

A Living Wage for All

By Mae Burrows and Donald Gutstein

EVERY YEAR DURING THE COLD winter months, we worry that homeless people have shelter and enough food so they won't die in the cold. In 1994, workers in Baltimore's homeless shelters and soup kitchens had similar worries. They noticed they were serving a new clientele. People coming in, many with kids in tow, happened to have full-time jobs. They were the working poor, in food, service and cleaning industries, who could no longer make ends meet. Some worked for the city. Church, community and union activists convinced Baltimore's council to raise the base pay for city contract workers to what became known as a "living wage" — a modest victory that launched a social movement. Today, more than 140 American cities have living wage laws; including Santa Fe, San Francisco, and Boston. And now so does New Westminster, B.C.

People who work full-time shouldn't have to live in poverty. Yet, that's the situation for many, including those with children. There are households where both parents must work outside the home — often in two or more jobs — but which are still falling further behind, as the income gap between the one per cent and the 99 per cent continues to widen.

The living wage, a concept discussed during the Second World War but never adopted, promises to reduce the gap. It's not a minimum wage, which is established by provincial government legislation and sets a floor for hourly compensation. A minimum wage does not cover a family's basic living expenses, and families remain mired in poverty. A living wage, in contrast, is independently calculated based on the cost of living within a specific community — and lifts workers and their families out of poverty.

Unions are in the forefront of the fight for a higher minimum wage. Some unions are now fighting for a living wage, too — the next step in the quest for human dignity and social

justice. When unions work with community and faith groups to pressure business, they can win living wages.

Unions can begin by ensuring their own staff receive a living wage. This includes the "invisible" workers providing contracted cleaning, food, security and landscaping services in the buildings and premises owned and rented by unions. The Hospital Employees' Union (HEU) and B.C. Teachers' Federation (BCTF) have been certified as living wage employers, and the B.C. Government and Service Employees' Union (BCGEU) is becoming one.



The living wage is based on a family of two parents and two children, with both parents working full-time at paid jobs. It covers basic expenses such as food, housing, clothing, transportation, childcare and medical insurance, with a little left over for contingencies. It includes government transfers and tax benefits.

In 2008, First Call: BC Child and Youth Advocacy Coalition, the Canadian Centre for Policy Alternatives, and Victoria's Community Council calculated living wages for Vancouver and Victoria. This calculation is updated annually to take into account changes in living expenses and the tax system. In 2011, the updated Vancouver calculation was \$18.81 an hour or \$34,234 annually for each parent working full-time for 52 weeks. If a government provides other services such as subsidized daycare, the living wage could be lowered by \$4 to \$5 an hour. Publicly subsidized housing, transportation, or

health care would also allow for a lower hourly wage. If an employer provides benefits, the hourly rate is recalculated downward. In communities with lower costs, such as the interior town of Cranbrook, B.C., the living wage is lower, at \$14.16 an hour.

A living wage promises to return dignity to working life. Parents will no longer have to make such dispiriting choices as heating the house or feeding the children. They will no longer miss major events in their children's lives because of their double shift work.

The living wage came to British Columbia in 2007. The provincial government had contracted out support services to multinational corporations like Aramark, Sodexo and Compass. The companies then offered jobs to existing workers at drastically reduced rates. Many of these workers were immigrant women struggling to raise their families and pay their bills, often having to work two or even three jobs.

HEU launched a campaign to address the poverty-level wages and unsafe working conditions these workers experienced in their new situation. Some workers became activists and built a coalition of social justice, women's, multicultural and faith-based groups and trade unions campaigning for a living wage.

HEU joined forces with First Call, which co-ordinates the Living Wage for Families campaign. The campaign received support from many unions: the Canadian Labour Congress, some labour councils and unions have passed supportive resolutions. UFCW Canada (United Food and Commercial Workers), with members in the low-paid retail and food processing sectors, donated directly and in-kind, and incorporated a living wage into its social policies. The BCGEU is a generous supporter, and VanCity Credit Union and the United Way of the Lower Mainland not only contributed financially but became living wage employers, adding their credibility to the cause.

The BCGEU is also a strong supporter of ACORN Canada, a national organization of low- and moderate-income families. In 2009, ACORN members in New Westminster, B.C., launched their campaign for a living wage policy as a contribution to the broader Living Wage for Families campaign, and it was in New Westminster that the municipal government breakthrough came. Grassroots organizing, labour council support, and a champion on council made history when the city became the first in Canada to enact a living wage policy. All firms with contracts or sub-contracts with the city to provide services on city premises are required to pay their employees performing these services a living wage.

Municipal politicians who throw their support behind living wage policies need not fear a voter backlash. In New Westminster, incumbent councillor Jaimie McEvoy, who had spearheaded the living wage initiative, saw his vote rise by 43 per cent in the 2011 election, and five of six councillors elected had supported the living wage, which went into effect on January 1, 2012. Supporting a living wage did not hurt and may even have helped McEvoy, despite personal attacks on him and doom and

gloom prognostications emanating from opponents. Former businessman John Ashdown, the most vociferous anti-living wage candidate, placed tenth in the race for six seats.

The B.C. and Yukon branch of the Canadian Cancer Society has recently been certified as a living wage employer. This development is important for the campaign because it recognizes the incontrovertible fact that the poor suffer from greater ill health and chronic disease. A living wage will lead to improved health for many Canadians and lower health-care spending.

A space is being created on the public agenda for the living wage. Unions need to fill it. If they don't, the Right will. It is already at work fabricating negative messages about the supposed horrific impact the living wage will have on the economy, just as they continue to do with the minimum wage. The working poor receive poverty-level wages, the Fraser Institute claims with its fallacious statistics, because that's what the market decrees and it's all the workers are "worth." Further incredible FI logic says that "taking money from successful Canadians and redistributing it to lower-income Canadians will only

decrease the incentives for lower-income Canadians to be successful."

Municipal governments, credit unions, non-governmental organization and the United Way are lifting people out of poverty. If every union in Canada used their own power and made their organizations living wage employers, they would demonstrate a concrete commitment to social justice.

It's a doable action for 2012.

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For more information about living wage campaigns visit livingwageforfamilies.ca and www.firstcallbc.org. Visit, as well, the Living Wages Resource Centre page on ACORN Canada's website (www.livingwages.ca), and www.acorncanada.org/new-westminster-living-wage.

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