

**Technical Annex to the Viewpoint:  
“The Minimum Wage: Ontario Was Right to Cancel the Hike to \$15”  
published by the MEI on November 20, 2018  
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**Endnote 6:**

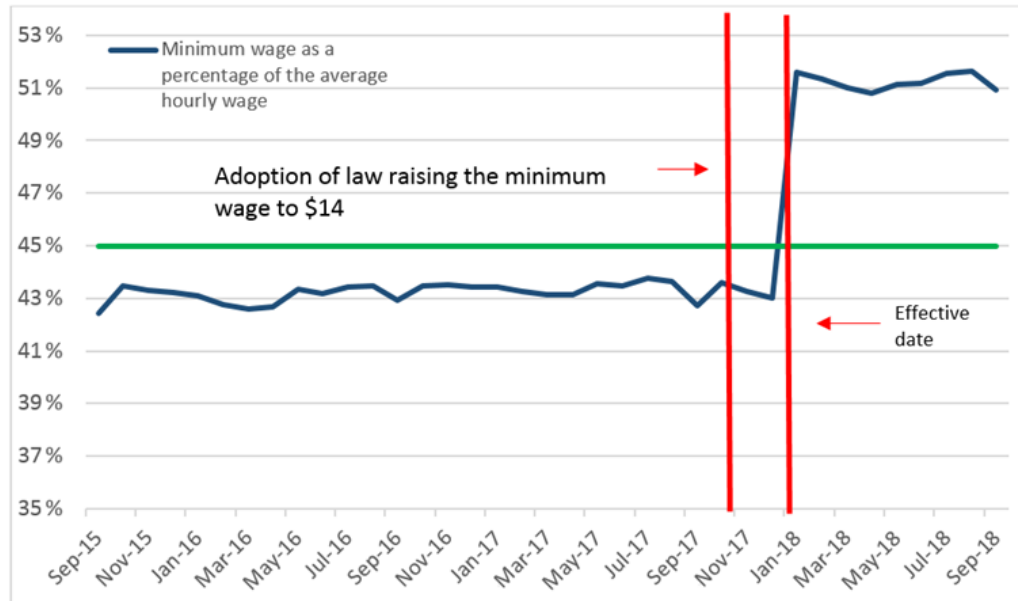
Ontario sets a minimum hourly wage for students aged 18 years and under who do not work more than 28 hours a week. This rate went from \$10.90 to \$13.15 in January 2018, which is an increase that is comparable to the general rate.<sup>1</sup> Given that the two rates follow the same trend and that these are a small share of workers in the 15-24-year-old category, we use the general rate for the purposes of establishing the minimum wage / average wage ratio (see Figure A1). The predicted ratio for January 2019 is based on the relation between an estimate of the level of the average wage in January 2019 (based on its average annual rate of change) and a \$15 minimum wage.

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<sup>1</sup> Ontario Ministry of Labour, *Your guide to the Employment Standards Act, Minimum wage*, December 21, 2017.

**Figure A1**

**Evolution of the minimum wage as a percentage of the average hourly wage of workers in Ontario, September 2015 – September 2018**



**Note:** The average hourly wage is for all workers, and excludes overtime hours.

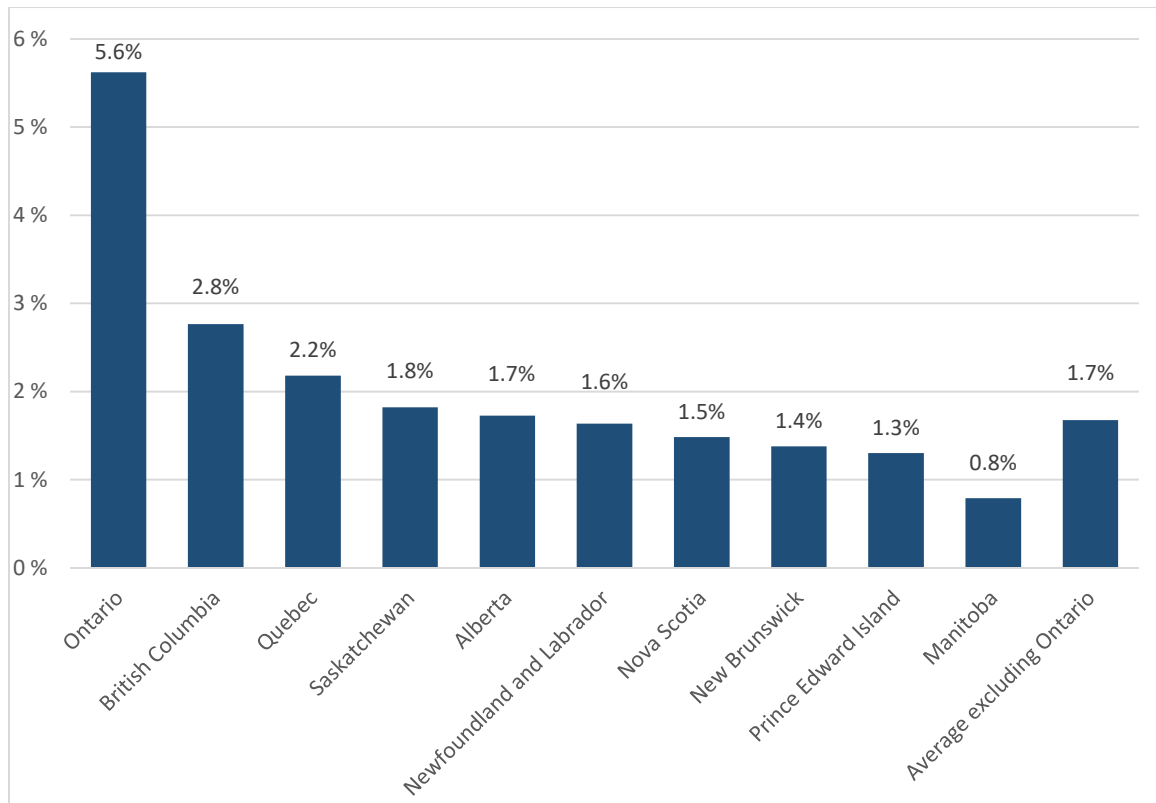
**Sources:** Statistics Canada, Table 14-10-0306-01: Employee wages by occupation, monthly, unadjusted for seasonality, 2015-2018; Government of Canada, Minimum Wage Database, Hourly Minimum Wages in Canada for Adult Workers, June 19, 2017; Pierre Fortin, “Salaire minimum, pauvreté et emploi : à la recherche du ‘compromis idéal’,” *Regards sur le travail*, Vol. 7, No. 1, 2010, pp. 1 and 3 (note Figure 1).

**Endnote 10:**

It is in Ontario that there was the biggest increase in the price index for food purchased from restaurants. Indeed, the provinces that experienced the biggest minimum wage increases— Ontario (21%), British Columbia (11.5%), and Quebec (6.7%)—are also the ones that experienced the biggest price increases<sup>2</sup> (see Figure A2).

**Figure A2**

**Evolution of prices for food purchased from restaurants, by province, from December 2017 to September 2018**



**Source:** Statistics Canada, Table 18-10-0004-01: Consumer Price Index, monthly, not seasonally adjusted, Food purchased from restaurants, 2017-2018.

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<sup>2</sup> Government of Canada, Minimum Wage Database, Hourly Minimum Wages in Canada for Adult Workers, June 19, 2017.

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