

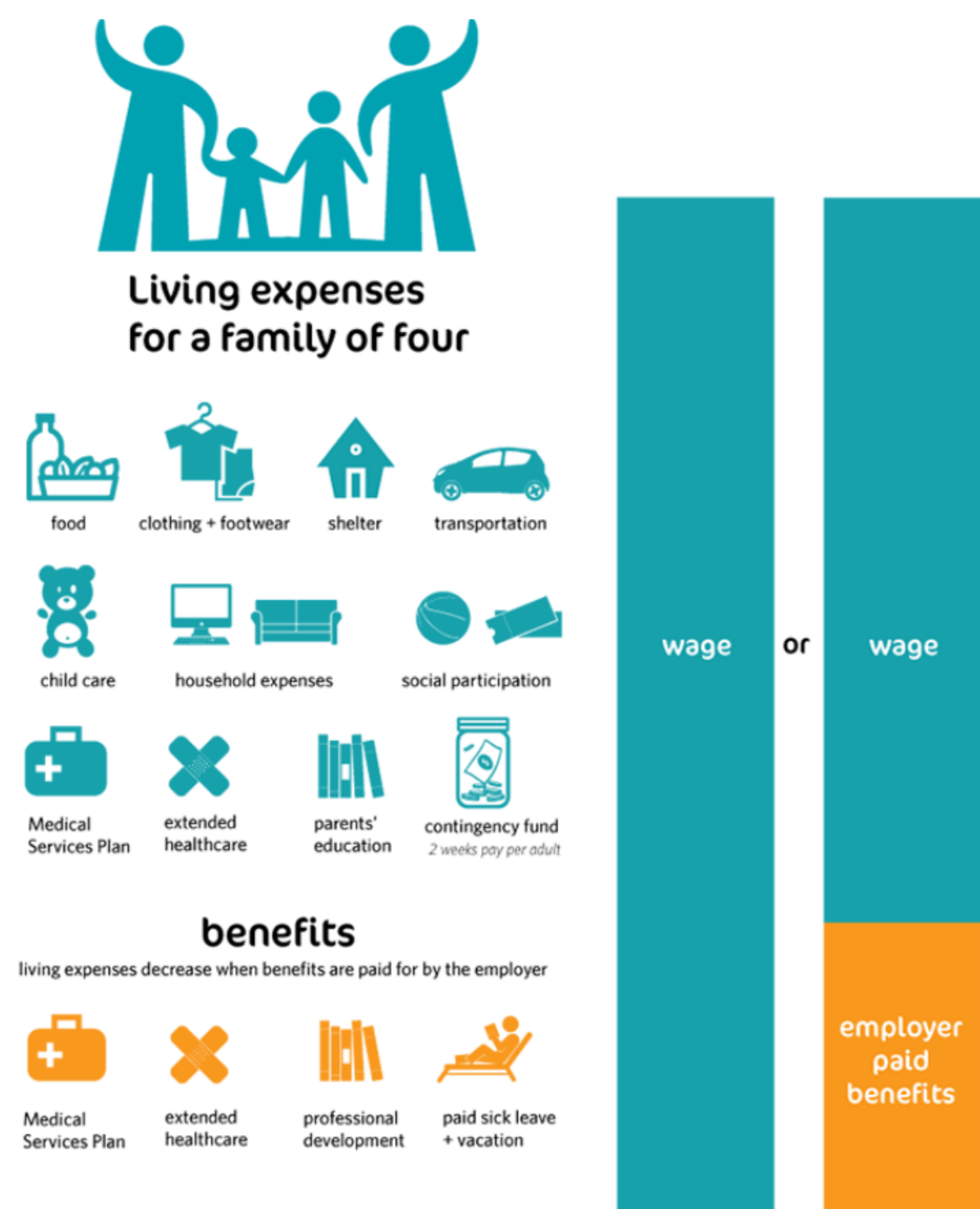
Golden living wage explained

The Living Wage is enough for a family with two young children to cover the necessities, support the healthy development of their children, escape severe financial stress and participate in the social, civic and cultural lives of their communities. It affords a decent if still very modest standard of living without the extras many of us take for granted.

A strikingly large gap exists between the 2022 Golden Living Wage and BC's current minimum wage of \$15.65 per hour. Many families earn less than the Living Wage and struggle to make ends meet.

Living Wage in Golden: \$25.56/hour

Monthly Budget - Family of 4	
Food	\$1,174
Shelter	\$2,092
Childcare	\$1,145
Transportation (including 2 cars in rural areas)	\$943
Non MSP health care	\$225
Phone & Internet	\$247
Clothing & footwear	\$174
Parent's education	\$86
Contingency Fund	\$298
Other household & social participation	\$1,016



Including:

- **Shelter:** median cost of a 3 bedroom rental (Housing Needs Assessment Golden Area 2021), including utilities and insurance on home contents.
- **Food:** cost of purchasing Health Canada's National Nutritious Food Basket, which includes a nutritious diet but does not consider special dietary needs, cultural or other food preferences and the cost of condiments or spices.
- **Clothing & Footwear:** based on the National Market Basket Measure.
- **Childcare:** includes child care fees for a 4 year-old in full-time licensed group care and a 7 year-old in before/after-school care, full-time care during 3 weeks of winter and spring breaks, and 6 weeks of full-time summer care, reduced by the amount of the BC Affordable Child Care Benefit for which the living wage family is eligible.
- **Transportation:** includes the amortized cost of owning and operating 2 used cars (areas with no public transit).
- **Non MSP Health Care:** basic extended health and dental plan with Pacific Blue Cross insurance, which does not include the out-of-pocket portion of expenses only partially covered by the plan.
- **Phone & Internet:** cost of high-speed home internet and 2 mobile data plans including the purchase of 2 basic smartphones.
- **Contingency Fund:** 2 weeks' wages for each parent, which provides some cushion for unexpected events like the serious illness of a family member or transition time between jobs.
- **Other Household & Social Participation:** covers toiletries and personal care, over-the-counter medication and expenses not fully covered by private health insurance, furniture, household supplies, school supplies and fees, bank fees, some reading materials, minimal recreation and entertainment, family outings (e.g., museums, cultural events), birthday presents, modest family vacation and some sports and arts activities for the children.

Note: The Living Wage family's expenses are partially offset by government transfers the family receives (Canada Child Benefit, BC Affordable Child Care Benefit and BC Child Opportunity Benefit, a total of \$17,114 in this calculation).

A Living Wage does not cover additional expenses such as:

- Debt repayment from credit cards, loans or other interest payments.
- Future savings for home ownership, retirement or children's university education.
- Anything beyond minimal recreation, entertainment and holiday costs.

A LIVING WAGE LIFTS WORKING FAMILIES OUT OF POVERTY

A Living Wage is different than a minimum wage. The minimum wage is the legislated minimum set by the provincial government.

The Living Wage is first and foremost a call to employers to pay both direct and contract employees wages sufficient to support families. At a time of a sharply increasing cost of living, it is essential that both public and private sector employers take a closer look at the earnings of their lower-paid workers and consider how far these earnings stretch in our most expensive regions. Boosting the earnings of these households is a key contribution that employers can make to support poverty reduction efforts and pandemic recovery across the province. It is also an effective way of stimulating the local economy because lower-income families tend to spend almost all of their income in their communities. Paying Living Wages can have concrete benefits for employers, including reduced absenteeism and staff turnover, increased skill, improved morale and productivity levels, reduced recruitment and training costs and improved customer satisfaction.

Employer-paid benefits that reduce out-of-pocket costs for families—such as extended health and dental coverage, paid sick time and vacation over and above the statutory minimums, can reduce the hourly rate needed to meet family expenses just like government transfers do.

But the Living Wage is not just about employers—the labour market alone cannot solve all problems related to economic insecurity. Our standard of living is a combination of earnings, benefits, government income supports and accessible public services that reduce the cost of living.

A key way employers can help moderate increases in the Living Wage is to advocate for better income supports that reduce financial pressure on low- and middle-income earners and enhanced public investments in programs that improve quality of life for all families like affordable housing, universal child care and pharmacare.

Direct government transfers can put money into the pockets of low- and middle-income households, as provincial and federal child benefits do for families with children. These benefits moderate the increase in the Living Wage amid a sharply rising cost of living. However, many direct transfers and subsidies are reduced or eliminated once a family reaches an income level well below the provincial living wages. For example:

- Federal GST Credit (not available to families with combined net income above \$57,132).
- BC Rental Assistance Program (not available to families with combined gross income over \$40,000, which is lower than the poverty line for a family of four anywhere in BC).
- Canada Workers Benefit (not available to families with combined net income over \$42,197).

Golden Community Economic Development worked with Living Wage for Families BC and other community organizations, following provincial guidelines

For complete report and more information on the process, visit:

- Living Wage for Families BC: <https://www.livingwageforfamilies.ca/>

