

# Living Wage in Durham Region



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## Authors:

- Georgia Luyt** | Community Development Council Durham
- Dr. Anika Mifsud** | Community Development Council Durham
- Dr. Scott Aquanno** | University of Ontario Institute of Technology
- Dr. Toba Bryant** | University of Ontario Institute of Technology

## Steering Committee Members:

- Barbara Fannin** | United Way Durham
- Jane Thompson** | YMCA Durham
- Regina Elliott** | Region of Durham Health Department
- David Amot** | Region of Durham Health Department
- Vanessa Slater** | North Durham Social Development Council
- Perry Guo** | Queen's University Department of Family Medicine
- Anne Watson** | North House
- Valerie Cramer** | North House
- John MacDonald** | Durham Labour Council
- Heather McMillan** | Durham Workforce Authority



## Introduction

The living wage in Durham is part of a greater movement across Canada which calculates what it takes for a family of four to earn a decent wage. Communities like Toronto, Hamilton, Cambridge and Vancouver have determined their living wage based on a national standard. The Living Wage project in Durham is the result of many months of community conversations and reflects the costs of living in Durham Region. In order to have a decent quality of life, our research shows that workers in Durham Region must earn \$17.00 per hour.

This research was led by Community Development Council Durham thanks to a grant from the Ontario Trillium Foundation and guided by a steering committee with the following members:

**UOIT; Region of Durham Health Department; YMCA; United Way; North House; Queen's University Department of Family Medicine; Durham Workforce Authority; Durham Labour Council and North Durham Social Development Council**

The calculation was developed in the spring and summer of 2016 using focus group research and up-to-date Statistics Canada data. Where the Statistics Canada's National Household Survey was used, Ontario-specific numbers were employed. The data collection process was supported and informed by the local and community knowledge provided by members of the steering committee.

## What is a living wage?

A living wage is what workers need to earn in order to have a decent quality of life. It emerged from the realization that the minimum wage does not cover the cost of a decent life. In addition to food, clothing and shelter, quality of life measures are also sensitive to the type of social inclusion and community participation [i.e., recreation, family outings and one modest vacation per year] required to live a truly human life.

The minimum wage is a mandatory wage set by each province. However, the current Ontario rate of \$11.40 per hour does not properly incorporate important quality of life measures. Moreover, the minimum wage is a blunt policy that fails to account for the steep variation in cost of living that often exists between different communities. The cost of utilities, rent and food, for example, can vary widely across the province. As a result, there is often a significant, and deeply problematic gap between the living expenses incurred by Ontario families on the one hand and the minimum wage on the other.

The living wage project aims to close this gap by adjusting for regional differences in critical quality of life measures. While the living wage does not cover costs like debt repayment (discussed on pg 16), RRSPs, or saving to buy a home, it does accommodate for expenses that contribute greatly to quality of life, such as non-OHIP medical insurance and two post-secondary professional development courses each year. In acknowledging and accounting for these important social and human costs, the living wage movement supports community development and wellbeing, including the economic and productivity needs of local employers.

The living wage methodology is built around a model family, with two working parents and two children, aged 7 and 3. While the adults' age can range between 30 and 37, the children's ages are selected to reflect the costs of having one child in full-time daycare and one in school during the year. These assumptions help to calculate a living wage that can support the family through their life cycle as their children grow up.

A living wage is what workers need to earn in order to have a decent quality of life.

**Ontario's current minimum wage of \$11.40 per hour does not properly consider these quality of life measures.**

**Durham Region's 2017 living wage is \$17/hour.**



## Durham Region

### An Economic Overview

Over the last 30 years the Region of Durham has experienced considerable economic change, owing mainly to its forced integration in the global and local economy. It is important to understand both the social and economic value of the living wage program in light of these turbulent transitions. In good part, Durham Region developed economically as a manufacturing hub with relatively high paying, secure automotive jobs as the driving force behind growth in the community. As Canada's economic strategy shifted away from the type of managed trade associated with the Auto Pact (APTA) and towards the type of free trade characterized by the North American Free Trade Agreement, the economic composition of the region has changed considerably. At the very least, the steady decline of automotive production (marked, above all, by the collapse of employment in Oshawa's GM assembly plants) and the associated loss of employment in Durham's automotive feeder plants show the broad retreat of manufacturing work as well as the erosion of Durham's traditional base of good jobs.

This long move away from manufacturing production has been met by the increase of service sector employment. The expansion of the Durham population has seen, for example, additional employment opportunities in health services. It has also led to public sector investment in the Lakeridge Health Corporation. Moreover, the gradual diversification of the economy has been the extension of the regional education network. The continued expansion of Durham College, coupled with the opening of UOIT in 2003, has not only provided a host of new career opportunities for local residents but improved the local stock of analytic, synthetic and symbolic knowledge skills. <sup>1</sup> This growth in the educational sector has helped push forward new innovative investment and employment. Aided by local organizations such as the Spark Centre, Durham Region is now home to a growing technology sector.

Yet the manufacturing decline has also, and perhaps more importantly, been linked to the extension of more precarious forms of service employment. This has meant that the economic and personal security associated with high paying manufacturing jobs has been replaced with nonstandard forms of employment characterized by low pay, low benefits, variable hours and job insecurity. This shift has contributed significantly to the growth of inequality in certain pockets of Durham Region.

Given these longstanding changes in the regional labour market, the living wage program is especially important to the economic and social health of the Durham community. A living wage in Durham would provide increased economic stability for employees, and help to reduce inequality in the Region. In other words, the living wage stands, in part, as a counter tendency to the loss of manufacturing sector employment and offers a foundation for the creation of a new base of good jobs.

## A Community Profile

Durham Region has eight municipalities.

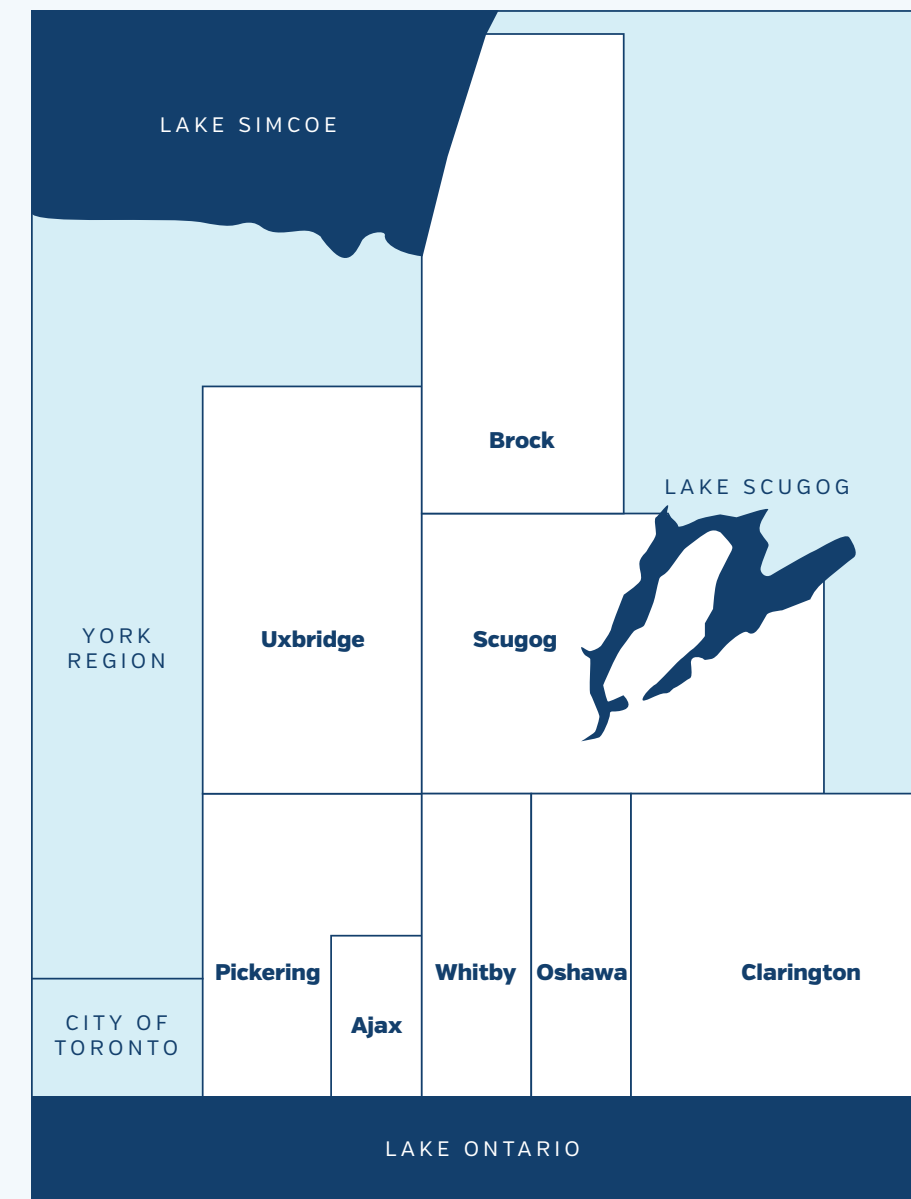
Five are in the South:

- Pickering
- Ajax
- Whitby
- Oshawa
- Clarington

Three are in the North:

- Brock
- Uxbridge
- Scugog

The region extends from Lake Ontario in the South to Lake Simcoe in the North.



There are important cost of living discrepancies between South Durham and North Durham owing, in part, to the delivery of hydro, the availability of support services, and the absence of low-cost cell phone companies with coverage in North Durham. In particular, there is a stark difference in access to public transportation between North and South Durham. South Durham is served by a regional GO train running from Toronto to Pickering and extending east to Oshawa. There are currently plans to add two GO stations further east in Clarington, which would mean that all of South Durham will be served by a GO Train. These communities are also served by a combination of GO buses, and Durham Regional Transit buses. Aside from the lack of regional rail to connect to South Durham or Toronto, bus frequency is much lower in the North than it is in the South. This disparity in access to frequent, reliable transit has a significant impact on auto dependence in Durham. Residents of South Durham who reside near the GO train have access to a myriad of different amenities that are simply not serviced in North Durham.

All these differences make it impossible to create a living wage for the Durham Region that would be fully sensitive to all local specifications. The approach used was to choose one locality to calculate a living wage that would be used for the entire region, as it would capture the hourly rate to live a decent life in the remaining localities. Whitby was used as this reference municipality to determine specific costs. Whitby was chosen because (1) it does not have the type of economic stratification found in municipalities such as Oshawa; (2) its geographic separation from Toronto makes it reasonable to assume that both parents work in Durham Region; and (3) it represents a rough midpoint in the Durham Region in terms of cost of living expenses.

## Advantages for Employers

At the most basic level, a living wage program benefits workers and their families. This does not mean, however, that employers lose by paying a living wage. Any attempt to view the living wage program as a tradeoff between workers on the one hand and businesses on the other distracts from its broader impacts and implications. In other words, the living wage program cannot properly be assessed by reference to the antagonistic relationship between workers and employers.

The positive impacts of adopting a living wage by businesses can be seen, most prominently, in “lower rates of labour turnover, absenteeism and overtime rates” typically found among living wage employers.<sup>2</sup> In addition, the commitment to social responsibility associated with living wage practices has been shown to improve the “image of private and public institutions”.<sup>3</sup> As consumers increasingly demand “ethical consumption” this type of reputational advancement is strongly linked with higher sales and revenue.<sup>4</sup>

Even more broadly, living wage programs contribute to regional economic resiliency. On the one hand, higher wage costs create an impulse for technological improvement and discovery as local firms search for ways to manage labour input costs.<sup>5</sup> Even in those cases where jobs are eventually lost to technological innovation, the overall advance in the local stock of knowledge opens up new growth opportunities. In general, this process allows regional economies to navigate through rapid technological changes and pivot towards new growth sectors. In fact, to the extent that living wage programs increase local wages, they contribute to local consumer demand and help guard against economic downturns. This is especially important for growth in the knowledge-based economy because business spending on research and development is often condensed alongside slower growth.<sup>6</sup> Thus, as consumer buying power softens the impact of market fluctuations, it also supports innovative investment and long-term economic success.

## Calculating the Living Wage for Durham

This calculation is informed by the assumptions in the National Living Wage Framework and a methodological framework set by the Canadian Centre for Policy Alternatives. The model aggregates the costs of basic needs as well as full participation in the community, then takes into account all relevant taxes and transfer payments such as the Canada Child Benefit to arrive at the living wage rate. Basic needs include housing, transportation and food, it also includes recreation expenses, school supplies and one modest vacation per year

The calculation can be summarized using the following formula:

***Household income + government transfers – EI, CPP and federal and provincial taxes***  
**= Annual family expenses**

Once the total annual family expenses are found, the hourly wage required for each wage earner is calculated. In Durham Region, a family needs \$67,261.00 for annual expenditures; we outline these expenditures in the next section. As a result, each working parent needs to earn \$17.00/hour.

A \$17.00 hourly wage is, by no means, an extravagant income. However, it does ensure a reasonable quality of life for workers and their families in Durham Region.

## Annual Family Expense Calculations

The first step in calculating a living wage is to find the total household expenditures based on the model family. This research was supervised and developed in consultation with a steering committee of community agency representatives and academic field specialists. Additionally, it evolved from and was built around the input of residents and organizations gained through a number of focus groups conducted in each of Durham’s eight municipalities. The qualitative and collective nature of the research design allowed the project team to understand and contend with the economic realities faced by local residents. Finally, qualitative evidence was obtained by polling local retailers in Whitby and surrounding areas. Additionally, data retrieved from Statistics Canada, specifically the Survey of Household Spending and Consumer Price Indices (Table 203-0021) supported the calculation.

## Food

Access to healthy food is necessary to support the mental and physical development of a growing family. Every year, Durham's Health Department publishes a report on the cost of feeding a family of four a healthy diet, called the Nutritious Food Basket. The 2016 report, published on the Region of Durham website, noted a 17% increase in the cost of food since 2011.<sup>7</sup> The annual cost to feed a family with two parents and two children is \$8105.60

The following table offers a detailed look at these costs:

Family Member	Annual Cost
Parent 1 (Female)	\$2,377.17
Parent 2 (Male)	\$2,810.33
Child 1 (Boy)	\$1,662.67
Child 2 (Girl)	\$1,255.42
<b>Total</b>	<b>\$8105.60</b>

## Clothing and Footwear

Each member of a family needs to be able to purchase new clothes and footwear. Seasonal clothing, in particular, is important for people living in Southern Ontario. Compounding this cost is that young children quickly outgrow clothing that fit them the previous year. The cost of clothing and footwear for a family is provided through the Statistics Canada's Survey of Household Spending (SHS), at the second quintile to correspond with costs incurred by a low-income family. The costs were pulled from the 2014 SHS and adjusted for inflation. The annual cost for this category for a family of four is \$2411.30

Family Member	Annual Clothing Cost	Annual Footwear Cost	Total Annual Cost
Parent 1 (Female)	\$777.32	\$299.28	\$1,076.60
Parent 2 (Male)	\$445.91	\$191.82	\$637.73
Child 1 (Boy)	\$445.91	\$191.82	\$637.73
Child 2 (Girl)	\$52.22	\$7.03	\$59.25
<b>Total</b>	<b>\$1,721.36</b>	<b>\$689.95</b>	<b>\$2,411.30</b>

## Shelter

Adequate, clean and safe shelter is necessary for family stability and security. Several expenses fall under the Shelter calculation: Rent, Utilities, Tenant Insurance, and Household Furnishings.

### Rent

According to the Canada Mortgage and Housing Corporation's National Occupancy Standards, separate bedrooms are required for opposite sex children once the oldest is more than five years of age.<sup>10</sup> As a result, the sample family requires a three bedroom unit. The Canada Mortgage and Housing Company's October 2016 rental market report lists the shelter cost in Durham for a three bedroom apartment as \$1222.00.<sup>11</sup> With a vacancy rate of between 1% and 1.7% across Durham and little new rental stock being built, this cost will likely increase significantly over time.

### Utilities

The cost of electricity was based on the average energy consumption in an apartment building. The cost of receiving electricity was calculated through the Ontario Energy Board website, using Whitby Hydro as the sample provider. The monthly cost was determined to be \$93.31, with an annual cost of \$1119.72.<sup>12</sup> It is worth emphasizing that the cost of utilities often varies widely between North and South Durham. Rates in North Durham tend to be significantly higher, meaning that the living wage could be higher for those residents.

### Tenant insurance

Tenant insurance offers critical protection for low-income families, as residential damage can be economically devastating. This cost was calculated by obtaining the lowest quote from Kanetix.ca, a Canadian online insurance comparison website. It was assumed that the tenant already has property insurance with no claims and the policy had been uninterrupted for five years. Based on property details, plus a replacement value of \$35,000.00 and a deductible of \$500.00, the lowest estimate was \$204.00 by SquareOne Insurance.<sup>13</sup> The monthly cost for tenant insurance is \$17.00. It is important to note that this cost may vary based on other external factors, such as where the apartment is located and whether families choose to include additional safety measures, such as an alarm system.

### Household Furnishings

The cost of household furnishings was sourced from the Survey of Household Spending, Statistics Canada. This cost included household furnishings and furniture, but not equipment. As the model family was assumed to be living in a rental unit, equipment for the home was believed to be included in the cost of rent. The total annual cost came to \$516.00, or \$43.00 monthly.<sup>14</sup>

	Monthly Cost	Annual Cost
Rent	\$1,222.00	\$14,644.00
Utilities	\$93.31	\$1,119.72
Tenant Insurance	\$17.00	\$204.00
Household Furnishings	\$43.00	\$516.00
<b>Total</b>	<b>\$1,375.31</b>	<b>\$16,528.50</b>

## Childcare

Childcare is necessary for a family with two working parents. There are two types of licensed care for parents: centre-based care, which can be quite costly, and home care, where licensed caregivers operate a small daycare in their own homes. Non-licensed options exist throughout the province, but licensed care ensures standards of safety and attention to children that no family should be asked to sacrifice.

Childcare is the largest expense in the living wage calculation, at \$18,135.00 per year. However, quality care for children is of vital importance. In many communities, including Durham, a childcare subsidy is available based on income level. However, Durham families face a wait list that can span several years before their subsidy application is approved. As a result, the steering committee decided that it was not reasonable to assume access to a subsidy.

The lack of child care subsidy in the region makes home care services the most affordable option. The calculation assumes all-day care for the younger child, and before and after school care for the school-aged child, with all-day care during the summer for both children. Costs were determined through a survey of local home care providers.

Child	Expense	Price	Annual Cost
Child 1 - 7 years old	Before and after school care, 195 days	\$28.00 / day	\$5,460.00
Child 1 - 7 years old	Full-day care, 65 days	\$35.00 / day	\$2,275.00
Child 2 - 3 years old	Full-day care, 260 days	\$40.00 / day	\$10,400.00
<b>Total Cost</b>			<b>\$18,135.00</b>

## Transportation

One of the greatest divides within Durham Region is in access to transportation. While South Durham is relatively well serviced by Durham Regional Transit and GO train and bus service, public transit options are less reliable and more sporadic in the Northern and Eastern areas of Durham. This makes vehicle ownership necessary for common everyday trips (ie, grocery shopping, getting to work or school, and medical appointments). To calculate the living wage, the family is assumed to have one vehicle, and one Durham Regional Transit pass. The committee decided to increase the mileage from the standard living wage calculation to accommodate the longer distances travelled in North Durham. The calculation used a 2012 Hyundai Elantra GL 4DR as a model to calculate costs such as insurance, oil changes and gasoline.

### Insurance

To obtain the lowest quote available for two adults that included a \$500 deductible and a \$1M liability, a price estimate for car insurance was obtained from Kanetix.com. It was assumed that both parents had a clean driving record, and that the primary use of the car was for commuting.

The lowest estimated yearly rate was \$1596, which results in a \$133 monthly cost.<sup>15</sup>

### Gasoline

A basic necessity for using a car, the cost of gasoline can fluctuate significantly. The annual cost was determined from the Survey of Household Spending, at \$1497.60 per year, or \$124.80 monthly.

### Vehicle Depreciation

Vehicle depreciation costs were calculated at a 30% declining balance using an estimated price of \$12,492 for a 2012 Hyundai Elantra. This came to an annual cost of \$2078.49, which averaged out to a \$173.21 cost monthly.

### Vehicle Service and Repair

The price of vehicle repair costs was obtained from the Survey of Household Spending, which lists standard Ontario-wide averages of this expense. Repair costs were estimated to be \$608 yearly.<sup>16</sup>

### Oil Changes

Oil changes help to keep a vehicle in good working order. A living wage accounts for four oil changes per year. To get a clear picture of how much it would cost to get an oil change, five local garages were polled. The calculation indicates that oil changes cost \$182.27 per year.

### Vehicle Registration

The cost of a vehicle license sticker was sourced from the Ontario Government Vehicle Registration website. The cost for Whitby came to \$120 per year.<sup>17</sup>

Expense	Monthly	Annually
Insurance	\$133.00	\$1,596.00
Gasoline	\$124.80	\$1,497.60
Depreciation	\$173.21	\$2,078.49
Service and Repair	\$50.67	\$608.00
Oil Change	\$15.19	\$182.27
Registration	\$10.00	\$120.00
<b>Total</b>	<b>\$506.87</b>	<b>\$6082.36</b>

## Public Transit

The calculation estimates that one parent uses public transit to commute to work. As a result, a Durham Regional Transit pass is purchased each month. The cost of a monthly DRT pass is \$115.00.<sup>18</sup>

Pass	Monthly	Annually
Durham Region Transit	\$115.00	\$1,380.00

## Social Inclusion

The ability to participate fully in the community is an important part of thriving outside of work. For families in Durham, access to a cell phone was deemed necessary, as home phone lines are no longer as common. Internet was also seen as necessary, particularly for children entering school. Finally, a basic cable package was seen as a relatively modest method of entertainment for a family.

### Cell Phone

The cost of having two cell phones per household were obtained from the Survey of Household Spending (SHS) table 203-0022 from CANSIM. This cost came out to \$788.00 annually, and \$65.67 monthly.<sup>19</sup>

### Cable

The cost of cable services, including installation, service, and pay TV charges, was obtained from the Survey of Household Spending (SHS). This cost came to \$442.00 annually, which was averaged to \$36.83 monthly.<sup>20</sup>

### Internet Service

The cost of internet access services was accessed through the Survey of Household Spending (SHS). This cost came to \$505 annually, which was averaged to \$42.08 monthly.<sup>21</sup>

	Monthly	Annually
Cell Phone	\$65.67	\$788.00
Cable	\$36.83	\$442.00
Internet Service	\$42.08	\$505.00



## Other

### **Family Vacation**

The living wage assumes that the family will have two weeks of vacation. One week is spent at a campsite, and one is spent as a staycation. During the staycation, the family can visit local attractions such as the beach or the Canadian Automotive Museum. The staycation also includes \$50.00 per day for food. In total, the staycation costs \$750.00 per year.

The living wage allocates one week of camping vacation at a modest campsite with access to a shower. The nutritious food basket cost is assumed to cover the cost of food on the vacation.

The cost of camping is based on Park Report's listing of competitive rates for campsites. The cost of vacation is \$296.82 before food costs.<sup>22</sup>

### **Family Entertainment**

Family entertainment included restaurant meals out and was considered as an important aspect of having a social lifestyle. The annual cost for restaurant meals was obtained from the SHS (2014) and adjusted for the Consumer Price Index (CPI). The annual cost came to \$1170.96.<sup>23</sup>

### **Personal Care**

The personal care category includes costs such as soap, shampoo, and other personal hygiene items. The annual cost for personal care, from the SHS is \$841.37 when adjusted for the CPI.<sup>24</sup>

### **Recreation**

Recreation is important to keep families healthy and active. The living wage is calculated to include a local gym membership for the family, which is priced at \$1495.87 per year.

### **School Supplies and Fees**

The price of school supplies and school related activities was obtained from the 2014 Survey of Household Spending. The cost came to \$70.43 annually after adjustment for the CPI.<sup>25</sup>

### **Reading and Entertainment**

It was assumed that families would purchase reading materials such as books, magazines, newspapers, maps, and other related services (such as library fees). The annual cost was obtained from the 2014 Survey of Household Spending. The cost with CPI adjustment came to \$326.93 annually.<sup>26</sup>

### **Bank Fees**

The annual service charges for banks and other financial institutions was obtained from the 2014 Survey of Household Spending. The CPI-adjusted annual cost came to \$166.02 per household.<sup>27</sup>

### **Laundry**

The average cost for laundry was calculated using a survey of local laundromats, in addition to low-cost detergent. The average cost of laundry is \$1152.32 annually.

## Parent Education

Building human capital is vital to improve the ability of workers to compete in the labor market. As part of the parent education category, all expenses related to completing two three-credit courses throughout the year are recognized. Calculations are based on the assumption that one of the parents takes two continuing education courses in a year, based on Durham College tuition fees. The average cost came to \$367.24 per course, or \$734.48 per year, and \$94.00 is added to cover textbooks and additional fees.<sup>28</sup>

## Health Insurance

To obtain an estimate for non-OHIP medical insurance, the lowest quote from insurance website Kanetix.ca was used for comprehensive coverage that included prescriptions, dental care, vision care, and other health practitioners including massage therapy, physiotherapy, and chiropractic therapy. The whole family is included in the coverage plan, and it is assumed that none of the members had a pre-existing medical condition. The lowest comprehensive health insurance cost was calculated at \$1776.00 yearly, with the monthly cost being \$148.00 from Green Shield Canada Insurance.<sup>29</sup>

## Contingency

Every family needs a small contingency fund to cover emergencies such as major appliance repair, illness or repairing a vehicle. The contingency is calculated at 4% of family expenditures, or two weeks of the family income. At a family income of \$67,261.00, the contingency amount is \$2587.00.

## Credits and Transfers

Families in Durham, and across Canada, are supported not only by employer income, but also by government transfers. The following is a list of the benefits included in the living wage calculation for Durham.

### **Canada Child Benefit**

The newly-added Canada Child Benefit is a payment from the federal government to help families raising children under 18 years of age. The amount per family is based on income, and at the income level of \$67,261.00 the model family would be receiving \$8653.00 in Canada Child Benefit.

### **Federal and Provincial Income Tax**

After credits and deductions, every wage earner needs to pay both federal and provincial income tax. At the income level, the family would be paying \$3145.00 of federal tax and \$480.00 of provincial tax.

### **CPP and EI Contributions**

All working adults must contribute to the Canada Pension Plan. In addition, almost every worker's salary receives a deduction for Employment Insurance, at a rate which changes based on salary. At a family income of \$67,261.00, a family of four in Durham would be paying \$4183.00 in CPP and EI contributions.



## A Note on Debt

As we have seen, living wage calculations are sensitive to a broad range of factors, ranging from the cost of local transit to the nature of public service delivery at the provincial and national level. This means, for example, that the absence of a national child-care program in Canada has worked to increase the living wage for Durham residents.

But if the living wage program offers a route into complex socio-political patterns, it has not typically dealt with one of the very significant issues facing the Canadian economy. The rise of household debt, which itself has to be set against the stagnation of wage growth and the growing frequency of precarious work. Moreover the fallout from the 2008 financial crisis has been quite disruptive for the average Canadian household.

This should offer a note of caution to the above calculation, which was achieved without adjusting for the servicing cost of non-mortgage consumer debt. In short, if the living wage calculation aims to account for typical household expenses (while ignoring, admittedly, the diversity of age, gender, race and parental experiences that impact living costs) it is problematic to discount the standardization of household factor payments associated with raising indebtedness.

With this in mind, the chart below documents non-mortgage consumer debt across Durham Region before tabulating the Regional average.<sup>30</sup> We can draw from these numbers at least two essential points: [1] that the accumulation of consumer debt has added considerably to the real expenses incurred by households across Durham Region - at the Bank of Canada's posted rate, currently 4.64%, the average Durham resident pays about \$130.00 a month in debt serving fees alone; and [2] that the living wage in Durham Region would increase if real debt levels were included in the calculation.

Municipality	Non Mortgage Consumer Debt (Average)
Ajax	\$57,150.94
Pickering	\$33,201.24
Whitby	\$34,227.38
Uxbridge	\$36,093.11
Oshawa	\$23,348.26
Clarington	\$22,787.14
Cannington	\$25,866.66
Beaverton	\$30,381.28
Sunderland	\$35,244.79
Port Perry	\$37,568.18
Bowmanville	\$38,468.54
Courtice	\$30,022.67
<b>Durham Region Average</b>	<b>\$33,696.68</b>

## Who can be a Living Wage Employer?

All kinds of businesses can be living wage employers, no matter their size. In fact, living wage employers are often looked at as leaders in the field for recognizing the impact they have in their community.

- City of Cambridge:** In late 2015, the City of Cambridge voted to endorse the Waterloo Region living wage, and committed to work towards adopting the living wage for all municipal employees. The municipal endorsement not only shows leadership in strengthening community as a local employer, but holds symbolic power for other employers in the city. In Durham Region, municipal councils or the Region of Durham could choose to adopt the living wage.
- Cake and Loaf:** A strong example of a small business paying a living wage and reaping the benefits, this Hamilton-based bakery adopted the living wage several years ago. The bakery has become a pillar in the community, a champion of small businesses paying a living wage, and is currently looking at expanding their main location. Many of Durham Region's small businesses, including restaurants and cafés could look to Cake and Loaf for the experience of thriving in a living wage context.
- DUCA Credit Union:** In 2014, DUCA became the first GTA employer to commit to paying a living wage, and has committed to aligning with Toronto's living wage rate as it changes. The company recognizes the value not only to their own success, but what it means for their employees to participate fully in the communities where they work, and in strengthening Ontario's economy. There are many mid-sized employers in Durham who could look to DUCA as a leader in adopting a living wage.

## Conclusion

A living wage is about making Durham a better place for families, and for businesses as well. When both workers in a family of four are paid a wage of \$17.00 per hour and work 37.5 hours per week, they can meet the common expenses faced by Durham families. Paying a living wage makes businesses stronger by lowering absenteeism, and improving their standing as leaders in the community.

Durham's living wage has been calculated using the Canadian Centre for Policy Alternatives' national standard methodology as well as information obtained through quantitative research by local experts and community consultations across the region. Though it does not include all important household costs and social/local divisions, the living wage presents a people-centered, locally informed approach to social justice. It is aimed at highlighting many of the expenses workers face as they struggle to achieve and uphold a decent quality of life. A living wage allows workers to continuously update employment skills and ensures that growing families have access to nutritious food and adequate housing. At the same time, it allows children and adults to participate meaningfully in their community.

Employers in Durham can make a difference; they have the power to provoke positive social and economic change in their community, both for themselves and their employees, by paying a living wage. It is the strong hope of the steering committee that local champions take up the challenge, and help Durham move towards a living wage for all.

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<sup>1</sup>[Asheim and Gertler 2005].

<sup>2</sup>[Wayland 2011]

<sup>3</sup>[Wayland 2011]

<sup>4</sup>[Wayland 2011]

<sup>5</sup>[Streeck 1997]

<sup>6</sup>[Stiglitz 1993]

<sup>7</sup>Durham Region Health Department, 2015.

<sup>8</sup>[Durham Region Health Department n.d.]

<sup>9</sup>[Statistics Canada 2014] Table 203-0021

<sup>10</sup>[Canada Mortgage and Housing Corporation 2014]

<sup>11</sup>[Canada Mortgage and Housing Corporation 2016]

<sup>12</sup>[Ontario Energy Board 2016]

<sup>13</sup>[Kanetix 2016]

<sup>14</sup>[Statistics Canada 2014] Table 203-0021

<sup>15</sup>[Kanetix 2016]

<sup>16</sup>[Statistics Canada 2014] Table 203-0021

<sup>17</sup>[Service Ontario 2016]

<sup>18</sup>[Durham Region Transit 2016]

<sup>19</sup>[Statistics Canada 2014] Table 203-0021

<sup>20</sup>[Statistics Canada 2014] Table 203-0021

<sup>21</sup>[Statistics Canada 2014] Table 203-0021

<sup>22</sup>[Park Reports 2015]

<sup>23</sup>[Statistics Canada 2014] Table 203-0021

<sup>24</sup>[Statistics Canada 2014] Table 203-0021

<sup>25</sup>[Statistics Canada 2014] Table 203-0021

<sup>26</sup>[Statistics Canada 2014] Table 203-0021

<sup>27</sup>[Statistics Canada 2014] Table 203-0021

<sup>28</sup>[Durham College 2016]

<sup>29</sup>[Kanetix 2016]

<sup>30</sup>[Equifax 2015]



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