

Calculating a Living Wage for Halton

2016 Update – DRAFT

April 2017

Community Development Halton

LIVING WAGE HALTON

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Introduction

In March 2013, Community Development Halton (CDH) released a discussion paper[1] on calculating a living wage for Halton Region. Applying a methodology developed by Canadian Centre for Policy Alternatives' (CCPA) Ontario office, a living wage of $17.05 was calculated for a family of four (2 parents, one boy aged 10 and one girl aged 14).

This report documents the process and data used in the calculation of a living wage for Halton Region for 2016. As with the 2013 discussion paper, it is intended to continue the dialogue on the concept of a living wage in the context of poverty reduction.

By fall of 2016, 27 Ontario municipalities were engaging in a conversation about what it takes to earn a living wage in their community.

Some communities were at the early stage; others had already released a calculation and still others were updating the calculation to more current prices. Most were working on or adding to the list of Ontario employers who have identified as living wage employers. All are committed to building better jobs in their community.

A living wage is different than the provincially mandated minimum wage. A living wage is based on a calculation that draws on community-specific data to determine actual expenses that a family of two working parents raising two children face on an annual basis.

More specifically, a living wage is the hourly pay required to cover basic expenses such as food, clothing, shelter and transportation. It is a wage that allows employees not just to subsist but, also, to have access to the type of things that make for a decent quality of life: the ability for a family to participate in the community, to be healthy and active social citizens.

What is a Living Wage?

A living wage is envisioned as a wage that allows working people not just to survive (in minimal physiological terms) but to enjoy a decent quality of life in which one can raise a family, be healthy and enjoy recreation, culture, entertainment and participate fully in social life.[2] The amount of a living wage varies depending on the living expenses in a particular community as well as the tax and benefit system. As those items change over time, a living wage is often recalculated annually.

[1] Community Development Halton. *Calculating a Living Wage for Halton, A Discussion Paper.* March 2013
[2] Canadian Centre for Policy Alternatives, *A Living Wage for Toronto.* Ottawa, Ontario 2008.

In contrast, minimum wages are set by governments without taking into consideration the ability of the working people to have a quality of life. In addition, a minimum wage does not reflect the differences in a cost of living geographically. The current minimum wage in Ontario is $11.40 per hour (October 1, 2016 to September 30, 2017). A person working full time at minimum wage would earn less than Statistics Canada's Low Income Cut-off (LICO). As such, minimum wage earners and their families are living in poverty.

Minimum wage is about survival. A Living Wage is about participation and inclusion.

Review of Literature on Living Wage

Since the mid-1990s, living wage ordinances have been implemented in over 150 municipalities in the United States. Municipalities, universities and businesses within the UK and Canada are increasingly adopting living wage policies and the movement is growing. The impact of implementing a living wage has been well documented in the literature. Although much of the research has been prospective in nature, post-implementation studies are increasing, which contributes to well-informed policy development. Proponents of the living wage point to the benefits reaped by individual workers, employers, and communities. Skeptics raise concerns about the economic viability of mandating a living wage. Both perspectives are addressed in the literature and demonstrate that while there are little to no negative impacts documented, there are many positive outcomes associated with living wage implementation.

Raising workers out of poverty through the provision of a fair wage is one of the primary goals of the living wage movement. In Boston, workers benefiting from the living wage policy were disproportionately poor and low-income.[3] This is one of many examples indicating that implementing a living wage standard impacts those who are in the greatest need.

Questions have been raised whether employers would favour hiring higher-skilled workers as an unintended consequence of being required to pay a living wage. Instead of substituting their workforce with higher-skilled workers, many employers have increased the level of training provided to their current employees.[4] For example, when a living wage was implemented at the San Francisco Airport, employers incurred the cost of increased training of current employees rather than replacing them with higher-skilled workers.[5]

[3] J. Chapman & J. Thompson, *The Economic Impact of Local Living Wages*, Economic Policy Institute, Washington, DC, 2006.
[4] M. Reich, P. Hall & K. Jacobs, *Living Wage Policies at the San Francisco Airport: Impacts on Workers and Businesses*, Malden, MA, 2005.
[5] Chapman & Thompson, 2006.

Employees retain their job, increase their skills, and are paid fairly, which leads to benefits for the employer as well.

Increased satisfaction, security, and ability to meet the needs of themselves and their families appear to improve various aspects of worker performance. An analysis of living wage implementation in Boston found that 25 percent of living wage firms reported greater employee work effort and improved morale.[6] The improved morale and increased work effort is not attributed to former low-wage workers being replaced with higher-skilled substitutes, but to current employees' response to higher wages.[7]

Most studies that assess the issue of turnover, absenteeism, and employee work effort have found evidence supporting the beneficial impacts of living wages.[8] A study of the living wage ordinance implemented in Los Angeles found that absenteeism declined and the decrease in turnover alone offset 16 percent of the total cost of paying the higher wages.[9] A study of San Francisco home-care workers found that turnover fell by 57 percent after the implementation of a living wage policy.[10] A broad-reaching study found that organizations paying a living wage had turnover rates for low-wage positions that were 35 percent lower than establishments that do not pay a living wage.[11] When paid a living wage, workers appear to be less likely to leave their job, which reduces the costs of recruiting and training new workers.[12]

There are economic benefits experienced by the wider community when citizens earn higher wages. Lower income workers with increased income spend their income locally and the majority of these purchases are on necessities.[13] Increasing individual purchasing power stimulates the local economy and benefits small business.

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[6] M. Brenner, *The Economic Impact of the Boston Living Wage Ordinance*, Malden, MA, 2005.
[7] Chapman & Thompson, 2006.
[8] Chapman & Thompson, 2006.
[9] Chapman & Thompson, 2006.
[10] C. Howes, *Living Wages and Retention in Homecare Workers in San Francisco*, Malden, MA, 2005.
[11] D. Fairris, *The Impact of Living Wages on Employers: A Control Group Analysis of the Los Angeles Ordinance,* Malden, MA, 2005.
[12] Chapman & Thompson, 2006.
[13] M. Reich & A. Laitenen, *Raising Low Pay in a High Income Economy: The Economics of the San Francisco Minimum Wage*, Institute for Research on Labor and Employment, Berkeley, CA.

Benefits of a Living Wage

Living Wage Hamilton[14] summarizes the benefits of a living wage for workers, employers and their communities in the following ways:

Benefits for workers:

- Receive fair compensation
- Raised out of poverty
- Better quality of life
- Improved health
- Opportunities for education/skill training

Benefits for employers:

- Reduced absenteeism
- Decreased turnover rates
- Lowered recruitment and training costs (retention)
- Increased morale, productivity, and loyalty
- Recognition for responsible employers

Benefits for the community:

- Greater consumer spending power
- Increased spending in local economy
- Increased civic participation

A living wage provides the opportunity to participate in the community. This includes opportunities to engage in recreational and cultural activities.

Living Wage Public Sector Employers

On December 13, 2010, the Council of the Township of Esquimalt, B.C. Council voted to support the full implementation of a complete Living Wage Policy and Program for the Township's operations.[15]

The City of New Westminster, B.C. became the first municipality in Canada to become a "Living Wage Employer" municipality in Canada on January 1st, 2011. The City has established a living wage policy that requires all firms that are contracted directly or subcontracted by the City to provide services on city premises, to pay their employees who perform the services a "Living Wage" as calculated by the Living Wage for Families

[14] http://livingwagehamilton.ca/wp/?page_id=56
[15] http://www.esquimalt.ca/news/news12171001.aspx

Campaign.[16] In November 2015, the City of Cambridge became the first Ontario municipality to become a living wage employer.[17]

In March 2013, the Hamilton-Wentworth District School Board (HWDSB) adopted a "living wage" policy which would see all its employees earn at least $14.95 an hour.[18] While existing HWDSB employees all earn more than $14.95, the Board felt it was important to set an example for other employers.

Living Wage Private Sector Employers

The number of living wage private sector employers has outnumbered their public sector counterparts. According to *Living Wages for Families*[19] in British Columbia, their list of certified living wage employers is growing. For example, on May 24, 2011, Vancity, Canada's largest credit union became the one of the largest organizations in Canada to become a Living Wage Employer.[20] On November 6, 2015, The Co-operators Group Limited became the first national organization to become a living wage employer, with more than 4,300 employees across Canada.[21]

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[16] http://www.newwestcity.ca/2010/05/13/living_wage_policy/2010-05
[17] http://www.therecord.com/news-story/6122852-cambridge-becomes-first-in-ontario-to-endorse-living-wage-policy/
[18] http://www.thespec.com/news/local/article/905160--school-board-sends-message-on-poverty
[19] Living Wage Employers listed at http://www.lwemployers.ca/?page_id=7
[20] https://www.vancity.com/AboutUs/OurValues/livingwage/
[21] http://newsreleases.cooperators.ca/2015-11-06-The-Co-operators-certified-as-a-Living-Wage-Employer

Living Wage Calculation for Halton

The Canadian Centre for Policy Alternatives' Ontario office has developed a methodology for calculating the living wage in Ontario communities.

The living wage calculation is specific to each community but, also to each province and territory in Canada. This variation in the living wage is mainly due to the country's complex tax and transfer system. For that reason, Ontario Living Wage Network calculation tools are useful for Ontario communities because they factor in Ontario-specific tax and transfer components. Communities in other provinces will want to consult Living Wage Canada for further information on provincial tools.

In order to maintain consistency and comparability between the living wage calculated for 2013 and 2016 for Halton, it was decided to retain the same family composition (i.e. 2 parents, 1 boy aged 10 and 1 girl aged 14). This is different from the reference family (i.e. 2 parents, 1 boy aged 7 and 1 girl aged 3) included in the CCPA's national framework guidelines.

Family Characteristics	**Assumptions**
Parents	
Number	2
Gender	1 male, 1 female
Age	31 - 50 years of age
Hours of paid work	37. 5 hours/ week
Number of parents in paid work	2
Children	
Number	2
Age	boy aged 10, girl aged 14
Child Care	1 child (age 10) needs before and after school care and additional care during PA days and 6 weeks of summer

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The following family expenditure items are included in the calculation:

- Basic needs which can make up to 60% of total expenditure
    - Food
    - Shelter
    - Clothing
    - Transportation
- Essential items
    - Private health insurance
    - Childcare for children
    - Continuing education for parents/adults
    - Household operation, maintenance, furnishing and equipment
- Items that contribute to fuller participation in society (also known as "social inclusion")
    - Children's school fees, field trips and fundraising events:
    - Cell phone, cable and internet
    - Recreation
    - Monthly family outing
    - Family vacation in Ontario
    - Reading and entertainment supplies
- Other items:
    - Tenant's insurance
    - Personal care
- Contingency fund – about 4% of household budget in case of emergencies or unforeseen expenses

The following items[22] are **not** included in the calculation of the living wage:

- Debt
- Savings other than the 4% contingency fund
- Owning a house
- Take-out dinners or lunches
- Special dietary needs
- Difficulty receiving child support payments
- Difficulty accessing childcare fee subsidy
- Costs related to disability that might not be covered by insurance
- Pets
- Poker nights or drinks with friends
- Extended cable package or satellite television, or upgraded internet package
- Smoking or alcohol purchases

[22] The Social Planning and Research Council of Hamilton. *Calculating a Living Wage for Hamilton.* December 2011, Hamilton, Ontario.

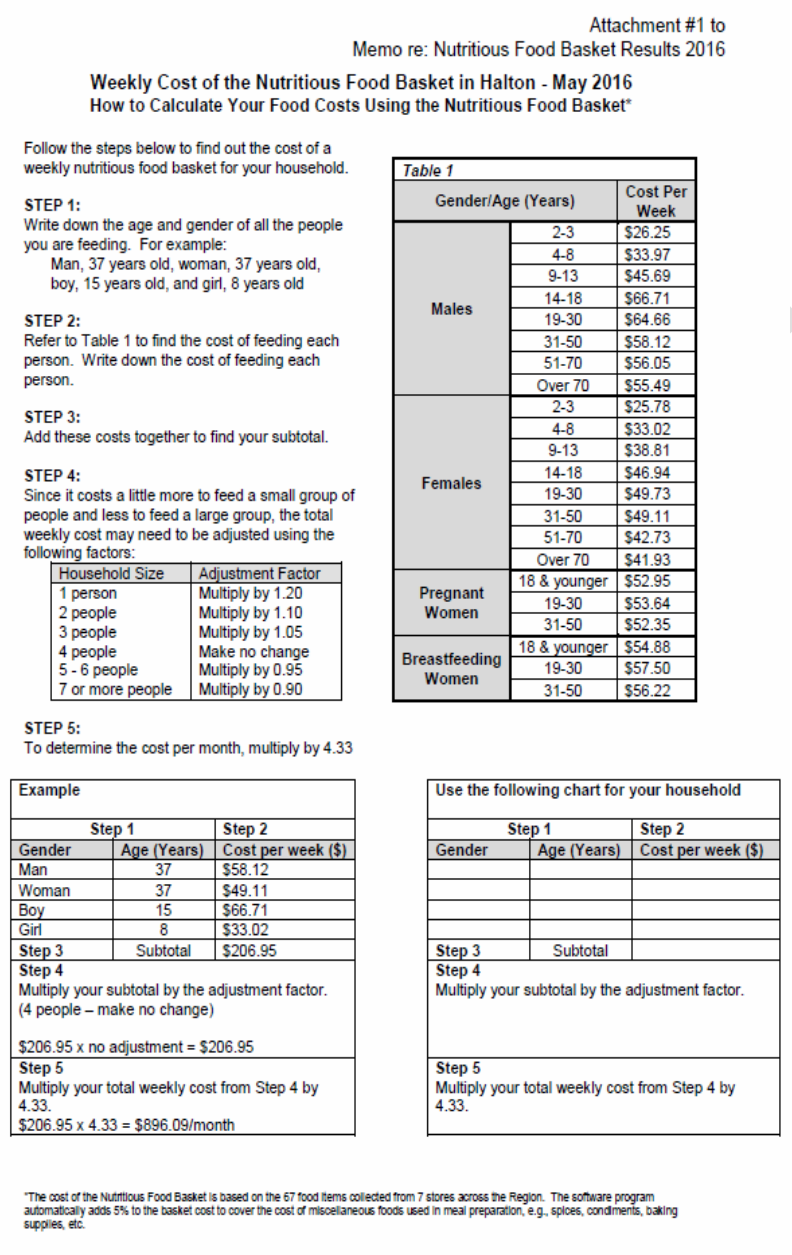
Average annual and monthly cost of household expenditure Halton Region

Family Expenses	Monthly Cost	Annual Cost
Food	$865	$10,384
Clothing and Footwear	$286	$3,428
Rent	$1,540	$18,480
Hydro	$87	$1,045
Telephone	$113	$1,356
Tenant Insurance	$17	$204
Internet and Cable	$124	$1,490
Household Items and Furniture	$45	$541
Vehicle	$430	$5,159
Transit	$186	$2,230
Family vacation	$87	$1,047
Monthly family dinner and movie	$59	$708
Personal care	$70	$841
Recreation	$125	$1,495
School supplies and school fees	$28	$339
Reading and Entertainment Supplies	$27	$327
Bank Fees	$14	$166
Laundry	$125	$1,496
Education (Adults)	$102	$1,226
Child care (before subsidy)	$618	$7,410
Other expenses	$52	$626
Non OHIP medical	$271	$3,252
Contingency amount (4%)	$211	$2,530
Total Family Expenses	**$5,482**	**$65,780**

Data Source:

Food

Each year, the Halton Region Health Department conducts the Nutritious Food Basket Survey, as mandated by the Ontario Ministry of Health and Long Term Care. The survey requires visiting seven grocery stores throughout the region to price 67 food items to determine the average price of a nutritious diet for Halton residents. The result of the survey was released in May 2016.[23]



Attachment #1 to
Memo re: Nutritious Food Basket Results 2016

Weekly Cost of the Nutritious Food Basket in Halton - May 2016
How to Calculate Your Food Costs Using the Nutritious Food Basket*

Follow the steps below to find out the cost of a weekly nutritious food basket for your household.

STEP 1:
Write down the age and gender of all the people you are feeding. For example:
Man, 37 years old, woman, 37 years old, boy, 15 years old, and girl, 8 years old

STEP 2:
Refer to Table 1 to find the cost of feeding each person. Write down the cost of feeding each person.

STEP 3:
Add these costs together to find your subtotal.

STEP 4:
Since it costs a little more to feed a small group of people and less to feed a large group, the total weekly cost may need to be adjusted using the following factors:

Household Size	Adjustment Factor
1 person	Multiply by 1.20
2 people	Multiply by 1.10
3 people	Multiply by 1.05
4 people	Make no change
5 - 6 people	Multiply by 0.95
7 or more people	Multiply by 0.90

STEP 5:
To determine the cost per month, multiply by 4.33

Table 1

Gender/Age (Years)		Cost Per Week
Males	2-3	$26.25
	4-8	$33.97
	9-13	$45.69
	14-18	$66.71
	19-30	$64.66
	31-50	$58.12
	51-70	$56.05
	Over 70	$55.49
Females	2-3	$25.78
	4-8	$33.02
	9-13	$38.81
	14-18	$46.94
	19-30	$49.73
	31-50	$49.11
	51-70	$42.73
	Over 70	$41.93
Pregnant Women	18 & younger	$52.95
	19-30	$53.64
	31-50	$52.35
Breastfeeding Women	18 & younger	$54.88
	19-30	$57.50
	31-50	$56.22

Example

Step 1		Step 2
Gender	Age (Years)	Cost per week ($)
Man	37	$58.12
Woman	37	$49.11
Boy	15	$66.71
Girl	8	$33.02
Step 3	Subtotal	$206.95

Step 4
Multiply your subtotal by the adjustment factor.
(4 people – make no change)

$206.95 x no adjustment = $206.95

Step 5
Multiply your total weekly cost from Step 4 by 4.33.
$206.95 x 4.33 = $896.09/month

Use the following chart for your household

Step 1		Step 2
Gender	Age (Years)	Cost per week ($)
Step 3	Subtotal	

Step 4
Multiply your subtotal by the adjustment factor.

Step 5
Multiply your total weekly cost from Step 4 by 4.33.

*The cost of the Nutritious Food Basket is based on the 67 food items collected from 7 stores across the Region. The software program automatically adds 5% to the basket cost to cover the cost of miscellaneous foods used in meal preparation, e.g., spices, condiments, baking supplies, etc.

[23] ibid

Gender	Age	Cost/week	cost/month	cost/year
Man	31-50	$58.12		
Woman	31-50	$49.11		
Boy	10	$45.69		
Girl	14	$46.94		
		$199.86	$865.39	**$10,384.73**
Source: Halton Region, Nutritious Food Basket Results, 2016				

Clothing and footwear

Statistics Canada, Survey of Household Spending (SHS) provides estimates of the cost for clothing and footwear for each member of the family. The SHS estimates were adjusted for inflation.

	annual expense
Clothing	
woman age 35 clothing	$777.3
man age 35	$445.9
boy 10	$445.9
girl 14	$777.3
Footwear	
woman age 35 clothing	$299.3
man age 35	$191.8
boy 10	$191.8
girl 14	$299.3
Total	**$3,428.7**
Source: Statistics Canada, Survey of Household Spending, 2014	

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Rent

Date source: Canada Mortgage and Housing Corporation, Rental Market Report, GTA (Fall, 2015), Table 4.1.2. for Halton Region.

Rental Market Report - Greater Toronto Area - Date Released - Fall 2015

4.1.2 Rental Condominium Apartments and Private Apartments in the RMS[1]
Average Rents ($) by Bedroom Type
Toronto CMA - October 2015

Condo Sub Area	Bachelor		1 Bedroom		2 Bedroom		3 Bedroom +	
	Rental Condo Apts.	Apts. in the RMS[1]	Rental Condo Apts.	Apts. in the RMS[1]	Rental Condo Apts.	Apts. in the RMS[1]	Rental Condo Apts.	Apts. in the RMS[1]
Centre	**	963 a	1,670 b	1,178 a Δ	**	1,507 a	**	2,077 b
West	**	816 b	**	1,022 a	**	1,207 a	**	1,394 a
East	**	843 a	**	974 a	1,300 d	1,115 a Δ	**	1,266 a
North	**	818 a	**	1,031 a	1,930 c	1,221 a Δ	**	1,423 a
Toronto	**	942 a	1,680 c	1,110 a Δ	1,762 c	1,301 a Δ	**	1,540 a
Peel	**	812 a	1,410 c	1,062 a Δ	1,647 c	1,235 a Δ	1,368 d	1,359 a -
Halton	**	876 a	1,330 a	1,120 a	1,963 d	1,283 a	**	1,540 a
York	**	833 a	1,455 b	1,091 a Δ	1,736 b	1,262 a Δ	**	1,441 a
Durham	**	793 a	**	904 a	**	1,042 a	**	1,223 a
Toronto GTA	**	934 a	1,625 c	1,100 a Δ	1,749 b	1,276 a Δ	**	1,497 a
Toronto CMA	**	937 a	1,638 c	1,103 a Δ	1,754 b	1,288 a Δ	**	1,510 a

[1]Apartments surveyed in the Rental Market Survey (RMS) include only those units in purpose built rental buildings with at least three rental units.

According to the Canadian Mortgage and Housing Corporation (CMHC), the rent refers to the actual amount tenants pay for their unit. No adjustments are made for the inclusion or exclusion of amenities and services such as heat, hydro, parking and hot water. For available and vacant units, the rent is the amount the owner is asking for the unit. It should be noted that the average rent reported provides a sound indication of the amounts paid by unit size and geographical sector. Utilities such as heating, electricity and hot water may or may not be included in the rent.

	Rent/month	Rent/year
Averge rent (3 bedroom)	$1,540	**$18,480**
Source: CMHC, Rental Market Report, GTA, Fall 2015		

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Hydro

Electricity in Halton Region is provided by four utilities: Burlington Hydro, Oakville Hydro, Milton Hydro and Halton Hills Hydro. The average electricity usage amount is 414 KWHs. The tiered pricing is used to calculate the monthly utilities expense.

	Tiered pricing monthly	Annual
Burlington Hydro	84.23	
Oakville Hydro	87.99	
Milton Hydro	87.54	
Halton Hills Hydro	88.71	
Average	$87.12	**$1,045.41**
Source: Oakville Hydro, Burlington Hydro, Milton Hydro, Halton Hills Hydro		

Telephone

Assuming both parents have access to a cell phone. The $50/month Smartphone Plan from Wind Mobile is used. The monthly fee is $113 (with HST) – **$1,356/year**

Tenant Insurance

As a tenant, the individual is liable for any damage or harm he/she causes to any part of the building and to others who live or visit there. The quote of **$204**/year is for basic content insurance through Chieftain Insurance against fire, theft, and personal liability.

Internet and Cable

The quote is from Cogeco.ca for a residential address in Burlington. The monthly bundle is for basic cable and standard Internet service. Monthly cost is $109.90 **($1,490**/year with HST)

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Household items and furnishing

Statistics Canada, Survey of Household Spending (SHS) provides estimates of the cost for household items, furnishing and equipment. It is assumed rent paid covers expenses related with household equipment. After adjustment for inflation, the annual cost for household items and furniture is **$541**.

Vehicle

The assumption is made that a vehicle is available to the family. It is a four-year-old Hyundai Elantra with depreciation averaged out over the period. The annual cost summary:

	Annual Cost	Source
Depreciation	$1,744.99	autotrader.ca
Insurance	$1,260.00	Kanetix
Gasoline	$1,033.56	CANSIM 326-0009, January 2016
Winter tires	$231.41	Canadian Tire
Oil changes	$180.80	average of 3 garages
Registration	$120.00	ServiceOntario
Service and repair	$588.60	CAA
Total cost	**$5,159.37**	

Public Transit

For the family of four, one parent uses the family's vehicle and the other parent and two children use public transit. Although local transit service is available in Oakville, Burlington and Milton, there is no public transit service in Halton Hills. Total annual transit cost includes the average cost of a monthly pass for the other adult, student pass for the girl and 10 round trip tickets for the 10-year-old boy.

	Adult		**Children**		**Student**		**Total**
	Monthly Pass	Annual	Children tickets	Annual	monthly pass	Annual	Annual
Burlington Transit	$ 97.00		$18.50/10 tickets	$222	$69		
Oakville Transit	$ 115.00		$3.50/ticket	$420	$70		
Milton Transit	$ 77.00		$20/10 tickets	$240	$57		
Average	$ 96.33	$ 1,156.00		$294	$65	$780	**$2,230**
Source: Burlington Transit, Oakville Transit, Milton Transit							

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Adult Education

It is assumed that each parent will take one community college course per year to upgrade his/her skills and knowledge to improve their position in the labour market.

The courses are being offered by Sheridan College and Mohawk College. The average for four different programs from the Faculty of Continuing and Professional Studies (business, human resources, justice and liberal arts and science) is calculated.

Tuition	$413.41
Text Book	$200
Total	$613.41
Annual cost (2 parents)	**$1,226.82**
Source: Mohawk College, Sheridan College	

Child care

Halton Region collects data on average market rate and home child care rate for child care spaces. The average child cost is calculated. The 10-year-old boy requires both before and after school care as well as summer time care (65 days).

Child	Child Care	Number of days	Market Rate	Home child care rate	Average cost	Annual Cost
10 yr old	Before and after school care	195	$23.4	$25.5	$24.5	$4,767.75
10 yr old	Summer camp	65	$43.3	$38.0	$40.7	$2,642.25
						$7,410.00
Source: Halton Region, Halton Child Care Market Analysis,2016						

Non-OHIP Health Care

The family requires health insurance coverage for prescription drugs, dental, vision and health practitioner. The coverage through GMS (Group Medical Services) for the whole family is about **$3,252** per year.

Family Vacation

A family vacation provides an opportunity for family members spending time together, learn about each other and do things together. Examples of family vacation may include outdoor activities, visit historic sites, camping, visiting friends and relatives, etc.

The family spends a week camping in one of Ontario's provincial camp sites. It also visits the Toronto Zoo. The total cost for the family vacation is about **$1,046.76**

	Daily fee	Annual cost
Campsite	$40.68	$284.76
Tickets to Toronto Zoo (adult)	$28.00	$84.00
Tickets to Toronto Zoo (child)	$18.00	$18.00
Parking at Zoo	$10.00	$10.00
Food on daily trips		$250.00
Other day trips		$400.00
Total		**$1,046.76**
Source: Ontario Parks , Toronto Zoo		

Monthly Family Outing

This expense includes going to the movies four times a year and a modest restaurant meal once every two months. The total cost is about $707.84.

	Individual fee	Annual cost
4 movies per year (adult)	$11.99	$143.88
4 movies per year (child)	$8.99	$35.96
6 meals out	$22.00	$528.00
Total		**$707.84**
Source: SilverCity Burlington Cinemas, local restaurants		

Personal Care

Statistics Canada, Survey of Household Spending (SHS) provides estimates of the cost for personal care. The estimate adjusted for inflation is **$841** per year.

Recreation

Statistics Canada, Survey of Household Spending (SHS) provides estimates of the cost for recreation. The estimate adjusted for inflation is **$1,495** per year.

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Reading and entertainment supplies

This expenditure includes items such as: newspapers, magazines and periodicals, books, sheet music and other printed materials, and services related to reading (e.g. photocopying, library fees). The estimate adjusted for inflation is **$327** per year.

Children's school fees and fundraising

A 2011 study[24] conducted by Social Planning Toronto found that a family of four in Toronto spent at least $320 a year on participation in school activities, including filed trips, pizza days, fundraiser, and school photographs. The inflation adjusted amount for 2015 is **$339.45**.

Bank Fees

The bank fees are sourced from the Survey of Household Spending. The inflation adjusted estimate is **$166** per year

Laundry

An average cost per load of laundry was established by sampling a number of laundromats in various locations including apartment run facilities. It is assumed that the family needs to do six loads of laundry per week. The annual cost is about **$1,496.45**.

	Average cost /load	6 loads/week	Annual
Wash	$3.10		
Dry	$1.70		
Total	$4.80	$28.80	**$1,496.45**
Source: local laundromats			

Contingency Amount

The Contingency Amount provides some cushion for unexpected events, like the serious illness of a family member, transition time between jobs, etc. It is provided as a percentage (4%) of total expenses.

[24] Social Planning Toronto, Public System, Private Money: Fees, Fundraising and Equity in the Toronto District School Board, September, 2011

Income Totals and Wage Result

For the family of four, a total household employment income of $70,073 is needed in order to cover the total family expenditures. The net income (income after tax and transfers) reconciliation takes into account the income tax ($5,924), CPP and EI deduction ($4,439) and Child Tax Benefit ($6,071). To earn the before-tax income, both parents require full-time full year work at 37.5 hours per week at **$17.95** an hour.

Household Employment Income		$70,073.00
Non-wage income - Canada Child Benefit (CCB)	$6,071.00	
Federal Income Tax	$4,456.00	
Provincial Income Tax	$1,468.00	
Total Government Taxes		$5,924.00
Income after Taxes and Credits		$64,149.00
Less: CPP and EI Contributions		$4,439.00
Plus: Total Government Transfers		$6,071.00
Income after Taxes and Credits		$65,781.00
Living Wage		**$17.95**

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