

Regina's LIVING WAGE

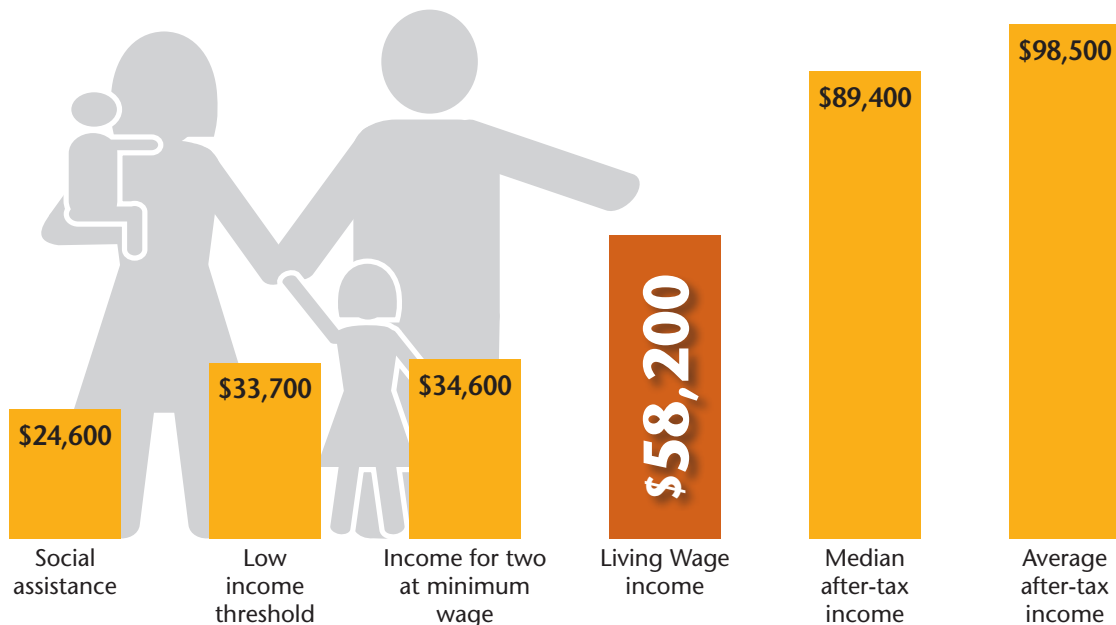
\$16.46 PER HOUR

The Living Wage for a Regina family with two working parents and two children, ages four and seven, is \$16.46 per hour. This wage amounts to a combined family income of \$58,245 annually.

To earn this amount both parents work full-time to meet the family's basic needs and avoid falling below the poverty line. A Living Wage permits families to have decent housing, transportation and nutrition while also allowing them to actively participate in community life and plan for the future. The Living Wage is designed not to just allow families to survive, but to thrive.

In 2011, 23 percent of families in Regina earned incomes less than what a Living Wage provides. In a low wage economy this cohort of families is constantly challenged to stay above the poverty line.

Annual family income, Regina



The Living Wage differs from both the minimum wage and the average wage. At minimum wage (currently \$10 per hour in Saskatchewan), both parents working full-time, annual family income is \$34,600, a few dollars above the poverty line. Social Assistance benefits for a similar family

provide under \$25,000. In contrast, in 2011 one-half of Regina families had more than \$89,000 in income. The annual income for a family with each parent earning the Living Wage is about midway between the average family and poverty level.

What is a Living Wage?

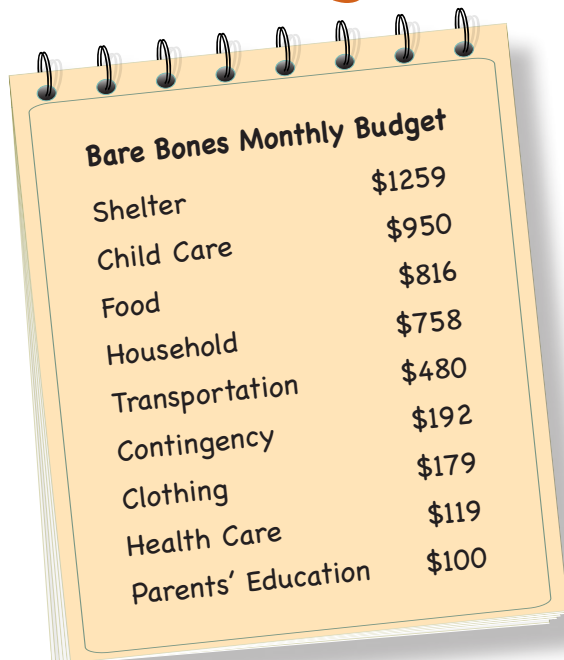
A Living Wage is the hourly wage rate at which a household can meet its basic needs, once government transfers have been added to the family's employment income and tax deductions have been subtracted.

The Living Wage is different from the minimum wage, which is the legislated minimum set by the provincial government. The Living Wage calls on employers to meet a higher standard for both their direct staff and major contractors — it reflects what people need to support their

families based on the actual costs of living in a specific community.

The Living Wage provides an income to meet necessary expenditures and ensures that a family does not slip into poverty. Parents and children can participate in work, life, recreational, and community activities. But it is not a lavish wage — it doesn't allow families to save for retirement, post-secondary education for children, home ownership or service existing debt. There is only a minimal income cushion in the case of a family emergency.

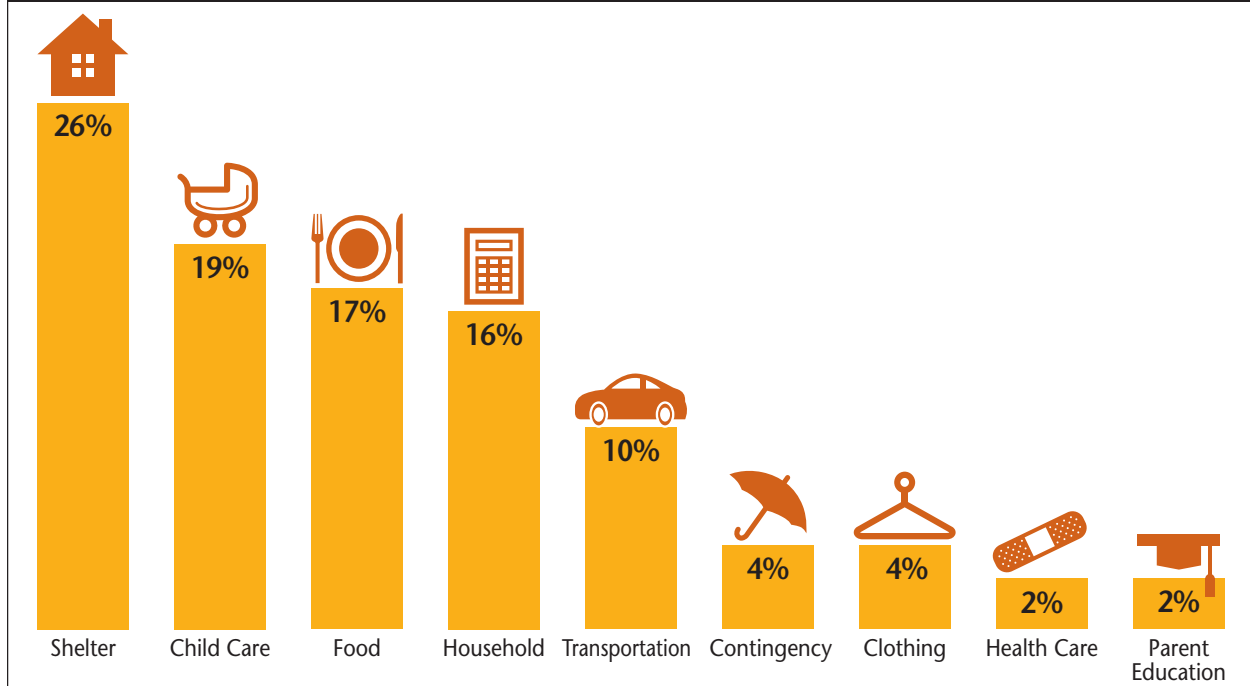
Calculating a Living Wage



Bare Bones Monthly Budget	
Shelter	\$1259
Child Care	\$950
Food	\$816
Household	\$758
Transportation	\$480
Contingency	\$192
Clothing	\$179
Health Care	\$119
Parents' Education	\$100

We estimated the expenses a family of four would have for necessities. Our model family has two parents, each working 35 hours per week for a full year, a male child aged seven, and a female child aged four. The family rents a three bedroom apartment and for transportation has a used car and one Regina Transit pass. The four year old attends a licensed day care full-time and the seven year old a before and after school program at a licensed day care. Each parent takes one post-secondary course per year to upgrade their skills, credentials, and future career options. An additional two weeks pay is included as a contingency for unexpected expenses.

Annual expenses for a Regina family of four



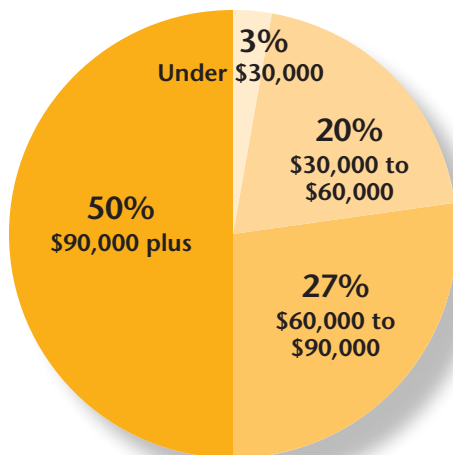
After estimating the above expenditures for the year 2012, the Living Wage of \$16.46 an hour is the wage that balances the following equation:

$$\text{Expenses} = \text{Employment Income} + \text{Government transfers} - \text{Income and payroll taxes}$$

$$\text{\$58,245 annual expenses} = \text{\$60,244 employment income} + \text{\$4,343 transfers} - \text{\$6,342 taxes}$$

Each parent is employed for 35 hours per week for 52 weeks, or 1820 hours per year. Transfers include tax credits and child tax benefits.

Distribution of family income, Regina



In Regina in 2011, of the 55,000 families with two or more persons, 3 percent had after-tax incomes of under \$30,000. At the top end, 50 percent had incomes of \$90,000 plus. The Living Wage produces an after-tax income of just under \$60,000. 23 percent of families had incomes less than this. Increasing wages to the Living Wage level would improve the lot of these 13,000 families currently in poverty or with low incomes.

A Living Wage for Working People

A Living Wage for working people will:

- Reduce poverty by ensuring that public and private employers pay workers enough to meet families' actual costs of living.
- Help close the gap between male and female wages.
- Increase workers' purchasing power, thus benefiting families, businesses, communities and the local economy.
- Reduce employee turnover and associated employer training costs while raising employee productivity and morale.

Paying a Living Wage

- In 2011, the City of New Westminster became a Living Wage employer, requiring that all firms contracting directly or indirectly with the city to provide services on city premises pay their employees a Living Wage.
- The Living Wage for Families organization in British Columbia has certified Vancity, CCEC, and Community Savings credit unions as Living Wage employers. Among other certified employers are the Canadian Cancer Society – BC and Yukon Division, United Way of Lower Mainland, and United Food and Commercial Workers. See <http://www.lwemployers.ca/>
- Over 140 Living Wage ordinances have been adopted in the United States. These include the following: Fair Wages for New Yorkers, San Jose Living / Prevailing Wage, Living Wage Program in Baltimore, Living Wage Ordinance in Boston, the City of Santa Fe Living Wage Ordinance, and the Minneapolis Living Wage and Responsible Public Spending Ordinance.
- The City of Grande Prairie in Alberta has calculated a Living Wage as a resource for community partners.
- The Regina Living Wage Project is organized and conducted by the Canadian Centre for Policy Alternatives – Saskatchewan and follows the Living Wage models for Vancouver and other Canadian cities that was pioneered by the BC Office of the Canadian Centre for Policy Alternatives.

All statistics in this report were obtained from Statistics Canada, Federal and Provincial government departments and other Saskatchewan organizations. For more information on Living Wage calculations contact ccpasask@sasktel.net

For more information on how to participate in the Living Wage for Regina Campaign please contact the Canadian Centre for Policy Alternatives – Saskatchewan Office.

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This research made possible through the generous support of the Community Research Unit at the University of Regina.



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