

Living Wage Information Sheet

What is Living Wage?

A living wage reflects what earners in a family need to bring home, based on the actual costs of living in a specific community. The living wage is a call to private and public sector employers to pay wages to both direct and contract employees sufficient to provide the basics to families with children.

How is this Living Wage established?

The National Framework for a Living Wage calculates a living wage that would allow two income earners to support a family of four.

This methodology assumes the following scenario:

- A healthy family of 4 with 2 children
- 1 child in full-time daycare, 1 in before- and after-school care
- Full Time hours of employment between two parents
- One parent taking evening courses at a local college to improve employment capacity
- Costs of living including transportation, food, rental housing, clothing, childcare, medical expenses and other
- Inclusion of tax credits, returns and government benefits; namely child tax benefits.

Thus, the living wage is the hourly rate of pay at which a household can meet its expenses once government transfers have been added and government deductions from wages and government taxes have been subtracted.

What is Employer Certification?

A 'Living Wage Employer Certification Process' certifies employers (both public and private) that commit to pay their staff and contracted service staff a Living Wage based on the locally calculated rate.

The following general conditions apply to certify Living Wage Employers:

- All direct staff will be paid a locally calculated living wage
- A legally binding contract clause will be inserted into all future/renewed service contracts to ensure that all contracted service workers are paid the living wage
- In assessing an employer's suitability, account is taken of employee benefits and employee commission/tips
- Certification is periodically reviewed when changes are made to the Living Wage rate

Are there any Ontario Municipalities that are certified?

Yes. Cambridge, Ontario recently certified themselves as a supporter. This process was initiated through the local Labour Council representatives.

<http://www.therecord.com/news-story/6121042--16-an-hour-cambridge-may-carry-living-wage-banner/>

Are there any local employers that are certified?

Yes. Muskoka Brewery became a living wage employer in June 2016.

<http://www.muskokabrewery.com/pdf/LivingWage.pdf>

Is there a focus on Municipal Government to get on board?

The attached would suggest that the movement will soon be focusing its attention quite heavily on local government.

<http://livingwagecanada.ca/index.php/blog/municipal-role-living-wage-movement/>

Where is there Living Wage amounts established in Ontario?

There are currently sixteen areas that have established their specific Living Wage. Some include Cities of Kingston, Toronto, Sudbury, Waterloo, Thunder Bay, and Niagara Region.

What is the range of the living wage that has been established?

The range is as low as \$14.77/hr in Owen Sound and as high as \$18.52/hr in the City of Toronto. The amounts change on the basis of the definition of full time hours as well as unique economic conditions of the area.

Where is Barrie?

Barrie is not currently noted on the Living wage Canada site. That said, Simcoe County is shown as an emerging community.

City of Barrie Stats

1. The City of Barrie currently has 859 full time permanent employees
2. The City of Barrie has 654 full time permanent unionized employees represented by either CUPE Local 2380 or the BPPFA.
3. The lowest hourly pay for full time permanent employees (including both union and non-union employees) is \$20.42/hr.
4. The lowest hourly pay for non-permanent full time is \$19.48/hr (excluding Co-op students).

What about Part time Employees?

It does not appear that the Living Wage framework includes part time wage earners however the municipal article suggests a move to extend it to more than just full time. "Depending on the local certification program, this policy might extend to students, part time employees, contracted employees, and sub-contracted employees."

Recommendations

In order for members of Committee to appropriately deal with the topic the following approaches are recommended:

- Defer the item for further discussion and investigation through the Finance and Corporate Services Committee;
- Involve the Executive Director of Invest Barrie, the Executive Director of Access Barrie and the Director of Human Resources;
- Understand the process the City of Cambridge went through including which employees they are committing to and the labour implications, if any felt thus far; and
- Engage LUMCO members in a discussion regarding appetite to follow in Cambridge's path.