

Delegation by Living Wage Halton to the Committee of the Whole Burlington Council Chambers, June 26, 2017

What is a Living Wage?

A living wage is the hourly rate that allows working people to have a decent quality of life. Calculated for a family of four with both parents working full-time (37.5 hours per week), it provides enough income to cover basic expenses like housing, food, clothing, utility bills and transportation, plus a modest amount for recreational activities and entertainment, health insurance (prescription drugs and dental care), and provision for the adult family members to further their education. With both adults earning a living wage, their combined income should enable the family to participate in the normal life of the community in which they live.

The Living Wage Halton working group website: www.livingwagehalton.ca

In December 2012, the Hamilton Roundtable for Poverty Reduction announced the living wage for Hamilton had been calculated by Hamilton's Social Planning and Research Council to be \$14.95 per hour. A few months later, in 2013, researchers at Community Development Halton used the same methodology to calculate the living wage for Halton. The result was \$17.05—more than \$2.00 above the Hamilton hourly rate as a result of higher rents in the Halton Region and inadequate public transit (necessitating the need for an inexpensive family car for the Halton family). Reflecting the increased cost of living, the 2016 calculation for a Halton Living Wage is \$17.95.

In February of 2014, a committee called the Living Wage Halton working group was formed as a close collaboration of three organizations—Community Development Halton (CDH), the Halton Poverty Roundtable (HPRT), and Poverty Free Halton (PFH), each bringing something different to the campaign for a living wage. Living Wage Halton is a founding member of the Ontario Living Wage Network.

- Community Development Halton has been carrying out research and development in the social sector for over thirty years, with an emphasis on community building and community engagement.
- The Halton Poverty Roundtable, founded in 2011, is a multi-sector collaboration consisting of twenty-five people representing diverse organizations, working together to reduce poverty in the Halton Region.
- Poverty Free Halton, founded in April 2007, focuses on raising awareness of poverty in Halton. It advocates to all levels of government for measures that would reduce poverty.

In the ensuing years members of the Living Wage Halton working group approached several large employers in the Halton Region who were known to pay almost all their employees the living wage of \$17.05 per hour. These efforts did not meet with much success as the employers concerned declined to announce publicly that they paid all or almost all of their employees the Halton living wage. However, that situation has changed as more and more organizations and cities across Canada and the United States have joined the living wage movement. One city close to home is Cambridge which announced in November of 2015 that it would pay all its full-time employees the living wage for Waterloo Region of \$16.05 an hour.

We are here to encourage Burlington to become the second living wage city in Ontario!

Benefits of a Living Wage

Benefits for employees

- Living wage earners receive fair compensation, and feel good about it!
- Living wage earners are not condemned to living in poverty and instead have a decent standard of living. They can take part in more activities in their communities since they are not constantly struggling to make ends meet.
- Living wage earners have better health. It makes a difference when you can afford to buy healthier food and pay for health insurance that provides prescription drugs and dental care.
- Living wage earners can take advantage of opportunities for further education and skills training.

Benefits for employers

- Living wage employees have better morale, resulting in increased loyalty and higher productivity.
- Absenteeism is reduced.
- Employee retention is enhanced, resulting in lower costs for recruitment and training.
- Living wage employers are recognized favourably by people in the community. They will be able to display distinctive decals from the Ontario Living Wage Network showing its logo and the words LIVING WAGE EMPLOYER. Their willingness to pay fair compensation will also receive formal recognition from Living Wage Halton and will be publicized in local media.

A recent article by Sara Mojtehedzadeh in the Toronto Star, *Business group discovers being good is good for business* (April 4, 2017), is an interesting account of some of the benefits for employers of paying all their employees a living wage: www.thestar.com/news/gta/2017/04/04/business-group-discovers-being-good-is-good-for-business/

See also a recent opinion piece by John Reimer of The Waterloo Region Record, *The Benefits of Paying Fair Wages* (June 18, 2017). www.therecord.com

Benefits for the community

- The community can take pride in having employers that pay a living wage to their employees.
- Living wage earners spend their money locally, benefitting the local economy.
- Living wage employees will not be struggling to make ends meet. They are more likely to participate in the life of the community.

Fairness

It is widely recognized today that a large proportion of the population have benefitted very little from globalization and economic growth over the last two or three decades. Inequality in our society is extreme and getting worse. The people who feel forgotten and "left behind" are often those living in poverty. It's a remarkable fact that 30 percent of all workers in Ontario are paid less than \$15 an hour, and even if they work full-time, they would still be living in poverty.

The living wage aims to give people opportunity and dignity in their communities. To quote former president Barack Obama and many others, "No one who works full-time should have to live in poverty." The more employers who commit to paying their employees a living wage, the healthier our community will be. It comes down to a matter of fairness.

Ontario Living Wage Network's website: www.ontariolivingwage.ca

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