

# LIVING WAGE

## fraser valley



## 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.

## The Fraser Valley

- 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 more than \$1000 per person per month below the poverty line
- One in three poor children in BC (32%) has at least one parent employed full-time, full-year.

## 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.

A Living Wage allows Fraser Valley residents to meet basic needs, create safe home environments for themselves and their children, maintain decent standards of living, and participate as equal members of society.

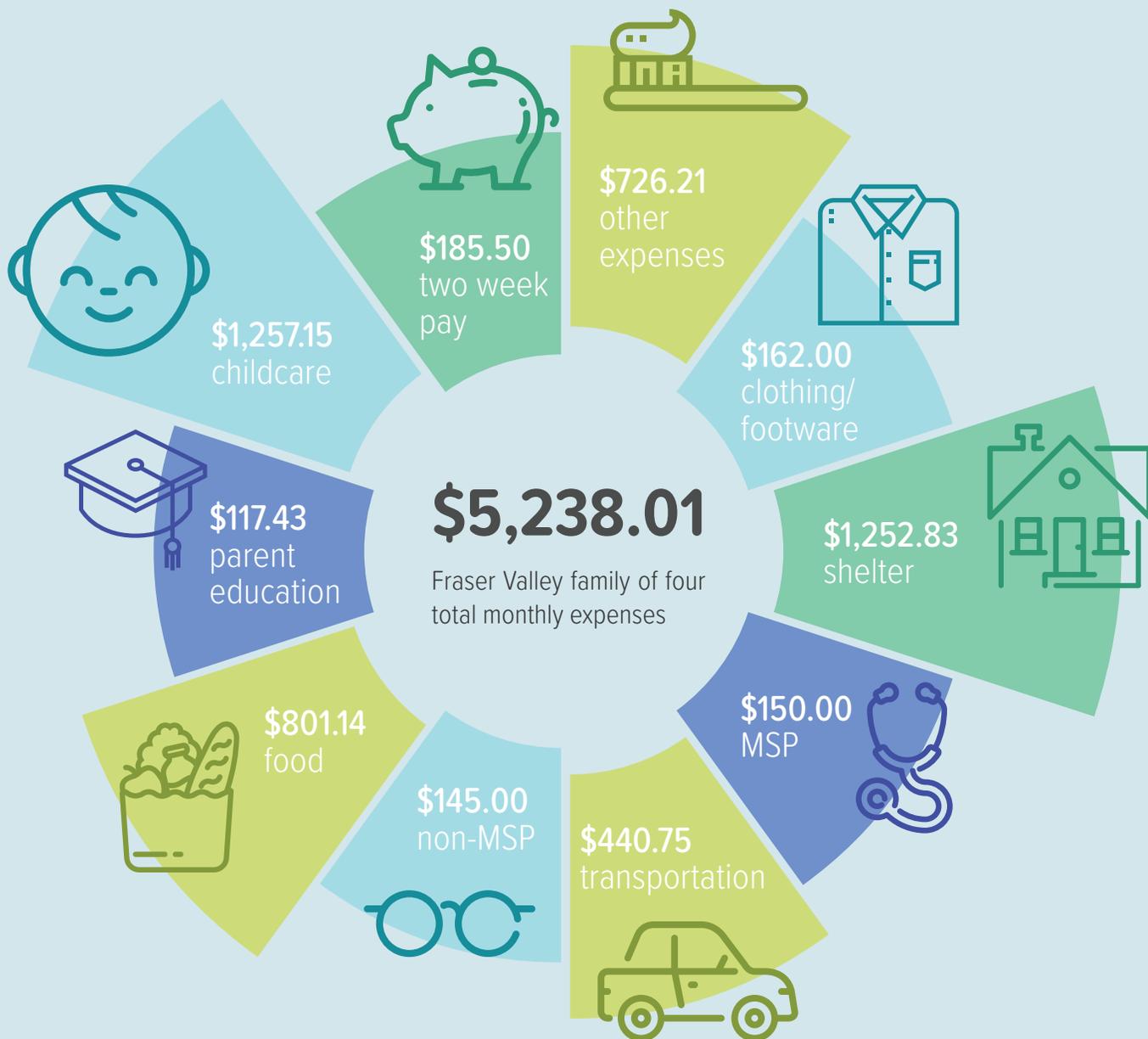
# \$15.90

## LWFV 2017 Update

This amount is calculated as 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 \$.38 from 2016 due to the federal government's Canada Child Benefit. This government transfer income surpassed the sum of all monthly family expenses calculated.

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 could earn less per hour while still maintaining a decent standard of living.



**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. (via Abbotsford Early Childhood Committee)

**SHELTER** 3+ bedroom apartment plus utilities, landline and tenant insurance. (via CMHC)

**FOOD** Cost of a nutritious food basket. (via Dietitians of Canada)

**OTHER EXPENSES** Personal care, furniture, school supplies & minimal recreation. (via Market Basket)

**TRANSPORTATION** One used car and one bus pass. (via Market Basket)

**TWO WEEK PAY** Emergency illness contingency.

**CLOTHING/FOOTWARE** (via Market Basket)

**MSP** (BC Ministry of Health)

**NON MSP** Private Medical Insurance Premiums. (via Blue Cross)

**PARENT EDUCATION** Two local college courses per year to improve employment capacity. (via UFV)

**EXPENSES NOT INCLUDED** owning a home; repaying credit card or loan debt; saving for retirement or a child's education; caring for a disabled, ill or elderly family member, etc.

# 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 both parents working 52 weeks per year at 35 hours per week.

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.

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.

## EMPLOYMENT INCOME (LIVING WAGE)



## INCOME FROM GOVERNMENT TRANSFERS



## EI, CPP, FEDERAL & PROVINCIAL TAXES



## ANNUAL FAMILY EXPENSES



# Let's win

Employer's gain a greater corporate social responsibility, higher employee loyalty and productivity, lower absenteeism, decreased employee turnover, and cost savings for staff hiring and training.

Employee's achieve increased wages and economic well-being, access to benefits and workplace support, reduced stress, improved mental and physical health, greater self-sufficiency, and reduced reliance on social programs.

Our community wins more social participation, a larger taxpayer base, an increased consumer purchasing power, reduced costs of health care and social services, and increased local investment.