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CANADIAN CENTRE
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NOVA SCOTIA OFFICE

Press Release

Action needed to address the low-wage economy—inaction has a collective price-tag

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Halifax, NS – Today, in advance of a presentation to the Standing Committee on Public Accounts, the Canadian Centre for Policy Alternatives-Nova Scotia released the written submission titled, *The Impact of a Low-Wage Economy on Government Revenue and Expenses*.

Appearing before the Committee, submission author Christine Saulnier, Director of the Canadian Centre for Policy Alternatives-Nova Scotia had this to say, “the scope of a low-waged economy is larger than we think, effecting the security and well-being of individuals and their capacity to cover basic needs. The low-wage economy also exacerbates inequities and takes a health toll on low-wage workers, which has a cost including to our public health care system.”

Saulnier also said, “When we have so many people who face barriers to reach their full potential and are not paid their worth, their lower productivity has an impact on government revenue—in lower income and consumption taxes. Our government needs a sufficient tax base to fund quality public services and infrastructure that we all need, including businesses. Acknowledging the interconnections requires action that will pay off in dividends as we stimulate the economy from the bottom—as we have shown, inaction has a price tag --poverty costs us \$2 billion a year.”

Danny Cavanagh, President of the Nova Scotia Federation of Labour also appeared before the Committee, said this, “The reality is, that we can’t rely on a tight labour market to give workers fair pay or better working conditions. The ultra-rich are thriving while many families feel abandoned. CEOs and big companies are making record profits when many workers are trying to keep their heads above water. This is wrong. Unions are good for all workers. They improve wages, benefits, and working conditions, and helped create the middle class.”

Suzanne MacNeil, spokesperson for Justice for Workers Nova Scotia, said this: “Every single worker needs to be able to afford a decent, dignified life. So many people in Nova Scotia are struggling with low wages, working multiple jobs to get enough hours, and the skyrocketing cost of everything from rent and groceries to gasoline and transportation. Workers are doing their best with the choices available to them, but keep falling further behind. We need much higher wages and jobs that offer decent hours and benefits.”



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The submission, *The Impact of a Low-Wage Economy on Government Revenue and Expenses* is available for download, at <https://policyalternatives.ca/offices/nova-scotia/publications>

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The CCPA-NS is an independent, non-partisan research institute concerned with issues of social and economic justice, as well as environmental sustainability.