



living wage for families campaign

Media Release

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2014 living wage calculation: Parents need two minimum wage jobs each to support a family in Metro Vancouver

(Vancouver) A report released today finds that the wage needed to cover the costs of raising a family in Metro Vancouver is \$20.10 per hour. This is the 2014 Metro Vancouver *living wage* rate, the hourly wage that two working parents with two young children must earn to meet their basic expenses (including rent, child care, food and transportation), once government taxes, credits, deductions and subsidies have been taken into account.

The 2014 Metro Vancouver living wage rose by 48 cents from the 2013 figure of \$19.62/hour, according to *Working for a Living Wage 2014: Making Paid Work Meet Basic Family Needs in Metro Vancouver*, a report published by the Canadian Centre for Policy Alternatives-BC office, First Call: BC Child and Youth Advocacy Coalition, and the Metro Vancouver Living Wage for Families Campaign. This represents an increase of 2.4%, much higher than the general inflation rate of 0.2% for Vancouver.

Living wage rates have also risen faster than inflation for the Fraser Valley and the Capital Regional District, to \$17.02 and \$18.93 respectively, where reports were also released today.

“The Metro Vancouver living wage rate has crossed an important threshold – it is now over twenty dollars – almost double the current minimum wage,” says Michael McCarthy Flynn, Campaign Organizer with the Living Wage for Families Campaign. “The stark reality of this is that workers in minimum wage jobs in Metro Vancouver have to work two jobs just to make ends meet.”

Child care and shelter costs are the two big drivers of the living wage increase. Child care costs rose by \$48 per month, while rent costs were up by \$50 per month. Other items in the family budget that saw increases higher than inflation were clothing and footwear (2%), MSP premiums (4%) and non-MSP healthcare expenditures (2%). MSP premiums rose in 2014 for the fifth consecutive year, and have added \$30.50 to the family’s monthly expenses since the Metro Vancouver living wage was first calculated in 2008.

“Though a \$20.10 hourly living wage rate may be a surprise to some, it is important to remember that this high wage rate reflects, in part, a failure of public policy to ensure

affordability and a decent quality of life for all families,” says Igluka Ivanova, CCPA economist and co-author of the report. “Investing in universal affordable childcare, more affordable rental and social housing, or better public transportation would significantly reduce the costs of raising a family and lower the living wage. For example, the \$10/Day Child Care Plan proposed by the Child Care Advocates of BC and the Early Childhood Educators of BC, would reduce the Metro Vancouver living wage by \$3.57 per hour, bringing it to \$16.53.”

BC now has the highest child poverty rate in Canada, and has ranked worst in Canada for nine out of the last ten years (we were second-worst in 2010). The story of child poverty is very much a story of low wages. In 2011 (the last year for which we have data), one out of every three poor children (32%) lived in families where at least one adult had a full-time, full-year job and a majority lived in families with some paid work (part-year or part-time).

“The living wage is one of the most powerful tools available to address BC’s troubling state of child poverty and working poverty more broadly,” says McCarthy Flynn. “It calls on employers to pay wages that reflect the actual costs of living in their communities.”

Thirty-six organizations in Metro Vancouver, employing over 6,000 workers and covering many thousand more contracted service workers, have been certified as Living Wage Employers. These include SAP-Vancouver, Vancity, The Canadian Cancer Society – BC and Yukon Division, the City of New Westminster and Eclipse Awards, winner of Small Business BC’s “Best Employer” in 2012 and “Best Green Business” in 2014.

Working poverty is a Canada-wide issue. 25 communities across the country, including 11 in BC, have calculated their local living wages and are campaigning to improve quality of life for low-wage workers. Metro Vancouver’s is in the unenviable position of being the first community where the Living Wage rate has broken the \$20 per hour mark.

Download *Working for a Living Wage 2014: Making Paid Work Meet Basic Family Needs in Metro Vancouver* at policyalternatives.ca/livingwage2014.

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