
Alberta minimum wage profile

October 2019- September 2020



Alberta Minimum Wage Profile

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Introduction

The *Alberta Minimum Wage Profile* presents current information on employees¹ whose average hourly earnings² are at or below minimum wage in Alberta and other provinces. Some employees fall outside the scope of the Employment Standards Code's minimum wage provisions and may earn less than minimum wage. Part 2 of the Employment Standards Regulation provides more information on the minimum wage rates for employees, including exemptions.

For more information, please see www.alberta.ca/minimum-wage.aspx. People who were either self-employed or listed as having an hourly earnings of \$0.00 were excluded from this analysis. Students under 18 have a minimum wage of \$13 an hour. This profile does not differentiate the different minimum wage rates and may include students under 18 above their minimum wage of \$13 an hour as long as they are earning at or below \$15 an hour.

This profile is based on data collected over the course of two years: year one, from October 1, 2018 to September 30, 2019 when the minimum wage was **\$15.00**, and year two, October 1, 2019 to September 30, 2020 when minimum wage was **\$15.00**.

Average hourly earnings is the average hourly earnings before taxes and other deductions, and includes tips, commissions and bonuses. The analysis may not include all minimum wage earners because tips, commissions and bonuses are included in average hourly earnings. An example of how this may happen is if a person who earns minimum wage also receives tips, the average hourly earnings is the wage plus the hourly average of tips; this would push their earnings above the minimum wage level and those individuals would not be included in the analysis. This variable is not exclusive to wage earners and includes employees who are salaried, work on commission, bonuses or have other pay schemes. Because the analysis is based on hourly earnings and not hourly wage, it may include persons who are not minimum wage earners, such as those who earn a salary but on average receive hourly earnings at or below the minimum wage level.

¹ See definition (Employees) in Appendix A

² See definition (Average hourly earnings) in Appendix A

Interprovincial Analysis

Between year one and year two, Alberta's minimum wage was unchanged at \$15.00. The number of employees earning at or below minimum wage in Alberta decreased over the two reference periods to 162,800 from 227,300 or to 8.9 per cent from 11.5 per cent (Table 1). In year two, Alberta ranked the highest in percentage of employees earning minimum wage among the Canadian provinces. At the national level, the proportion decreased between the two periods to 7.1 per cent from 9.5 per cent (Figure 1).

Table 1: Percentage of Employees Earning Minimum Wage

	Year One		Year Two	
	October 2018 - September 2019	October 2019 - September 2020	October 2019 - September 2020	October 2019 - September 2020
Alberta	227,300	11.5%	162,800	8.9%
Canada	1,528,800	9.5%	1,089,600	7.1%

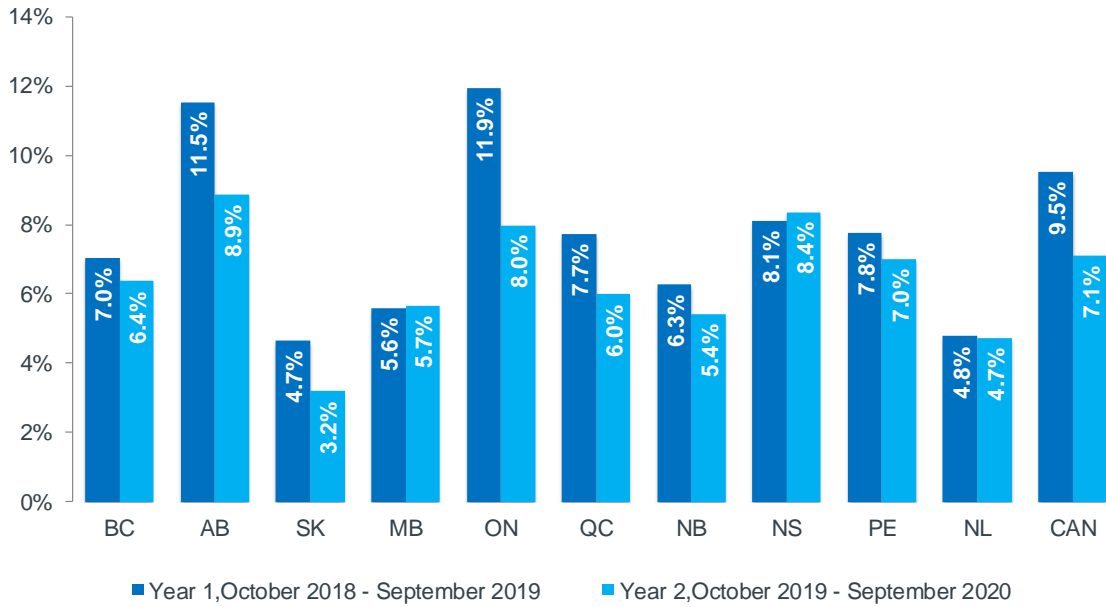
Between October 1, 2018 and October 1, 2019, five provinces and three territories raised their minimum wage rates (Table 2).

Table 2: Minimum Wage on October 1, 2018 and October 1, 2019

Province	October 2018	October 2019
Alberta	\$15.00	\$15.00
Ontario	\$14.00	\$14.00
British Columbia	\$12.65	\$13.85
Northwest Territories	\$13.46	\$13.46
Nunavut	\$13.00	\$13.00
Quebec	\$12.00	\$12.50
Prince Edward Island	\$11.55	\$12.25
Manitoba	\$11.35	\$11.65
Nova Scotia	\$11.00	\$11.55
New Brunswick	\$11.25	\$11.50
Yukon	\$11.32	\$12.71
Saskatchewan	\$11.06	\$11.32
Newfoundland and Labrador	\$11.15	\$11.15

In 2020, nine provinces and two territories increased the minimum wage rates. (For more information, see Appendix B).

Figure 1: Percentage of Employees Earning Minimum Wage by Province



Alberta Analysis

At 27.1 per cent, the 15 to 19-year-old age group remained the largest group of minimum wage earners in Alberta in year two. The 20 to 24-year-old group was the second largest at 21.3 per cent during year two. Previously, the 15 to 19-year-old age group represented 25.1 per cent of minimum wage earners (Table 3)

Table 3: Proportion of Alberta Minimum Wage Earners by Age (years)

	Year One		Year Two	
	October 2018 - September 2019		October 2019 - September 2020	
15-19	57,200	25.1%	44,100	27.1%
15-17	24,800	10.9%	22,700	13.9%
18-19	32,300	14.2%	21,300	13.1%
20-24	45,700	20.1%	34,800	21.3%
25-29	20,800	9.1%	16,300	10.0%
30-34	15,000	6.6%	12,100	7.4%
35-39	15,700	6.9%	12,600	7.8%
40-44	14,300	6.3%	8,500	5.2%
45-49	14,300	6.3%	7,300	4.5%
50-54	13,200	5.8%	8,500	5.2%
55+	31,200	13.7%	18,700	11.5%
Total	227,300	100.0%	162,800	100.0%

56.7 per cent of minimum wage earners worked part-time in year two compared to 50.0 per cent in year one (Table 4).

Table 4: Proportion of Alberta Minimum Wage Earners by Type of Work

	Year One		Year Two	
	October 2018 - September 2019		October 2019 - September 2020	
Full-Time	113,700	50.0%	70,500	43.3%
Part-Time	113,700	50.0%	92,300	56.7%
Total	227,300	100.0%	162,800	100.0%

Approximately three quarters or 73.5 per cent of minimum wage earners were in permanent employment (Table 5). This is up slightly compared to year one.

Table 5: Proportion of Alberta Minimum Wage Earners by Job Permanence

	Year One		Year Two	
	October 2018 - September 2019		October 2019 - September 2020	
Permanent	170,000	74.8%	119,800	73.5%
Temporary*	57,300	25.2%	43,100	26.5%
Total	227,300	100.0%	162,800	100.0%

*includes seasonal, temporary, and casual employees.

During year two, 41.2 per cent of minimum wage earners had children; of those 13.3 per cent were single earner families with children. In year one, 41.4 per cent of minimum wage earners had children and 12.7 per cent were single earner families with children (Table 6).

Table 6: Proportion of Alberta Minimum Wage Earners by Family Type

	Year One		Year Two	
	October 2018 - September 2019		October 2019 - September 2020	
Employee with children under 18	94,200	41.4%	67,100	41.2%
Married, dual earners, with children under 18	65,500	28.8%	45,400	27.9%
Married, single earner, with children under 18	13,800	6.1%	14,500	8.9%
Single parent, with children under 18	14,900	6.6%	7,100	4.4%
Married, dual earners, no children under 18	49,500	21.8%	29,700	18.2%
Married, single earner, no children under 18	16,800	7.4%	11,600	7.1%
Unattached individual	28,400	12.5%	23,300	14.3%
Other	38,500	16.9%	31,200	19.2%
Total	227,300	100.0%	162,800	100.0%

Note: Children are only considered if under 18

During year two, 39.1 per cent of minimum wage earners were living with their parents. Another 33.9 per cent were the main income earner in their household; for year one, this was 36.7 per cent and 35.5 per cent, respectively (Table 7).

Table 7: Proportion of Alberta Minimum Wage Earners by Position in Household

	Year One		Year Two	
	October 2018 - September 2019		October 2019 - September 2020	
Main income earner	80,800	35.5%	55,200	33.9%
With children	24,400	10.7%	12,700	7.8%
Without children	56,400	24.8%	42,500	26.1%
Spouse	41,300	18.2%	26,400	16.2%
Son or daughter (or son or daughter in law)	83,500	36.7%	63,700	39.1%
Parent (or parent in law)	6,600	2.9%	4,200	2.6%
Other	15,100	6.6%	13,400	8.2%
Total	227,300	100.0%	162,800	100.0%

Among all minimum wage earners in year two, 41.9 per cent had less than one year of job tenure. The proportion of minimum wage earners that had one to five years of job tenure was 40.5 per cent, which was lower than the 42.1 per cent in year one. Overall, the proportion of minimum wage earners who had job tenure of five years or less decreased slightly to 82.4 per cent in year two from 83.1 per cent in year one (Table 8).

Table 8: Proportion of Alberta Minimum Wage Earners by Job Tenure

	Year One		Year Two	
	October 2018 - September 2019		October 2019 - September 2020	
Less than One Year	93,100	41.0%	68,200	41.9%
One to Five Years	95,700	42.1%	66,000	40.5%
More than Five Years	38,500	16.9%	28,700	17.6%
Total	227,300	100.0%	162,800	100.0%

In year two, more than one quarter, or 26.1 per cent of Alberta minimum wage earners were students; this was higher than the 23.7 per cent in year one (Table 9).

Table 9: Proportion of Alberta Minimum Wage Earners by Student Status

	Year One		Year Two	
	October 2018 - September 2019		October 2019 - September 2020	
Student	54,000	23.7%	42,500	26.1%
Non-Student	173,400	76.3%	120,300	73.9%
Total	227,300	100.0%	162,800	100.0%

Among all Alberta minimum wage earners in year two, 20.0 per cent had some high school as their highest level of education and 32.5 per cent had high school diplomas as their highest level of education. The proportion with less than high school was higher in year two, at 22.2 per cent, compared to year one, when it was 21.4 per cent (Table 10).

Table 10: Proportion of Alberta Minimum Wage Earners by Highest Educational Attainment

	Year One		Year Two	
	October 2018 - September 2019		October 2019 - September 2020	
0-8 Years (Elementary)	7,700	3.4%	3,500	2.2%
Some High School	40,900	18.0%	32,500	20.0%
High School Graduate	72,700	32.0%	52,900	32.5%
Some Post-Secondary	24,300	10.7%	18,100	11.1%
Post-Secondary Certificate or Diploma	47,500	20.9%	30,800	18.9%
University Degree	34,300	15.1%	25,000	15.3%
Total	227,300	100.0%	162,800	100.0%

Women made up 59.3 per cent of the minimum wage earners in Alberta in year two, which is lower than the 60.5 per cent in year one. The proportion of men who were minimum wage earners in year two was 40.7% (Table 11).

Table 11: Proportion of Alberta Minimum Wage Earners by Sex

	Year One		Year Two	
	October 2018 - September 2019		October 2019 - September 2020	
Female	137,500	60.5%	96,600	59.3%
Male	89,800	39.5%	66,200	40.7%
Total	227,300	100.0%	162,800	100.0%

In year two, 60.9 per cent of Alberta's minimum wage earners were employed in two industries: Retail Trade and Accommodation and Food Services; this was slightly higher than in the previous period when it was 57.6 per cent (Table 12).

Table 12: Proportion of Alberta Minimum Wage Earners by Industry

	Year One		Year Two	
	October 2018 - September 2019		October 2019 - September 2020	
Retail Trade	74,500	32.8%	52,500	32.3%
Accommodation and Food Services	56,300	24.8%	46,500	28.6%
Information, Culture and Recreation	14,000	6.2%	9,200	5.7%
Other Services (except Public Administration)	13,800	6.1%	7,700	4.7%
Health Care and Social Assistance	13,100	5.8%	8,200	5.0%
Business, Building and Other Support Services	11,000	4.8%	8,200	5.0%
Educational Services	9,100	4.0%	7,100	4.4%
All Other Industries	35,500	15.6%	23,400	14.4%
Total	227,300	100.0%	162,800	100.0%

In year two, more than half of Alberta minimum wage earners worked in the following three occupational groups: Service support and other service occupations, n.e.c.³, 21.3 per cent; Sales support occupations, 18.1 per cent; and Sales representatives and salespersons - wholesale and retail trade, 11.4 per cent (Table 13). In year two, these occupations made up 50.8 per cent of minimum wage earners, higher than year one at 50.2 per cent.

Table 13: Proportion of Alberta Minimum Wage Earners by Occupation

	Year One		Year Two	
	October 2018 - September 2019		October 2019 - September 2020	
Service support and other service occupations, n.e.c. ³	46,800	20.6%	34,700	21.3%
Sales support occupations	35,300	15.5%	29,500	18.1%
Sales representatives and salespersons - wholesale and retail trade	32,000	14.1%	18,500	11.4%
Service representatives and other customer and personal services occupations	19,800	8.7%	16,900	10.4%
Service supervisors and specialized service occupations	19,300	8.5%	15,700	9.6%
Care providers and educational, legal and public protection support occupations	4,300	1.9%	1,900	1.2%
Professional occupations in education services and; Paraprofessional occupations in legal, social, community and education services	9,700	4.3%	6,300	3.9%
Workers in natural resources, agriculture and related production and; Transport and heavy equipment operation and related maintenance occupations	9,500	4.2%	7,500	4.6%
Other occupations	50,600	22.3%	31,900	19.6%
Total	227,300	100.0%	162,800	100.0%

³ Not elsewhere classified

Appendix A

Methodology

The data for this profile is from the Labour Force Survey (LFS) conducted by Statistics Canada. Each month, the Labour Economics and Statistics Unit of Alberta Labour and Immigration receives LFS files from Statistics Canada. This includes a microdata file, which contains the complete file of all LFS responses.

The minimum wage analysis is performed on the microdata using the statistical software package SAS. The Canadian territories are excluded from this analysis. Twelve-month averages are used to ensure the results are not affected by seasonality. The microdata files for each of the 12 months examined are combined into one large data set and annual averages are then calculated. In this profile, the results for year two, are an annual average of October 2019 to September 2020, and year one, is an annual average of October 2018 to September 2019.

Minimum wage rates often change; therefore, the minimum wage profile will differ from one report to the next.

All data on the number of minimum wage earners and their characteristics are from Statistics Canada.

Definitions

Employees

Employees are defined as employed persons who are not self-employed and whose reported average hourly earnings are greater than \$0.00.

Minimum Wage Earner

A minimum wage earner are persons whose average hourly earnings are at or below minimum wage in the province or territory where they live. Some employees fall outside the scope of Alberta's Employment Standards Code's minimum wage provisions and may earn less than minimum wage. Alberta's Employment Standards Regulation provides more information on the minimum wage rates for employees, including exemptions. For more information, please see www.alberta.ca/minimum-wage.aspx.

Full-Time Employees

People who usually work 30 hours or more per week at their main or only job.

Part-Time Employees

People who usually work less than 30 hours per week at their main or only job.

Permanent Job

A permanent job is one that is expected to last as long as the employee wants it, given that business conditions permit. There is no pre-determined termination date.

Temporary Job

A temporary job has a pre-determined end date, or will end as soon as a specified project is completed. Included in temporary jobs are seasonal, temporary, term or contract jobs; work done through a temporary help agency; casual jobs; and other temporary work.

Average hourly earnings

Average hourly earnings is the average hourly earnings before taxes and other deductions, and includes tips, commissions and bonuses. The analysis may not include all minimum wage earners because tips, commissions and bonuses are included. An example of how this may happen is if a person who earns minimum wage also receives tips, the average hourly earnings is the wage plus the hourly average of tips; this would push them above the minimum wage level and those individuals would not be included in the analysis. This variable is not exclusive to wage earners and includes employees who are salaried, work on commission, bonuses and other pay schemes. The analysis may include persons who are not minimum wage earners, such as those who earn a salary but on average their hourly earnings are at or below the minimum wage level, because it is based on hourly earnings and not hourly wage.

Industry

North American Industry Classification System

North American Industry Classification System (NAICS) Canada

Occupation

National Occupational Classification (NOC) 2016 Version 1.2

<https://www.statcan.gc.ca/eng/subjects/standard/noc/2016/indexV1.2>

Occupation	NOC Code
Service support and other service occupations, n.e.c.	67
Sales support occupations	66
Sales representatives and salespersons - wholesale and retail trade	64
Service representatives and other customer and personal services occupations	65
Service supervisors and specialized service occupations	63
Care providers and educational, legal and public protection support occupations	44
Professional occupations in education services and Paraprofessional occupations in legal, social, community and education services	40,42
Workers in natural resources, agriculture and related production and Transport and heavy equipment operation and related maintenance occupations	75,84

Appendix B

Minimum Hourly Wage Rates

Province	Current Rate and Rank	Effective Date
AB	\$15.00 (1st)	1-Oct-18
BC	\$14.60 (2nd)	1-Jun-20
ON	\$14.25 (3rd)	1-Oct-20
YK	\$13.71 (4th)	1-Apr-20
NT	\$13.46 (5th)	1-Apr-18
QC	\$13.10 (6th)	1-May-20
NV	\$13.00 (7th)	1-Apr-16
PE	\$12.85 (8th)	1-Apr-20
NS	\$12.55 (9th)	1-Apr-20
NL	\$12.15 (10th)	1-Apr-20
MB	\$11.90 (11th)	1-Oct-19
NB	\$11.70 (12th)	1-Apr-20
SK	\$11.45 (13th)	1-Oct-20

For more information on minimum wage rates please visit: <http://srv116.services.gc.ca/dimt-wid/sm-mw/menu.aspx?GoCTemplateCulture=en-CA>

Appendix C

Provinces with Announced Upcoming Minimum Wage Increases

Province	Minimum Hourly Wage Rate as of October 1, 2020	New Minimum Hourly Wage Rate	Effective Date
British Columbia	\$14.60	\$15.20	June 1, 2021

For more information on minimum wage rates please visit: <http://srv116.services.gc.ca/dimt-wid/sm-mw/menu.aspx?GoCTemplateCulture=en-CA>

Provinces with Scheduled Increases

Province	Minimum Hourly Wage Rate as of October 1, 2020	Effective Date	Years
Saskatchewan	\$11.45	October 1st	Adjusted annually
New Brunswick	\$11.70	April 1st	Adjusted annually
Nova Scotia	\$12.55	April 1st	Adjusted annually
Yukon	\$13.71	April 1st	Adjusted annually