

# Fact Sheet

## Living Wages are good for your health



Income plays an important role in health outcomes. In general, the less someone is paid the poorer their health is across a number of physical and psychological measures. In addition, employment and working conditions have a significant impact on our health. Stable employment not only provides a measure of income security, it promotes community connection. The number of workers in precarious or casual employment has increased in BC in the last decade. As a result, parents often need to work multiple jobs to make ends meet, leaving little or no quality time for children and/or partners. Such time constraints have negative implications for making and maintaining healthy social and community relationships.

## **Key Facts**

**Low wages means higher stress levels:** Low-income parents are more than twice as likely as those with moderate or high incomes to have chronic stress.

**Low wages affects children's susceptibility to disease:** Adults who were poor as children are more likely to develop chronic diseases, per UBC studies, just as those who experienced low social status in early childhood are at greater risk of developing heart disease, stroke, diabetes and some cancers. Such adults may be successful in eventually climbing the social ladder, but their childhood poverty has long-lasting repercussions including a predisposition for inflammation of the immune system.

**Low wage earners have poorer health:** Only 39% of adults earning less than \$30,000 a year describe their health as excellent/very good, compared with 68% of those earning \$60,000 or more, per a poll conducted as part of the Canadian Medical Association's 2012 National Report Card.

**Low wages significantly affect childhood development:** Compared to children in higher-income families, children in low-income families are: More likely to demonstrate high levels of aggression, more than two and a half times more likely to have one or more physical challenges, including prolems with vision, hearing, speech and/or mobility, more likely to exhibit delayed vocabulary development.

Income is perhaps the most important social determinant of health. Level of income shapes overall living conditions, affects psychological functioning, and influences healthrelated behaviours such as quality of diet, extent of physical activity, tobacco use, and excessive alcohol

use.

### **Economic Costs**

1. Compared to adults in higher-income jobs, low-income adults get sicker -- requiring longer hospital stays and/or more costly health care services.

**Bottom line:** Poverty costs British Columbians \$1.2 to \$3.8 billion a year in

increased health care costs, per the Canadian Centre for Policy Alternatives (CCPA) and BC Health Living Alliance, respectively.

2. Parents are an integral part of the labour market. But the work-life conflict experienced by low-income parents raising young children is costly for employers due to this group's higher absenteeism and turnover rates and increased use of extended health benefits – all of which employers pay for.

**Bottom line:** Poverty costs B.C. employers more than \$600 million annually, the Canadian business community more than \$4 billion and the child welfare system another 1.2 billion per year – all due to the stress low-income parents with young children experience due to work-life conflict.

3.In addition to the direct costs to B.C.'s health care system and business community, the 'squeeze' experienced by low-income families today also contributes to the province's rising costs for crime and education. For example, research shows government's lack of support for families with children – and low-income families in particular – has created unnecessary vulnerability in terms of education for today's generation raising young children -- compromising the quality of BC's future labour force and competitiveness.

**Bottom line:** Unnecessary vulnerability among children costs the BC economy \$401 billion a year in "brain drain"; the pan-Canadian cost closer to \$2 trillion, per a 2009 study commissioned by the Business Council of BC

## How Living Wages are good for our health

**Enables us to afford a healthy diet**-A secure living-wage income allows a family to purchase nutritious foods, obtain adequate housing and engage in healthy activities (among other things), all of which significantly improves health.

**Gives us more time to spend with family and participate in community events**-Parents who earn a living wage no longer need to work two to three jobs to make ends meet. As a result they have more time to spend with family and friends and engage in community activities, with significant, measurable health benefits as a result.

**Improves early childhood development**-Family income plays a significant role in influencing child development. In fact, 80% of the 27 factors identified as having an impact on child development improve as family income increases, according to Canadian researchers.

**Improves psychological well-being-** Individuals who work for a certified Living Wage Employer have significantly higher psychological wellbeing on average than those who don't, per research in London, England. This result remains constant, irrespective of any differences in socioeconomic or demographic composition of the two groups.

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