

Tourism Industry urges compromise for minimum wage issue.

(Fredericton) The Tourism Industry Association of NB (TIANB) is urging Post Secondary Education, Training and Labour Minister Martine Coulombe to carefully consider the thousands of businesses in the tourism sector who will suffer detrimental effects of the minimum wage increases. Though TIANB was pleased to see the mention of the tip differential, the lack of acknowledgement of the cost of training a new employee is concerning. There are estimates that each new employee costs the business in the area of two thousand dollars before they are fully up to speed with their job. “We have met with the Minister, the Premier and the Advisory Board on this issue to put forward the case for some minor caveats to the hard and fast policy.” Said Réal Robichaud, Executive Director of TIANB. “The tourism sector is employing over 35,000 people in this province and the increase to the minimum wage is having a real impact on our businesses and that impact is not proving to be a good one. With the tip differential in place our businesses can deal with the minimum wage increase across the rest of their workforce. However without some recognition of the cost to bring a new employee up to speed, we have heard clearly from our membership that they will be hiring less people. This isn’t what this province needs.” Continued Robichaud.

TIANB and a number of other industry associations have formed a working group to attempt to bring some understanding to the issues they are dealing with on a day to day basis. They have been adamant that they are not talking about a “two tier” system; rather what they are talking about is a probationary period that recognizes the cost of training an employee. This probationary or training differential has nothing to do with age and everything to do with time/cost associated with untrained employees. The probationary/training differential is being used across the country, literally from Nova Scotia to British Columbia. The increase to the minimum wage is widely seen as yet another increase in the cost of trying to operate a business in NB. Over the past year the tourism industry has seen increases in costs across the board when it comes to operating their businesses. There is real concern as to how much more burden the sector can take. The tourism industry in NB is made up of over 3500 businesses, many small to medium sized, who have been struggling with the economic conditions over the past couple of years.

The Tourism Industry Association of New Brunswick acts as the provincial tourism and hospitality organization of the province, existing to fulfill the needs of its membership, in cooperation with both private and public sector partners. As a representative and industry driven organization, the Association provides leadership and direction, aiming towards making tourism and hospitality the leading and most viably sustainable industry in New Brunswick.

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