



Living Wage Fraser Valley: 2016

Update

What is a Living Wage?

Living Wage is the basic hourly wage required for a family of four with both parents working full-time year-round to meet basic needs and maintain a decent standard of living. Based on the actual costs of living in a given community, Living Wage provides a basic level of economic security, but still represents a conservative, bare bones budget. The Fraser Valley's Living Wage was calculated based on the principle that people who work full time should not have to live in poverty.

The Living Wage allows Fraser Valley residents to:

- Meet basic needs
- Create safe home environments for themselves and their children
- Maintain decent standards of living
- Participate as equal members of society



\$16.28

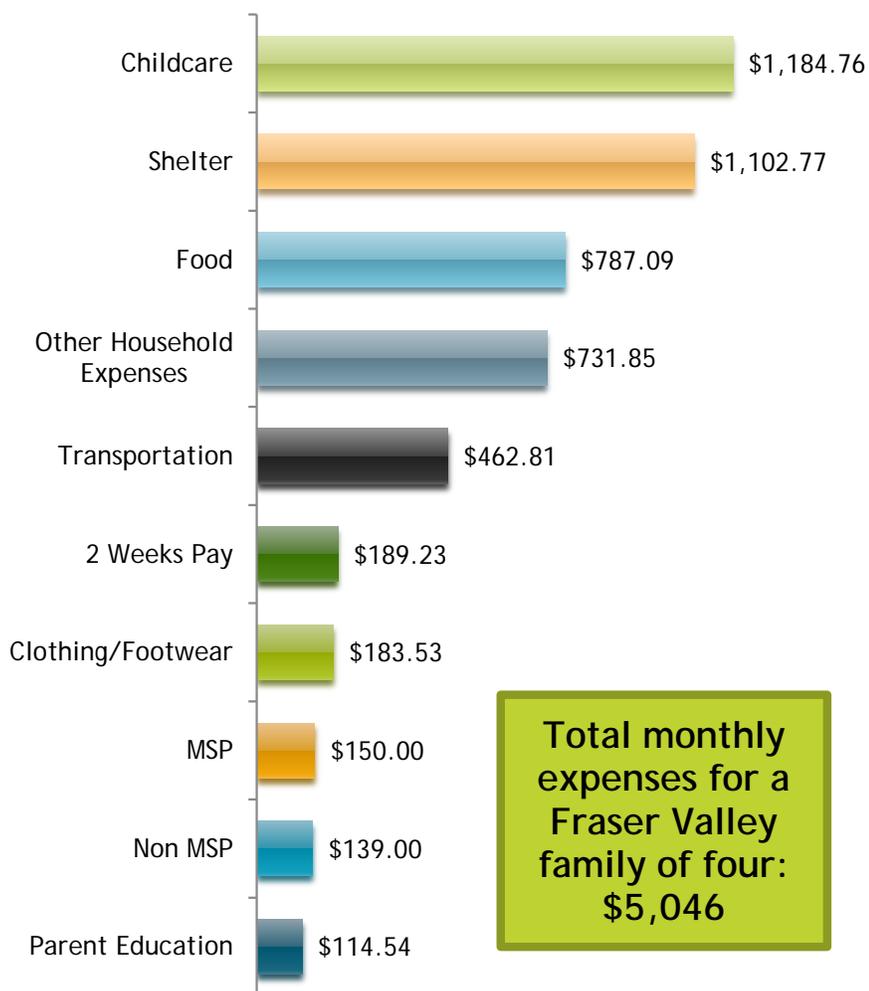
is the minimum hourly wage required for a two- parent, two- child household in which both parents are working full-time, full-year. The living wage decreased by \$.99 from 2015 due to the federal government's introduction of the Canada Child Benefit. The new policy's increase was more than the sum of all monthly family expenses.

The Calculation

Living Wage is calculated based on a bare bones budget for a healthy family of four with two children (aged 4 and 7) and each parent working 35 hours per week and 52 weeks per year. At a Living Wage, this family can meet its basic expenses once government transfers have been added and government deductions and taxes have been subtracted.



Monthly Fraser Valley Expenses (Family of 4)



Notes and Data Sources

Childcare: One 4 year old in full-time childcare, one 7 year old in before & afterschool care, both in full-time care over school breaks (*Abbotsford Early Childhood Committee*)

Shelter: 3+ bedroom apartment (*CMHC*) plus utilities, landline and tenant insurance

Food: Cost of a nutritious food basket (*Dietitians of Canada*)

Other Household Expenses: Personal care, furniture, school supplies & minimal recreation (*Market Basket*)

Transportation: One used car (*Market Basket*) and one bus pass

2 Weeks Pay: Emergency sickness/illness contingency

Clothing/Footwear: (*Market Basket*)

Non MSP: Private Medical Insurance Premiums (*Blue Cross*)

MSP: (*BC Ministry of Health*)

Parent Education: Two local college courses per year to improve employment capacity (*UFV*)

Expenses not included: Amongst other extras, the calculation does not account for costs associated with owning a home, repaying credit card or loan debt, saving for retirement or

The Fraser Valley Context

- 15% of Fraser Valley residents live in poverty (LIM - After Tax)
- Children, immigrants, lone-parent families, people with aboriginal identity and people with activity limitations are disproportionately affected by poverty
- Fraser Valley housing costs have more than doubled since 1991
- Food insecurity in Fraser Health East has risen by 45% since 2007
- There are over 5,000 working poor individuals in Abbotsford
- A two-parent two-child family with both parents working full-time at minimum wage falls almost \$1000 below the poverty line
- One in three poor children in BC (32%) has at least one parent employed full-time, full-year.

(See vibrantabbotsford.ca/stats2015)

The Living Wage and...

...Public Policy

As mentioned above, public policy directly impacts the Living Wage figure. With improved income support, public policy (e.g. affordable housing, childcare and transportation) and tax/transfer systems (e.g. child tax credits like the new Canada Child Benefit that will replace UCCB), the Living Wage figure is reduced. Employees can then earn less privately while still maintaining a decent standard of living.

...Other Family Types

While the living wage calculation is based on the needs of two-parent families with young children, it also supports a family throughout the life cycle so that young adults are not discouraged from having children and older workers have some extra income as they age.



a child's education, or caring for a disabled, ill or elderly family member.

Benefits of a Living Wage

Employers Win	Employees Win	Community Wins
<ul style="list-style-type: none">• Greater corporate social responsibility• Higher employee loyalty and productivity• Lower absenteeism• Decreased employee turnover• Cost savings for staff hiring and training	<ul style="list-style-type: none">• Increased wages and economic well-being• Access to benefits and workplace support• Reduced stress• Improved mental and physical health• Greater self-sufficiency• Reduced reliance on social programs	<ul style="list-style-type: none">• More social participation• Larger taxpayer base• Increased consumer purchasing power• Reduced costs of health care and social services• Increased local investment

Details on the Living Wage Calculation Methodology

Download the 2016 Update: <http://www.policyalternatives.ca/livingwage2016>

Read more about Living Wage

Living Wage Canada

Living Wage for Families (Metro Vancouver)

Canadian Centre for Policy Alternatives

<http://www.livingwagecanada.ca>

<http://livingwageforfamilies.ca>

<http://www.policyalternatives.ca>

Living Wage Fraser Valley (LWFFV)

Living Wage Fraser Valley (LWFFV) is a voluntary multi-sectoral group that works to reduce poverty by raising community awareness, influencing local policy and recognizing local employers who pay their employees a living wage. We believe that people who work full time should not live in poverty and that working individuals should maintain a decent standard of living where they can participate fully in society. Living Wage Fraser Valley is hosted by Vibrant Abbotsford and partnered with Living Wage for Families via the Living Wage Employer Certification Program.

Get Involved!

- ❑ Join our email list and become a member of Living Wage Fraser Valley
- ❑ Become a certified Living Wage employer
- ❑ Discuss Living Wage with family, friends and community (raise awareness)
- ❑ Support policies and tax/transfer systems that make cost of living more affordable

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