

# 2018-2019 WHAT DOES IT COST TO LIVE IN ST. THOMAS & ELGIN COUNTY

Calculating a Living Wage for our community

The Living Wage for St. Thomas-Elgin is calculated to build awareness about the current cost to live and participate in our communities



Find out more about the Ontario Living Wage Network at [www.ontariolivingwage.ca](http://www.ontariolivingwage.ca) and Living Wage Canada at [www.livingwagecanada.ca](http://www.livingwagecanada.ca)

Report prepared by: Petrusia Hontar, Researcher

Funding  
provided by:



**A** living wage is more than just what an employer should pay the workforce. It is a tool the entire community can use to focus resources and work towards building a more prosperous community for everyone.

“More and more people are working for low wages. They are facing impossible choices – buy food or heat the house, feed the children or pay the rent. The result can be spiralling debt, constant anxiety, and long-term health problems. In many cases it means that the adults in a family are working long hours, often at two or three jobs, just to pay for basic necessities.”



## What is a Living Wage?

A Living Wage reflects the amount of money an employee needs to earn in order to allow them to adequately participate in community life.

Earning a Living Wage will move families away from severe financial stress and lift them out of poverty by providing a basic level of economic security.<sup>i</sup>

## A Living Wage<sup>ii</sup>:

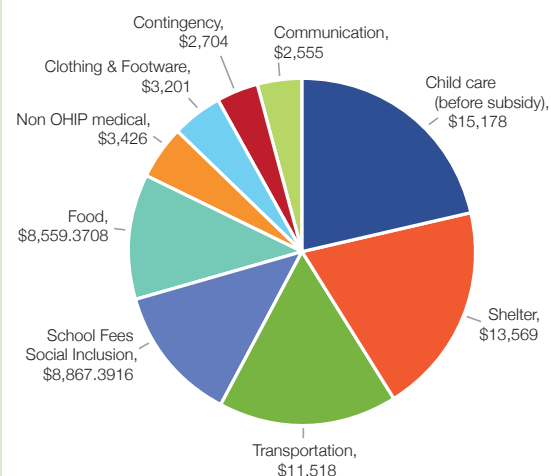
- Enables working families to have sufficient income to cover reasonable costs
- Promotes social inclusion
- Supports healthy child development principles
- Ensures that families are not under severe financial stress
- Is a conservative, reasonable estimate
- Engenders significant and wide-ranging community support
- Is a vehicle for promoting the benefits of social programs such as childcare
- Can stimulate the broader economy

## The Living Wage For St. Thomas & Elgin County Is

**\$16.57**

This is the hourly rate needed for two income earners, working 35 hours per week year round to support a family of four with two children aged 3 and 7.

## Breakdown of Annual Family Expenses



Communication	4%
Child Care (before subsidy)	22%
Shelter	20%
Transportation	17%
School Fees / Social Inclusion	13%
Food	12%
Non OHIP medical	5%
Clothing & Footwear	5%
Contingency amount	4%

Footnotes: i. <http://livingwagecanda.ca/index.php/about-living-wage/>

ii. Living Wage Canada. (2013) Canadian Living Framework

## What is not included in the living wage?

- Debt payments
- Long-term savings including retirement savings
- Home ownership
- Savings for children's education
- Special dietary requirements
- Difficulty securing or receiving child support payments
- Disability costs not covered by an insurance plan
- Pets
- Social outings with friends outside a monthly family dinner and outing
- Personal lifestyle behaviours (smoking, alcohol or gambling)

## Monthly costs

Childcare	<b>\$1,265</b>	Shelter and Related Costs	<b>\$1,131</b>
Transportation	<b>\$960</b>	School fees/supplies personal care, recreation entertainment, vacations	<b>\$739</b>
Food	<b>\$713</b>	Non-OHIP Medical and Life insurance	<b>\$270</b>
Clothing	<b>\$267</b>	Contingency	<b>\$225</b>
Communication	<b>\$213</b>	Education	<b>\$76</b>

THE GAP BETWEEN ECONOMIC GROWTH AND WELLBEING IS WIDENING There is a feeling that all is not well in Canada. But it's more than a feeling; it's a fact. When we compare trends in the wellbeing of Canadians to economic growth in the period from 1994 to 2014, the gap between GDP and our wellbeing is massive and it's growing. When Canadians go to bed at night, they are not worried about GDP. They are worried about stringing together enough hours of part-time jobs, rising tuition fees, and affordable housing. They are thinking about the last time they got together with friends or the next time they can take a vacation. Maybe that's why we are getting less sleep than 21 years ago.

## Benefits of the Living Wage

### For Communities:

- Increasing spending power of individuals which stimulates local economy
- Increasing civic engagement
- Improving overall health of the community

### For Employers:

- Reducing absenteeism
- Reducing staff turn-over
- Decreasing costs associated with recruitment and training of staff
- Improving employee morale, productivity and loyalty.
- Improving profile in community (i.e. brand recognition, consumer loyalty, etc.)

### For Employees:

- Paid fair compensation for their work
- Reducing risk of poverty
- Improving overall standard of living and quality of life
- Improving overall health
- Increasing ability to seek skills advancement opportunities and other education or training

# Poverty is:

The condition of a person who is deprived of the resources, means, choices and power necessary to acquire and maintain a basic level of living standards and to facilitate integration and participation in society.

*Government of Canada, Opportunity for All - Canada's First Poverty Reduction Strategy, 2017*

## About Living Wage St. Thomas-Elgin

The Living Wage St. Thomas-Elgin Committee is a local community initiative that brings together stakeholders to:

- Increase knowledge and awareness of how living wages and sufficient community supports can benefit the local economy while lifting people out of poverty by calculating the local living wage every two years
- Recognize Living Wage Employers
- Advocate locally, provincially and federally for policy change

## Current Living Wage Employers

- o Steelway
- o HD Painting
- o Forest City Castings Inc.

## Living Wage St. Thomas Elgin Committee

- Central Community Health Centre
- Elgin St. Thomas Public Health Elgin
- Employment Services Elgin
- Fanshawe Career and Employment Services
- Small Business Enterprise Centre
- St. Thomas-Elgin Social Services
- United Way Elgin Middlesex
- YWCA St. Thomas-Elgin

## Using the Living Wage Calculation as a Community

Below are examples of how representatives from sectors in other communities have used their living wage calculation to make change.

### Living Wage Task Force:

- Recruit community champions to help raise awareness and inspire collective action
- Partner with Provincial and Federal Living Wage initiatives
- Advocate for policy shifts that focus on improving (or maintaining) government benefits and social supports (child care, subsidies, etc.)
- Adopt a local living wage policy and encourage businesses in the community to adopt a living wage
- Encourage workplaces to apply innovative practices such as flexible work hours, to help employees minimize the impact of costs associated with child care: i.e. before and after school child care
- Coordinate local employee recognition strategy
- Recalculate the wage every two years

### Employers with Small Businesses, Corporations, and Unions

- Adopt and implement a living wage policy
- Champion a living wage within the business community
- Advocate for improved government benefits and social supports
- Provide employees annual benefits such as Non-OHIP health benefits

### Municipalities and Local Chambers of Commerce:

- Adopt a community local living wage policy and encourage and support businesses in the implementation
- Build awareness within the community and businesses about the implementation of a living wage
- Support a recognition program to encourage more workplaces to adopt a living wage

### Non-Profit Organizations:

- Recruit community champions to help raise awareness and inspire collective action
- Advocate for policy shifts that focus on improving (or maintaining) government benefits and social supports (child care, subsidies, etc.)
- Encourage workplaces to apply innovative practices such as flexible work hours, to help employees minimize the impact of costs associated with child care: i.e. before and after school child care

“Opportunity for All is about working together to end poverty so that all Canadians can live with dignity, have real and fair access to opportunities to succeed, and be resilient enough to get through difficult times. Living with dignity means that Canadians would be living without hunger and would have enough income to meet their basic needs; having access to opportunities means that Canadians would be able to move out of poverty and acquire the skills, education and jobs they need to be at their best; and being resilient means Canadians would have the income security and social supports they need to rebound from life’s setbacks.”

*Government of Canada, Opportunity for All - Canada's First Poverty Reduction Strategy, 2017*