NEWS RELEASE

91% of minimum-wage earners in Nova Scotia don’t live in low-income households

October 28, 2021
For immediate release

HALIFAX—Despite misperceptions, the vast majority of minimum-wage earners in Nova Scotia don’t live in low-income households, finds a new study released today by the Fraser Institute, an independent, non-partisan Canadian public policy think-tank.

Between 2009 and 2019, Nova Scotia raised its minimum wage 13.3 per cent to $11.41 an hour.

“The fact is most minimum-wage earners are teenagers or young adults under the age of 25 and many live with their parents,” said Ben Eisen, senior fellow at the Fraser Institute and co-author of Who Earns the Minimum Wage in Canada?

The study finds that 91.1 per cent of Nova Scotia’s minimum-wage earners don’t live in low-income families, as defined by Statistics Canada’s Low Income Cut-off (a household with income below the cut-off will likely devote a larger share of its income on food, clothing and housing than the average family).

In fact, the majority of minimum-wage earners in the province (55.4 per cent) in 2019 (the latest year of available data) were teenagers or young adults aged 15 to 24, and among this group, 82.2 per cent lived with their parents or other relatives.

Only 3.2 per cent of all minimum-wage earners are single parents with young children.

“Raising the minimum wage is often presented as a strategy for helping the working poor, but these data raise questions about its efficacy in achieving this goal simply because most minimum wage earners aren’t living in low-income families,” Eisen said.

(30)

MEDIA CONTACT:

Ben Eisen, Senior Fellow
Fraser Institute

To arrange media interviews or for more information, please contact:
Drue MacPherson, Media Relations, Fraser Institute
(604) 688-0221 ext. 721
drue.macpherson@fraserinstitute.org

Follow the Fraser Institute on Twitter | Like us on Facebook

The Fraser Institute is an independent Canadian public policy research and educational organization with offices in Vancouver, Calgary, Toronto, and Montreal and ties to a global network of think-tanks in 87 countries. Its mission is to improve the quality of life for Canadians, their families and future generations by studying, measuring and broadly communicating the effects of government policies, entrepreneurship and choice on their well-being. To protect the Institute’s independence, it does not accept grants from governments or contracts for research. Visit www.fraserinstitute.org