



A Living Wage for Waterloo Region

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Written by: Kerrie Skillen

Advised by:

Sally Lerner
Denise Wamsley
Opportunities Waterloo Region

Executive Assistance: Sharalynn Krahn

Executive Summary

Over 17 000 adults in Waterloo Region are considered to be the ‘working poor’. This is alarming considering that the Waterloo Region has a strong economy, is experiencing continued growth and the average incomes for families and individuals are higher than national averages. Nonetheless, members of the community are having difficulty meeting the demands of daily living.

A method to help the working poor is to raise wage levels so they become a living wage. A living wage for the Waterloo Region is a wage that supports a family of three and includes benefits that supplement the financial income. Examples of such benefits include; access to paid time off, benefits from social insurance programs, income support programs, and certain public services (Schenk, 2001). This can be achieved by encouraging employers to pay better wages, by encouraging local governments to require their contractors to pay a living wage, and by ensuring our community offers people sustainable jobs, affordable housing and child care.

Living wage campaigns have been used successfully in cities throughout the United States. Studies have found that implementing a living wage has not caused inflation, hindered economic growth, resulted in job losses, chased away businesses, or hurt companies profits. In fact, studies indicate that raising the living wage lowers the burden on social services, reduces inequality, exerts pressure to raise low wages just above the minimum wage, increases rates of home ownership and education. Businesses also benefit from an increase in wages from reduced turn over, and higher worker morale and productivity.

Common misconceptions that most minimum wage earners are teenagers and students who work part-time, are high school dropouts, and that raising the minimum wage levels will cause job losses often deter people from supporting campaigns that will improve the wage levels of the working poor. However, it has been found that the majority of minimum wage earners are adult women, almost half have some form of post-secondary

education, and the employment and disemployment effects of most minimum wage changes are so small that they are considered negligible (Schenk, 2001).

Social programs exist to support impoverished families however, they are not enough to create a sustainable life. The goal is to remove families from their dependency on the system, and to allow them the opportunity to increase their standard of living. People need more than just the bare necessities, they need the chance to save money for future goals, to interact and feel included in their communities, participate in a range of activities within and outside the home, and to gain control over their lives.

Increasing wages to a living wage in the Waterloo Region is a way to offer a sustainable livelihood for the working poor. In order to complete this task, lessons can be learned from the successes and failures of other programs so a beneficial living wage program can be developed for the Waterloo Region.

Waterloo Region's Working Poor

More than 17 000 adults in the Waterloo Region are considered to be the 'working poor' (Opportunities 2000, 2002; Statistics Canada, 1996). This means individuals and families are living in poverty even though they are working full time, part time and/or holding more than one job. This is surprising since the Waterloo Region has a strong economy, continually sees an increase in the number of companies and people who are to live here, and has an average household income (for both families and individuals) that is higher than the national average. Despite this positive situation, the average family income for poor families in the Waterloo Region is \$7 795, and for individuals it's just \$5 671 (see Figure 1 below).

Figure 1: Average Income

(From Earnings and Government Transfers 1996)

Families

Canada Total: \$50 339

Waterloo Region Total: \$55 301

Waterloo Region Poor: \$7 795

Individuals

Canada Total: \$26 524

Waterloo Region Total: \$27 779

Waterloo Region Poor: \$5 671

An indicator of a growing problem is that food banks reported a 20% increase in the number of people with full time jobs that needed their help in the first half of 2002 and a 17% increase of people with part time jobs. In addition to this, currently almost one in five children in the Region lives in poverty and 4000 families are on a waiting list for affordable housing.

Poverty rates in the Region are high for lone-parent families. 60% of “single-mother” and 31% of “single-father” families live below Statistics Canada’s Low Income Cut Off (LICO), which has been the most commonly used indicator of disadvantage.

The LICO cut off for a single person in the Region of Waterloo is \$16 160 but a person working at minimum wage (\$6.85/hour) for 40 hours per week for 50 weeks, only makes \$13 700 a year.

Approximately 50% of people in the Waterloo Region living below LICO are working to some degree. The jobs they have are often part time or contract work, split shift, seasonal work, low wages and with few or no benefits (The Urban Poverty Consortium of Waterloo Region, 2001).

The majority of the working poor are young adults (age 15 and over and on their own), new Canadians, lone parents and Aboriginals. A smaller proportion are disabled and seniors. (Opportunities 2000, 2002; Statistics Canada, 1996) About 14% of all poor people in the Region have full time, full year jobs and this number is growing (Social Planning Council of Cambridge and North Dumfries and Social Issues Advisory Committee of Cambridge, 2002). Currently, 16 000 children and 53 500 people are living below LICO in the Waterloo Region (Etherington, 2002).

Melanie Gualtieri, 48, is a single mother with two adult children. She earns approximately \$24 000 a year from her full time job as a sales clerk and part time job working for a catering company. She receives \$300 a month in child support from her ex-husband. Her daughter is in her first year at the University of Western Ontario while

her son is apprenticing to become a millwright. Melanie is worried about helping her daughter finish school and taking care of her own health. Her job offers her no benefits and her annual medical expenses (about \$300) are a concern for her. (Kitchener-Waterloo Record, 2000).

The ‘working poor’ are often ineligible for government support programs such as job search and self-employment programs and income support. Also, many services are not ‘accessible’ for certain groups: cultural and language barriers for new Canadians, services not designed for ‘off shift hours’, eligibility restrictions for Aboriginals.

Raising wages to meet the LICO figures is not enough for people to survive. Something more needs to be done. That is why support is growing for raising wages to a level that allows for a living wage.

A Changing Working Environment

According to Judith Maxell, a respected social policy researcher, people are struggling today because of widening disparities in income, workplace barriers and public policy barriers (Maxwell, 2002). In her report to the TD Forum on Canada’s Standard of Living, Maxwell illustrates that the well paid have experienced gains while low end earners have had declining or stagnated incomes. She explains that opportunities for low-skill workers are harder to find because new technologies have changed the way work is organized, and because global markets encourage industries to shift production to low-wage countries.

Barriers exist because today’s employers focus more on “controlling payroll costs than they do on productivity growth and the development of skills”, “the structure of taxes and transfers can create punitive marginal effective tax rates” and “because the cost of child care far exceeds the budget of low paid workers” (Maxell, 2002, p.iii).

Living Wage Campaigns

Maxwell states that “smart social policy choices will aim to ensure that every child has the chance to develop her potential, and that every educated adult is able to use his skill productively” (Maxwell, 2002, p.iii). One method to achieve this is to encourage living wage campaigns.

Living wage campaigns have been used successfully in cities throughout the United States. Baltimore was the first U.S city to have a living wage law (Kraut, Klinger & Collins, 2000). In July 1995, anyone working on a city contract was guaranteed a minimum wage of \$6.10/hour. Each year the city’s Board of Estimates approved a wage increase, and required businesses with city contracts to pay their workers \$7.70/hour by 1999 and \$8.20/hour by 2002. (ACORN, 2002; Liedman, 2002; Pollin & Luce, 2000).

Since Baltimore’s landmark law, 79 other cities and communities have enacted living wage laws. Such cities include Los Angeles, Boston, Chicago, Milwaukee, San Antonio, Buffalo, Rochester and Oakland. Even now, more communities are becoming involved by organizing campaigns for the passage of living wage laws. (ACORN, 2002; Kraut, Klinger & Collins, 2000; Pollin & Luce, 2000) Traditionally, living wage laws require companies with contracts with the city or those that receive city economic development assistance, grants, loans, tax abatement and other subsidies to pay arranged wages to their employees. One of the highest living wage laws in the U.S is in Richmond, California where businesses with city contracts must pay their employees \$11.42/hour with health benefits or \$12.92/hour without benefits. (ACORN, 2002).

Living Wage Benefits

There are many benefits to increasing wage levels. For communities, raising the living wage can provide income redistribution, bring more money into local economies, reduce inequality, have ‘spillover effects’ that raise low wages just above the minimum wage, lower the burden on social services and increase rates of home ownership, and education.

For example, research conducted in Santa Rosa, California by Associate Professor Peter Phillips and students from Sonoma State University, illustrates the benefits of low wage worker spending on local economies. A random sample of the 5 391 low wage workers in Santa Rosa (those making less than \$8 per hour) was collected and interviewed. The researchers increased wages to a living wage by adding \$200-400 per month to individuals incomes. Then the study tracked the likely spending patterns of the recipients.

The study found that “if all 5 391 lowest-wage individuals living in Santa Rosa made a living wage, they would circulate in the local economy an additional \$23 818 301 per year” (Phillips, 2001). Most of the spending would go to savings at 14.8%, then auto purchases - 13.6%, housing receiving - 11.9% and clothes - 9.1%. From this case study it is easy to see the positive economic effects of increasing wages to a living wage.

Other studies show that living wage increases help workers feel better about themselves. A study in Baltimore showed that contract workers had a “greater sense of responsibility and a higher sense of self-worth” (Maxwell, 2002, p.10). Judy Wicks, the owner of White Dog Café in Philadelphia finds that by paying her employees a living wage, her staff feels a greater sense of self-respect and professionalism. Oliver Collins, an employee at the Café said that he was able to pay off a credit loan and is saving for a house in a safer neighborhood because of the higher wages he receives. (Kraut, Klinger & Collins, 2000)

Personal stories include Jerome Gibbons, a wheelchair attendant at Los Angeles International Airport. His wage increased from \$5.75 to \$9.54 per hour which has enabled him to drop his second job as a security guard and attend a local college (Roston, 2002). Patricia Alston also benefited from a living wage. She works for a Baltimore catering company who pays their employees a living wage. Patricia is currently in a position to buy a home. She says that the living wage contributed to her ability to purchase a house (Roston, 2002).

Businesses also benefit from an increase in living wage from improved brand and company reputation, a stable business climate, reduced turnover, more cooperative workers, increased work quality and higher worker morale and productivity (Business for Social Responsibility, 2002; Kraut, Klinger & Collins, 2000; Pollin and Luce, 2000; Roston, 2002).

Alberta Carpet Cleaning/Alberta Furnace Cleaning is a great example of how companies benefit from paying their employees a living wage. When the company first started they paid their employees minimum wages because they believed it helped them stay competitive and protected their earnings. However, they had high turnover, poor service and low quality. In the 1980's they decided to change their strategy and offer employees the highest wage in the industry. They also improved their equipment, invested in training, and made efforts to provide a safer working environment. In total, wages have been raised by 20 to 30 per cent. Staff turnover is now very low, labour cost as a percentage of sales has dropped, productivity is better and morale is higher. (Rudolph, 2002)

Borealis Breads, a European style sourdough bread company located in Maine, pays a living wage to its employees. As a result, the company spends less money on training, has been able to recruit high skilled employees, maintains high worker loyalty and has reduced turnover. CEO Jim Amaral believes that keeping employees satisfied is essential for producing consistently quality products. (Kraut, Klinger & Collins, 2000)

Hal Taussig, the CEO of Idyll, Ltd., a Philadelphia travel business, pays his employees a living wage. He finds that employee retention is higher, team spirit is up, employees seek ways to keep company costs low, and recruitment and training costs are lower. (Kraut, Klinger & Collins, 2000)

Common Concerns

Research has removed many of the concerns that people have with adopting a living wage. For example one concern is that *paying a living wage will cause inflation and hinder economic growth*. Studies found that Massachusetts experienced continued economic growth in the mid-1990's after a minimum wage increase. This led Paul Cellucci, conservative Republican governor of the Commonwealth, to sign legislation that raised the state's minimum wage to \$6.75, the highest in the country. Also, research indicates that increases in the United States federal minimum wage in 1996 and 1997 did not slow down the economy, that in fact the economy grew at near-record rates.

Studies show that the cost to business averages less than 1% of production costs (Pollin and Luce, 2000). Other studies have shown that little extra cost is passed on to consumers or cities from living wage increases. Companies have been able to meet the cost of paying their employees more by raising prices slightly, phasing in the ordinance, saving money in other areas such as reduced turnover, greater work productivity, increased morale and job satisfaction. (Kraut, Klinger & Collins, 2000; Pollin and Luce, 2000; Roston, 2002).

An Oregon Center for Public Policy study found that increases in the state's minimum wage for the restaurant industry was absorbed by businesses. It also found that the inflation in meal prices was equal to those in the rest of the country and was less than general food inflation rates. Another study found that Baltimore's living wage law increased the cost to the city by 1.2% *less* than the cost of inflation. This is consistent with a Preamble Center study, which found that Baltimore contract prices (inflation-adjusted) declined by 2.4% after the first year of Baltimore's living wage law. (Kraut, Klinger & Collins, 2000)

Another concern is that *raising wages will result in job losses*. However, job loss is dependent on more factors than just the effects of a wage increase. The state of the economy, and labour, capital and product markets all influence whether companies reduce their workforce. Specific research on how living wages affect unemployment indicate that job losses resulting from an increase in the living wage are small to none. A

1998 study on the impact of Baltimore's living wage ordinance determined that after four years the wage increase did not result in any noticeable job loss (Kraut, Klinger & Collins, 2000). A study by Card and Kruger (1995) and Baker et al. (2000) found "very small negative or positive employment effects from minimum wage increases" (Kraut, Klinger & Collins, 2000). Baker et al (2000) indicates that declines in employment for some groups (male young adults and adult women) are so small that they "merely represent a decline in what the employment-to-population level might otherwise have been" (Kraut, Klinger & Collins, 2000).

Some people are worried that *adopting a living wage law will chase away businesses and discourage new investment*. However, it is expensive for companies to relocate and many businesses' assets have value only for the location they are in (ex: universities, hotels, restaurant). Therefore companies are not likely to move if required to increase wages. The expansion and opening of businesses is influenced by wage levels but, there are many other factors that influence a company's decision to expand. Companies will consider an area's "access to markets and transportation systems, infrastructure, education and skill level of the available workforce, and overall quality of life" before making location decisions (Kraut, Klinger & Collins, 2000, p.12; Phillips, 2001).

Research in Baltimore in 1996 "found no evidence that local businesses or potential investors have responded negatively to the ordinance" (Kraut, Klinger & Collins, 2000, p.12). Also, some people, like economist Erica Schoenberger believe that the real deterrent to investment is poverty which produces an ill prepared worker who are in poor health, a meager tax base, poor infrastructure and public services (Kraut, Klinger & Collins, 2000). While the Waterloo Region is prosperous compared to this example, it is important to reduce our poverty levels so our workforce and the Region can be the best they can be.

When Philadelphia's living wage ordinance was passed, companies could have responded by leaving the area. Tim Styer, the CEO of Urban Works, an employee-owned contract cleaning company, decided to stay in Philadelphia and pay his employees a living wage.

Styer pays his workers \$7.90 per hour plus benefits (the amount determined to be a living wage in Philadelphia) and \$1 per hour more than the local industry standard. As a result, these initiatives reduced turnover and absenteeism, increased morale and productivity, reduced recruitment efforts and produced higher work quality. (Kraut, Klinger & Collins, 2000).

Myths

Other misconceptions discourage people from supporting an increase in wage levels. Popular beliefs are that most minimum wage earners are high school dropouts, and/or are teenagers and students working part-time. In a report for the Ontario Federation of Labour written by Christopher Schenk (2001), a study by Goldberg and Green (1999) shows that 48% of minimum wages earners have some form of post-secondary education, which includes 2% who have university degrees. The same report shows that over 60% of minimum wage earners are adults (young adults 19-24 and adults 25 and over) and that “the majority of minimum wage workers are adult women” (Schenk, 2001, p.5).

Is it all up to Companies?

It is important to realize that businesses are not solely responsible for implementing a living wage for the Waterloo Region. Businesses are part of a combined program that will meet all the needs of the Region’s working poor. Achieving a living wage for the Region is an important first step, but there needs to be comprehensive plans for affordable child care and housing.

High child care costs are one of highest deterrents to parents moving into the workforce. In Ontario child care costs, on average, \$1000 a month, which is more than the monthly take-home income of someone paid \$10 per hour (Maxwell, 2002). There are subsidies available to pay for childcare however, the Waterloo Region does not have enough spaces within the system to provide attainable childcare. As a result, many people are on waiting lists to get their children into childcare facilities in their area. A mix of

government interventions need to be implemented to ensure affordable and accessible childcare for all families in the Waterloo Region.

Waterloo Region's vacancy rate is less than 1%, well below the level for a balanced rental market, which has vacancy rates of 3%. With so few housing options, market prices increase, making it more expensive to live in the Region. For example, rents in the Waterloo Region went up 16% between 1995 and 2001 (Aagaard, 2002). As a result, housing takes a larger percentage of family budgets, further straining the ability for low income homes to afford basic necessities. Another result of low vacancy rates is the increase in the number of households on the Waterloo Region waiting list for affordable housing. Today more than 4000 households are on that list. The estimated time it takes to find a house and be removed from the list is anywhere from two to six years. (Balmar, 2002)

Measures of Poverty

Other measures of poverty include the Fraser Institute's Basic Needs Measure, HRDC's Market Basket Measure (MBM) and Statistic's Canada's Low Income Cut Off. Each program measures poverty differently.

The Fraser Institute's Basic Needs Measure estimates the funds needed to purchase food, shelter and clothing to keep a family alive. The measure is limited to physical measures alone and does not include 'non-essentials' such as books, dental services, toys and school supplies. This measure barely offers people a minimal existence. Concerns also arise when reviewing the measures cost break down. For example, under the measure, a single elderly female should have, each week, 14 servings of fruit at a cost of \$2.11, and 17.5 servings of vegetables at a cost of \$1.33 (Shillington, 2001).

Human Resources Development Canada's Market Basket Measure is based on the cost of a specific basket of goods and services. The Market Basket is not related to changes in income and therefore stays constant regardless of increases in Canada's wealth. This

measure also does not meet social obligations to children. HRDC acknowledges children living on this budget will still be socially excluded and isolated because there is no money for field trips, vacations, and extracurricular activities like sports and clubs. (Alberta Human Resources and Employment Communications Branch, 2002; Shillington, 2001)

Statistics Canada's measure for low income is LICO – the Low Income Cut Off. “This cutoff line is the income level where a household will spend a share of its income that is 20 percentage points higher than what the average family spends on food, clothing and shelter” (Alberta Human Resources and Employment Communications Branch, 2002). This cutoff is set relative to Canadian norms and is adjusted to reflect both price increases and the typical living standard (Shillington, 1999). LICO has been the most commonly used indicator of disadvantage yet it still does not meet the needs of the working poor.

What does it cost to live in Waterloo Region?

We created a “market basket” for Waterloo Region, which is NOT a measure of poverty, but represents a modest lifestyle for a family of three. Besides offering the basics of food, shelter, transportation and clothing, it allows for entertainment and recreation. It provides for sustainability through basic savings for emergencies. The costs cover the needs of a family of three, but do not cover out-of-pocket spending such as child care costs, non-insured health related expenses-such as dental and vision care and prescription drugs, private health insurance or aids for disabilities. Obviously the higher the expenses a family carries for any of these expenditures, the lower their standard of living.

What the following table illustrates is the wage that an employee needs to earn to support a family of three. It's surprisingly high, but must take into account taxes and other deductions, so that the take home pay will actually cover the expenses needed.

It is simple to conclude that the working poor in Waterloo Region cannot come close to

achieving even a modest lifestyle.

A Sustainable Livelihood in Waterloo Region for a Family of Three

Budget Item	Monthly	Annually
Rent	\$ 722.00	\$ 8,664.00
Utilities	\$ 155.29	\$ 1,863.48 <i>variable</i>
Food	\$ 318.88	\$ 4,145.44 <i>variable</i>
Vehicle Operating Expenses	\$ 122.50	\$ 1,470.00 <i>variable</i>
Vehicle Ownership Costs	\$ 445.04	\$ 5,340.48
Clothing (& footwear)	\$ 137.33	\$ 1,647.96 <i>variable</i>
Personal Care	\$ 56.25	\$ 675.00 <i>variable</i>
Household needs	\$ 71.10	\$ 853.20 <i>variable</i>
Household Furnishings	\$ 32.50	\$ 390.00 <i>variable</i>
Basic Cable	\$ 24.29	\$ 291.48
Basic Phone Service	\$ 25.47	\$ 305.64
Recreation	\$ 84.40	\$ 1,012.79 <i>variable</i>
Newspaper Subscription	\$ 14.40	\$ 172.80
Entertainment	\$ 100.00	\$ 1,200.00 <i>variable</i>
Life Insurance	\$ 31.00	\$ 372.00 <i>variable</i>
Basic Savings Account	\$ 75.00	\$ 900.00
Health Care	\$ 31.99	\$ 383.83 <i>variable</i>
TOTAL EXPENSES	\$2,447.44	\$ 29,688.10

For a net annual income of \$29,688.10, the wage earner needs to take home \$37,180 for a bi-weekly pay of \$1430 (gross). Based on a 40 hour work week, a wage of \$17.88 an hour is required.

Gross Income, Bi-Weekly Pay	\$1,430.00
CPP deduction	\$ 64.12
EI deduction	\$ 30.03
Federal Income Tax	\$ 139.85
Provincial Income Tax	\$ 54.15
NET PAY	\$1,141.85

(Opportunities 2000, February 2003)

A Living Wage for the Waterloo Region

The Waterloo Region needs to create a proactive approach to support its working poor. Existing social programs have not been enough to eliminate poverty. Therefore, a new proactive approach needs to be taken with the goal to remove families from their dependency on the system, and to allow them the opportunity to increase their standard of living. People in our Region need more than just the bare necessities, they need the chance to save money for future goals, to interact and feel included in their communities, participate in a range of activities within and outside the home, and to gain control over their lives. Increasing wages to a living wage in the Waterloo Region is a way to offer a sustainable life to the working poor.

A living wage for the Region needs to be a balanced program. One that includes participation from businesses, local government, communities and other social agencies.

A living wage for the Waterloo Region should include coverage for as many workers as possible. This can be achieved by encouraging local governments to require their contractors to pay a living wage, and all employers in the Region to pay better wages.

The living wage should also be balanced with inflation and Canada's growth. Wage levels should not remain stagnate while the rest of the country experiences more wealth and prosperity.

Conclusion

Something needs to be done to help the Waterloo Regions working poor. Current strategies and programs are not providing individuals and families with enough support to enable them to live a sustainable life. Each person in our community deserves the opportunity and right to build a life that they can enjoy and be proud of.

Living wage campaigns have been successful for businesses and communities. The Waterloo Region can learn from these experiences to create a beneficial program to help its working poor. Establishing a living wage in the Region will allow the working poor the chance to keep working, get out of the system, be confident in themselves, and create a livelihood that will enable them to support themselves over the long term.

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Food Costs: Based on Waterloo Region Community Health Department, 1999 Nutritious Food Basket Data for Waterloo Region, based on weekly costs for Man, aged 25-49, Woman, aged 25-49 and boy aged 10-12 years.

Utilities: Based on estimate of monthly costs for heating and lighting of average 2 bedroom apartment.

Vehicle Expenses: Based on the Canadian Automobile Association, Car Operating Costs, for a Chevy Cavalier LS, driven 12,000 km per year.

Annual ownership costs based on a used car loan for \$15,000 at 7% over 4 years, car insurance (\$100 monthly) and license and registration (\$127.89). Note: there is no allowance for depreciation.

Clothing, Personal Care, Household needs, Household Furnishing and Health Care costs based on the Acceptable Living Level for Winnipeg (A.L.L. 2000). As per their definitions of Winnipeg Harvest and Winnipeg Social Planning Council:

“Clothing: Second-hand or thrift stores are available but this does not guarantee adequacy, availability or quality of clothing. The A.L.L. assumes all new purchases. Acceptable community standards of health do not support the practice of purchasing certain items such as shoes or under garments second-hand. It is assumed that one pair of children’s running shoes will be used for school/day care only. “Miscellaneous” includes items such as mittens, scarves, hats, etc.

Personal Care: Not all items need to be replaced each month. Items such as skin cream, sunscreen and hair accessories may also be included in this section.

Household needs: Assumes the use of coin operated washer/dryer (average cost of \$1.50 per wash/dry). Also includes such items as laundry detergent, bleach, and softener. Cleaning supplies would include spot-removers, furniture polish, etc. “Miscellaneous” includes garbage bags, sandwich bags, plastic food wraps, etc.

Household Furnishings: The budget assumes gradual replacement of items over the year(s). The average costs shown do not necessarily represent actual expenditures per year but a budget allocation. Household hardware includes tools (i.e. screw drivers, flashlight, etc.). Linen costs assume replacement of at least one set of sheets per year plus bathroom towels and kitchen dish cloths, oven mitts, etc. Kitchenware assumes replacement of dishes, cups and glasses due to breakage. “Appliances” includes both replacement and/or repair of appliances such as toasters, blenders, stove, oven, etc.

Health Care & Insurance: Health care spending represent “out of pocket” expenditures on dental care, vitamins, and other expenses not covered or reimbursed by an insurance plan. Health insurance costs are difficult to determine because of individual medical needs. Actual costs of insurance packages by family type may differ...Insurance costs are based on the national average.”

Cable: Rogers AT&T monthly service charge for basic cable (including taxes)

Phone: Bell Canada monthly service charge for basic phone service (including taxes). This amount does not include voice mail or other services, or long distance charges

Recreation Costs: Based on a family membership at the KW-YMCA (2 adults, one youth aged 6 – 14) Costs annually are registration fee of \$75.00, 1st adult at \$431.21, 2nd adult at \$314.58, and youth at \$192.00
Recreation costs could also include, but are not reflected in this budget, any extra curricular activities.

Newspaper Subscription: Based on monthly fee for The Record, Monday to Saturday, in-town delivery.

Entertainment Costs: Best estimate for a family of three. Category includes video/dvd/playstation rentals, theatre, symphony, movies and sporting events.

Life Insurance: Based on term insurance costs for \$100,000 coverage for a male non-smoker, 10 year policy (\$16.00/month), and a female non-smoker, 10 year policy. State Farm Insurance.

Basic Savings Account: Based on a best estimate for a contingency fund, put aside for emergencies.

Useful Web Sites

Living Wage Campaign Resource Centre
www.acorn.org

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