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THE LIVING WAGE FOR A FAMILY OF FOUR IN THE CITY OF GREATER SUDBURY

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- Nicole Beaulieu: Executive Director of the Sudbury Worker's Education & Advocacy Centre (SWEAC)
- Shelly Condratto: PhD Candidate, Laurentian University
- Réjean Amyotte: Public Service Alliance Canada Ontario Region Term Regional Representative

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INTRODUCTION

As the province of Ontario continues its shift to a “low wage economy”; creating more low wage temporary and part-time work as opposed to supporting permanent full-time employment, Ontario workers are finding it difficult to obtain appropriate work and earn enough to support themselves. In Ontario, 33% of workers were paid low wages in 2014 compared to only 22% in 2004 (Gellatly, 2015, P. 1), part-time employment has grown 25%, temporary employment has grown 40%, and full-time work has grown only 16% since 2000 (Gellatly, 2015, P. 6). Although the research of Sudbury-specific low wage precarious work is lacking; these Ontario statistics suggest the City of Greater Sudbury is not immune to this trend, and combined with Sudbury’s continually increasing cost of living due to its large geographic area and Northern isolation (MacDonald, 2012), Sudbury workers are having difficulty keeping up with the province’s job economy. As a result Sudbury workers are often forced into precarious employment, accepting low wage temporary and part-time jobs, in many instances more than one, in an attempt to support themselves and their families. These high levels of precarious work have forced working families to live in low wage poverty. Without a proper wage families are left with few resources to escape the vicious cycle of poverty.

A valuable tool to combat this slide into low wage poverty is the calculation of a living wage. Unlike the minimum wage; which is the lowest hourly rate an employer can pay an employee and which is expected to be raised to \$11.25 (\$10.55 for students) on October 1st, 2015 (Ontario Ministry of Labour, 2015), a living wage “reflects what earners in a family need to bring home based on the actual costs of living in a specific community” (Living Wage Canada, 2015). Calculated as an hourly rate, the living wage includes government transfers and deductions to a family’s income to reflect what a household must earn to meet its basic needs. The minimum wage is a provincial legislation which sets the wage floor (Tiessen, 2015, P. 9) whereas the living wage is voluntary; or more appropriately, a call to action. It calls on employers in both the private and public sectors to pay their regular and contract employees’ wages that will provide enough to support themselves and their families.

We recognize that the living wage is not without its limitations; for example the number does not allow for families to save for their children’s education nor does it acknowledge the debt most families carry. Instead, a living wage is a number that allows families to meet their basic needs. Realistically it is a moderate, yet reasonable, estimate. Nevertheless, a living wage:



- Enables working families to have sufficient income to cover reasonable costs
- Promotes social inclusion
- Supports healthy child development principles
- Ensures that families are not under severe financial stress
- Engenders significant and wide ranging community support
- Is a vehicle for promoting the benefits of social programs such as childcare

(Bruijns, and Butcher, 2014, P. 5-6)

Supporting a living wage won't end the province's growing dependence on precarious part-time employment. It is, however, a stark reality check; proving many low wage employees are not earning enough to meet their basic needs.

CALCULATING SUDBURY'S LIVING WAGE

Despite the lack of research mentioned previously, it is still evident low wage precarious work has had a devastating effect on Sudbury workers. On July 23rd, 2015, a consultation was held in Sudbury on the Changing Workplace review. In this consultation, community members from Sudbury, North Bay, Nipissing, and other Northeastern Ontario communities highlighted the plight faced by low income workers forced to accept precarious and low paying jobs. Instances such as sick workers unable to afford to miss work and thus causing a contamination; temporarily closing the restaurant (Sutcliffe, 2015), and full time positions getting replaced with low paying part time positions (Mulligan, 2015) were brought forth during the discussion. Prior to this consultation community members came together to recognize, while it won't end the growth of precarious work, calculating a living wage for the city of Greater Sudbury is an effective tool in highlighting the short comings of this low wage economy. For the month of June 2015, the Sudbury Living Wage Steering Committee, consisting of Nicole Beaulieu; Executive Director of the Sudbury Worker's Education & Advocacy Centre (SWEAC), Shelly Condratto; PhD Candidate, Laurentian University, and Réjean Amyotte; Public Service Alliance Canada Ontario Region Term Regional Representative, met in several in person and online meetings to discuss the costs to include to best represent Sudbury's living wage. Constrained by a relatively limited time frame, the steering committee decided to only calculate a living wage for a family living in Sudbury. As the Sudbury living wage gains momentum it is our hope to calculate living wages for more than just one family structure.



This living wage calculation is based on the expenses of a four person family (two parents age 35, a son age 7, and daughter age 3) with both parents working the average hours for full time employment in Ontario (37.5 hours) (Tiessen, 2015. P. 12). *Table 1* provides a summary of the annual expense for a family of four to live a healthy and socially inclusive life in Sudbury.

Table 1: Summary of Annual Family Expenses

Family Expense	Annual Amount
Food	\$8,144.76
Clothing and Footwear	\$1,844.01
Shelter	
Rent (3 Bedroom)	\$12,708
Utilities	\$1,026.72
Tenant Insurance	\$240
Household Items and Furniture	\$599.21
Transportation	
Vehicle and Transportation Miscellaneous	\$6,817.65
Public Transit	\$1,584
Childcare	\$14,690
Social Inclusion	
Cell Phone	\$1,200
Family Expense	
Internet/Home Phone/Cable	\$839.40
School Supplies and Fees	\$335.45
Recreation and Family Monthly Outings	\$2,458.04
Family Vacation	\$673
Insurance	
Non-OHIP Medical Insurance	\$2,214
Disability and Life Insurance	\$2,400
Other	
Personal Care	\$897.98
Laundry	\$1,613.02
Parent Education	\$1,225.74



Reading	\$134.96
Bank Fees	\$155.40
Other	\$941.69
Contingency	\$2,558.21
Total Family Expenses	\$65,301.24

The living wage is calculated using a formula established by the National Living Wage Network and is applied in all living wage calculations. The annual family income represents the accumulated total of household employment income and government transfers (\$74,868.66) minus Employment Insurance (EI) premiums, Canadian Pension Plan (CPP) premiums, and federal and provincial taxes (\$8,355.13). What is left is the net income a family in Sudbury needs to earn in order to afford the basic minimum standard of living. As a result, a family needs to earn **\$66,513.53** annually to meet the bare minimum cost of living in Sudbury. *Table 2* provides a summary of the family's income, government transfers, and deductions. This will be explored more in depth later in the report.

Table 2: Summary of Income and Deductions

Income	Total
Household Employment Income	\$64,377.03
Universal Child Care Benefit	\$2,640
Canadian Child Tax Benefit	\$2,479.24
Child Care Subsidy	\$5,372.39
Working Income Tax Benefit	\$0
Ontario Child Benefit	\$0
Total	\$74,868.66
Deduction	Total
Tax After Credits	\$4,304.68
CPP and EI Contributions	\$4,050.45



Total	\$8,355.13
Calculating the Net Income	
Total Income	\$74,868.66
Total Deductions	\$8,355.13
Net Income	\$66,513.53

It has been calculated using the Centre for Policy Alternatives' Living Wage Ontario Tax and Transfer Calculator; working full time, parents must receive an hourly wage of **\$16.18** to meet this cost.

HEALTHY FOOD

The ability for families to purchase healthy food is important in calculating a living wage. In Ontario calculating a community specific Nutritious Food Basket is required by all public health units. The Nutritious Food Basket determines the cost of healthy eating using the lowest retail prices of food items which meet Health Canada's nutrition recommendations. These recommendations are provided for different ages and genders; thus, the Nutritious Food Basket also calculates the cost based on age and gender. The cost includes an additional 5% to account for baking supplies, coffee, tea, and other miscellaneous food items (Sudbury District Health Unit, 2015). Sudbury's Nutritious Food Basket can be found by contacting the Sudbury District Health Unit. *Table 3* provides a breakdown of the costs necessary for a family of four to eat a healthful diet in Sudbury.

Table 3: Healthy Food

Family Member	Monthly Cost	Annual Cost
Mother (35)	\$199.09	\$2,389.08
Father (35)	\$235.29	\$2,823.48
Daughter (3)	\$105.39	\$1,264.68
Son (7)	\$138.95	\$1,667.40
Total	\$678.73	\$8,144.76



CLOTHING AND FOOTWEAR

The Market Basket Measure (MBM) makes available an estimate of the cost for a basic standard of living for a family of four (two adults, two children) (Bruijns, and Butcher, 2014, P. 8). The clothing and footwear expenditure for the living wage calculation is found in the 2011 Market Basket Measure for Ontario Communities; Population 100,000-499,999 (Statistics Canada, 2011). The 2011 number has been updated using Canada’s consumer price index for clothing and footwear (Statistics Canada, 2015). The cost provided by the MBM is an estimate of what families living close to the low wage threshold would spend on clothing and footwear. As a result this number will allow families to purchase only the minimum and what is absolutely needed (Tiessen, 2015, P. 14). *Table 4* is a monthly breakdown of this cost.

Table 4: Clothing and Footwear

	Monthly Cost	Annual Cost
Market Basket Measure Estimate	\$153.67	\$1,844.01

SHELTER

The cost of shelter used in the living wage calculation includes the rent of a three bedroom apartment, utilities, tenant insurance, and household furnishings. *Table 5* breaks down the shelter cost of a family of four living in Sudbury.

Rent

The Canadian Mortgage Housing Corporation (CMHC) provides an annual report on the median and/or average rates for availability, vacancy, and rent in rental markets across the country. The most recent report, 2014, states the average monthly rent for a three bedroom apartment in Sudbury is \$1,059. It is important to note the vacancy rate for three bedroom apartments in Sudbury is 3.1%; the lowest vacancy rate compared to all other types of apartments in Sudbury (Canadian Mortgage Housing Corporation, 2014, P. 8). The lower the vacancy rate, the more difficult the task of finding affordable housing and/or housing that meets one’s needs. A four person family will have difficulty finding a three bedroom apartment in Sudbury.



Utilities

There is a primary hydro provider in Sudbury which reaches most of the Sudbury community, however; not all of the City of Greater Sudbury falls within the company's service area. As a result, the Living Wage Sudbury steering committee felt including a second company in the cost calculation better represents the utility cost of the city and area. This calculation uses the 2011 Survey of Household Energy Use (SHEU-2011) findings which indicate the monthly average energy use for a family in Ontario is 414 kWh (converted from gigajoule) (Natural Resources Canada, 2011, P. 26). Using this number, the monthly cost for a family in Sudbury is \$74.64 with one company and \$96.48 with the other. The average of these two costs equals \$85.56.

Tenant Insurance

To protect families from unforeseen disasters, it is important for a living wage calculation to include tenant insurance. The cost of tenant insurance is the lowest estimate provided by www.kanetix.ca with a replacement value of \$40,000 (the lowest option available) and a \$500 deductible. The deductible has not been included in the calculation.

Household Furnishings

The 2013 Survey of Household Spending provides estimates for necessary household expenditure based on income bracket and location (Statistics Canada, 2013). The Ontario household furnishing expenses used in this calculation are from this survey. The Canadian consumer price index for household furnishings has been applied to this number to account for inflation. Not unlike the clothing and footwear expenditure, this calculation uses the second lowest income quintile. Families in this income bracket can only afford low quality items and the necessities.

Table 5: Shelter

	Monthly Cost	Annual Cost
Rent-3 Bedrooms	\$1,059	\$12,708
Utilities	\$85.56	\$1,026.72
Tenant Insurance	\$20	\$240
Household Furnishings	\$49.93	\$599.21
Total	\$1,214.49	\$14,573.93



TRANSPORTATION

The City of Greater Sudbury encompasses a large region which includes numerous sparsely populated rural areas. While transit is made available to residents and is available in some rural areas of Greater Sudbury (such as Capreol, Falconbridge, Lively, and other outlying communities); public transit does not extend to every community. The city's sheer size makes owning a vehicle utterly necessary for families. It is unrealistic to expect a family to rely on transit and taxis to maneuver throughout the city and area. As a result this calculation assumes the family owns their own vehicle while one parent and both children purchase twelve thirty-one day bus passes throughout the year. The steering committee omitted the cost of a taxi in the final calculation; reasoning that with access to both a vehicle and a bus pass, a family would be less likely to rely heavily on taxis for transportation.

Cost of Owning a Vehicle

The cost of owning a vehicle in this calculation includes the monthly depreciation cost, insurance, gasoline, oil changes, vehicle registration, street parking, and repair costs. Instead of including the price of the car, this calculation, like all living wage calculations across the country, includes the annual depreciation cost of the vehicle over a five year period (Edmunds, 2015). The cost of insurance is determined using www.kanetix.ca. The price of gasoline is estimated at \$1,843. This estimate comes from the average kilometers driven by Sudburians in a year (20,000) (Statistics Canada, 2006, P. 35), the vehicle's liter per kilometer, and the average price of gasoline in Sudbury (\$1.23) (CTV, 2015) (Natural Resources Canada, 2015). The cost of street parking is an average of the monthly parking rates made available by the Greater Sudbury website. The repair costs of the vehicle is found in the Canadian Automobile Association's (CAA) 2013 edition of *Driving Costs* (CAA, 2013, P. 5). *Table 6* breaks down the yearly costs of owning and operating a vehicle in Sudbury

**Table 6: Cost of Owning a Vehicle**

	Monthly Cost	Annual Cost
Depreciation	\$163.77	\$1,965.24
Insurance	\$117	\$1,408
Gasoline	\$153.58	\$1,843
Oil Change	\$14.28	\$171.41
Registration	\$4.08	\$49
Street Parking	\$61.75	\$741
Repair Costs	\$53.3	\$640
Total	\$567.76	\$6,817.65

Public Transit

Greater Sudbury Transit provides thirty-one day bus passes at the rate of \$82 for adults, \$49 for older children, and at no expense for children five and under. A \$6 dollar photo ID must be purchased once a year for every bus pass paid. It has been calculated a family will have to purchase twelve thirty one day passes throughout the year. *Table 7* provides a breakdown of this cost of public transit.

Table 7: Public Transit

	Monthly Cost	Annual Cost
Adult	\$82	\$984
Older Children	\$49	\$588
Photo ID*	\$12	\$12
Total	\$143 (First Month) \$131 (Following)	\$1,584

*Paid once a year.



CHILDCARE

The childcare amounts used in the calculation represent center-based licensed childcare made available through the Greater Sudbury website. Childcare is the single most expensive cost used in the living wage calculation. With both parents working full time, it is essential to include before and after school care for the seven year old child. This child will require 195 days of before and after school care and 65 days of full day care. In Ontario parents automatically receive a childcare subsidy if their income is low enough. Those who do not have a low enough income to automatically qualify can apply for more or less of a subsidy based on their income. Across the province many parents are unable to access subsidized childcare as waitlists are exceptionally long. Luckily for Sudburians, there is no local waitlist; reducing the living wage significantly. Without a subsidy the Sudbury living wage would be significantly higher. *Table 8* provides a breakdown of the cost of childcare in Sudbury.

Table 8: Cost of Childcare

		Number of Days	Daily fee	Total Annual
3 Year Old	Full Day	260	\$37	\$9,620
7 Year Old	Before and After School Care	195	\$15.50	\$3,022.50
	Full Day	65	\$31.50	\$2047.50
Total				\$14,690.00

SOCIAL INCULSION

Social inclusion is a vital component of the living wage calculation. Many of the items included in these costs, such as cell phones, internet, cable, vacations, etc. are often scoffed at as luxuries. The living wage movement in Canada believes all people deserve fair access to society. Ignoring these costs condemns a family to live a life without access to vital resources which reduce stress and allow for a happy and fulfilling life that includes broader community participation.

Cell Phone

In today's technologically connected society it is unrealistic to expect a family to live without a smartphone. With this in mind, this calculation includes the cheapest available plan that will allow both



parents to possess their own phone. The plan selected is extremely limited as it requires both parents to share a minimum data plan and amount of minutes. The plan does allow for limited long distance calling.

Internet/Home Phone/Cable

When deciding to include an internet/home phone/cable bundle, two options were presented to the steering committee: (1) include a bundle of the three items in the calculation or (2) include the cost of only the internet and home phone. Arguments supporting option #2 include the fact more families are opting out of their cable and are relying on internet streaming services to provide entertainment. While this is no doubt a growing trend among families, the steering committee felt excluding the types of cultural institutions found on cable television, such as access to viewing sports, and the costs associated with purchasing the streaming services to replace these institutions make it more reasonable for a family to purchase an internet/TV/cable package (i.e. option #1). The cost of the bundle comes from a low end cable company in Sudbury that provides more affordable prices. A one-time installation fee of \$99.95 is required for this package. This installation fee, as a one-time payment only, is not included in the calculation. *Table 9* highlights the monthly and annual costs of a cell phone and an internet/cable/home phone package.

Table 9: Communications

	Monthly	Annual
Cellphones	\$100	\$1,200
Internet/Cable/Home Phone	\$69.95	\$839.40

School Supplies and Fees

The living wage calculation includes the annual cost of school activity fees, school photos, field trips, pizza days and other fundraisers, as well as basic school supplies. These numbers are a representation of the cost of school supplies and fees across the province, as reported in *Calculating a Living Wage for Hamilton* (Mayo, 2011, P. 3). The Canadian consumer price index was applied to better reflect the 2015 cost. *Table 10* provides a breakdown of the cost of school supplies and fees.



Table 10: Cost of School Supplies and Fees

School Supply	Monthly Cost	Annual Cost
School Activity Fee	\$5.24	\$62.90
School Photos	\$2.62	\$31.45
Field Trips	\$8.74	\$104.83
Pizza Day and Other Fundraisers	\$5.24	\$62.90
School Supplies	\$6.12	\$73.38
Total Cost	\$27.95	\$335.45

Recreation and Monthly Family Outings

The annual cost of recreation in Sudbury is higher than most other living wage communities. This is attributed to the higher than average YMCA Membership rate in Sudbury. The YMCA does offer geared to income membership rates, however the income bracket cut-off for these membership rates is a combined income of \$42,000 a year which is much lower than the combined income this living wage calculation has calculated. The YMCA encourages families to engage in physical activities throughout the entire year regardless of weather, and is therefore an important family cost. Also included in this cost is the Science North membership fee. This fee of \$203 has been calculated for a family of four. This membership will allow the family unlimited trips to both Science North and Dynamic Earth throughout the year. It would cost the family \$200 to spend one day each at Science North and Dynamic Earth. The steering committee felt it was reasonable for a family of four to attend the movies four times a year. The price of snacks is not included in this cost. It was reasoned families can use money from their contingency amount to pay for snacks. It has been reported the average Canadian family goes out to dinner once every week, spending an average of \$8.80 per person each time (Drew, 2012). The steering committee felt it was unreasonable to expect a family to go out to eat once per week. Furthermore, the national average of \$8.80 per person was deemed too low. For the purpose of this calculation the steering committee suggests a family go out once a month (twelve times in a year) and allow \$11 for each family member. This number will allow families to spend a little more during family celebrations at the expense of a food outing. *Table 11* breaks down the cost of recreation and monthly family outings.

**Table 11: Recreation and Monthly Family Outings**

Activity	Monthly Cost	Annual Cost
YMCA Membership	\$134.72	\$1,616.64
Membership at Science North	\$16.95	\$203.40
Movies (4x a Year)	\$9.17	\$110
Dinner Out (12x a Year, Once a Month)	\$44	\$528
Total	\$204.84	\$2,458.04

Family Vacation

The living wage calculation includes the cost for a two week vacation; a one week camping trip and a week-long “staycation”, including trips to local places of interest and events. The Greater Sudbury website advertises three campground locations; Centennial Park, Ella Lake, and Whitewater Lake. Most of these campsites include full facilities. The weekly rate for each location is \$192. Camping equipment, such as tents, RV rentals, etc. have not been included in the living wage calculation. Sudbury is home to several affordable exhibits appropriate for the whole family. Included in the calculation are the daily costs of attending the popular Art Gallery of Sudbury and Northern Railroad Museum. In addition; as full time employees are entitled to ten business days for their vacations, the steering committee included three additional vacation days and allotted money for each day for activities and food. *Table 12* provides a breakdown of the cost of a family vacation.

Table 12: Family Vacation

Week of Camping	\$192		
Art Gallery of Sudbury		Individual	Total
	Adults	\$5	\$10
	Children	Free	Free
	Total	\$10	



Northern Ontario Railroad Museum		Individual	Total
	Adults	\$8	\$16
	Children (+3)	\$5	\$5
	Children (-3)	Free	Free
	Total	\$21	
Additional Vacation Days		\$ for Day	\$ for Food
	Per Day	\$100	\$50
	3 Day Total	\$300	\$150
	Total	\$450	
Total	\$673		

INSURANCE

The non-OHIP medical insurance cost included in the calculation is found on www.kanetix.ca. Unlike the other insurance costs provided in this calculation, this cost is not the lowest available estimate. Instead it is the second lowest. This quote is the Basic Blue Choice from Ontario Blue Cross, a basic guaranteed issue health plan. It includes \$100,000 overall lifetime maximum for extended health benefits, accidental dental, and provides basic dental, drug, and vision plans (Ontario Blue Cross, 2015). The lowest estimate from Kanetix was lacking in many of these areas; as a result the steering committee felt it was unreasonable to suggest a family rely on a much more restricted insurance plan. The disability and life insurance cost chosen by the steering committee is an estimate provided by the Sudbury Credit Union for a family with the lowest possible income. It is the Sudbury Credit Union's most basic insurance plan. *Table 13* provides a summary of insurance costs.

**Table 13: Insurance Costs**

	Monthly	Annual
Non-OHIP Medical Insurance	\$184.59	\$2,214
Disability and Life Insurance	\$200	\$2,400
Total	\$384.59	\$4,614

OTHER

Personal Care

The cost of personal care is provided by Statistic Canada's 2013 Survey of Household Spending. This cost includes shampoo, oral hygiene, haircuts, soap, cosmetics, etc. (Statistics Canada, 2013). The 2013 estimate has been adjusted for inflation. In 2015 it is estimated a family of four in Sudbury will have to spend \$897.98 a year on personal care. *Table 14* provides the monthly breakdown of the estimate.

Table 14: Cost of Personal Care

Monthly Cost	\$74.83
Annual Cost	\$897.98

Laundry

This calculation assumes, because the family is renting an apartment, they will rely on the use of a laundromat for 25.8 loads of laundry a month (one trip a week, six loads per trip). It costs Sudburians \$5 per load to use the machines in the laundromat for an annual cost of \$1,548. Using exact measurements, the family will spend \$49.54 on detergent and \$15.48 on fabric softener annually (Walmart, 2015). *Table 15* breaks down the cost of doing laundry.

**Table 15: The Cost of Laundry (25.8 Loads a Month)**

	Monthly	Annual
Washing Machine	\$64.50	\$774
Drying Machine	\$64.50	\$774
Fabric Softener	\$1.29	\$15.48
Detergent	\$4.13	\$49.54
Total	\$134.42	\$1,613.02

Parent Education

All living wage calculations include the cost for one parent to complete a three credit course throughout the year. Doing so allows parents the opportunity to seek better employment opportunities so their families can enjoy more than just the basic minimum. All courses used in the calculation will provide the parents with a more substantial wage than this calculated living wage. The cost of books has been included in this calculation. This estimate uses the tuition and book fees from the business, medical lab technology, and practical nursing programs at Cambrian College. The annual cost calculated for a parent to attend school is \$1,225.74. This estimate does not limit parents to just college programs, as the money allocated for this cost can also be applied to training, accreditations, and inexpensive university programs. *Table 16* provides a breakdown of the monthly cost associated with parental education.

Reading

The cost of reading materials is also included in the living wage calculation. Reading materials are deemed important for families as reading stimulates bonding, develops learning, and is an enjoyable family past time. This calculation includes the cost of magazines and books. This estimate is from the 2013 Survey of Household Spending and has been updated for inflation (Statistics Canada, 2013). The 2015 estimate is \$134.96. *Table 16* highlights the monthly cost of reading.

Bank Fees

At \$12.95 a month, Scotiabank provides the cheapest bank fees for parents (Scotiabank, 2015). This calculation assumes the account is shared by both parents. *Table 16* provides the monthly bank fee.



Other

An estimate of regular household expenditures, such as televisions, computers, gifts, donations, etc., are included in the 2013 Survey of Household spending (Statistics Canada, 2013). The estimate used in this calculation is of the second lowest income quintile; as a result it is a tremendously moderate amount. Adjusted for inflation, the 2015 cost is \$1,366.48. *Table 16* breaks this cost down into a monthly amount.

Table 16: Other Fees

	Monthly Cost	Annual Cost
Parent Education	\$102.15	\$1,225.74
Bank Fees	\$12.95	\$155.4
Reading	\$11.25	\$134.96
Other	\$113.87	\$1,366.48

Contingency

The contingency amount is calculated at 4% of the family's total expenses. This amount equals just under what the parents will earn in a single pay period. This cost will allow families to budget for emergencies or to pay for other expenses not included in this calculation. In Sudbury, a family of four will have to put away \$213.19 a month for an annual contingency amount of \$2,558.28. The amounts used in this calculation are calculated by the Canadian Center for Policy Alternatives (CCPA) Ontario Living Wage Calculator (Canadian Centre of Alternative Policies Ontario Office, 2014, P. 5).

SUMMARY OF INCOME

Household Employment Income

As stated in *Calculating a Living Wage for the Waterloo Region*: "The total for household employment income is the amount required to cover the living wage expenses after taking into account benefits, taxes, and Canada Pension Plan (CPP) and Employment Insurance (EI) contributions. This amount is based on the CCPA-Ontario model" (Bruijns, and Butcher, 2014, P. 16). *Table 17* provides a breakdown of the summary of household employment income.



Universal Child Care Benefit

The Universal Child Care Benefit (UCCB) is a taxable benefit provided to all Canadian families with children. As of January 1st, 2015 families receive \$160 a month for each child under the age of six and \$60 per month for each children between the ages of six and seventeen (Canada Revenue Agency, 2015). This family of four will receive \$2,640 annually in childcare benefits.

Canadian Child Tax Benefit

To assist with the expenses of raising a family, the monthly, tax-free Canadian Child Tax Benefit (CCTB) is available to families who qualify. Over the course of a year, a family earning a living wage in Sudbury is entitled to receive a \$2,479.24 child care tax benefit.

Child Care Subsidy

The childcare subsidy is available through the City of Greater Sudbury. Families, which qualify for the childcare subsidy, receive their amount based on a sliding scale; those earning less income are offered a larger subsidy. As there are no waitlists in Sudbury for this subsidy, the CCPA living wage calculator has calculated a family of four earning a living wage will receive a \$5,372.31 childcare subsidy (CCAP Ontario Office, 2014, P. 5).

Working Income Tax Benefit

Offered as an incentive to encourage workforce participation, the Working Income Tax Benefit is available to eligible low-income workers. Families earning a living wage are not eligible to receive this benefit.

Ontario Child Benefit

Families earning a low income are eligible for the Ontario Child Benefit (OCB) in order to better provide for necessities. According to the CCPA-Ontario Calculator, a family earning a living wage will receive nothing from the OCB. *Table 16* highlights all the benefits this family will receive.

**Table 16: Summary of Income**

Income	Total
Household Employment Income	\$64,377.03
Universal Child Care Benefit	\$2,640
Canadian Child Tax Benefit	\$2,479.24
Child Care Subsidy	\$5,372.39
Working Income Tax Benefit	\$0
Ontario Child Benefit	\$0
Total	\$74,868.66

SUMMARY OF DEDUCTIONS

Tax after Credits

Based on the CCPA Model, the amount that this four person family must pay in tax after credits is based on household employment income and any taxable credit the family receives. A family earning a living wage in Sudbury will pay \$4,304.68 in tax after credits.

Canada Pension Plan and Employment Insurance Contributions

Every working Canadian over the age of eighteen must contribute to the Canadian Pension Plan (CPP) if they earn more than \$3,500 a year. Each worker must also contribute to Employment Insurance (EI) by deducting premiums from each dollar of insurable earnings up to the yearly maximum. Both the CPP and EI estimates are calculated using the CCPA-Ontario living wage calculator. According to the calculator, parents earning a living wage in Sudbury will contribute \$4,050.45 to CPP and EI.

Table 19: Summary of Deductions

Tax After Credits	\$4,304.68
CPP And EI Contributions	\$4,050.45



SUMMARY OF NET INCOME

The net income is determined by subtracting the total deductions from the total income the parents will net while earning a living wage in Sudbury. This net income of \$66,513.53 is what a family must earn to meet the minimum standard living in Sudbury. Using the CCPA-ON Calculator, it has been calculated both parents must earn \$16.51 while working full time to meet this cost.

Table 19: Summary of Net Income

Total Income	\$74,868.66
Total Deductions	\$8,355.13
Net Income	\$66,513.53

CONCLUSION

Income is a crucial indicator of community and individual health. With a living wage calculated at \$16.18 an hour, Sudbury low-income workers earning a wage near or at the minimum wage floor are predestined to exist in a perpetual state of social exclusion. This social exile pushes families to the fringes of society, leaving them vulnerable to the entrapments of poverty. Families living in low wage poverty experience an unhealthy, stressful existence and are unable to afford the resources necessary to lead a productive life (Raphael, 2011, P. 105-106). These families are struggling to meet less than their basic needs. Today’s dominant political paradigm suggests families in this situation must simply work harder to earn a better life. How much harder do parents have to work to provide the basic minimum for their children? In Ontario’s low wage economy, it is now the norm to expect workers to work more and earn less. To meet their family’s basic needs, parents forced into temporary and low wage employment often seek and attain more than one job. This results in unpredictable schedules, higher childcare costs, and the inability for families to engage in crucial bonding experiences (such as vacations or outings) (Lewchuk et al, 2013, P. 58-70). Ultimately this creates a family so concerned with meeting an “acceptable” minimal standard of living they become disconnected from themselves and society. Is it fair to suggest to parents, working as hard as or harder than anyone else, to simply work even harder when the structural flaws within the system are ignored?

The evidence in this report highlights the impossibility Sudbury low wage earners face as they attempt to meet their basic needs. The living wage supports families to meet the minimal requirements that would



assist in leading healthier lives (both economically and socially). Communities across Canada and the world have taken the steps to ensure their workers earn a living wage. In July of 2015, the City Council of Vancouver unanimously agreed to become a living wage employer; all employees of the City of Vancouver now earn a living wage of \$20.68 an hour (McElroy, 2015). As more communities are calculating a living wage more businesses are supporting the movement and paying their workers a living wage. Recently Hamilton, Ontario's Chamber of Commerce became a living wage champion (Arnold, 2015). In the United States, *Ikea* bases its wage floor on the Massachusetts Institute of Technology's (MIT) living wage calculator to ensure its employees are paid a living wage (Jamieson, 2014). Employers paying a living wage see in their employees:

- Reduced absenteeism
- Decreased turnover rates
- Lower recruitment and training costs
- Increases morale, productivity and loyalty

Furthermore; with the living wage:

- Workers receive fair compensation
- Workers are raised out of poverty
- Workers have a better quality of life
- Workers see improved health
- Workers have opportunities for education/skills training
- There is greater consumer spending power
- There is increased spending in local economy
- There is increased civic participation

(Living Wage Hamilton, 2015)



Supporting a living wage won't end Ontario's growing dependence on part-time and precarious work. However, supporting a worker's right to earn a living wage ensures workers working in vulnerable positions earn enough so they and their families can meet the basic needs. The living wage movement encourages us to look beyond the economic consequences and to stop ignoring our social obligations (Income Security Action Group, 2013, P. 1-13). It recognizes everyone has value and everyone deserves to participate in society. Communities across the world have stepped up, united in their call for change. Now it's Sudbury's turn.



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