wages. Furthermore, it is not just aspiring politicians that want the minimum wage increased. Recent polls indicate that eighty seven percent of British Columbians want an immediate increase in wages,^[2] eighty five percent of the Victoria Chamber of Commerce want a wage hike and fifty six percent of those think it should be at least ten dollars an hour,^[3] and the Vancouver City Council passed a motion calling for a ten dollar an hour minimum wage and the elimination of the six dollar an hour training wage.^[4] As it is shown there is a movement to increase the minimum wage of BC by many organizations because an increase in the minimum wage would be a positive stimulus on the province.

Secondly, the effect the minimum wage could have on the government must be considered, and there are some who think that an increase in the minimum wage would be catastrophic. Christy Clark said, “The NDP’s plan for a 25-per cent increase in the minimum wage all at once is just unworkable. It will have long deep impacts on our economy.”^[1] This statement would have some, quite significant merit, if it was not for a fact that Christy Clack

does not know or has decided to ignore. This is that only 2.3 percent of BC's workers are actually earning minimum wage and that the average low income worker is actually making about \$13.62 per hour. ^[5] This means that a sudden and complete transfer to a ten dollar an hour minimum wage would actually have little effect on the overall state of BC's economy, that is, until the 2.3 percent making minimum wage and all those making under ten dollars an hour start spending money and then the economy of BC will only get better. So in a way Christy Clark is right, there will be long deep impacts on our economy, only those impacts will be positive rather than negative. Furthermore, an increase in the minimum wage would create more money for the government and possibly help decrease some of the budget cuts made to school and extracurricular programs. An increased wage means increased money collected from income taxes, as well as an increase in spending, which would lead to an increase in taxes collected from the money spent on the products purchased. All in all an increase in the BC minimum wage would likely have a positive effect on the government of British Columbia and through that a positive effect on the federal government of Canada.

Finally there are the small businesses. Small businesses have perhaps the most to lose and the most to gain from a minimum wage increase. In one hand, small business owners, struggling or doing very well, have to monitor their overhead very carefully, because small businesses can thrive or fail very easily. An increase in the minimum wage would make life harder for most small business owners. As their employees' wages increase so does their overhead. This would have to lead to either the act of letting go employees or an increase in the cost of products. Fewer employees would mean longer hours for those that work there and an increased amount of expected labour, and a raise in prices could lead to a decrease in sales and profits. Increased wages also mean; however, that more people have more money to spend on more things, and from the standpoint of any business owner that is a very good thing. The theoretical increase of sales does not completely balance the deterrents that a wage increase could have on the small businesses of British Columbia, but as the market will inevitably grow with the increase of money among the consumers, so will the small businesses and perhaps those small businesses can grow enough to become large businesses and help the economy even more.

While arguments can be made for both an increase in minimum wages and keep the wages the same, the general public, government and workers seem to want or be in favour of increased wages. The low income workers of BC can make more money to get out of debt, or pay for items that will boost the market's economy. The government will profit from the increase in tax collection from the wages as well as the increased tax collection from the taxes applied onto the products that the consumers of British Columbia purchase. The small businesses will have ample opportunity to gain income and increase their size over the years if the minimum wage were to be increased. At the moment, the economy is still unstable and is in desperate need for a boost. An increase in minimum wages could be that boost. It has been shown to be good for BC and it will have many positive consequences in the future.

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