

File No.: 04-1000-20-2023-341

October 20, 2023

s.22(1)

Dear s.22(1)

Re: **Request for Access to Records under the Freedom of Information and Protection of Privacy Act (the "Act")**

I am responding to your request of June 7, 2023 under the *Freedom of Information and Protection of Privacy Act* for:

Records relating to the challenges of implementing the Living Wage at the City and related changes, specifically:

1. **Documentation relating to how and with what evidence Council was advised that the "annual rate fluctuation has proven difficult" and that there are "implementation challenges," including:**
 - a. **Details of the "immediate impact the new living wage calculation would have on the pay structure for the rest of the City"; and**
 - b. **Documentation and communication relating to the stated fact that "the City has also been advised that the Living Wage rate is expected to decrease next year";**
2. **Documentation relating to the approval, implementation, and communication of the "fair wage approach based on a five-year rolling average of the Living Wage rate" developed by City staff, including:**
 - a. **List of stakeholders (external and internal) engaged on this issue prior to the public announcement on March 2, 2023, as referenced in the confidential memo dated March 1, 2023;**
 - b. **Numbers on which staff, how many direct City employees, and how many contractors this will affect;**
 - c. **To what extent the current payroll budget will be impacted by this change and any changes to the City budget this will impact; and**
 - d. **Which "service providers" are not in the majority at or above the 2023 Living Wage.**

Date range: January 1, 2022 to June 6, 2023.

All responsive records are attached. Some information in the records has been severed (blacked out) under s.12(3)(b), s.13(1), s.14, s.15(1)(l), and s.22(1) of the Act. You can read or download these sections here:

http://www.bclaws.ca/EPLibraries/bclaws_new/document/ID/freeside/96165_00.

Under section 52 of the Act, and within 30 business days of receipt of this letter, you may ask the Information & Privacy Commissioner to review any matter related to the City's response to your FOI request by writing to: Office of the Information & Privacy Commissioner, info@oipc.bc.ca or by phoning 250-387-5629.

If you request a review, please provide the Commissioner's office with: 1) the request number (#04-1000-20-2023-341); 2) a copy of this letter; 3) a copy of your original request; and 4) detailed reasons why you are seeking the review.

Yours truly,

[Signed by Cobi Falconer]

Cobi Falconer, MAS, MLIS, CIPP/C
Director, Access to Information & Privacy
cobi.falconer@vancouver.ca
453 W. 12th Avenue Vancouver BC V5Y 1V4

If you have any questions, please email us at foi@vancouver.ca and we will respond to you as soon as possible. Alternatively, you can call the FOI Case Manager at 604-871-6584.

Encl. (Response Package)

:ag

From: "[Hutchinson, Kira](mailto:Kira.Hutchinson@vancouver.ca)" <Kira.Hutchinson@vancouver.ca>
To: "[MacKenzie, Angela](mailto:Angela.MacKenzie@vancouver.ca)" <Angela.MacKenzie@vancouver.ca>
Date: 3/1/2023 1:31:48 PM
Subject: CLT and targeted GM messages

Hi Angela,

The [comms sequence](#) has an updated version of the message to CLT and then the message to Donnie, Christina, Chief Palmer etc and their comms leads. (the next comms item in the sequence). Both copied below as well.

The CLT message will be forwarded to that group, and if they have questions, we can provide the Managers' Brief, which includes a Q&A.

The CLT message is pretty much the same as the M&C note, and usually I cut it down to CTA and bullets. I wanted to, but felt that the importance Paul, Patrice and Andrew made on much of the nuance would be needed – so left it in. Do you agree? If not, give me 10 minutes and I can reduce it down.

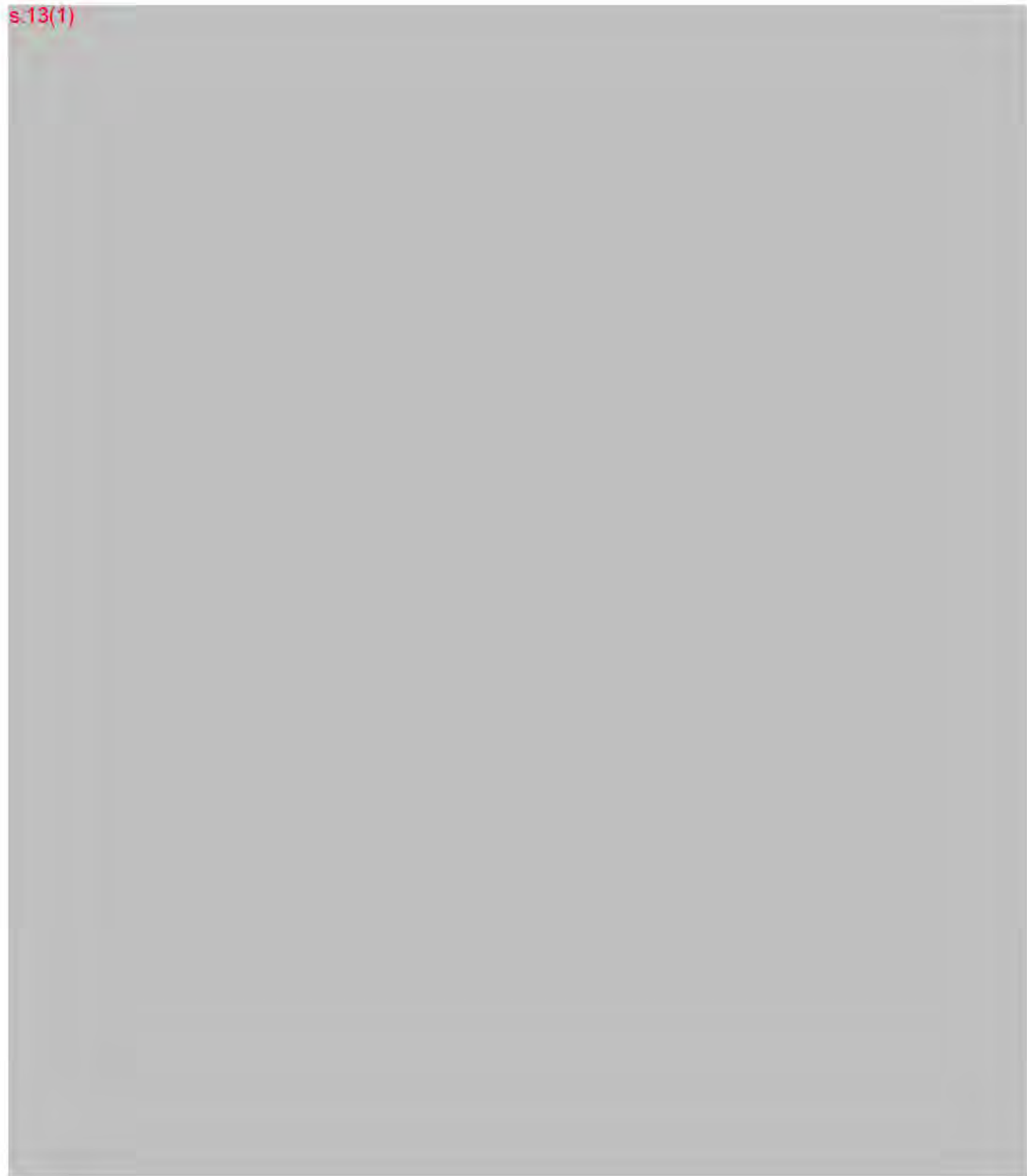
Many thanks!

Kira

s.13(1)



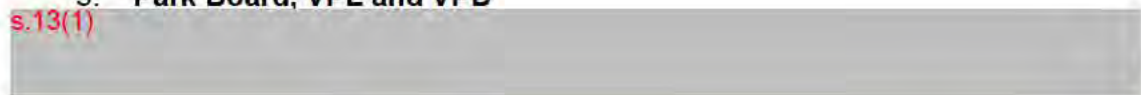
s.13(1)



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3. Park Board, VPL and VPD

s.13(1)



s.13(1)

A horizontal grey rectangular redaction box covering a line of text.

s.13(1)

A large vertical grey rectangular redaction box covering the majority of the page's content.

////

From: "Ralph, Alexander" <Alexander.Ralph@vancouver.ca>
To: "MacKenzie, Angela" <Angela.MacKenzie@vancouver.ca>
"Hutchinson, Kira" <Kira.Hutchinson@vancouver.ca>
Date: 2/2/2023 12:43:03 PM
Subject: s.12(3)(b) [REDACTED]
Attachments: s.12(3)(b) [REDACTED].pdf

Hi Angela/Kira,
Thank you for your time today.

As discussed s.12(3)(b) [REDACTED]

I will set up a meeting early next week to reconvene and set a weekly recurring meeting for the next month to set a placeholder in our calendar.

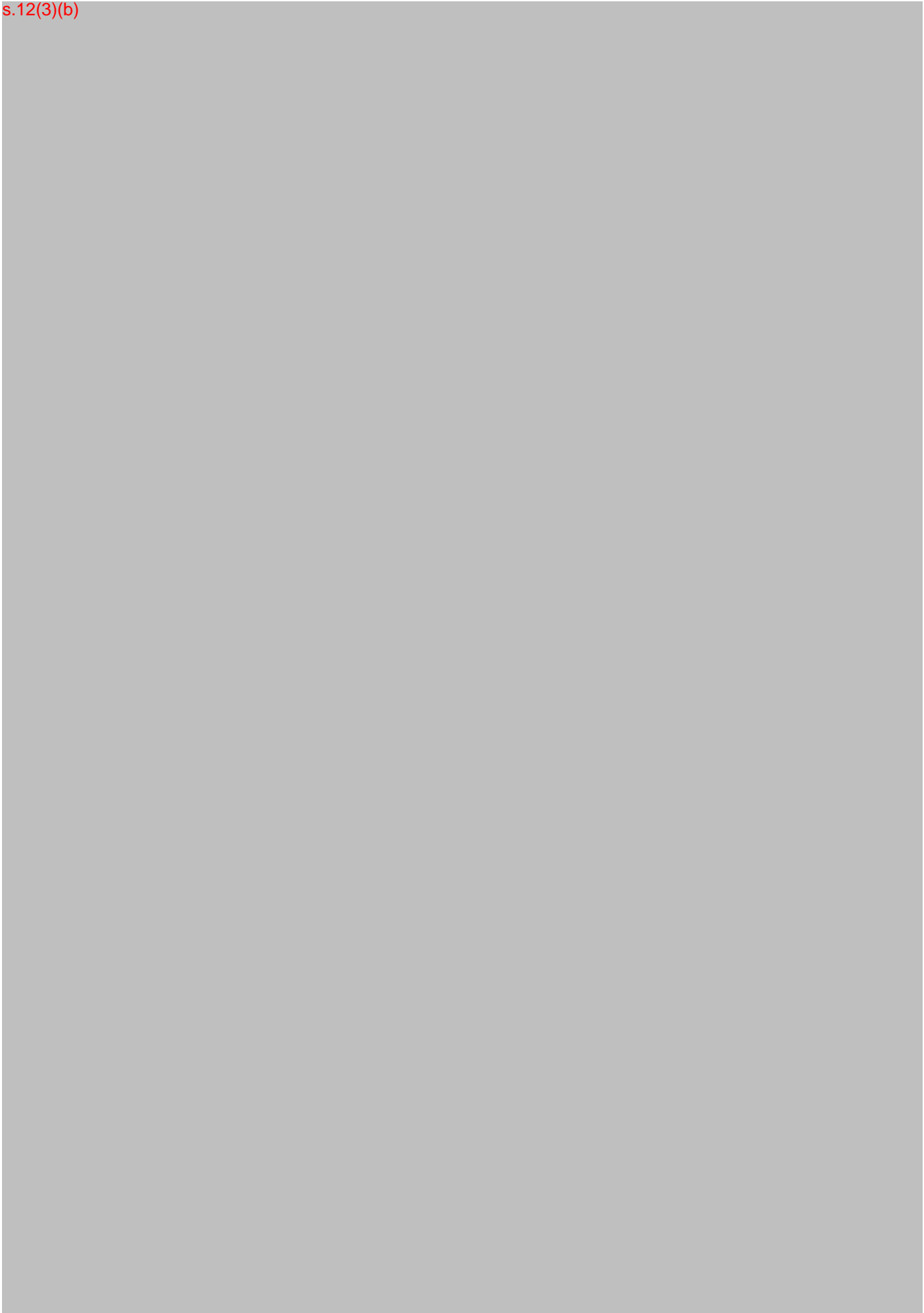
Regards,
Alex.

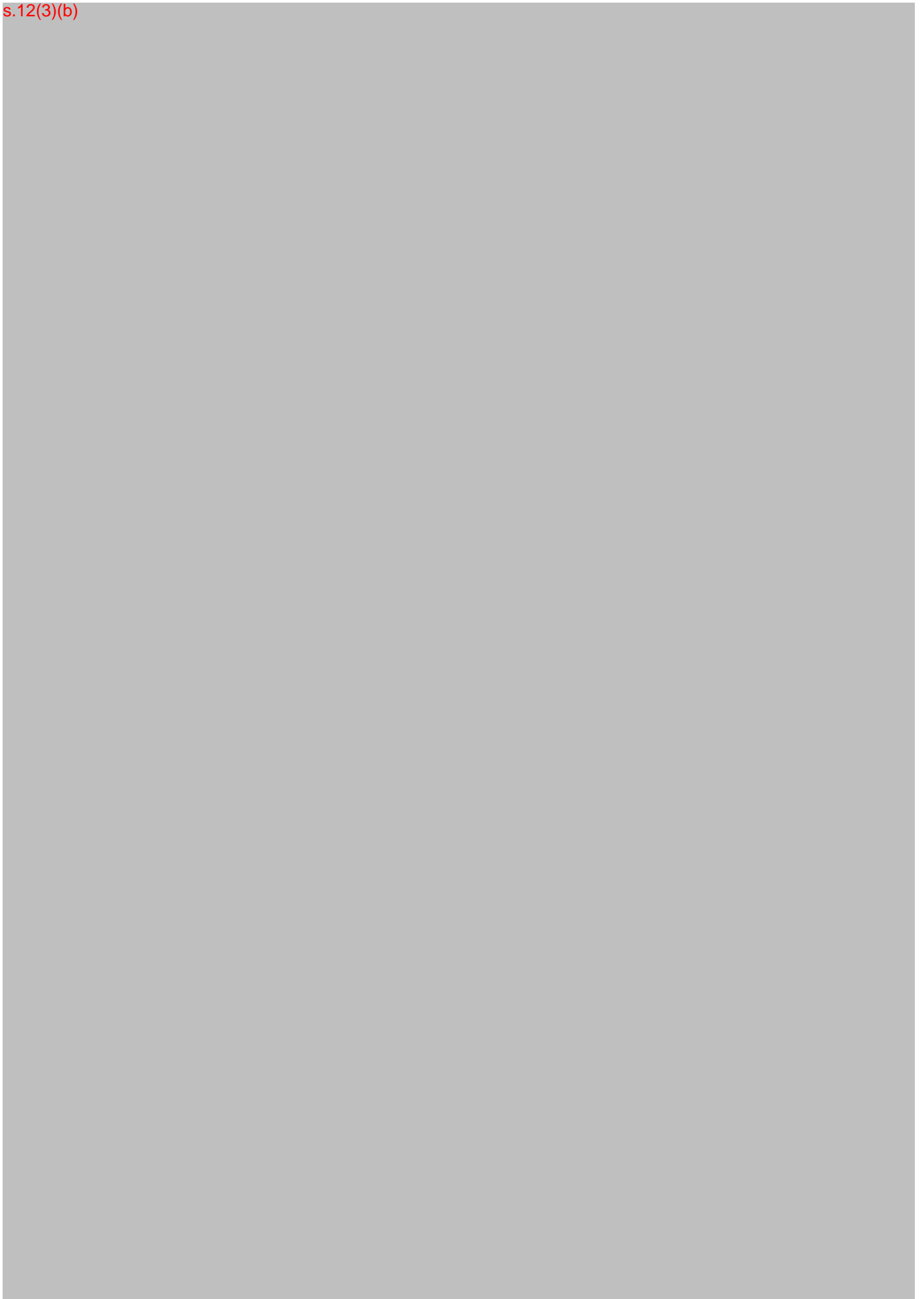
Alexander Ralph (he/him)
Chief Procurement Officer & Director of Supply Chain Management
Saving CoV Money (SCM)
Finance, Risk, and Supply Chain Management | City of Vancouver
Tel: 604-829-2092
alexander.ralph@vancouver.ca

I am humbly thankful that I live and work on the territories of the x^wməθk^wəyəm ([Musqueam](#)), Skwx\u817_wú7mesh ([Squamish](#)), and səliwətaʔ ([Tsleil-Waututh](#)) Nations.

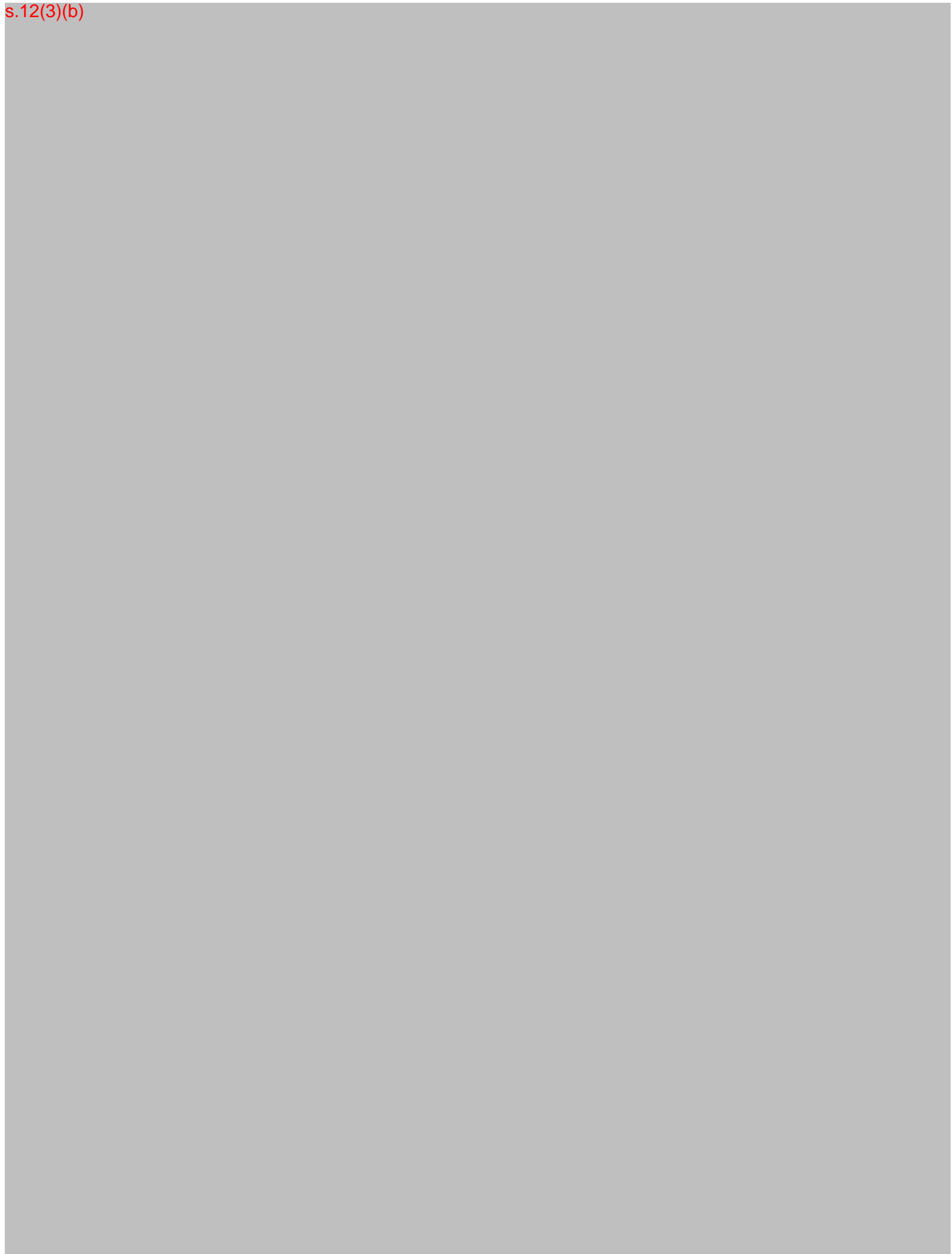
s.12(3)(b)



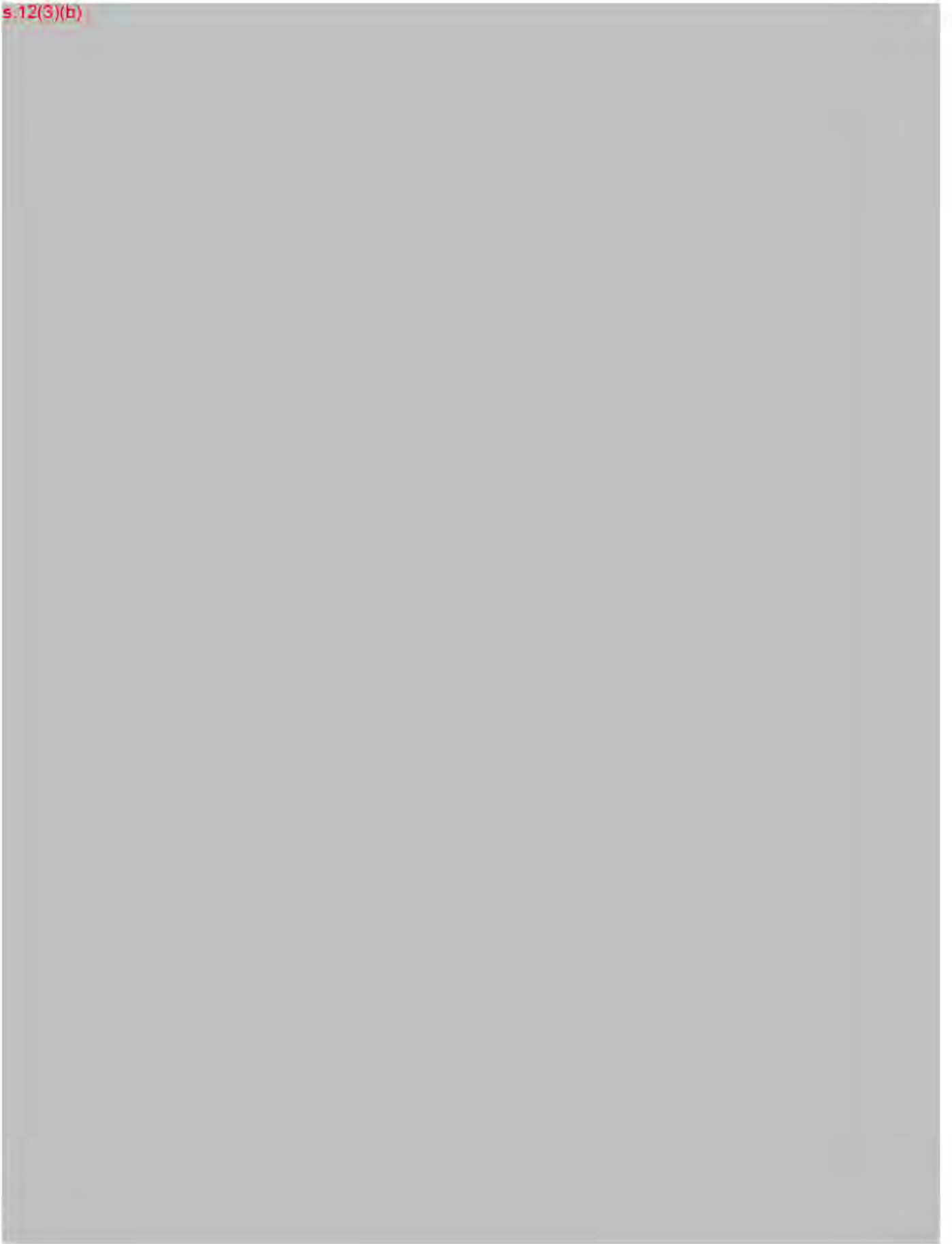














s.12(3)(b)



From: ["MacKenzie, Angela" <Angela.MacKenzie@vancouver.ca>](mailto:Angela.MacKenzie@vancouver.ca)

To: ["Pontikis, Maria" <Maria.Pontikis@vancouver.ca>](mailto:Maria.Pontikis@vancouver.ca)

Date: 2/28/2023 2:21:50 PM

Subject: CONFIDENTIAL - Living Wage - Memo to Mayor Council -
28Feb2023-V04

Attachments: CONFIDENTIAL - Living Wage - Memo to Mayor Council -
28Feb2023-V04.docx

Hi Maria,

Latest version attached with Patrice's edits.

Angela

CONFIDENTIAL

MEMORANDUM

February 28, 2023

TO: Mayor and Council

CC: Armin Amrolia, Deputy City Manager
Karen Levitt, Deputy City Manager
Francie Connell, City Solicitor
Maria Pontikis, Chief Communications Officer, CEC
Rosemary Hagiwara, Acting City Clerk
Teresa Jong, Administration Services Manager, City Manager's Office
Mellisa Morphy, Acting Chief of Staff, Mayor's Office
Trevor Ford, Director of Operations, Mayor's Office
Patrice Impey, Chief Financial Officer and FRS GM
Andrew Naklicki, Chief Human Resource Officer

FROM: Paul Mochrie
City Manager

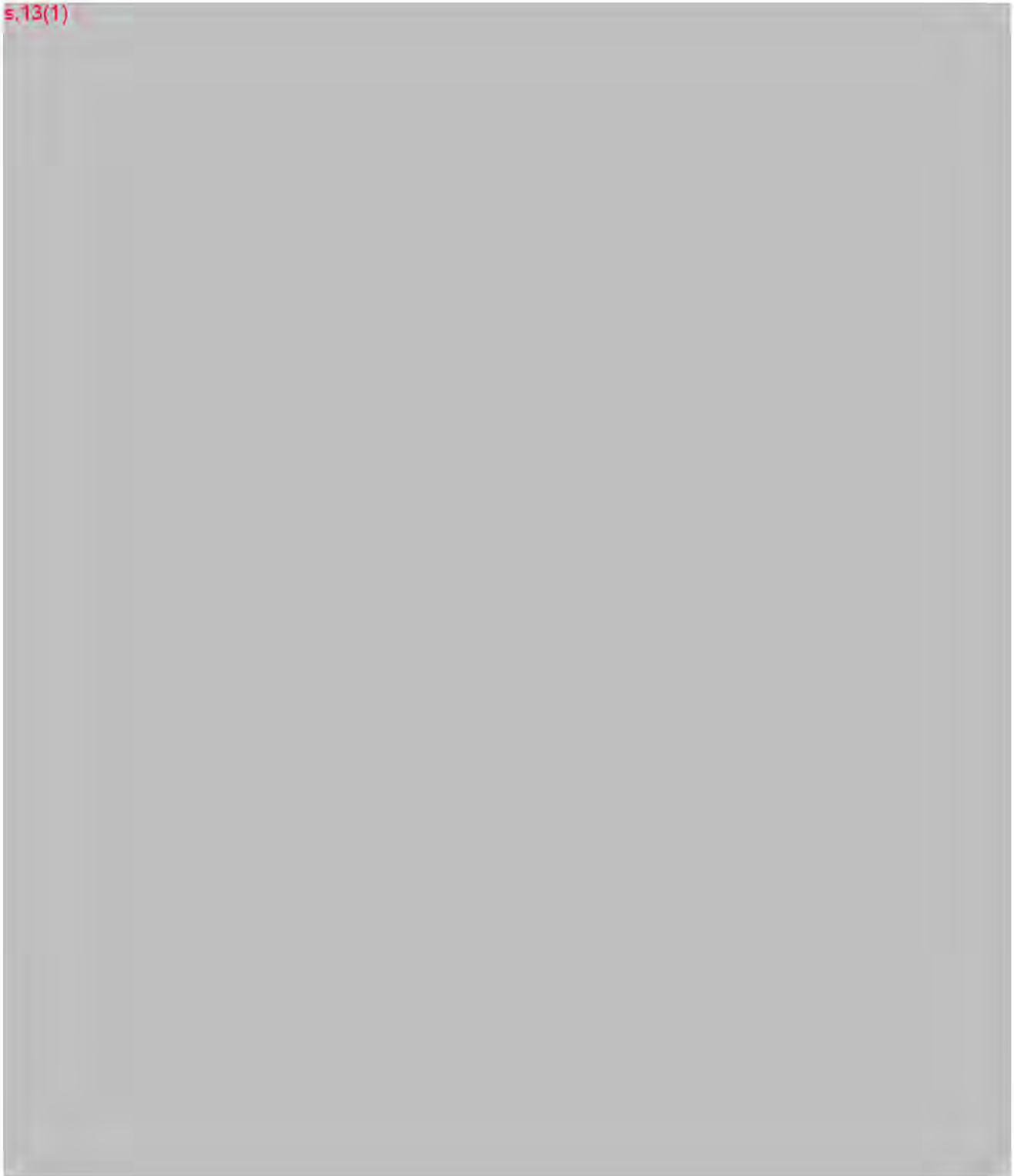
SUBJECT: Living Wage - Program Changes Implementation and Communications Plan

RTS #: N/A

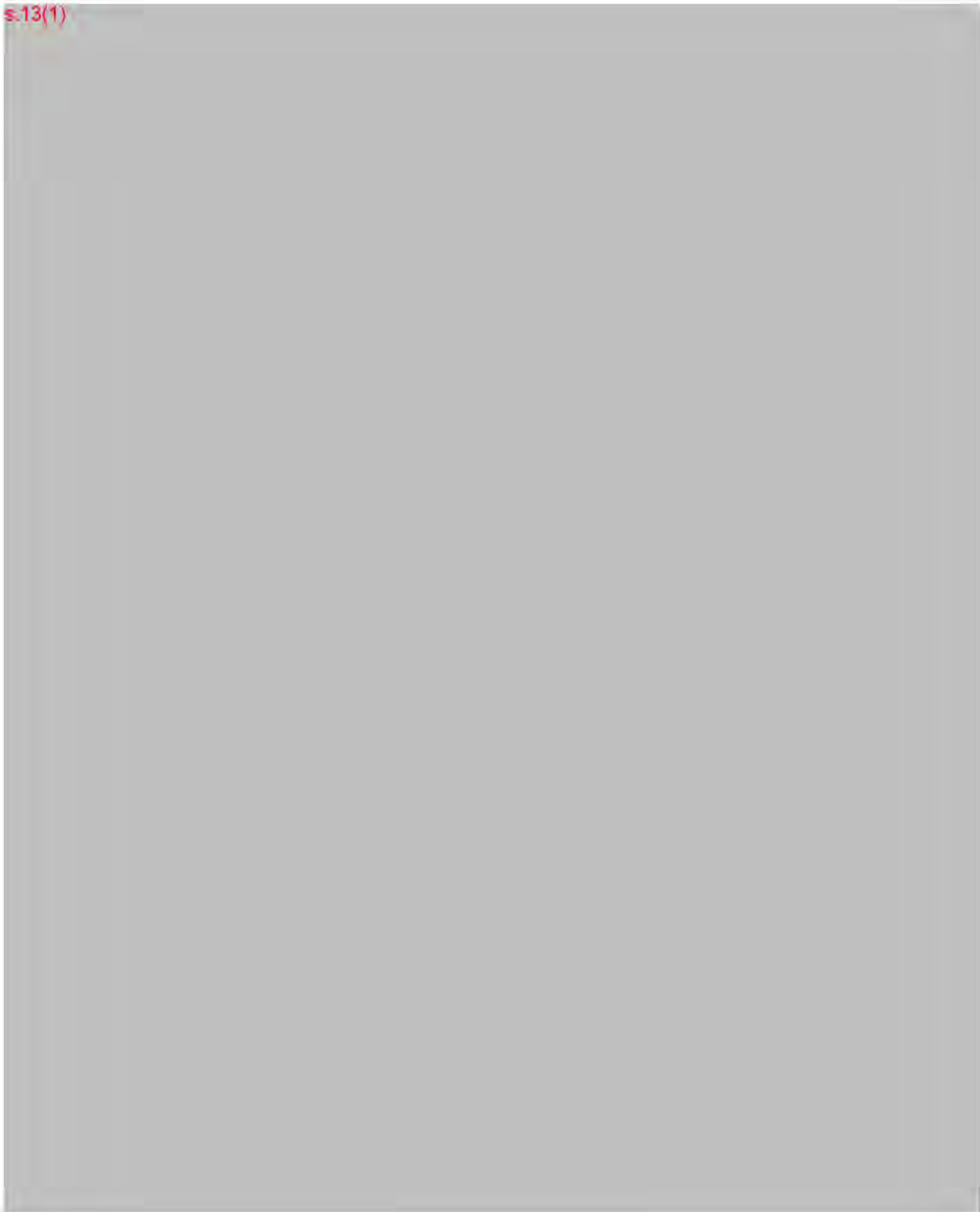
s.13(1)



s.13(1)



s.13(1)



s.13(1)



CONFIDENTIAL

From: ["Impey, Patrice" <Patrice.Impey@vancouver.ca>](mailto:Patrice.Impey@vancouver.ca)

To: ["MacKenzie, Angela" <Angela.MacKenzie@vancouver.ca>](mailto:Angela.MacKenzie@vancouver.ca)

["Ralph, Alexander" <Alexander.Ralph@vancouver.ca>](mailto:Alexander.Ralph@vancouver.ca)

["Naklicki, Andrew" <andrew.naklicki@vancouver.ca>](mailto:andrew.naklicki@vancouver.ca)

Date: 2/28/2023 4:16:32 PM

Subject: CONFIDENTIAL - Living Wage - Memo to Mayor Council -
28Feb2023-V05 with edits

Attachments: CONFIDENTIAL - Living Wage - Memo to Mayor Council -
28Feb2023-V05 with edits.docx

My thoughts. [s.13\(1\)](#)

[s.13\(1\)](#)



OFFICE OF THE CITY MANAGER
Paul Mochrie, City Manager

CONFIDENTIAL

MEMORANDUM

February 28, 2023

TO: Mayor and Council

CC: Armin Amrolia, Deputy City Manager
Karen Levitt, Deputy City Manager
Francie Connell, City Solicitor
Maria Pontikis, Chief Communications Officer, CEC
Rosemary Hagiwara, Acting City Clerk
Teresa Jong, Administration Services Manager, City Manager's Office
Mellisa Morphy, Acting Chief of Staff, Mayor's Office
Trevor Ford, Director of Operations, Mayor's Office
Patrice Impey, Chief Financial Officer and FRS GM
Andrew Naklicki, Chief Human Resource Officer

FROM: Paul Mochrie
City Manager

SUBJECT: Living Wage: Program Changes Implementation and Communications Plan

RTS #: N/A

s.13(1)



City of Vancouver, Office of the City Manager
453 West 12th Avenue, Vancouver, BC V5Y 1V4 Canada
vancouver.ca



s.13(1)



s.13(1)



s.13(1)



From: ["Hutchinson, Kira" <Kira.Hutchinson@vancouver.ca>](mailto:Kira.Hutchinson@vancouver.ca)

To: ["MacKenzie, Angela" <Angela.MacKenzie@vancouver.ca>](mailto:Angela.MacKenzie@vancouver.ca)

Date: 3/2/2023 12:56:54 PM

Subject: For issue: Confidential update on Living Wage and your staff members (March 2, 2023)

Attachments: 2023-02-23 - CMO - CEC - Internal Comms - Living Wage Managers' Brief - FINAL.pdf

Hi Angela, I am about to send the MB and cover note to Janine, who also reviewed the documents after you. Here they are. Please let me know of any issues before I send to her for Andrew.

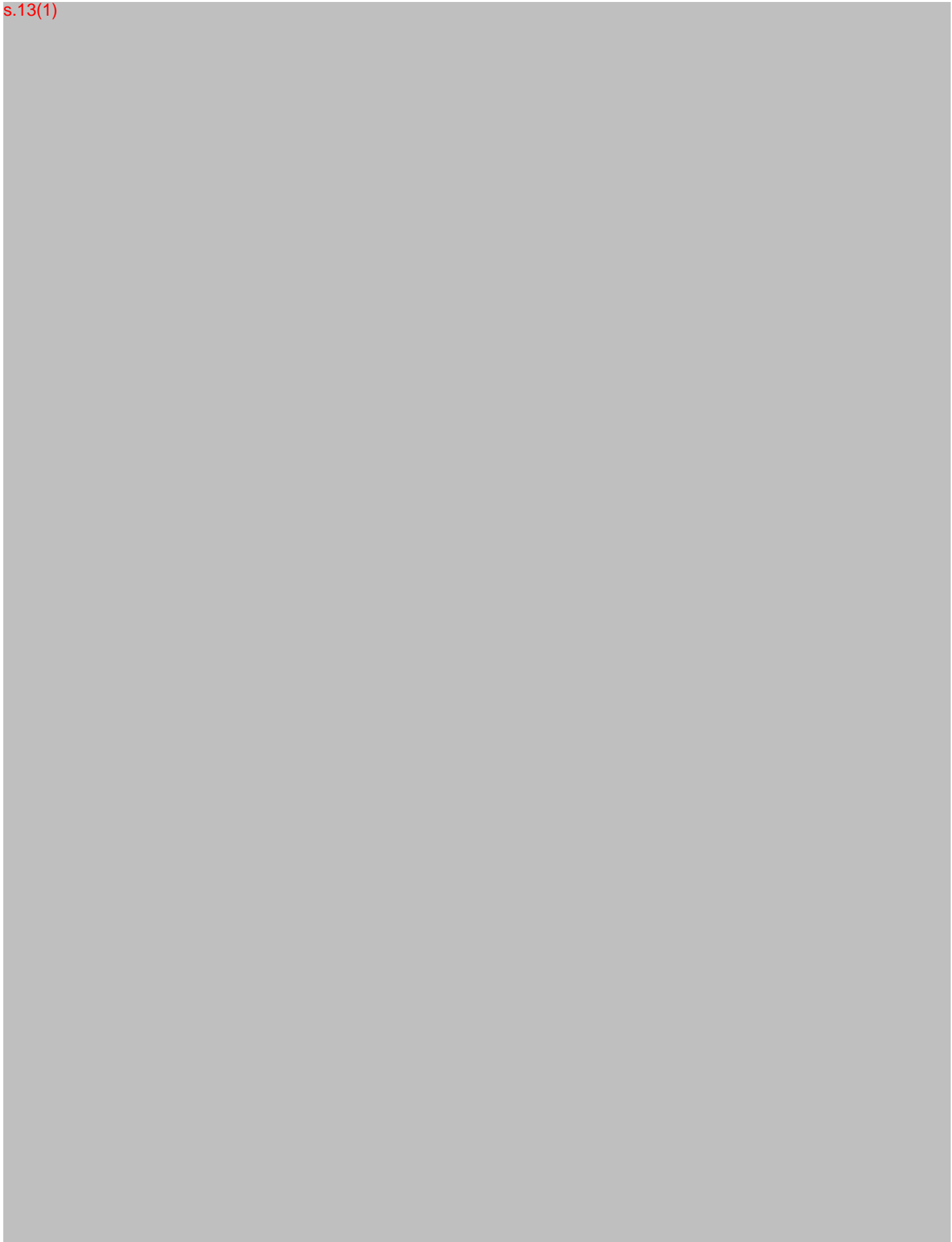
**Thanks,
Kira
//////////**

s.13(1)

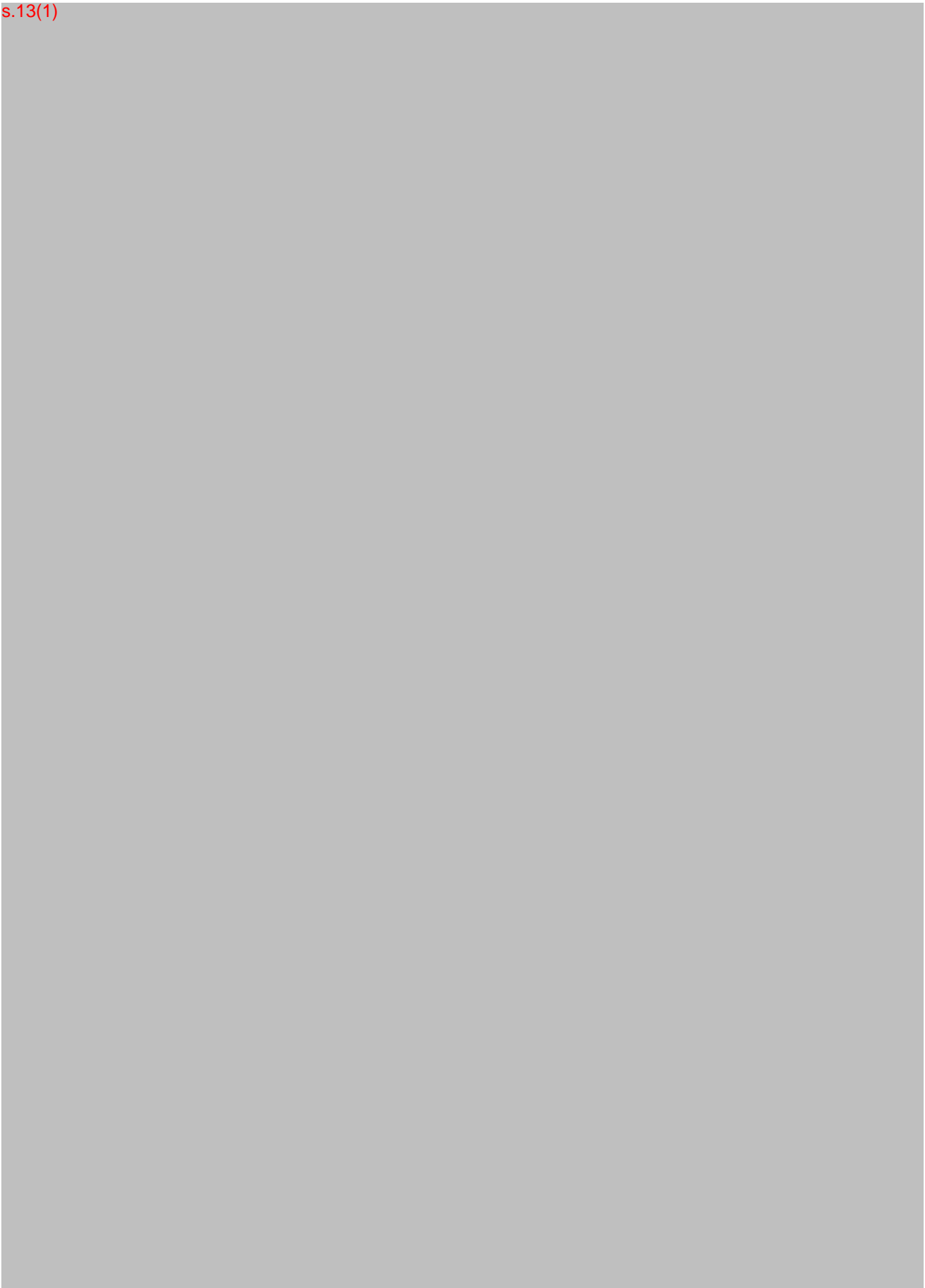
s.13(1)

s.13(1)









From: ["Hutchinson, Kira" <Kira.Hutchinson@vancouver.ca>](mailto:Kira.Hutchinson@vancouver.ca)
To: ["Ralph, Alexander" <Alexander.Ralph@vancouver.ca>](mailto:Alexander.Ralph@vancouver.ca)
CC: ["MacKenzie, Angela" <Angela.MacKenzie@vancouver.ca>](mailto:Angela.MacKenzie@vancouver.ca)
["Bourque, Janine" <Janine.Bourque@vancouver.ca>](mailto:Janine.Bourque@vancouver.ca)
Date: 3/1/2023 2:44:07 PM
Subject: For issue two CMO emails: Confidential: Update on Living Wage change (March 1, 2023)

Hi Alex,

Could you please share with Patrice the suggested email to go from Paul to CLT, as copied first here, as soon as you can? All of this should align with the agreed messaging from the M&C memo.

CMO will then follow with another email to share the CLT message with leaders in relevant departments, also copied here. I can help his office with contacts if they need support.

Many thanks,

Kira

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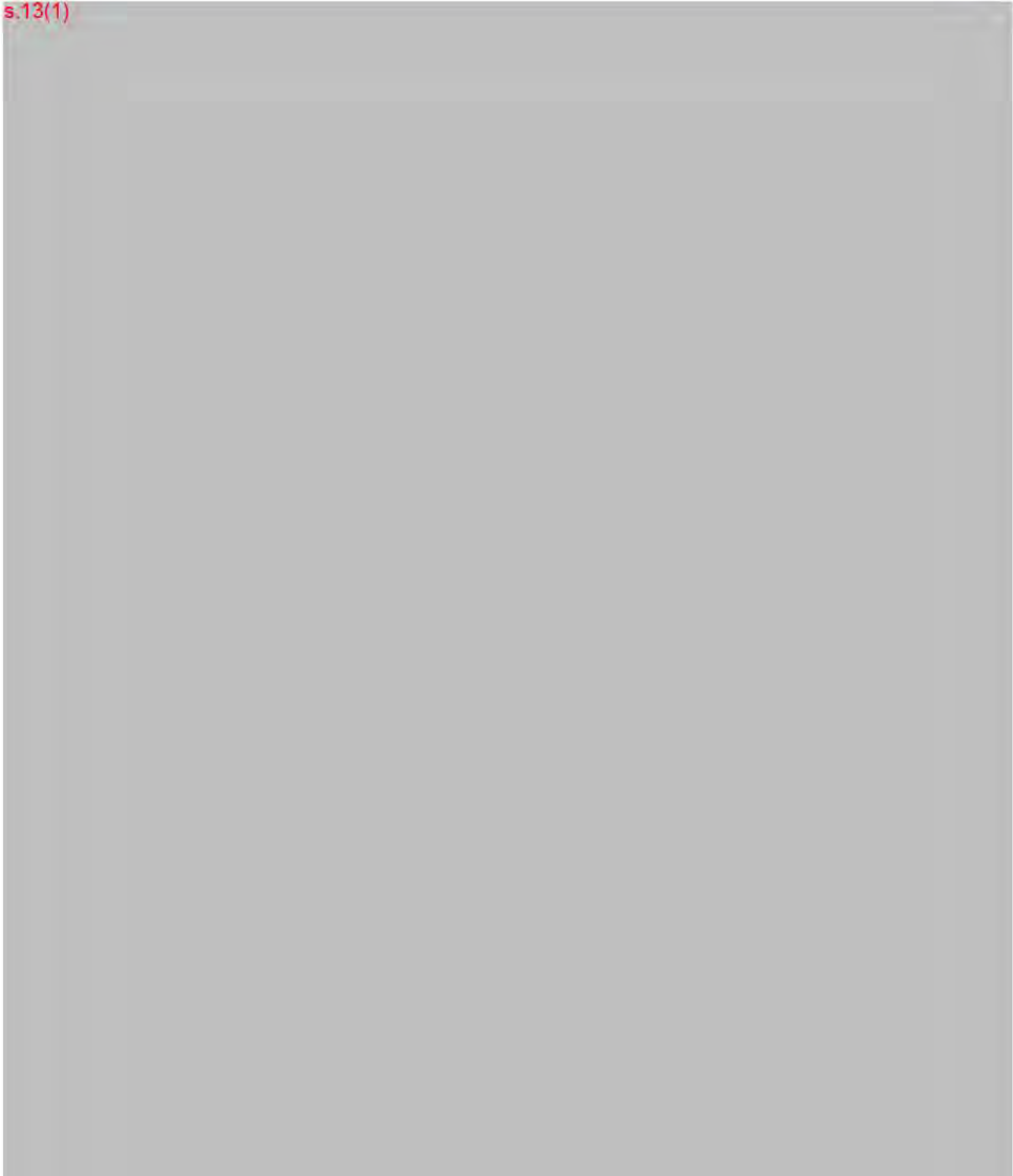
s.13(1)



s.13(1)

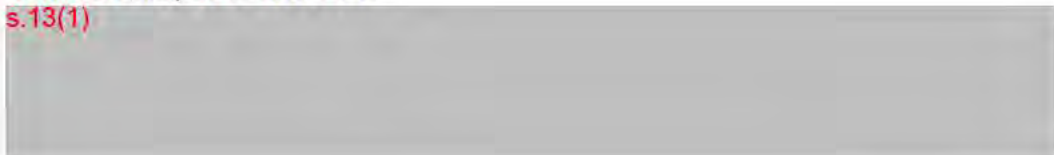


s.13(1)



Park Board, VPL and VPD

s.13(1)



s.13(1)



From: "Pontikis, Maria" <Maria.Pontikis@vancouver.ca>
To: "MacKenzie, Angela" <Angela.MacKenzie@vancouver.ca>
"Hutchinson, Kira" <Kira.Hutchinson@vancouver.ca>
Date: 3/1/2023 11:40:27 AM
Subject: FW: CONFIDENTIAL - Memo to Mayor Council - Living Wage
Attachments: image001.png
CONFIDENTIAL - Memo to Mayor Council - Living Wage.pdf

Sent

From: Mochrie, Paul <Paul.Mochrie@vancouver.ca>
Sent: Wednesday, March 1, 2023 11:39 AM
To: Direct to Mayor and Council - DL s.15(1)(l)
Cc: Impey, Patrice <Patrice.Impey@vancouver.ca>; City Manager's Correspondence Group - DL s.15(1)(l)
Subject: CONFIDENTIAL - Memo to Mayor Council - Living Wage

\u-257 ?

Dear Mayor and Council,

Attached please find a confidential memo regarding the communication of the decisions from the In Camera meeting on Tuesday, January 31, 2023 regarding the City's implementation of the Living Wage program.

Please review this memo as it outlines the timelines and approaches for Council communication of this In camera decision. The information will be public on March 2nd.

Should you have any questions, please feel free to contact me or Patrice Impey.

Best,
Paul

Paul Mochrie (he/him)
City Manager
City of Vancouver
paul.mochrie@vancouver.ca
604.873.7666

The City of Vancouver acknowledges that it is situated on the unceded traditional territories of the x^wməθk^wəyəm (Musqueam), Skwx\u817 _wú7mesh (Squamish), and səliłwətał (Tsleil-Waututh) Nations.

CONFIDENTIAL

MEMORANDUM

March 1, 2023

TO: Mayor and Council

CC: Armin Amrolia, Deputy City Manager
Karen Levitt, Deputy City Manager
Francie Connell, City Solicitor
Maria Pontikis, Chief Communications Officer, CEC
Rosemary Hagiwara, Acting City Clerk
Teresa Jong, Administration Services Manager, City Manager's Office
Mellisa Morphy, Acting Chief of Staff, Mayor's Office
Trevor Ford, Director of Operations, Mayor's Office
Patrice Impey, Chief Financial Officer and FRS GM
Andrew Naklicki, Chief Human Resource Officer

FROM: Paul Mochrie
City Manager

SUBJECT: Living Wage: Program Changes Implementation and Communications Plan

RTS #: N/A

At the in camera meeting on Tuesday, January 31, 2023, Council directed City staff to establish a revised approach to support the living wage program, implementing a five-year rolling average to be used as the standard to pay fair wages to employees of the City and its service providers.

Living Wage for Families BC (LWFBC) is the official certification body which publishes the living wage rates each year and administers the Living Wage program. The City will continue to use the rate determined by LWFBC to calculate the five-year rolling average.

The City joined the living wage program in 2017. As the Living Wage rate is calculated annually, it can increase or decrease on an annual basis. To this end, the Living Wage rate has decreased twice since 2018 when it was set at \$20.91. The City did not correspondingly decrease its wages. Based on a five-year rolling average, the City will continue to ask service providers to pay at or above the rate of \$20.91.

The rate set by LWFBC for 2023 would represent a 17.35% annual increase. The City has been advised the rate will likely decrease next year. A five-year rolling average will smooth out these

annual fluctuations and address the implementation challenges for large organizations with multi-year collective agreements like the City.

City staff have developed an implementation and communications plan to operationalise the changes to the program with the objective to make this Council decision public on March 2, 2023. This information should remain confidential until then in order to provide time to engage multiple internal and external stakeholders in a coordinated manner.

We request that Mayor and Council not comment on the decision until the decision is made public. The key messages suggested by staff are:

- The City recognizes the importance of fair compensation to employees of the City and the City's service providers.
- We value the work of the Living Wage for Families BC and appreciate the benchmarks the organization sets.
- We are currently reviewing the City's role within the program and will update staff and stakeholders when more details become available.

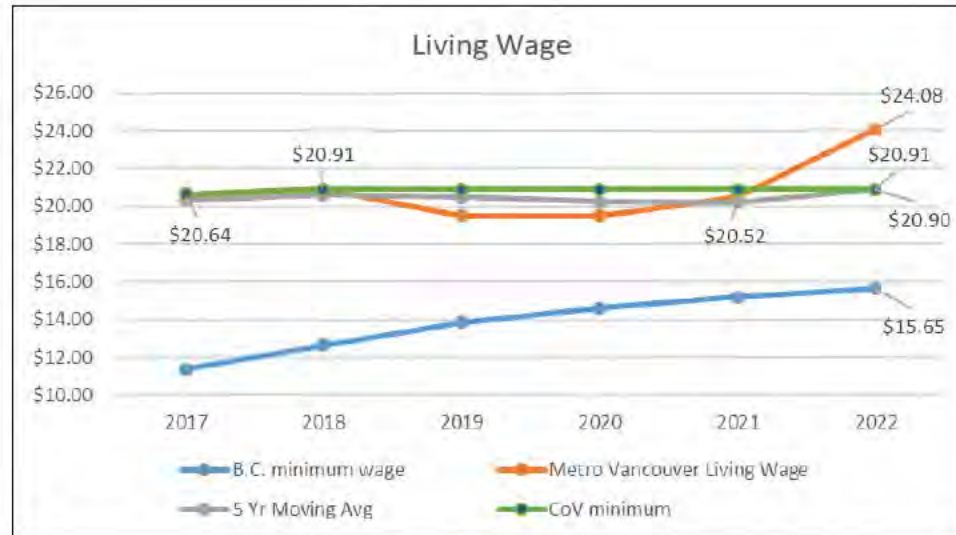
Following public release on March 2, 2023 the Council decision will be released to the public in accordance with the procedures established by the City Clerk.

s.14

Mayor and Council may use the following suggested key messages if they choose, following the public release:

- The City values the contributions of its staff, and we are continuing to focus on ensuring our compensation rates are fair and reflect the cost of living in Vancouver.
- Recently, the living wage rate for Metro Vancouver set by Living Wage for Families BC (LWFBC) increased 17.35% or to \$24.08 per hour for 2023. The City has also been advised that the Living Wage rate is expected to decrease next year
- The Living Wage rate is calculated annually and has fluctuated both up and down each year. This is difficult to administer in large organizations, particularly those with multi-year collective agreements like the City. Where the annual Living Wage has decreased in the past, the City has not decreased wages and asked service providers to do the same.
- Due to the immediate impact the new Living Wage rate would have on the pay structure for the rest of the City and the possibility the rate may be reduced in future years, Council made the decision to implement a fair wage approach based on a five-year rolling average of the Living Wage rate.
- The City will continue to use the rate set by Living Wage for Families BC by implementing a five-year rolling average, which will smooth out annual fluctuations.

- The table below outlines the impact of the rolling average. Since the City has participated as a Living Wage employer, the wage has increased and decreased creating implementation challenges. The City's minimum benchmark rate in 2017 when it joined the program was \$20.64. It changed to \$20.91 in 2018 and the City has maintained the minimum benchmark rate at this level since then.



- The Living wage has decreased since 2018, though the City and its service providers have continued to pay at or above the 2018 rate. A decrease in the Living Wage rate generally means the cost of living has gone down.
- Applying the rolling five-year average for 2023, the wage would be \$20.90. The current lowest wage for direct City employees is \$21.27, and the current minimum of \$20.91 would be maintained for service providers for 2023.
- All City staff are compensated above B.C. minimum wage (\$15.65 in 2022) and the vast majority are at or above the recently announced 2023 Living Wage rate, as are the majority of our service providers.
- The City hopes LWFBC will consider this variation in implementation and allow organizations that use this approach to continue to be certified, as we are continuing to use their calculated living wage rate but applying a more practicable approach for large organizations.

The Vancouver Board of Parks and Recreation, the Vancouver Police Department and the Vancouver Public Library will receive an update on the morning of March 2, 2023.

Unions will be informed on Council's decision on the morning of March 2, 2023.

The Living Wage for Families BC will be contacted on the afternoon of March 2, 2023, letting them know that the City will implement a five-year rolling average approach to address the implementation challenges annual increases and decreases represent to the City's participation in the Living Wage Employer program. The City will continue to use the rate set by Living Wage for Families of BC as a benchmark to calculate on an annual basis a five-year moving average. The City would consider future certification as a Living Wage employer and will ask that the certification body recognizes this implementation approach in the program requirements.

Other key stakeholders, such as staff, contractors and other organizations that need to know of this decision immediately will be contacted on March 2, 2023 as appropriate. The City's external website as well as Currents (intranet site) will be updated that same day.

Other activities on the implementation plan will follow in subsequent days and weeks, such as updates to document templates, logos on letterhead, signage, etc.

Please let me know if you have any questions or concerns.

Best,



Paul Mochrie
City Manager

604.873.7666 | paul.mochrie@vancouver.ca

From: "[MacKenzie, Angela](mailto:Angela.MacKenzie@vancouver.ca)" <Angela.MacKenzie@vancouver.ca>
To: "[Kaptein, Megan](mailto:Megan.Kaptein@vancouver.ca)" <Megan.Kaptein@vancouver.ca>
Date: 3/1/2023 4:20:00 PM
Subject: FW: CONFIDENTIAL - Memo to Mayor Council - Living Wage
Attachments: CONFIDENTIAL - Memo to Mayor Council - Living Wage.pdf

FYI

[Angela MacKenzie](#) (she/her)
Associate Director

Civic Engagement & Communications
City of Vancouver
c. [s.15\(1\)\(l\)](#)

The City of Vancouver is on the unceded traditional territories of the xʷməθkʷəy̅əm (Musqueam), Skwxwú7mesh (Squamish), and selilwetəʔ (Tsleil-Waututh) Nations.

From: Impey, Patrice <Patrice.Impey@vancouver.ca>
Sent: Wednesday, March 1, 2023 1:06 PM
To: MacKenzie, Angela <Angela.MacKenzie@vancouver.ca>; Naklicki, Andrew <andrew.naklicki@vancouver.ca>; Ralph, Alexander <Alexander.Ralph@vancouver.ca>
Subject: FW: CONFIDENTIAL - Memo to Mayor Council - Living Wage

From: Mochrie, Paul <Paul.Mochrie@vancouver.ca>
Sent: Wednesday, March 1, 2023 11:39 AM
To: Direct to Mayor and Council - DL [s.15\(1\)\(l\)](#)
Cc: Impey, Patrice <Patrice.Impey@vancouver.ca>; City Manager's Correspondence Group - DL [s.15\(1\)\(l\)](#)
Subject: CONFIDENTIAL - Memo to Mayor Council - Living Wage

\u-257 ?

Dear Mayor and Council,

Attached please find a confidential memo regarding the communication of the decisions from the In Camera meeting on Tuesday, January 31, 2023 regarding the City's implementation of the Living Wage program.

Please review this memo as it outlines the timelines and approaches for Council communication of this In camera decision. The information will be public on March 2nd.

Should you have any questions, please feel free to contact me or Patrice Impey.

Best,

Paul

Paul Mochrie (he/him)

City Manager

City of Vancouver

paul.mochrie@vancouver.ca

604.873.7666

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From: ["Pontikis, Maria" <Maria.Pontikis@vancouver.ca>](mailto:Maria.Pontikis@vancouver.ca)
To: ["MacKenzie, Angela" <Angela.MacKenzie@vancouver.ca>](mailto:Angela.MacKenzie@vancouver.ca)
Date: 3/1/2023 9:34:27 PM
Subject: FW: For CMO Consideration: Living Wage CLT Message (March 2, 2023)

FYI and per my earlier messages.

From: Pontikis, Maria
Sent: Wednesday, March 1, 2023 9:34 PM
To: Mochrie, Paul <Paul.Mochrie@vancouver.ca>
Cc: Impey, Patrice <Patrice.Impey@vancouver.ca>; Rowley, Cheryl <cheryl.rowley@vancouver.ca>
Subject: For CMO Consideration: Living Wage CLT Message (March 2, 2023)

Hi Paul,

Following on our conversation, below is a brief message I would propose you share with CLT tomorrow. This would replace any previous planned separate communication from you to VPL, VPD or Park Board, given they sit as part of CLT.

I've also made changes to Andrew's HR message as part of the broader rollout, and asked my team to reflect these changes across materials and recirculate to you, Patrice and HR in the morning, as appropriate given the issuer.

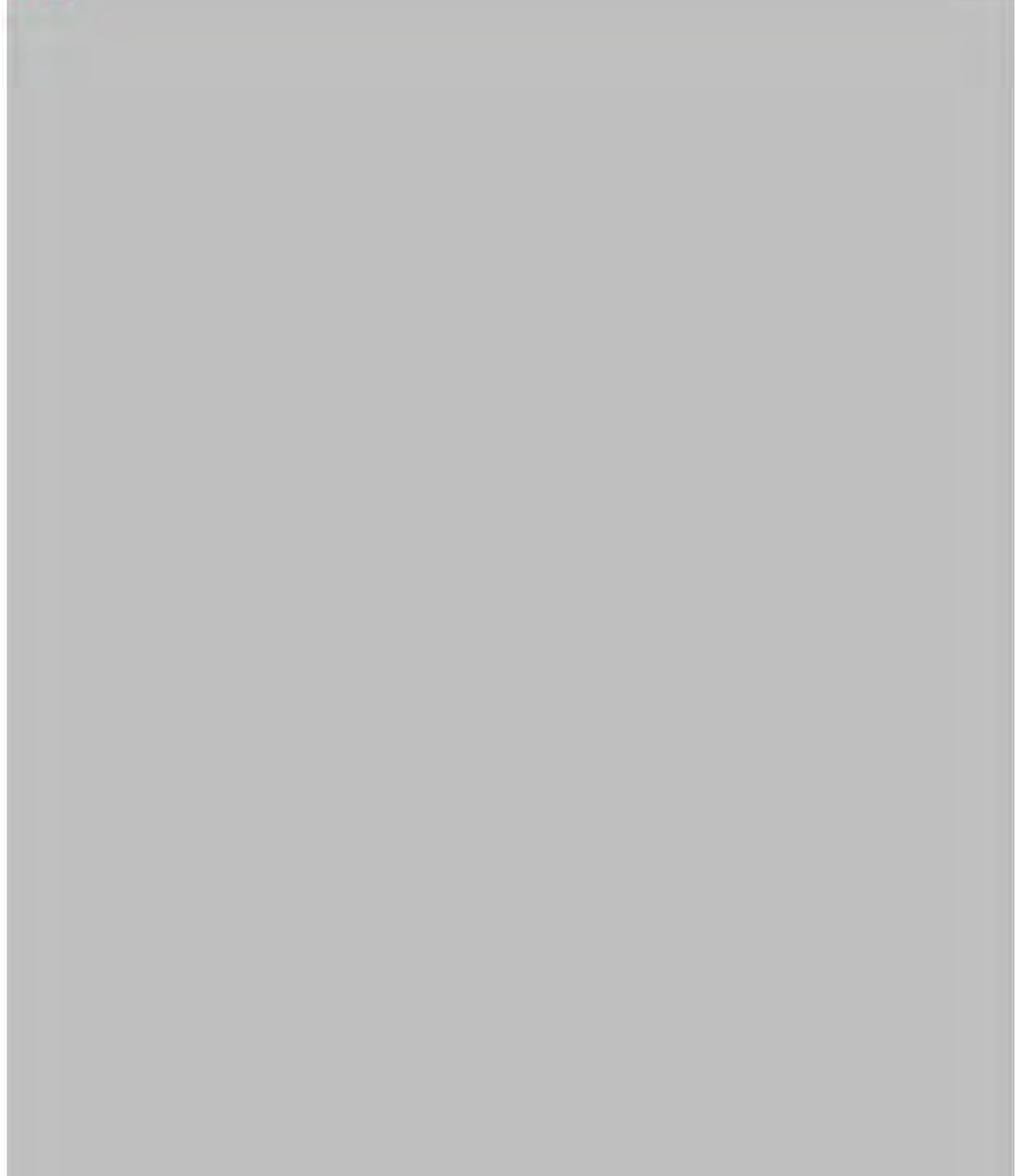
s.22(1) [redacted] but will advise
Angela of the changes required should you need anything further immediately.

Thank you,
Maria

s.13(1) [redacted]

s.13(1) [redacted]

s.13(1)



From: Mochrie, Paul <Paul.Mochrie@vancouver.ca>

Sent: Wednesday, March 1, 2023 11:39 AM

To: Direct to Mayor and Council - DL <s.15(1)(l)>

Cc: Impey, Patrice <Patrice.Impey@vancouver.ca>; City Manager's Correspondence Group - DL

s.15(1)(l)

Subject: CONFIDENTIAL - Memo to Mayor Council - Living Wage

\u-257 ?

Dear Mayor and Council,

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Should you have any questions, please feel free to contact me or Patrice Impey.

Best,
Paul

Paul Mochrie (he/him)
City Manager
City of Vancouver
paul.mochrie@vancouver.ca
604.873.7666

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From: ["Hutchinson, Kira" <Kira.Hutchinson@vancouver.ca>](mailto:Kira.Hutchinson@vancouver.ca)

To: ["Bourque, Janine" <Janine.Bourque@vancouver.ca>](mailto:Janine.Bourque@vancouver.ca)

Date: 3/2/2023 1:33:47 PM

Subject: FW: For issue: Confidential update on Living Wage and your staff members (March 2, 2023)

Attachments: 2023-02-23 - CMO - CEC - Internal Comms - Living Wage Managers' Brief - FINAL.pdf

For issue! 😊

Thanks,
Kira
//////////

To: Managers / Directors (DL provided by HR)

Subject: Confidential update on Living Wage and your staff members (March 2, 2023)

Good morning / afternoon,

I am writing to you as a leader of a department with auxiliary staff who may have questions about the City's Living Wage Employer status.

About the Living Wage Employer Status

As you may be aware, Living Wage for Families BC (LWFBC) works with communities across BC to calculate their local living wage each year. The living wage is the hourly wage that a household needs to meet their basic expenses (including rent, childcare, food and transportation). Based on the calculation, the rate can fluctuate significantly each year – both up and down. The City of Vancouver became a certified Living Wage Employer in 2017.

Recently, the Living Wage rate for Metro Vancouver set by LWFBC increased by 17.35% or to \$24.08 per hour for 2023. We have also been advised that the Living Wage rate is expected to decrease next year.

The annual fluctuations of the Living Wage make it difficult to administer in large organizations, particularly those with multi-year collective agreements like the City. Where the annual Living Wage rate has decreased in the past, we have not decreased wages and asked service providers to do the same.

Forthcoming changes to the City's implementation of Living Wage

Due to the immediate impact the new Living Wage rate would have on the pay structure for the rest of the City and the possibility the rate may be reduced in future years, Council made the decision to implement a fair wage approach using the LWFBC rate to implement a rolling five-year average, which will smooth out those annual fluctuations.

All City staff are compensated above the B.C. minimum wage (\$15.65 in 2022) and the vast majority are at or above the recently announced 2023 Living Wage rate, as are the majority of our service providers.

What you need to know

Attached is a **Managers' Brief**, the "know, say, do" support for you to have a confidential conversation with your staff members should they have questions about the Living Wage and change in approach the City is taking.

Please do not email this document, it is intended to provide you with background and answers to some potential questions you may be asked. We understand many of these staff are seasonal auxiliary staff. Please refer to this support document for those staff who rejoin your team at a later date.

General information will also be provided for all staff and other stakeholders.

If you have any questions about this change, please contact your HR Consultant.

Thank you for your support,

Andrew Naklicki

Managers' Brief

Living Wage update

March 2, 2023

Background

- Living Wage for Families BC (LWFBC) works with communities across BC to calculate their local living wage each year. The living wage is the hourly wage that a household needs to meet their basic expenses (including rent, childcare, food and transportation). Based on the calculation, the rate can fluctuate significantly each year – both up and down.
- The City of Vancouver became a certified Living Wage Employer in 2017.
- Recently, the Living Wage rate for Metro Vancouver set by LWFBC increased by 17.35% or to \$24.08 per hour for 2023. We have also been advised that the Living Wage rate is expected to decrease next year.
- The Living Wage rate is calculated annually and has fluctuated both up and down each year. This is difficult to administer in large organizations, particularly those with multi-year collective agreements like the City. Where the annual Living Wage rate has decreased in the past, we have not decreased wages and asked service providers to do the same.
- The City supports the goals of Living Wage for Families BC (LWFBC) and will continue to use the published living wage as a guide for our staff wages. However, we will use a rolling five-year average of the Living Wage. This will address the implementation difficulties of the major fluctuations that happen on an annual basis.
- This change will mean that we will not receive certification under the Living Wage of BC program. However, we continue to support the Living Wage benchmark as the key element of our calculation.
- This change will be most relevant to a small number of auxiliary City staff, who primarily work in Parks and Recreation and ACCS.

What you need to... know

- More information is in the “Say” section of this Managers' Brief to support you in responding to questions from your staff.
- While most City staff are compensated at or above the new 2023 Living Wage rate, there are some auxiliary staff and fewer than nine external contracts below the increased living wage.

- As a manager of those auxiliary staff, you need to know the background to answer any questions your staff may have

...Do

- Share information with your staff, using the “**Say**” bullet points for your private conversation(s). Please do not forward or share this entire Managers’ Brief document with your staff – speak to them directly if they have questions.
- Respect confidentiality of your staff and maintain private conversations.
- If asked questions from other staff, feel free to use the general updates and explain the reasoning for the approach.

...Say

Below are some messages to support you in speaking to your staff.

- We value the work of all our staff. You are all part of what makes the city great – caring, vibrant and functioning well for community members.
- On November 17, 2022, the Living Wage rate for the Metro Vancouver region increased 17.35% to \$24.08 per hour.
- The City will not be increasing pay to meet this new living wage benchmark, as we will be using a rolling five-year average using the Living Wage rate.
- The Living Wage rate may go up or down on an annual basis, and implementing this rate is not practicable and is challenging to administer.
- The City will implement a fair wage approach for staff and contract providers using the rolling five-year averages of the Living Wage rate, which will continue to be recognized as a benchmark.
- This change will mean the City will not receive certification under the Living Wage of BC program. However, we continue to support the Living Wage benchmark by using it in our calculations.

Frequently asked questions

Q: Why are we not following the Living Wage rate change?

A: The living wage is an annual calculation that considers many factors beyond inflation, including government programs to address affordability, and is set by Living Wage for Families BC. The rate can fluctuate significantly each year – both up and down. In the past four years, the rate has increased twice and decreased once (in the past seven years it has decreased three times).

Q: Are there any City staff who are impacted by this change in approach? Where do they work?

A: There are some auxiliary staff who do not fall above the new living wage rate, who typically work an average of 400 hours per year as cashiers, food servers, rink attendants and civic theatre attendants.

Q: Who are contracted staff that will not be paid a living wage? Which areas do they support or where do they work?

A: Contracted staff include security, janitorial and graffiti removal and traffic control services. These industries typically pay below a living wage. Contracted staff work mostly in ACCS, Parks and Recreation and Engineering.

Q: When did the City of Vancouver certify as a Living Wage Employer? Has it maintained certification every year since?

A: The City of Vancouver certified as a Living Wage Employer in 2017, following an approved motion by Council, and maintained certification since that time.

Q: Does this mean the Vancouver Public Library and the Vancouver Police Department will not apply for certification as a living wage employer?

A: VPL and VPD would need to seek direction from their respective boards about re-certification as they are legally separate employers.

Q: What will be the new approach to assessing fair wages? How will the City decide what a fair wage is?

A: The City will calculate a rolling five-year average using the rate set annually by Living Wage for Families BC (LWFBC). This continues to recognize the LWFBC's rate as a benchmark and addresses the implementation challenges.

Q: Will the City apply for certification in the future?

A: The City continues to be committed to fair wages. Going forward City Council would need to consider whether to apply for certification with Living Wage for Families of BC, particularly if the program changed its approach to address the challenges large public employers face to implement annual increases and decreases.

From: ["Pontikis, Maria" <Maria.Pontikis@vancouver.ca>](mailto:Maria.Pontikis@vancouver.ca)
To: ["MacKenzie, Angela" <Angela.MacKenzie@vancouver.ca>](mailto:Angela.MacKenzie@vancouver.ca)
["Hutchinson, Kira" <Kira.Hutchinson@vancouver.ca>](mailto:Kira.Hutchinson@vancouver.ca)
Date: 3/8/2023 3:34:34 PM
Subject: FW: Note on living wage decision

FYI

From: Mochrie, Paul <Paul.Mochrie@vancouver.ca>
Sent: Wednesday, March 8, 2023 3:32 PM
To: Erfan, Aftab <Aftab.Erfan@vancouver.ca>; Naklicki, Andrew <andrew.naklicki@vancouver.ca>
Cc: Pontikis, Maria <Maria.Pontikis@vancouver.ca>
Subject: RE: Note on living wage decision

Hi Aftab,

Thanks for sharing this information. I am not surprised by what you are hearing and am entirely open to additional steps I/we might take to address the concern and confusion.

Of course, I am not in a position to disclose anything [s.12\(3\)\(b\)](#) [s.12\(3\)\(b\)](#) However, if there are other consistent questions or misperceptions, we could certainly speak to those. If folks simply disagree with the policy decision that is their prerogative and I am not sure if there is anything we can do about that.

When we have a chance to discuss, it would be helpful to get some additional context regarding the implication you describe in relation to the GDEI benchmarks. Specifically with respect to wages, the level 3 criterion is framed as paying wages that exceed the legal minimum wage. The alternative threshold that Council has adopted as the minimum compensation threshold for 2023 (20.91) is still far in excess of minimum wage or, in the case of the primary occupational groups to which it applies, market-standard standard compensation rates. Level2 references paying legislated minimum wages.

Maria or Andrew – do you have any suggestions here?

Many thanks,
Paul

From: Erfan, Aftab <Aftab.Erfan@vancouver.ca>
Sent: Wednesday, March 08, 2023 2:53 PM
To: Mochrie, Paul <Paul.Mochrie@vancouver.ca>; Naklicki, Andrew <andrew.naklicki@vancouver.ca>
Cc: Pontikis, Maria <Maria.Pontikis@vancouver.ca>
Subject: Note on living wage decision

Hi Paul and Andrew

Several colleagues have now explained to me Vancouver's decision to abandon the living wage employer designation, including the math, and I think I have understood it now as much as I am going to understand it. With this I need to put a couple of implications of this decision on your radar.

On the path towards equity, I would expect that we take a couple of steps backwards for every few steps forward. This decision is definitely a step back for equity no matter how it is justified. In specific terms, no longer being a living wage employer means that we drop to a Level 2 from a current Level 3 on Category 6 (compensation) of the Global Diversity Equity and Inclusion Benchmarks. For reference, our goal is to get to Level 4 by 2025, and we're going in the opposite direction. I will be transparent about this with Council in my annual progress report to them in the summer, as this is ultimately a decision they have made and I want them to be clear on the implications.

Secondly, I am noticing a significant anger and disillusionment among City staff in connection with the decision. They are asking questions like "did Council initiate this or was this a CMO recommendation?", "who actually is impacted? How many staff and contractors? How much money does this save the City?" and some very practical things like "does this mean that when we hire contractors in my unit we can no longer pay them a living wage?" The internal communication is being experienced as confusing and inconsistent – what's being explained is not actually making sense to staff, which is leading to all kinds of stories being made up. In particular, some staff are feeling upset that we had an "ask me anything" town hall on the budget at a time when this decision was already made but not disclosed, so staff had no chance to ask about it. One director asked me this morning if Paul is going to address staff on this issue. I tend to think it is necessary, but thought I'd communicate what I am hearing and leave with you to decide.

Thanks
Aftab

Aftab Erfan ([pronounce](#)), PhD
City of Vancouver's Equity Officer
Office of the City Manager
Phone: 604.873.7595
Cell: [s.15\(1\)\(i\)](#)
English [pronouns](#): She|Her|Hers



Located on the traditional, ancestral, unceded lands of the xʷməθkʷəy̓əm (Musqueam), Ḥk̓wəx̓wí7mesh (Squamish), and səlilwətal (Tsleil-Waututh) Nations.

From: "[Hutchinson, Kira](mailto:Kira.Hutchinson@vancouver.ca)" <Kira.Hutchinson@vancouver.ca>
To: "[Pontikis, Maria](mailto:Maria.Pontikis@vancouver.ca)" <Maria.Pontikis@vancouver.ca>
CC: "[MacKenzie, Angela](mailto:Angela.MacKenzie@vancouver.ca)" <Angela.MacKenzie@vancouver.ca>
Date: 3/1/2023 9:37:44 PM
Subject: Fwd: Confidential Do not forward: Update on Living Wage change (March 1, 2023)

Hi Maria, here's the email content I sent through earlier today. Please let me know if you have any questions.

Thanks,
Kira

Begin forwarded message:

From: "Rowley, Cheryl" <Cheryl.Rowley@vancouver.ca>
Date: March 1, 2023 at 16:50:22 PST
To: "Impey, Patrice" <Patrice.Impey@vancouver.ca>, "Hutchinson, Kira" <Kira.Hutchinson@vancouver.ca>
Cc: "Ralph, Alexander" <Alexander.Ralph@vancouver.ca>
Subject: RE: Confidential Do not forward: Update on Living Wage change (March 1, 2023)

\u-257 ?
Hi Patrice,

Kira and I spoke and I have prepared the email for Paul to send out today.

Thanks,
Cheryl

From: Impey, Patrice <Patrice.Impey@vancouver.ca>
Sent: Wednesday, March 1, 2023 4:40 PM
To: Hutchinson, Kira <Kira.Hutchinson@vancouver.ca>; Rowley, Cheryl <Cheryl.Rowley@vancouver.ca>
Cc: Ralph, Alexander <Alexander.Ralph@vancouver.ca>
Subject: RE: Confidential Do not forward: Update on Living Wage change (March 1, 2023)

Super. Thanks all.

From: Hutchinson, Kira <Kira.Hutchinson@vancouver.ca>
Sent: Wednesday, March 1, 2023 4:39 PM
To: Impey, Patrice <Patrice.Impey@vancouver.ca>; Rowley, Cheryl <Cheryl.Rowley@vancouver.ca>
Cc: Ralph, Alexander <Alexander.Ralph@vancouver.ca>
Subject: RE: Confidential Do not forward: Update on Living Wage change (March 1, 2023)

Definitely, thanks Patrice. We can add a line that it is confidential until the information is shared tomorrow.

Cheryl, I will be in touch now.

Thank you,
Kira

From: Impey, Patrice <Patrice.Impey@vancouver.ca>
Sent: Wednesday, March 1, 2023 4:36 PM
To: Rowley, Cheryl <Cheryl.Rowley@vancouver.ca>
Cc: Hutchinson, Kira <Kira.Hutchinson@vancouver.ca>; Ralph, Alexander <Alexander.Ralph@vancouver.ca>
Subject: Confidential Do not forward: Update on Living Wage change (March 1, 2023)
Importance: High

Hello Cheryl,
Attached are 2 emails for Paul to send regarding living wage. One is ideally sent today.
Can you please work with Kira re: formatting and sequencing?

Kira,
I believe we should include the date when it will be released so they know when it will be public - but up to you - can you coordinate with Cheryl?
Thanks!
Patrice

From: Hutchinson, Kira <Kira.Hutchinson@vancouver.ca>
Sent: Wednesday, March 1, 2023 2:44 PM
To: Ralph, Alexander <Alexander.Ralph@vancouver.ca>
Cc: MacKenzie, Angela <Angela.MacKenzie@vancouver.ca>; Bourque, Janine <Janine.Bourque@vancouver.ca>
Subject: For issue two CMO emails: Confidential: Update on Living Wage change (March 1, 2023)

Importance: High

Hi Alex,

Could you please share with Patrice the suggested email to go from Paul to CLT, as copied first

here, as soon as you can? All of this should align with the agreed messaging from the M&C memo.

CMO will then follow with another email to share the CLT message with leaders in relevant departments, also copied here. I can help his office with contacts if they need support.

Many thanks,

Kira

///

s.13(1)



s.13(1)



s.13(1)



//

Park Board, VPL and VPD

s.13(1)



s.13(1)



|

From: ["Pontikis, Maria" <Maria.Pontikis@vancouver.ca>](mailto:Maria.Pontikis@vancouver.ca)

To: ["MacKenzie, Angela" <Angela.MacKenzie@vancouver.ca>](mailto:Angela.MacKenzie@vancouver.ca)

Date: 2/28/2023 2:34:04 PM

Subject: RE: CONFIDENTIAL - Living Wage - Memo to Mayor Council - 28Feb2023-V04

Attachments: CONFIDENTIAL - Living Wage - Memo to Mayor Council - 28Feb2023-V05.docx

From: MacKenzie, Angela <Angela.MacKenzie@vancouver.ca>

Sent: Tuesday, February 28, 2023 2:22 PM

To: Pontikis, Maria <Maria.Pontikis@vancouver.ca>

Subject: CONFIDENTIAL - Living Wage - Memo to Mayor Council - 28Feb2023-V04

Hi Maria,

Latest version attached with Patrice's edits.

Angela

CONFIDENTIAL

MEMORANDUM

February 28, 2023

TO: Mayor and Council

CC: Armin Amrolia, Deputy City Manager
Karen Levitt, Deputy City Manager
Francie Connell, City Solicitor
Maria Pontikis, Chief Communications Officer, CEC
Rosemary Hagiwara, Acting City Clerk
Teresa Jong, Administration Services Manager, City Manager's Office
Mellisa Morphy, Acting Chief of Staff, Mayor's Office
Trevor Ford, Director of Operations, Mayor's Office
Patrice Impey, Chief Financial Officer and FRS GM
Andrew Naklicki, Chief Human Resource Officer

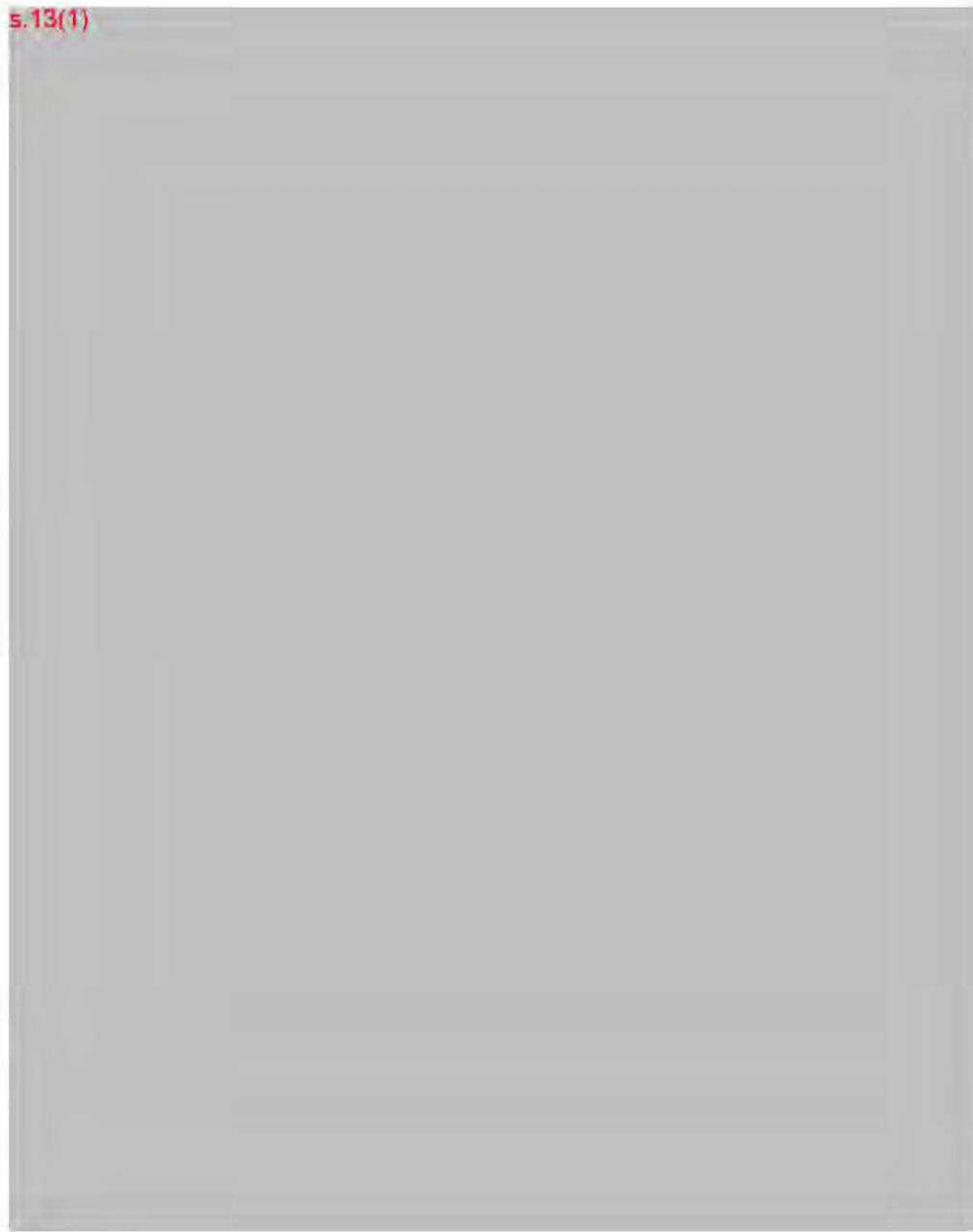
FROM: Paul Mochrie
City Manager

SUBJECT: Living Wage—Program Changes Implementation and Communications Plan

RTS #: N/A

s.13(1)

s.13(1)



s.13(1)



s.13(1)



CONFIDENTIAL

From: "Impey, Patrice" <Patrice.Impey@vancouver.ca>
To: "MacKenzie, Angela" <Angela.MacKenzie@vancouver.ca>
Date: 2/28/2023 5:28:27 PM
Subject: RE: CONFIDENTIAL - Living Wage - Memo to Mayor Council - 28Feb2023-V05 with edits

I am happy to try again, but you know how the whole comms plan will be working. Let me know.

From: Impey, Patrice
Sent: Tuesday, February 28, 2023 5:27 PM
To: MacKenzie, Angela <Angela.MacKenzie@vancouver.ca>
Subject: FW: CONFIDENTIAL - Living Wage - Memo to Mayor Council - 28Feb2023-V05 with edits

Do you want to take these and update?

From: Naklicki, Andrew <andrew.naklicki@vancouver.ca>
Sent: Tuesday, February 28, 2023 5:24 PM
To: Impey, Patrice <Patrice.Impey@vancouver.ca>; MacKenzie, Angela <Angela.MacKenzie@vancouver.ca>; Ralph, Alexander <Alexander.Ralph@vancouver.ca>; Bourque, Janine <Janine.Bourque@vancouver.ca>
Subject: RE: CONFIDENTIAL - Living Wage - Memo to Mayor Council - 28Feb2023-V05 with edits

Patrice, I would eliminate the 1st paragraph on the top of page two. I don't think it adds any value to what already has been said in the paragraph before it. In the next paragraph I would place a period after fluctuations and eliminate the rest of the sentence. s.13(1)

s.13(1)

s.13(1)

Those are my comments.

Andrew

Andrew Naklicki (he/him/his)
Chief Human Resources Officer
Human Resources | City of Vancouver
t: 604-873-7660 | e: andrew.naklicki@vancouver.ca

This email is intended solely for the use of the individual or entity named above and contains information which is PRIVILEGED and CONFIDENTIAL. Any use of this communication by an unintended

recipient is strictly prohibited. If you are not the intended recipient, please notify us by telephone and destroy this email.

From: Impey, Patrice <Patrice.Impey@vancouver.ca>

Sent: Tuesday, February 28, 2023 4:17 PM

To: MacKenzie, Angela <Angela.MacKenzie@vancouver.ca>; Ralph, Alexander <Alexander.Ralph@vancouver.ca>; Naklicki, Andrew <andrew.naklicki@vancouver.ca>

Subject: CONFIDENTIAL - Living Wage - Memo to Mayor Council - 28Feb2023-V05 with edits

My thoughts. s.13(1)

s.13(1)

From: "Impey, Patrice" <Patrice.Impey@vancouver.ca>
To: "MacKenzie, Angela" <Angela.MacKenzie@vancouver.ca>
"Naklicki, Andrew" <andrew.naklicki@vancouver.ca>
"Ralph, Alexander" <Alexander.Ralph@vancouver.ca>
Date: 3/1/2023 1:33:05 PM
Subject: RE: CONFIDENTIAL - Memo to Mayor Council - Living Wage

Thanks to all of you... that was a bit painful relative to the impact, but we got there!

From: MacKenzie, Angela <Angela.MacKenzie@vancouver.ca>
Sent: Wednesday, March 1, 2023 1:07 PM
To: Impey, Patrice <Patrice.Impey@vancouver.ca>; Naklicki, Andrew <andrew.naklicki@vancouver.ca>; Ralph, Alexander <Alexander.Ralph@vancouver.ca>
Subject: RE: CONFIDENTIAL - Memo to Mayor Council - Living Wage

Thank you, Patrice!

Angela MacKenzie (she/her)
Associate Director

Civic Engagement & Communications
City of Vancouver
c s.15(1)(l)

The City of Vancouver is on the unceded traditional territories of the x̱w̱məθḵw̱əy̱əm (Musqueam), Sḵwx̱w̱7mesh (Squamish), and səliwətəł (Tsleil-Waututh) Nations.

From: Impey, Patrice <Patrice.Impey@vancouver.ca>
Sent: Wednesday, March 1, 2023 1:06 PM
To: MacKenzie, Angela <Angela.MacKenzie@vancouver.ca>; Naklicki, Andrew <andrew.naklicki@vancouver.ca>; Ralph, Alexander <Alexander.Ralph@vancouver.ca>
Subject: FW: CONFIDENTIAL - Memo to Mayor Council - Living Wage

From: Mochrie, Paul <Paul.Mochrie@vancouver.ca>
Sent: Wednesday, March 1, 2023 11:39 AM
To: Direct to Mayor and Council - DL s.15(1)(l)
Cc: Impey, Patrice <Patrice.Impey@vancouver.ca>; City Manager's Correspondence Group - DL s.15(1)(l)
Subject: CONFIDENTIAL - Memo to Mayor Council - Living Wage

\u-257 ?
Dear Mayor and Council,

Attached please find a confidential memo regarding the communication of the decisions from the In

Camera meeting on Tuesday, January 31, 2023 regarding the City's implementation of the Living Wage program.

Please review this memo as it outlines the timelines and approaches for Council communication of this In camera decision. The information will be public on March 2nd.

Should you have any questions, please feel free to contact me or Patrice Impey.

Best,
Paul

Paul Mochrie (he/him)
City Manager
City of Vancouver
paul.mochrie@vancouver.ca
604.873.7666

The City of Vancouver acknowledges that it is situated on the unceded traditional territories of the x^wməθk^wəyəm (Musqueam), Skwx̣̣̣'wú7mesh (Squamish), and səliłwətał (Tseil-Waututh) Nations.

From: ["Impey, Patrice" <Patrice.Impey@vancouver.ca>](mailto:Patrice.Impey@vancouver.ca)
To: ["Ralph, Alexander" <Alexander.Ralph@vancouver.ca>](mailto:Alexander.Ralph@vancouver.ca)
["Mochrie, Paul" <Paul.Mochrie@vancouver.ca>](mailto:Paul.Mochrie@vancouver.ca)
CC: ["Pontikis, Maria" <Maria.Pontikis@vancouver.ca>](mailto:Maria.Pontikis@vancouver.ca)
["MacKenzie, Angela" <Angela.MacKenzie@vancouver.ca>](mailto:Angela.MacKenzie@vancouver.ca)
["Naklicki, Andrew" <andrew.naklicki@vancouver.ca>](mailto:andrew.naklicki@vancouver.ca)
["Rowley, Cheryl" <Cheryl.Rowley@vancouver.ca>](mailto:Cheryl.Rowley@vancouver.ca)
Date: 2/28/2023 11:16:24 AM
Subject: RE: CONFIDENTIAL - Memo to Mayor and Council Living Wage implementation

Let's set up time to discuss at noon when council breaks?

From: Ralph, Alexander <Alexander.Ralph@vancouver.ca>
Sent: Tuesday, February 28, 2023 11:15 AM
To: Mochrie, Paul <Paul.Mochrie@vancouver.ca>; Impey, Patrice <Patrice.Impey@vancouver.ca>
Cc: Pontikis, Maria <Maria.Pontikis@vancouver.ca>; MacKenzie, Angela <Angela.MacKenzie@vancouver.ca>; Naklicki, Andrew <andrew.naklicki@vancouver.ca>; Rowley, Cheryl <Cheryl.Rowley@vancouver.ca>
Subject: RE: CONFIDENTIAL - Memo to Mayor and Council Living Wage implementation

Hi Paul,

Year	Metro Van LW	Change %	5 Yr Moving Avg
2021	\$20.52		
2022	\$24.08	17.35%	\$20.90

$(\$20.90 - \$20.52) / \$20.52 = 1.9\%$ Increase

Alex.

From: Mochrie, Paul <Paul.Mochrie@vancouver.ca>
Sent: Tuesday, February 28, 2023 10:56 AM
To: Ralph, Alexander <Alexander.Ralph@vancouver.ca>; Impey, Patrice <Patrice.Impey@vancouver.ca>
Cc: Pontikis, Maria <Maria.Pontikis@vancouver.ca>; MacKenzie, Angela <Angela.MacKenzie@vancouver.ca>; Naklicki, Andrew <andrew.naklicki@vancouver.ca>; Rowley, Cheryl <Cheryl.Rowley@vancouver.ca>
Subject: RE: CONFIDENTIAL - Memo to Mayor and Council Living Wage implementation

Thanks. This is going to be a challenge.

Can we regroup?

Alex – can you send me the LW figures you are using in that calculation?

Paul

From: Ralph, Alexander <Alexander.Ralph@vancouver.ca>
Sent: Tuesday, February 28, 2023 10:38 AM
To: Impey, Patrice <Patrice.Impey@vancouver.ca>; Mochrie, Paul <Paul.Mochrie@vancouver.ca>
Cc: Pontikis, Maria <Maria.Pontikis@vancouver.ca>; MacKenzie, Angela <Angela.MacKenzie@vancouver.ca>; Naklicki, Andrew <andrew.naklicki@vancouver.ca>; Rowley, Cheryl <Cheryl.Rowley@vancouver.ca>
Subject: RE: CONFIDENTIAL - Memo to Mayor and Council Living Wage implementation

Hi,
The increase is 1.9%

2022 living wage (\$20.52)
2023 5-Year Moving Average (\$20.90)

Thanks,
Alex.

From: Impey, Patrice <Patrice.Impey@vancouver.ca>
Sent: Tuesday, February 28, 2023 10:28 AM
To: Mochrie, Paul <Paul.Mochrie@vancouver.ca>; Rowley, Cheryl <Cheryl.Rowley@vancouver.ca>
Cc: Ralph, Alexander <Alexander.Ralph@vancouver.ca>; Pontikis, Maria <Maria.Pontikis@vancouver.ca>; MacKenzie, Angela <Angela.MacKenzie@vancouver.ca>; Naklicki, Andrew <andrew.naklicki@vancouver.ca>
Subject: RE: CONFIDENTIAL - Memo to Mayor and Council Living Wage implementation

Yes. I agree with the messaging - we need to keep it simple. I added these 2 points to remind everyone we ARE using the living wage formula:

- ⦿The City will continue to use the Living Wage for Families BC rate, though will implement it using a 5 year rolling average.
- ⦿The Living Wage is calculated annually and can fluctuate both up and down which is difficult to administer in a large organization, and a 5 year rolling average will smooth out those annual fluctuations.

Alex, can you calculate the increase this year of the average (the 2022 living wage vs the 2023 5 year average)

Andrew do you have any wording on impact of such a high increase on compression, which would be helpful for Council (if not key messages).

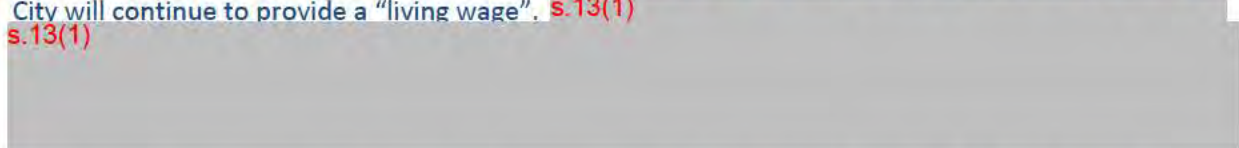
Here is another potential key message - thoughts?

s.13(1)

From: Mochrie, Paul <Paul.Mochrie@vancouver.ca>
Sent: Tuesday, February 28, 2023 10:19 AM
To: Impey, Patrice <Patrice.Impey@vancouver.ca>; Rowley, Cheryl <Cheryl.Rowley@vancouver.ca>
Cc: Ralph, Alexander <Alexander.Ralph@vancouver.ca>; Pontikis, Maria <Maria.Pontikis@vancouver.ca>; MacKenzie, Angela <Angela.MacKenzie@vancouver.ca>; Naklicki, Andrew <andrew.naklicki@vancouver.ca>
Subject: RE: CONFIDENTIAL - Memo to Mayor and Council Living Wage implementation

Thanks Patrice.

Do we have the % amount that we will be applying for 2023 under the approach that has been directed by Council? At this point, the narrative on this issue has been a focus on whether or not the City will continue to provide a "living wage". s.13(1)



If we can provide some indication of how we expect that average will play out in future years, so much the better.

Does that make sense?

Paul

From: Impey, Patrice <Patrice.Impey@vancouver.ca>
Sent: Tuesday, February 28, 2023 10:13 AM
To: Mochrie, Paul <Paul.Mochrie@vancouver.ca>; Rowley, Cheryl <Cheryl.Rowley@vancouver.ca>
Cc: Ralph, Alexander <Alexander.Ralph@vancouver.ca>; Pontikis, Maria <Maria.Pontikis@vancouver.ca>; MacKenzie, Angela <Angela.MacKenzie@vancouver.ca>; Naklicki, Andrew <andrew.naklicki@vancouver.ca>
Subject: CONFIDENTIAL - Memo to Mayor and Council Living Wage implementation

Hello Paul,
Can you send this memo confidentially to Council? The comms plan has it going out to Council this morning and sharing with stakeholders this afternoon in advance of public notice March 1.
Let me know if you have any edits.
Patrice

s.13(1)



Best,
Paul

Patrice Impey (she/her)

Chief Financial Officer/General Manager Finance, Risk and Supply Chain Management
City of Vancouver

patrice.impey@vancouver.ca

work: 604.873.7610

cell: s.15(1)(l)



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From: ["MacKenzie, Angela" <Angela.MacKenzie@vancouver.ca>](mailto:Angela.MacKenzie@vancouver.ca)
To: ["Mochrie, Paul" <Paul.Mochrie@vancouver.ca>](mailto:Paul.Mochrie@vancouver.ca)
Date: 3/2/2023 8:26:00 AM
Subject: RE: Confidential: Update on Living Wage program changes

Thank you, Paul. Much appreciated.

[Angela MacKenzie](#) (she/her)
Associate Director

Civic Engagement & Communications
City of Vancouver
c [s.15\(1\)\(l\)](#)

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From: Mochrie, Paul <Paul.Mochrie@vancouver.ca>
Sent: Thursday, March 2, 2023 7:29 AM
To: MacKenzie, Angela <Angela.MacKenzie@vancouver.ca>
Subject: FW: Confidential: Update on Living Wage program changes

Hi Angela,

FYI – just confirming the following has been sent. Also, I incorporated one very minor tweak to the key messages (highlighted).

Thanks again for your support with this change.

Cheers,
Paul

From: Mochrie, Paul <Paul.Mochrie@vancouver.ca>
Sent: Thursday, March 02, 2023 7:28 AM
To: City Leadership Team - DL [s.15\(1\)\(l\)](#)
Subject: Confidential: Update on Living Wage program changes

Hi all,

I wanted to advise you that starting today, we will be rolling out changes related to the Living Wage program, following Council's in camera decision at their January 31, 2023 meeting.

You may recall that Living Wage for Families BC recently increased the living wage rate by 17.35% or to \$24.08 per hour for 2023.

The Living Wage rate is calculated annually and has fluctuated up and down each year. This is difficult

to administer in large organizations such as ours, particularly given we have multi-year collective agreements. Due to the immediate impact the new Living Wage rate would have on the pay structure for the rest of the City and the anticipation that the rate will be reduced again in future years, Council made the decision to implement a fair wage approach using the LWFBC rate to implement a five-year rolling average, which will smooth out annual fluctuations.

Starting later today, March 2, these changes will be communicated in sequence to staff, the unions, stakeholders and the public. Currents and Vancouver.ca also will be updated with this information. I've included below some key messages about the changes should they be helpful to you or your management teams in responding to questions from staff. A full "Managers' Need to Know" brief is also being prepared and will be circulated to support affected managers in communicating these changes.

Should you have any questions, please feel free to contact Patrice, Andrew or me.

Cheers,
Paul

Proposed Key Messages

- Living Wage for Families BC (LWFBC) is the official certification body which publishes the living wage rates each year and administers the Living Wage program. The City joined the living wage program in 2017.
- Recently, the living wage rate for Metro Vancouver set by Living Wage for Families BC (LWFBC) increased 17.35% or to \$24.08 per hour for 2023.
- The Living Wage rate is calculated annually and has fluctuated both up and down each year. This is difficult to administer in large organizations, particularly those with multi-year collective agreements like the City. Where the annual Living Wage has decreased in the past, the City has not decreased wages and asked service providers to do the same.
- Due to the immediate impact the new Living Wage rate would have on the pay structure for the rest of the City and the possibility the rate may be reduced in future years, **the City will be implementing** a fair wage approach based on a five-year rolling average of the Living Wage rate.
- We will continue to use the rate set by Living Wage for Families BC by implementing a five-year rolling average, which will smooth out annual fluctuations.
- All City staff are compensated above B.C. minimum wage (\$15.65 in 2022) and the vast majority are at or above the recently announced 2023 Living Wage rate, as are the majority of our service providers.
- We hope LWFBC will consider this variation in implementation and allow organizations that use this approach to continue to be certified, as we are continuing to use their calculated living wage rate but applying a more practicable approach for large organizations.

Paul Mochrie (he/him)
City Manager
City of Vancouver
paul.mochrie@vancouver.ca
604.873.7666



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From: "[Ralph, Alexander](mailto:Alexander.Ralph@vancouver.ca)" <Alexander.Ralph@vancouver.ca>
To: "[Naklicki, Andrew](mailto:andrew.naklicki@vancouver.ca)" <andrew.naklicki@vancouver.ca>
"[Bourque, Janine](mailto:Janine.Bourque@vancouver.ca)" <Janine.Bourque@vancouver.ca>
"[MacKenzie, Angela](mailto:Angela.MacKenzie@vancouver.ca)" <Angela.MacKenzie@vancouver.ca>
"[Pontikis, Maria](mailto:Maria.Pontikis@vancouver.ca)" <Maria.Pontikis@vancouver.ca>
"[Impey, Patrice](mailto:Patrice.Impey@vancouver.ca)" <Patrice.Impey@vancouver.ca>
CC: "[Hutchinson, Kira](mailto:Kira.Hutchinson@vancouver.ca)" <Kira.Hutchinson@vancouver.ca>
Date: 2/28/2023 5:16:38 PM
Subject: RE: CONFIDENTIAL - UPDATED DRAFT FOR REVIEW - Living Wage Memo

Thanks Andrew.

I have no concerns with the suggested add as it is true and factual.

Alex.

From: Naklicki, Andrew <andrew.naklicki@vancouver.ca>
Sent: Tuesday, February 28, 2023 5:01 PM
To: Bourque, Janine <Janine.Bourque@vancouver.ca>; MacKenzie, Angela <Angela.MacKenzie@vancouver.ca>; Pontikis, Maria <Maria.Pontikis@vancouver.ca>; Impey, Patrice <Patrice.Impey@vancouver.ca>
Cc: Ralph, Alexander <Alexander.Ralph@vancouver.ca>; Hutchinson, Kira <Kira.Hutchinson@vancouver.ca>
Subject: RE: CONFIDENTIAL - UPDATED DRAFT FOR REVIEW - Living Wage Memo

s.13(1) but Alex you should be comfortable with the add.

Andrew

From: Bourque, Janine <Janine.Bourque@vancouver.ca>
Sent: Tuesday, February 28, 2023 4:21 PM
To: MacKenzie, Angela <Angela.MacKenzie@vancouver.ca>; Pontikis, Maria <Maria.Pontikis@vancouver.ca>; Impey, Patrice <Patrice.Impey@vancouver.ca>; Naklicki, Andrew <andrew.naklicki@vancouver.ca>
Cc: Ralph, Alexander <Alexander.Ralph@vancouver.ca>; Hutchinson, Kira <Kira.Hutchinson@vancouver.ca>
Subject: RE: CONFIDENTIAL - UPDATED DRAFT FOR REVIEW - Living Wage Memo
Importance: High

Hi – s.13(1)

s.13(1)

s.13(1)

We will want to revise this throughout our comms. Thanks
Janine

From: MacKenzie, Angela <Angela.MacKenzie@vancouver.ca>
Sent: Tuesday, February 28, 2023 2:47 PM
To: Pontikis, Maria <Maria.Pontikis@vancouver.ca>; Impey, Patrice <Patrice.Impey@vancouver.ca>; Naklicki, Andrew <andrew.naklicki@vancouver.ca>
Cc: Ralph, Alexander <Alexander.Ralph@vancouver.ca>; Bourque, Janine <Janine.Bourque@vancouver.ca>; Hutchinson, Kira <Kira.Hutchinson@vancouver.ca>
Subject: RE: CONFIDENTIAL - UPDATED DRAFT FOR REVIEW - Living Wage Memo

Thank you for your patience. Attached is the updated document for review.

Angela

Angela MacKenzie (she/her)
Associate Director

Civic Engagement & Communications
City of Vancouver
c s.15(1)(l)

The City of Vancouver is on the unceded traditional territories of the xʷməθkʷəy̅əm (Musqueam), Skwxwú7mesh (Squamish), and səliłwətaʔ (Tsleil-Waututh) Nations.

From: Pontikis, Maria <Maria.Pontikis@vancouver.ca>
Sent: Tuesday, February 28, 2023 1:18 PM
To: MacKenzie, Angela <Angela.MacKenzie@vancouver.ca>; Impey, Patrice <Patrice.Impey@vancouver.ca>; Naklicki, Andrew <andrew.naklicki@vancouver.ca>
Cc: Ralph, Alexander <Alexander.Ralph@vancouver.ca>; Bourque, Janine <Janine.Bourque@vancouver.ca>; Hutchinson, Kira <Kira.Hutchinson@vancouver.ca>
Subject: RE: CONFIDENTIAL - UPDATED DRAFT FOR REVIEW - Living Wage Memo

Please hold review. We're discussing a few changes to the below.

With thanks,
Maria

From: MacKenzie, Angela <Angela.MacKenzie@vancouver.ca>
Sent: Tuesday, February 28, 2023 12:56 PM
To: Impey, Patrice <Patrice.Impey@vancouver.ca>; Naklicki, Andrew <andrew.naklicki@vancouver.ca>
Cc: Pontikis, Maria <Maria.Pontikis@vancouver.ca>; Ralph, Alexander

<Alexander.Ralph@vancouver.ca>; Bourque, Janine <Janine.Bourque@vancouver.ca>; Hutchinson, Kira <Kira.Hutchinson@vancouver.ca>

Subject: CONFIDENTIAL - UPDATED DRAFT FOR REVIEW - Living Wage Memo

Hi Patrice,

Below are the revised key messages (also updated in the attached V3 of the confidential memo). Please note that I started it off with a value statement, which is important to setting the context. I've added in the dollar amounts for minimum wage and the City's lowest wage, but you may want to look more closely at those. I've also incorporated Kelly's edits in the attached.

s.13(1)



Angela

[Angela MacKenzie](#) 정유진 (she/her)
Associate Director

Civic Engagement & Communications

City of Vancouver
angela.mackenzie@vancouver.ca
c. s.15(1)(l)



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From: ["MacKenzie, Angela" <Angela.MacKenzie@vancouver.ca>](mailto:Angela.MacKenzie@vancouver.ca)
To: ["Impey, Patrice" <Patrice.Impey@vancouver.ca>](mailto:Patrice.Impey@vancouver.ca)
Date: 3/1/2023 9:28:00 AM
Subject: RE: Confidential LW memo - SharePoint Link
Attachments: CONFIDENTIAL - Living Wage - Memo to Mayor Council - 28Feb2023-V08.docx

Good morning!

I would use the one I've attached to this email. It has all the changes found in the linked document and it's cleaned up with no edits showing.

[Angela MacKenzie](#) (she/her)
Associate Director

Civic Engagement & Communications
City of Vancouver
c [s.15\(1\)\(l\)](#)

The City of Vancouver is on the unceded traditional territories of the xʷməθkʷəy̅əm (Musqueam), Skwxwú7mesh (Squamish), and səliłwətaʔ (Tsleil-Waututh) Nations.

From: Impey, Patrice <Patrice.Impey@vancouver.ca>
Sent: Wednesday, March 1, 2023 8:16 AM
To: MacKenzie, Angela <Angela.MacKenzie@vancouver.ca>
Subject: RE: Confidential LW memo - SharePoint Link

Angela should I use this one or the one on the link? I will sned ot Paul this am. Alex updated the chart.
Thanks,

From: MacKenzie, Angela <Angela.MacKenzie@vancouver.ca>
Sent: Tuesday, February 28, 2023 7:00 PM
To: Impey, Patrice <Patrice.Impey@vancouver.ca>; Naklicki, Andrew <andrew.naklicki@vancouver.ca>; Ralph, Alexander <Alexander.Ralph@vancouver.ca>; Bourque, Janine <Janine.Bourque@vancouver.ca>; Pontikis, Maria <Maria.Pontikis@vancouver.ca>; Hutchinson, Kira <Kira.Hutchinson@vancouver.ca>
Subject: RE: Confidential LW memo - SharePoint Link

Janine (HR) has reviewed so I think we are good to go? I've attached a clean version of the memo to this email.

Best,
Angela

[Angela MacKenzie](#) (she/her)
Associate Director

Civic Engagement & Communications
City of Vancouver
c.s.15(1)(l)

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From: MacKenzie, Angela
Sent: Tuesday, February 28, 2023 6:12 PM
To: Impey, Patrice <Patrice.Impey@vancouver.ca>; Naklicki, Andrew <andrew.naklicki@vancouver.ca>; Ralph, Alexander <alexander.ralph@vancouver.ca>; Bourque, Janine <janine.bourque@vancouver.ca>; Pontikis, Maria <Maria.Pontikis@vancouver.ca>; Hutchinson, Kira <kira.hutchinson@vancouver.ca>
Subject: RE: Confidential LW memo - SharePoint Link

Thanks, Patrice. I changed the dates to March 2. Makes more sense and gives us more breathing room.

I haven't received final sign off yet from Andrew and/or Janine on the revised version. Once I hear from them both, I can send everyone the final to share with Paul?

Angela

Angela MacKenzie (she/her)
Associate Director

Civic Engagement & Communications
City of Vancouver
c.s.15(1)(l)

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From: Impey, Patrice <Patrice.Impey@vancouver.ca>
Sent: Tuesday, February 28, 2023 6:07 PM
To: MacKenzie, Angela <Angela.MacKenzie@vancouver.ca>; Naklicki, Andrew <andrew.naklicki@vancouver.ca>; Ralph, Alexander <Alexander.Ralph@vancouver.ca>; Bourque, Janine <Janine.Bourque@vancouver.ca>; Pontikis, Maria <Maria.Pontikis@vancouver.ca>; Hutchinson, Kira <Kira.Hutchinson@vancouver.ca>
Subject: RE: Confidential LW memo - SharePoint Link

Sorry - I did not change the date - meant to but will leave that to Comms...

Angela, let me know if you want me to send to Paul to distribute? We are here this evening for the budget.

From: Impey, Patrice
Sent: Tuesday, February 28, 2023 6:04 PM

To: MacKenzie, Angela <Angela.MacKenzie@vancouver.ca>; Naklicki, Andrew <andrew.naklicki@vancouver.ca>; Ralph, Alexander <alexander.ralph@vancouver.ca>; Bourque, Janine <janine.bourque@vancouver.ca>; Pontikis, Maria <Maria.Pontikis@vancouver.ca>; Hutchinson, Kira <kira.hutchinson@vancouver.ca>
Subject: RE: Confidential LW memo - SharePoint Link

I have reviewed Angela and am good with your changes. I did change the date to March 2...

From: MacKenzie, Angela <Angela.MacKenzie@vancouver.ca>
Sent: Tuesday, February 28, 2023 5:36 PM
To: Impey, Patrice <Patrice.Impey@vancouver.ca>; Naklicki, Andrew <andrew.naklicki@vancouver.ca>; Ralph, Alexander <Alexander.Ralph@vancouver.ca>; Bourque, Janine <Janine.Bourque@vancouver.ca>; Pontikis, Maria <Maria.Pontikis@vancouver.ca>; Hutchinson, Kira <Kira.Hutchinson@vancouver.ca>
Subject: Confidential LW memo - SharePoint Link

Hi Everyone,

In order to ensure we have version control and so that we're all working from the same document, I've uploaded the memo to SharePoint. More than one person can go in and edit and leave comments. Here is the link:

s.15(1)(l)

I'm still adding in edits based on your emails so far. If you have any issues accessing the document, please let me know.

Angela

Angela MacKenzie 정유진 (she/her)
Associate Director

Civic Engagement & Communications
City of Vancouver
angela.mackenzie@vancouver.ca

c. s.15(1)(l)



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CONFIDENTIAL

MEMORANDUM

March 1, 2023

TO: Mayor and Council

CC: Armin Amrolia, Deputy City Manager
Karen Levitt, Deputy City Manager
Francie Connell, City Solicitor
Maria Pontikis, Chief Communications Officer, CEC
Rosemary Hagiwara, Acting City Clerk
Teresa Jong, Administration Services Manager, City Manager's Office
Mellisa Morphy, Acting Chief of Staff, Mayor's Office
Trevor Ford, Director of Operations, Mayor's Office
Patrice Impey, Chief Financial Officer and FRS GM
Andrew Naklicki, Chief Human Resource Officer

FROM: Paul Mochrie
City Manager

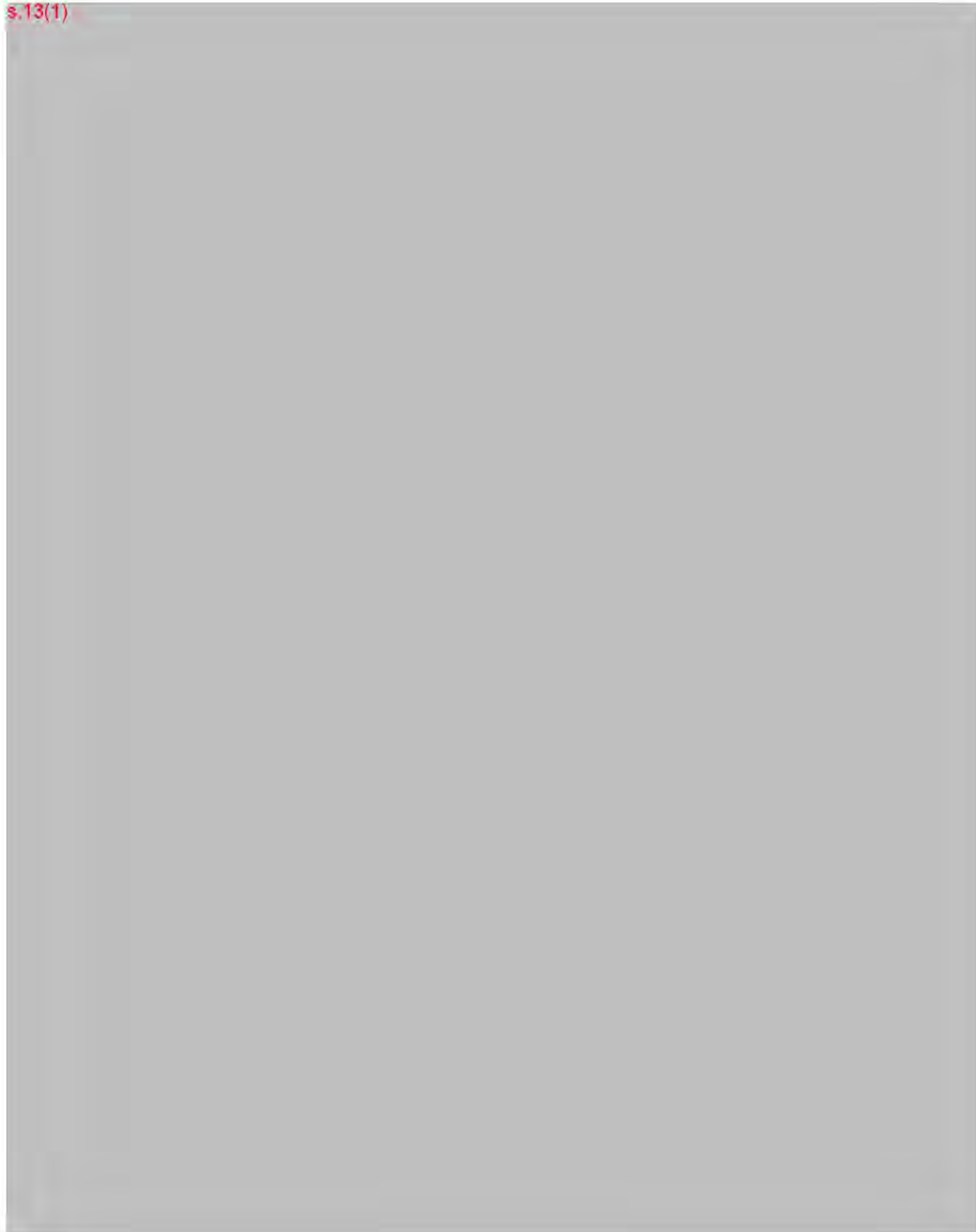
SUBJECT: Living Wage: Program Changes Implementation and Communications Plan

RTS #: N/A

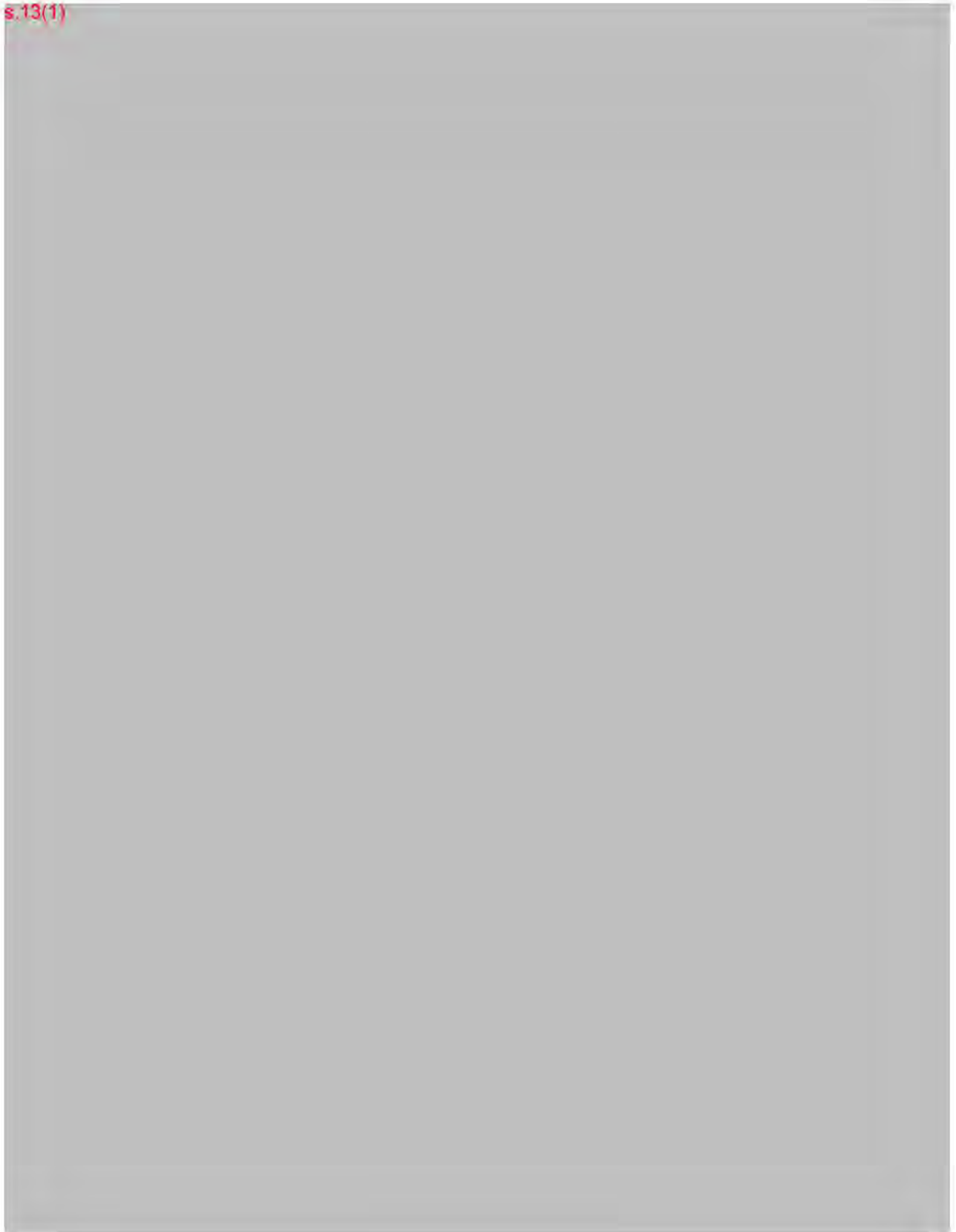
s.13(1)



s.13(1)



s.13(1)



s.13(1)



CONFIDENTIAL

From: ["MacKenzie, Angela" <Angela.MacKenzie@vancouver.ca>](mailto:Angela.MacKenzie@vancouver.ca)
To: ["Kaptein, Megan" <Megan.Kaptein@vancouver.ca>](mailto:Megan.Kaptein@vancouver.ca)
Date: 2/28/2023 3:08:00 PM
Subject: RE: DRAFT FOR REVIEW - Living Wage Employer Certification Issues Note

Here's the [link](#), but the KMs are not updated. It's not on the shared drive because of confidentiality.

[Angela MacKenzie](#) (she/her)
Associate Director

Civic Engagement & Communications
City of Vancouver
c [s.15\(1\)\(l\)](#)

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From: Kaptein, Megan <Megan.Kaptein@vancouver.ca>
Sent: Tuesday, February 28, 2023 2:54 PM
To: MacKenzie, Angela <Angela.MacKenzie@vancouver.ca>
Subject: RE: DRAFT FOR REVIEW - Living Wage Employer Certification Issues Note

Hi Angela,

Would it be possible to get a link to the LW comms plan? I don't believe I was included in the email distribution.

Thanks,
Megan

From: MacKenzie, Angela <Angela.MacKenzie@vancouver.ca>
Sent: Monday, February 13, 2023 12:57 PM
To: Kaptein, Megan <Megan.Kaptein@vancouver.ca>
Subject: FW: DRAFT FOR REVIEW - Living Wage Employer Certification Issues Note

FYI

[Angela MacKenzie](#) (she/her)
Associate Director

Civic Engagement & Communications
City of Vancouver
c [s.15\(1\)\(l\)](#)

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From: MacKenzie, Angela
Sent: Wednesday, February 8, 2023 5:42 PM
To: Ralph, Alexander <alexander.ralph@vancouver.ca>; Buksa, Kim <Kim.Buksa@vancouver.ca>; Bourque, Janine <janine.bourque@vancouver.ca>
Cc: Hutchinson, Kira <kira.hutchinson@vancouver.ca>
Subject: DRAFT FOR REVIEW - Living Wage Employer Certification Issues Note

Hello,

Sharing [a link to a draft issues note](#) with some highlighted questions for you. Would appreciate any edits you feel are important or additional thoughts.

We will share a fulsome draft communications plan, including a communications rollout schedule, with all of you in the next day or so.

Best,
Angela

Angela MacKenzie 정유진 (she/her)
Associate Director

Civic Engagement & Communications
City of Vancouver
angela.mackenzie@vancouver.ca
c. **s.15(1)(l)**



The City of Vancouver is on the unceded traditional territories of the x̱m̱əθḵʷəy̱əm (Musqueam), Skwxwú7mesh (Squamish), and selilwətał (Tsleil-Waututh) Nations.

From: "[Morphy, Mellisa](mailto:Mellisa.Morphy@vancouver.ca)" <Mellisa.Morphy@vancouver.ca>
To: "[MacKenzie, Angela](mailto:Angela.MacKenzie@vancouver.ca)" <Angela.MacKenzie@vancouver.ca>
CC: "[Pontikis, Maria](mailto:Maria.Pontikis@vancouver.ca)" <Maria.Pontikis@vancouver.ca>
Date: 3/3/2023 10:00:29 AM
Subject: RE: Living Wage IN with QA

Noted. We will just be issuing a statement at this time

MM

From: MacKenzie, Angela <Angela.MacKenzie@vancouver.ca>
Sent: Friday, March 3, 2023 10:00 AM
To: Morphy, Mellisa <Mellisa.Morphy@vancouver.ca>
Cc: Pontikis, Maria <Maria.Pontikis@vancouver.ca>
Subject: RE: Living Wage IN with QA

One more note – the in-camera documents cannot be released at this point. Media requesting it would have to file an FOI. The overall decision and the date of the decision can be released, but the breakdown of the vote cannot be shared (confirmed by Legal).

AM

[Angela MacKenzie](#) (she/her)
Associate Director

Civic Engagement & Communications
City of Vancouver
c [s.15\(1\)\(l\)](#)

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From: Morphy, Mellisa <Mellisa.Morphy@vancouver.ca>
Sent: Friday, March 3, 2023 9:52 AM
To: MacKenzie, Angela <Angela.MacKenzie@vancouver.ca>
Cc: Pontikis, Maria <Maria.Pontikis@vancouver.ca>
Subject: RE: Living Wage IN with QA

Thanks Angela! Much appreciated.

MM

From: MacKenzie, Angela <Angela.MacKenzie@vancouver.ca>
Sent: Friday, March 3, 2023 9:48 AM
To: Morphy, Mellisa <Mellisa.Morphy@vancouver.ca>
Cc: Pontikis, Maria <Maria.Pontikis@vancouver.ca>

Subject: Living Wage IN with QA

Hi Mellisa,

Sharing the latest draft of our issues note on Living Wage with some additional QA which might be helpful to you. If you have any questions, please let me know.

Best,
Angela

Angela MacKenzie 정유진 (she/her)
Associate Director

Civic Engagement & Communications
City of Vancouver
angela.mackenzie@vancouver.ca
c. s.15(1)(l)



The City of Vancouver is on the unceded traditional territories of the x̱məθḵəy̱əm (Musqueam), Skwxwú7mesh (Squamish), and selilwetəl (Tsleil-Waututh) Nations.

From: "[Panadero, Chris](mailto:Chris.Panadero@vancouver.ca)" <Chris.Panadero@vancouver.ca>
To: "[Bourque, Janine](mailto:Janine.Bourque@vancouver.ca)" <Janine.Bourque@vancouver.ca>
Date: 3/20/2023 4:24:27 PM
Subject: RE: Living Wage Question

This is very helpful, thanks Janine! I will share with the Manager and let you know if we receive any further questions.

So far, this was the only question I received on LW.

Thanks again,

Chris Panadero (he/him), CPHR
Human Resource Consultant
HR Business Partnerships, City of Vancouver
chris.panadero@vancouver.ca
t: 604-873-7112 c: s.15(1)(l)

From: Bourque, Janine <Janine.Bourque@vancouver.ca>
Sent: Monday, March 20, 2023 3:41 PM
To: Panadero, Chris <Chris.Panadero@vancouver.ca>
Subject: RE: Living Wage Question

Hi Chris

My apologies that I don't think I responded to this with an answer. We are not planning any further broad communications about the LW beyond the material that went out early in March. The 5-year rolling average as calculated by the City is \$20.90 and you can certainly share that with the Manager who asked. The City will calculate the 5-year average on an annual basis once the LW is released. FYI our lowest C15 rate is currently \$21.27/hour PG 9 Step 1 and we would anticipate that rate to shift at the conclusion of bargaining.

Please reach out if other questions arise.

Thanks
Janine

From: Panadero, Chris <Chris.Panadero@vancouver.ca>
Sent: Tuesday, March 07, 2023 2:52 PM
To: Bourque, Janine <Janine.Bourque@vancouver.ca>
Subject: Living Wage Question

Hi Janine,

s.22(3)(d) asked when the 5-year rolling average will be calculated and if that will be shared with staff. Is there a timeframe that I can share with the branch? They haven't received questions on this yet but they anticipate that staff may ask.

Thanks,

Chris

Chris Panadero (he/him), CPHR
Human Resource Consultant
HR Business Partnerships, City of Vancouver
chris.panadero@vancouver.ca
t: 604-873-7112 c: s.15(1)(l)

From: ["Scott Fraser" <Scott.Fraser@vpl.ca>](mailto:Scott.Fraser@vpl.ca)
To: ["MacKenzie, Angela" <Angela.MacKenzie@vancouver.ca>](mailto:Angela.MacKenzie@vancouver.ca)
Date: 3/3/2023 1:19:40 PM
Subject: RE: Living Wage

Thanks Angela.

These are helpful, much appreciated!

Regards,
Scott

Scott Fraser (he/his)
Manager | Marketing & Communications
Vancouver Public Library
T: 604.331.3895 E: scott.fraser@vpl.ca
[Facebook](#) | [Twitter](#) | [Instagram](#) | [vpl.ca](#)

This email is being sent from the unceded territory of the xʷməθkʷəy̓əm (Musqueam),
Sḵwxwú7mesh (Squamish), and səliłwətał (Tsleil-Waututh)

From: MacKenzie, Angela [<mailto:Angela.MacKenzie@vancouver.ca>]
Sent: March 3, 2023 1:01 PM
To: Gibbs, Amanda <Amanda.Gibbs@vancouver.ca>; Thiagarajah, Sharmini <Sharmini.Thiagarajah@vpd.ca>; Scott Fraser <Scott.Fraser@vpl.ca>
Subject: Living Wage

Hello,

As you likely already aware, the in-camera decision on implementing the living wage has been disclosed publicly. The overall decision may be shared publicly as well as the date of the decision (Jan. 31, 2023), but the related documents are still confidential, privileged information. The City's key messages are below for your reference as well as a few relevant Q&A.

Angela

///

Key Messages

- The City values the contributions of its staff, and we are continuing to focus on ensuring our compensation rates are fair and reflect the cost of living in Vancouver.
- • Recently, the living wage rate for Metro Vancouver set by Living Wage for Families BC (LWFBC) increased 17.35% or to \$24.08 per hour for 2023. The City has also

been advised that the Living Wage rate is expected to decrease next year

- • The Living Wage rate is calculated annually and has fluctuated both up and down each year. This is difficult to administer in large organizations, particularly those with multi-year collective agreements like the City. Where the annual Living Wage has decreased in the past, the City has not decreased wages and asked service providers to do the same.
- • Due to the immediate impact the new Living Wage rate would have on the pay structure for the rest of the City and the possibility the rate may be reduced in future years, Council made the decision to implement a fair wage approach based on a five-year rolling average of the Living Wage rate.
- • The City will continue to use the rate set by Living Wage for Families BC by implementing a five-year rolling average, which will smooth out annual fluctuations.
- The table below outlines the impact of the rolling average. Since the City has participated as a Living Wage employer, the wage has increased and decreased creating implementation challenges. The City's minimum benchmark rate in 2017 when it joined the program was \$20.64. It changed to \$20.91 in 2018 and the City has maintained the minimum benchmark rate at this level since then.



- The Living wage has decreased since 2018, though the City and its service providers have continued to pay at or above the 2018 rate. A decrease in the Living Wage rate generally means the cost of living has gone down.
- Applying the rolling five-year average for 2023, the wage would be \$20.90. The current lowest wage for direct City employees is \$21.27, and the current minimum of \$20.91 would be maintained for service providers for 2023.
- All City staff are compensated above B.C. minimum wage (\$15.65 in 2022) and the vast majority are at or above the recently announced 2023 Living Wage rate, as are the majority of our service providers.
- The City hopes LWFBC will consider this variation in implementation and allow organizations that use this approach to continue to be certified, as we are continuing to use their calculated living wage rate but applying a more practicable approach for large organizations.

Q&A

Does this mean Vancouver Parks and Recreation, Vancouver Public Library and the Vancouver Police Department will not apply for certification as a living wage employer?
Vancouver Parks and Recreation staff are employed by the City of Vancouver and would be included in the five-year, increasing moving average compensation program.

Does this mean Vancouver Parks and Recreation, Vancouver Public Library and the Vancouver Police Department will not apply for certification as a living wage employer?
Vancouver Parks and Recreation staff are employed by the City of Vancouver and would be included in the five-year, increasing moving average compensation program.
VPL and VPD would need to seek direction from their respective boards about re-certification as they are legally separate employers.

Angela MacKenzie 정유진 (she/her)
Associate Director

Civic Engagement & Communications
City of Vancouver
angela.mackenzie@vancouver.ca
c. s.15(1)(l)



The City of Vancouver is on the unceded traditional territories of the xʷməθkʷəy̍əm (Musqueam), Skwxwú7mesh (Squamish), and səliłwətat (Tseil-Waututh) Nations.

From: "Naklicki, Andrew" <andrew.naklicki@vancouver.ca>
To: "Impey, Patrice" <Patrice.Impey@vancouver.ca>
CC: "Ralph, Alexander" <Alexander.Ralph@vancouver.ca>
"Oehlschlager, Kelly" <kelly.oehlschlager@vancouver.ca>
"Buksa, Kim" <Kim.Buksa@vancouver.ca>
"MacKenzie, Angela" <Angela.MacKenzie@vancouver.ca>
"Hutchinson, Kira" <Kira.Hutchinson@vancouver.ca>
"Bourque, Janine" <Janine.Bourque@vancouver.ca>
Date: 2/28/2023 10:55:09 AM
Subject: Re: Urgent: For review: union message update on Living Wage
Attachments: CONFIDENTIAL - Living Wage - Memo to Mayor Council -
28Feb2022_AM.docx

No issues from me.

Andrew

Sent from my iPhone

On Feb 28, 2023, at 10:06 AM, Impey, Patrice
<Patrice.Impey@vancouver.ca> wrote:

\u-257 ?

I have accepted the changes and added 2 bullets as the 1st 2 bullets under messages. I think this makes it quite clear.

s.13(1)

s.13(1)

I also added verbiage to explain the chart - Alex please take a look at that one...

From: Ralph, Alexander <Alexander.Ralph@vancouver.ca>
Sent: Tuesday, February 28, 2023 9:48 AM
To: Impey, Patrice <Patrice.Impey@vancouver.ca>; Oehlschlager, Kelly
<kelly.oehlschlager@vancouver.ca>
Cc: Naklicki, Andrew <andrew.naklicki@vancouver.ca>; Buksa, Kim <Kim.Buksa@vancouver.ca>;
MacKenzie, Angela <Angela.MacKenzie@vancouver.ca>; Hutchinson, Kira

<Kira.Hutchinson@vancouver.ca>; Bourque, Janine <Janine.Bourque@vancouver.ca>

Subject: RE: Urgent: For review: union message update on Living Wage

Hi Patrice,

The project team met this morning and we are ready to roll-out the communications plan.

Can you please send the confidential to Paul, so this can be forwarded to M&C this morning as per the plan.

s.14

Thanks,
Alex.

From: MacKenzie, Angela <Angela.MacKenzie@vancouver.ca>

Sent: Monday, February 27, 2023 7:53 PM

To: Ralph, Alexander <Alexander.Ralph@vancouver.ca>; Hutchinson, Kira <Kira.Hutchinson@vancouver.ca>; Oehlschlager, Kelly <kelly.oehlschlager@vancouver.ca>

Cc: Naklicki, Andrew <andrew.naklicki@vancouver.ca>; Impey, Patrice <Patrice.Impey@vancouver.ca>; Buksa, Kim <Kim.Buksa@vancouver.ca>; Pontikis, Maria <Maria.Pontikis@vancouver.ca>

Subject: RE: Urgent: For review: union message update on Living Wage

We would like to propose that the revised memo attached be reviewed and sent to Paul from Patrice and/or Andrew.

We've added in the communications key messages along with the LW graphic Patrice suggested we use. This way, the revised memo will incorporate the originally planned high-level note/update for Mayor & Council, which would have advised them of the start of notifications to stakeholders.

Angela

Angela MacKenzie (she/her)
Associate Director

Civic Engagement & Communications
City of Vancouver

c s.15(1)(l)

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From: Ralph, Alexander <Alexander.Ralph@vancouver.ca>

Sent: Monday, February 27, 2023 5:41 PM

To: Hutchinson, Kira <Kira.Hutchinson@vancouver.ca>; MacKenzie, Angela

<Angela.MacKenzie@vancouver.ca>; Oehlschlager, Kelly <kelly.oehlschlager@vancouver.ca>
Cc: Naklicki, Andrew <andrew.naklicki@vancouver.ca>; Impey, Patrice
<Patrice.Impey@vancouver.ca>; Buksa, Kim <Kim.Buksa@vancouver.ca>
Subject: RE: Urgent: For review: union message update on Living Wage

Hi Kira/Angela,

I have confirmed with Patrice and she is OK to proceed tomorrow with the initiation of the communications plan.

Please ensure that we get confirmation from Andrew and that he ok as well.

Attached is the updated confidential memo to M&C with the new dates aligned to the sequencing below.

s.14

Kira once that we are OK will you be the one sending this memo draft to Paul?

Thanks you all for your work the acceleration of the plan.

Alex.

From: Hutchinson, Kira <Kira.Hutchinson@vancouver.ca>
Sent: Monday, February 27, 2023 4:50 PM
To: Naklicki, Andrew <andrew.naklicki@vancouver.ca>
Cc: MacKenzie, Angela <Angela.MacKenzie@vancouver.ca>; Ralph, Alexander <Alexander.Ralph@vancouver.ca>
Subject: Urgent: For review: union message update on Living Wage
Importance: High

Hello Andrew,

We have the living wage communications sequence prepped for issue tomorrow, and you have an action to update the unions representatives. Can you please review this content, let me know of any edits, and confirm approval please as soon as possible please?

Once I hear from you, we will know we can hit the trigger for the message sequence before the unions tomorrow morning.

Many thanks!
Kira

s.13(1)

s.13(1)



s.13(1)



CONFIDENTIAL

MEMORANDUM

February 28, 2023

TO: Mayor and Council

CC: Armin Amrolia, Deputy City Manager
Karen Levitt, Deputy City Manager
Francie Connell, City Solicitor
Maria Pontikis, Chief Communications Officer, CEC
Rosemary Hagiwara, Acting City Clerk
Teresa Jong, Administration Services Manager, City Manager's Office
Mellisa Morphy, Acting Chief of Staff, Mayor's Office
Trevor Ford, Director of Operations, Mayor's Office
Patrice Impey, Chief Financial Officer and FRS GM
Andrew Naklicki, Chief Human Resource Officer

FROM: Paul Mochrie
City Manager

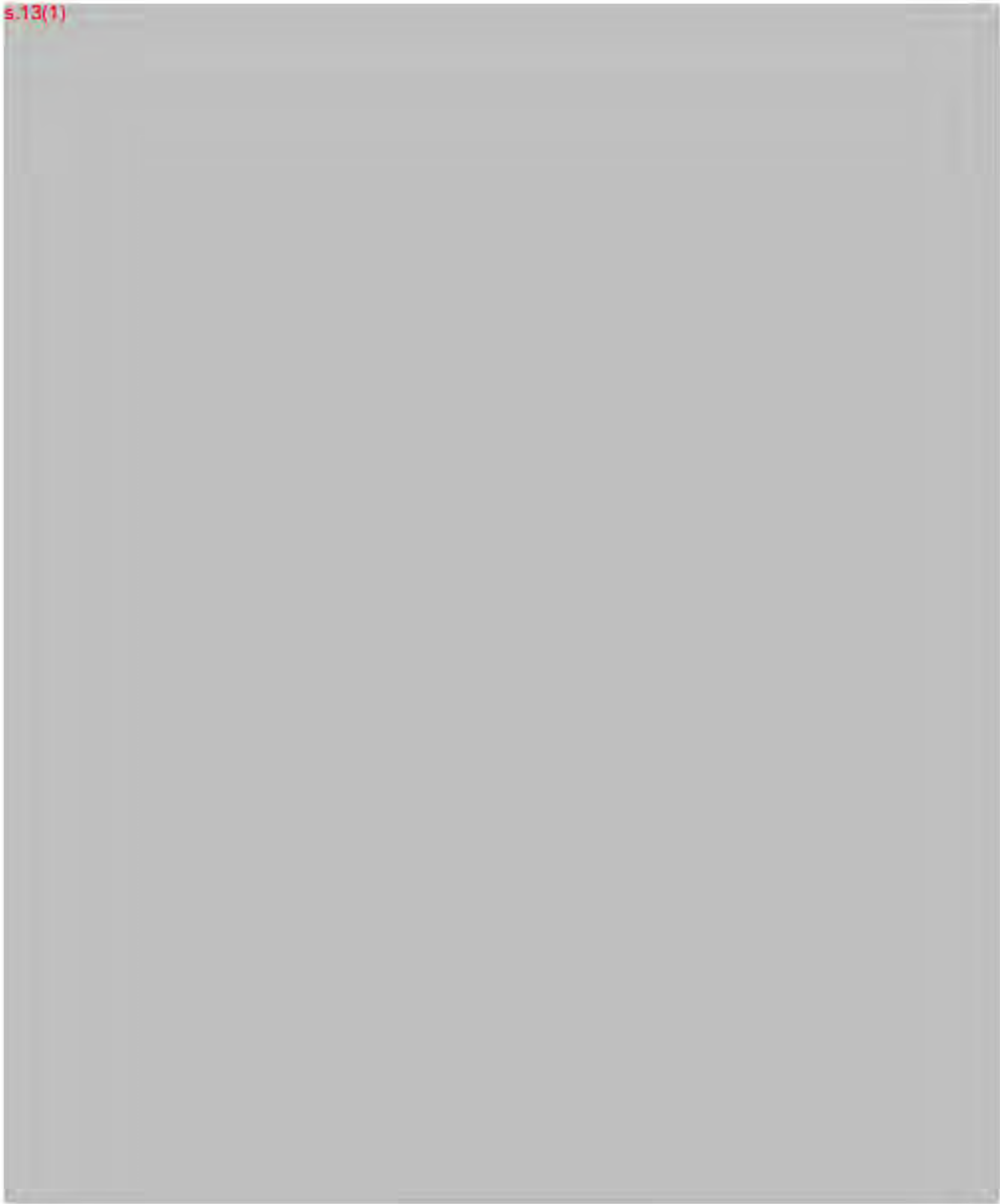
SUBJECT: Living Wage - Program Changes Implementation and Communications Plan

RTS #: N/A

s.13(1)



s.13(1)





CONFIDENTIAL

MacKenzie, Angela

Subject: Living Wage
Location: Microsoft Teams Meeting

Start: Mon 1/30/2023 2:30 PM
End: Mon 1/30/2023 3:00 PM

Recurrence: (none)

Meeting Status: Meeting organizer

Organizer: MacKenzie, Angela
Required Attendees: Hutchinson, Kira

Hi Kira,

Wanted a quick check in with you about the living wage issue ... your schedule looks heavy today, so I'll try to make this short. If it's too crunchy, let me know and we can chat tomorrow morning instead if that's better for you.

Angela

Microsoft Teams meeting

Join on your computer, mobile app or room device

[Click here to join the meeting](#)

Meeting ID: s.15(1)(l)

Passcode: s.15(1)(l)

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Phone Conference ID: s.15(1)(l)

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[Learn More](#) | [Meeting options](#)

MacKenzie, Angela

Subject: Living Wage - Communications Plan
Location: Microsoft Teams Meeting

Start: Thu 2/2/2023 11:00 AM
End: Thu 2/2/2023 11:30 AM

Recurrence: (none)

Meeting Status: Accepted

Organizer: Ralph, Alexander
Required Attendees: MacKenzie, Angela
Optional Attendees: Bourque, Janine; Hutchinson, Kira

Hi Angela,
Let me know if this time works for you to connect on the Living wage comms plan.

Thanks,
Alex.

Microsoft Teams meeting

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[Learn More](#) | [Meeting options](#)

MacKenzie, Angela

Subject: Living Wage
Location: Microsoft Teams Meeting

Start: Tue 2/7/2023 10:30 AM
End: Tue 2/7/2023 11:00 AM

Recurrence: (none)

Meeting Status: Accepted

Organizer: Ralph, Alexander
Required Attendees: Kira Hutchinson (Kira.Hutchinson@vancouver.ca); MacKenzie, Angela; Bourque, Janine; Kimberly Buksa (Kim.Buksa@vancouver.ca)

Connect on Comms Plan

Microsoft Teams meeting

Join on your computer, mobile app or room device

[Click here to join the meeting](#)

Meeting ID: s.15(1)(l)

Passcode: s.15(1)(l)

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Procurement	Description	Business Unit	Vendor	Contract Start Date	Contract Expiry Date	Material Group	Term (Years)	Contract Value (Total Term)	Annualized	17.35%	Estimated Impact	Comments/Assumptions
PS20222088	Operation and Maintenance of Two Comfort Stations	Engineering Services	IPDO	9/1/2022	12/31/2023	Janitorial Services	1.33	\$ 1,218,456.22	\$ 913,942.17	\$ 158,551.62	\$ 158,551.62	18 jobs to people who primarily reside in the DTES.
PS20131200	Supply and Delivery of Traffic Control Services	Engineering Services	Ansan Industries Ltd	2023 - TBD	2028 - TBD	S-Trade Construction	3	\$17,988,930.63	\$ 5,996,310.21	\$ 108,000.00	\$ 108,000.00	Spend includes equipment rental and labour - increase only impacts Traffic Control Person. New Contract currently under final negotiation.
PS20191095	Graffiti Management Services	Engineering Services	Levellan Holdings Corp. (Goodbye Graffiti)	2/18/2020	2/17/2023	Graffiti Removal Ser	3	\$ 1,666,800.00	\$ 555,600.00	\$ 96,396.60	\$ 96,396.60	
PS20172099	Provision of Janitorial Services	REFM	Nutech Facility Services Ltd	4/26/2018	4/2/2023	Janitorial Services	3	\$ 1,317,761.00	\$ 383,552.20	\$ 45,728.31	\$ 45,728.31	
PS20172099	Provision of Janitorial Services	REFM	Executive Building Maintenance Inc.	4/26/2018	4/2/2023	Janitorial Services	3	\$ 945,573.00	\$ 315,191.00	\$ 54,685.64	\$ 54,685.64	
PS20172099	Provision of Janitorial Services	REFM	Tricom Building Maintenance Ltd.	4/26/2018	4/2/2023	Janitorial Services	3	\$ 384,168.00	\$ 128,056.00	\$ 22,217.72	\$ 22,217.72	
PS20210888	Supply of Security Services	CPS	Paladin Security Group Ltd.	2023 - TBD	2028 - TBD	S-Fire/Secur/Police	5	\$ 30,918,987.00	\$ 6,194,973.40	\$ 1,074,807.86	\$ 924,351.98	Direct Labour for Guard Services - represents approx 86% of the spend (other is management, supervisors who are compensated above LW).
PS20210888	Supply of Security Services	VPL	Securguard Services Ltd	2023 - TBD	2028 - TBD	S-Fire/Secur/Police	5	\$ 6,724,092.00	\$ 1,344,818.40	\$ 233,325.99	\$ 200,650.35	New Contract currently under final negotiation.
PS20210888	Supply of Security Services	ACCS-VCT	Guardtek Security Corporation	2023 - TBD	2028 - TBD	S-Fire/Secur/Police	5	\$ 1,989,295.00	\$ 397,859.00	\$ 69,028.54	\$ 59,364.54	

Official Change City Continued to Pay at this Rate

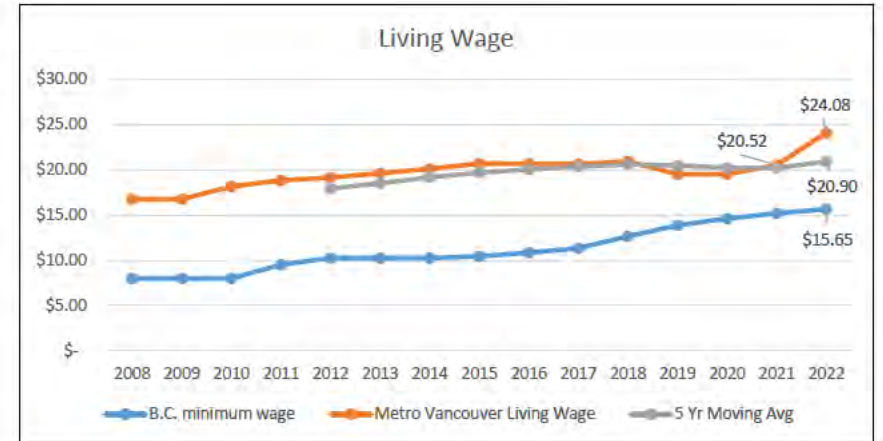
Year	Official	Change	City Continued to Pay at this Rate	
2017	\$20.64		\$20.64	
2018	\$20.91	1.31%	\$20.91	1.31%
2019	\$19.50	-6.74%	\$20.91	0.00%
2020	\$19.50	0.00%	\$20.91	0.00%
2021	\$20.52	5.23%	\$20.91	0.00%
2022	\$24.08	17.35%	\$24.08	15.16%
2023				

One time decrease due to BC Government investment in childcare programs

Due to the uncertainty and emergency government response initiatives related to the COVID 19 pandemic the LW rate remained the same until Nov 2021

Year	B.C. minimum wage	Metro Vancouver Living Wage	Change %	3 Yr Moving Avg	5 Yr Moving Avg	10 Yr Moving Avg	15 Yr Moving Avg	Victoria living wage
2008	\$ 8.00	\$ 16.74						16.39
2009	\$ 8.00	\$ 16.74	0.00%					17.02
2010	\$ 8.00	\$ 18.17	8.54%	\$ 17.22				17.31
2011	\$ 9.50	\$ 18.81	3.52%	\$ 17.91				18.03
2012	\$ 10.25	\$ 19.14	1.75%	\$ 18.71	\$ 17.92			18.07
2013	\$ 10.25	\$ 19.62	2.51%	\$ 19.19	\$ 18.50			18.73
2014	\$ 10.25	\$ 20.10	2.45%	\$ 19.62	\$ 19.17			18.93
2015	\$ 10.45	\$ 20.68	2.89%	\$ 20.13	\$ 19.67			20.05
2016	\$ 10.85	\$ 20.64	-0.19%	\$ 20.47	\$ 20.04			20.02
2017	\$ 11.35	\$ 20.62	-0.10%	\$ 20.65	\$ 20.33	\$ 19.13		20.01
2018	\$ 12.65	\$ 20.91	1.41%	\$ 20.72	\$ 20.59	\$ 19.54		20.5
2019	\$ 13.85	\$ 19.50	-6.74%	\$ 20.34	\$ 20.47	\$ 19.82		19.39
2020	\$ 14.60	\$ 19.50	0.00%	\$ 19.97	\$ 20.23	\$ 19.95		
2021	\$ 15.20	\$ 20.52	5.23%	\$ 19.84	\$ 20.21	\$ 20.12		20.46
2022	\$ 15.65	\$ 24.08	17.35%	\$ 21.37	\$ 20.90	\$ 20.62	\$ 19.72	24.29

15 Year	Moving Average	\$ 19.72
10 Year	Moving Average	\$ 20.62
5 Year	Moving Average	\$ 20.90
3 Year	Moving Average	\$ 21.37





Working for a Living Wage

Making paid work meet basic family needs in Metro Vancouver

2022 UPDATE

By Iglia Ivanova, Shannon Daub & Anastasia French

NOVEMBER 2022



CCPA
CANADIAN CENTRE
for POLICY ALTERNATIVES
BC Office



Living Wage for
Families BC

Working for a Living Wage: Making paid work meet basic family needs in Metro Vancouver 2022 Update

BY IGLIKA IVANOVA, SHANNON DAUB & ANASTASIA FRENCH

ABOUT THE AUTHORS

Iglika Ivanova is a Senior Economist and Public Interest Researcher at the CCPA-BC. She is also the Co-Director of the Understanding Precarity in BC (UP-BC) Project.

Shannon Daub is the Director of the CCPA-BC and Co-Director of the Corporate Mapping Project.

Anastasia French is the Provincial Manager of Living Wage for Families BC.

ACKNOWLEDGEMENTS

The authors thank our community partners across the province for their participation in the annual community calculation process, for their insightful feedback on the calculation methodology and for always pushing us to refine the living wage calculation to better capture the realities of low-wage workers. Thanks also to Tanyss Knowles for her invaluable contributions to this year's methodology review process. We are grateful to our colleagues from the BC Provincial Health Services Authority for sharing their 2022 food costing data and to the BC Ministry of Education and Child Care for providing data on child care fees. Thanks also to our fantastic CCPA-BC communications team for helping make this report clearer and easier to read, and for ensuring that it has a wide reach.

The opinions and recommendations in this report, and any errors, are those of the author and do not necessarily reflect the views of the publishers and the funders of this report.

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Summary

A LIVING WAGE IS:
The amount needed for a family of four with two parents working full-time to pay for necessities, support the healthy development of their children, escape severe financial stress and participate in the social, civic and cultural lives of their communities.

The living wage is a powerful tool to ensure paid work results in a standard of living that is well above the poverty line and enables a life that is about more than a constant struggle to get by.

For Metro Vancouver, the living wage in 2022 is \$24.08.

The 2022 living wage for Metro Vancouver is \$24.08 per hour. This is the hourly rate that each of two parents working full-time needs to earn in order to support a family of four in Metro Vancouver. 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.

The soaring cost of living, particularly for food and housing, drives this year's sharp increase in the Metro Vancouver living wage. Affordability has long been a concern for Metro Vancouver families as high housing costs squeezed family budgets, but the rising cost of living became a much more pressing issue this year. General inflation shot up to a 40-year high this year and the costs of food and other necessities increased at an even faster pace. As a result, the 2022 living wage in Metro Vancouver climbed to \$24.08 per hour which is \$3.56 higher than last year's rate of \$20.52 per hour. This is the highest annual increase in the Metro Vancouver living wage since it was first calculated 14 years ago.

Over the last three years, the BC government introduced important policy changes that counterbalanced increases in the cost of living and significantly improved affordability not only for low-income families but also for modest- and middle-income families with young children. Most notably, these changes included significant child care investments, the new BC Child Opportunity Benefit and the elimination of Medical Services Plan (MSP) premiums. As a result, the Metro Vancouver living wage declined significantly in 2019 and remained below its 2018 levels until this year. However, the savings from these affordability improvements have now been completely wiped out by the rising cost of living.

In addition to capturing this year's rapid increases in living expenses, the 2022 living wage adopts a new approach to estimating housing costs to better reflect the financial pressures renter families now face. This is necessary because the data we were previously using to estimate the living wage family's housing costs increasingly understated the true cost of renting in Metro Vancouver (see p. 7 for a full discussion).

A strikingly large gap exists between the 2022 Metro Vancouver 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. A third of two-parent families with children in Metro Vancouver have total family income below the living wage family income (34 per cent).¹ Many are pushed out into Metro Vancouver's farther suburbs or out of the region entirely.²

1 Based on data from 2020, which was an extraordinary pandemic year when many families lost their jobs (and thus employment income) and received significantly higher government benefits (e.g., the Canadian Emergency Response Benefit (CERB) and one-off top ups to a number of other transfers). Data from Statistics Canada, 2020. Table 11-10-0013-01.

2 See, for example, Cheung, Christopher. "Where Did Vancouver's Children Go." *The Tyee*. April 29, 2022. <https://thetyee.ca/Analysis/2022/04/29/Where-Did-Vancouver-Children-Go/>.



What's in a living wage?

People who work for low wages face impossible choices—buy groceries or heat the house, keep up with bills or pay the rent on time. The result can be spiraling debt, constant anxiety and long-term health problems. In many cases it means working long hours, often at multiple jobs, just to pay for basic necessities.³ Parents end up having little time to spend with their families, much less to help their children with school work or participate in community activities.

A living wage reflects the income a two-earner family needs based on the actual cost of living in their community. The living wage is a powerful tool to ensure paid work results in a standard of living that is well above the poverty line and enables a life that is about more than a constant struggle to get by.

A living wage is not the same as the minimum wage, which is the legal minimum all employers must pay and often does not reflect the true expenses families face. However, the large gap between the two (close to \$8.50 per hour) is a cause for concern. Tying minimum wage increases to the general inflation rate measured by Statistics Canada's Consumer Price Index (CPI) is clearly far from sufficient. BC's Fair Wages Commission has been tasked with advising the provincial government on ways to begin addressing this gap, however, their report is yet to be released.

The living wage is calculated as the hourly rate at which a family with two working parents and two young children can meet its basic needs once government transfers have been added to the

A living wage is not the same as the minimum wage, which is the legal minimum all employers must pay and often does not reflect the true expenses families face.

³ In a BC-wide survey conducted in late 2019, 29 per cent of workers aged 25 to 65 reported having worked multiple jobs at the same time in the last three months. See Ivanova, et al. "Working multiple jobs to make ends meet: More common in BC than we may think." *Policy Note*. May 6, 2020. <https://www.policynote.ca/multiple-jobs-bc/>.

family's income (such as federal and provincial child benefits) and deductions have been subtracted (such as income taxes and Employment Insurance premiums). It is based on employers providing the statutory minimum paid vacation and paid sick time.⁴ Earning a living wage gets families out of severe financial stress by lifting them out of poverty and providing a basic level of economic security. But it is also a conservative, bare-bones budget without the extras many of us take for granted.

When the methodology was originally developed in 2008, the Metro Vancouver living wage for a two-parent family was sufficient to support a single-parent family with one young child but this is no longer the case due to sharp increases in the cost of living, particularly housing, that have not been offset by correspondingly large increases in government supports for modest income single parents. This is something we are looking into in relation to future calculations.

The BC living wage methodology was developed in 2008 in collaboration with academic and social policy experts and organizations that work with low-income families and was informed by feedback from focus groups of low-income working parents and employers.⁵ Since then it has served as the model for living wage calculations across the country. More than 60 communities in Canada, including over 20 in BC, have used this approach to calculate their local living wage (see livingwage.ca).

The BC living wage calculation methodology is reviewed regularly in consultation with social policy experts, community partners and other advisors, and refinements are made as needed to ensure that it continues to reflect the costs of a reasonable standard of living. For more details on the methodology and data sources used to calculate the 2022 Metro Vancouver living wage, see the stand-alone Technical Appendix accompanying this report, which can be found at policyalternatives.ca/livingwage2022.

The bare bones budget graphic shows what a two-parent family with two young children could afford with \$24.08 per hour in Metro Vancouver—or \$43,826 annually for each parent working full-time.

The living wage calculation does not cover:

- Credit card, loan or other debt/interest payments.
- Savings for retirement.
- Owning a home.
- Savings for children's future education.
- Anything beyond minimal recreation, entertainment or holiday costs.
- Costs of caring for a disabled, seriously ill or elderly family member.
- Much of a cushion for emergencies or tough times.

Food	
Shelter	\$ 1,114
Child care	\$ 2,484
Transportation	\$ 892
Non-MSP health care	\$ 546
Phone & internet	\$ 225
Clothing & footwear	\$ 196
Parents' education	\$ 174
Contingency fund	\$ 106
Other household & social participation	\$ 281
	\$ 971

4 While BC's introduction of a permanent right to five days of employer-paid leave for sickness or injury as of January 2022 was welcome, the continuing COVID-19 pandemic means that this entire allotment would be needed to cover a single COVID-related absence, leaving families scrambling should any other illness or injury arise.

5 The full details are available on page 23 of the original 2008 report, which can be found at policyalternatives.ca/livingwage2008.



CALCULATING THE LIVING WAGE

Those seeking to calculate the living wage in other BC and Canadian communities should contact the CCPA-BC Office of Living Wage for Families BC for additional resources and calculation support.

Updating the living wage methodology to better reflect housing costs

Rent has been the most expensive item in the Metro Vancouver living wage family budget since the calculation was first produced in 2008. The BC living wage calculation has relied on the Canada Mortgage and Housing Corporation (CMHC) annual rental market survey for our estimate of rent, using its data for median monthly rent for units with three or more bedrooms in the primary rental market.

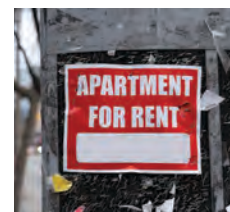
This number has always represented a very modest rent budget in Metro Vancouver and understated the financial pressures faced by families that have to move because it aggregates the rents paid by long-term tenants who have benefitted from BC's rent control measures and those who have recently moved and typically pay higher rents. However, as vacancy rates have declined and housing prices spiked in Metro Vancouver and many other BC communities over the last 14 years, the difference in rents that new and long-term tenants are paying has sharply widened. Further complicating matters, the CMHC data only include purpose-built rental units, which are referred to as the primary rental market. The secondary rental market (i.e., renting privately owned houses and condos or basement and other secondary suites) has grown significantly since the living wage methodology was first developed but is not captured in the median rent figure.

As a result, the CMHC data on primary rental market median rents became an increasingly less reliable measure of the rents families are paying, and it now no longer reflects a realistic rent budget for a family with two young children (and likely hasn't for the last few years). This is true both in Metro Vancouver and elsewhere in BC, as we heard loud and clear from our community calculation partners during the 2021 round of living wage calculations.

To develop a more realistic estimate of the rent cost faced by families, we used 2016 census data to estimate the "moving penalty" faced by households who had to find housing within the previous year. We use the 2016 census data to estimate this moving penalty because it is the latest census data available at the time of writing.

The census data confirm that families with children move frequently. Within the previous year, 25 per cent of BC couple families with children had moved.⁶ These families paid considerably higher median rents—12 per cent higher in 2016 compared to the overall median (i.e., including longer-term and new tenancies). The data also show that the moving penalty is higher for households living in three-bedroom housing than for those living in one- or two-bedroom units.

We apply this moving penalty to the CMHC median rental figures for 2022 to get a more reliable estimate of the rent cost pressures faced by families in BC.



CMHC data on primary rental market median rents became an increasingly less reliable measure of the rents families are paying, and it now no longer reflects a realistic rent budget for a family (and likely hasn't for the last few years).

⁶ We obtained a custom tabulation from Statistics Canada's 2016 census with data for BC's census metropolitan areas and census agglomerations, which represent one or more adjacent municipalities centered on a population core of at least 10,000 people. Integration with the core is measured by commuting flows data from the previous census. The calculation described in this section is based on the data for couple census families with children, without other persons living in their household and living in housing with three or more bedrooms because this is the closest family type to the living wage family. The moving penalty and mobility rates are nearly identical when the data for all household types in three or more bedroom housing is considered.

For Metro Vancouver, the moving penalty increases the living wage family's rent costs from \$1,952 (the CMHC median rent figure) to \$2,186 monthly. The revised figure is still a very modest estimate of rent costs in Metro Vancouver, especially for families who need to move and are not protected by rent control measures. The updated rent estimate results in a significant increase to the 2022 living wage rate because the calculation has underestimated the true costs of rent for BC families in many communities in recent years.

With housing affordability reaching crisis levels in the last five years, it is likely that the moving penalty is even higher today. Unfortunately, data from the 2021 census was not available at the time of writing but will be reviewed as part of next year's living wage calculation. CMHC Rental Market Survey data confirm that a large gap exists between the average rents of vacant and occupied rentals in Metro Vancouver in 2021 and that this gap is highest for three-bedroom or larger units.⁷

Explaining the increase in the 2022 living wage



Food is now the second most expensive item in the living wage family budget, dwarfed only by the costs of shelter.

The 2022 Metro Vancouver living wage is \$24.08 per hour—up \$3.56 from \$20.52 per hour in 2022 or 17.3 per cent higher. The jump is driven by the rapidly rising costs of family expenses, most notably food and shelter, which are increasing much faster than the already very high general inflation rate (as measured by Statistics Canada's Consumer Price Index, CPI). Our new approach to better capturing housing costs explains some of the increase, but inflationary pressures account for the bulk of the 2022 increase.

Here is what makes up the 2022 living wage family budget:⁸

FOOD: \$1,114 per month. This reflects the 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.

Food costs rose by a whopping 16.9 per cent since last year, adding an extra \$161 per month to the family budget. This marks the sharpest increase in any of the bigger budget items this year, including shelter costs (even with our revised method for estimating rents). The latest numbers from the BC Provincial Health Services Authority's 2022 *Food Costing in BC* (report forthcoming) show that across the province the price of groceries required for a nutritious diet for a family of four is rising faster than Statistics Canada's estimate of food inflation (as measured by the CPI for food in BC) and reveal important regional differences across the province.

7 Note that we are not able to use that data to calculate the moving penalty for the purposes of the living wage because they are based on average and not median rents. In housing markets with a large share of luxury rentals like Metro Vancouver, luxury rentals push the average rent up, and patterns in average rents do not necessarily reflect what is happening in the non-luxury market, which is better captured by median rent statistics. However, a large moving penalty in the CMHC data on average rents confirms that the overall rent numbers that capture both long-tenured and new tenancies substantially underestimate the rents faced by families who have to move. Data source: CMHC Rental Market Survey data summarized in Metro Vancouver. *Metro Vancouver Housing Data Book*. July 2022. p. 81. http://www.metrovancouver.org/services/regional-planning/PlanningPublications/MV_HousingDataBook_2022.pdf.

8 The Technical Appendix accompanying this report provides more detailed information on the methodology and data sources for each budget item.

Food is now the second most expensive item in the living wage family budget, dwarfed only by the costs of shelter. Food used to be the third most expensive item but edged ahead of child care costs after the introduction of the BC Affordable Child Care Benefit, which significantly reduced out-of-pocket child care costs for the living wage family.⁹

SHELTER: \$2,484 per month. This includes a modest rent estimate for a three-bedroom apartment plus utilities and insurance on home contents.

Shelter costs jumped by 16.7 per cent this year or an additional \$355 per month, largely due to expensive rents in the region. Our updated estimate of the family's rent cost (\$2,186 per month) represents a large increase from last year (when the very low figure of \$1,850 for a three-bedroom unit was used). However, it reflects the realities faced by renter families in Metro Vancouver and remains a very tight budget for finding family housing in the region.

While families lucky enough to have stable housing benefitted from the pandemic-related rent freeze (no rent increases on continuing tenancies were allowed between April 1, 2020 and January 1, 2022), those who had to move faced low vacancy rates and rapidly rising rents. Concerningly, BC leads the country in evictions, according to the latest data from Statistics Canada's Canadian Housing Survey.¹⁰

CHILD CARE EXPENSES: \$892 per month out-of-pocket. This includes child care fees of \$1,477 per month (for a four-year-old in full-time licensed group care and a seven-year-old in before- and after-school care, full-time care during three weeks of winter and spring breaks, and six 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, resulting in a net out-of-pocket amount of \$892.

Child care fees in Metro Vancouver saw a notably low annual increase this year, an average of less than 1 per cent. This does not include the welcome and very significant child care fee reductions slotted to come into effect in December 2022, which will be built into the 2023 living wage calculation. Recent provincial government policies have successfully moderated fee increases for children under age five in licensed child care, and many can expect actual fee reductions next year. However, finding a spot in a licensed program remains a challenge for many working parents. Fees continue to rise for school-age children's summer programs and care during school holidays, which have not been included in the provincial fee reduction initiatives announced to date but are eligible for the BC Affordable Child Care Benefit.

The BC Affordable Child Care Benefit is an income-tested government payment designed to assist low- and middle-income families with their child care expenses. This benefit is paid to the child care provider reducing the fee payable by parents. The Metro Vancouver living wage family qualifies for a benefit of \$7,013 in 2022, which reduces their child care out-of-pocket expenses to an average of \$892 per month. However, even with that benefit, parents pay significantly more than they would if BC fully implemented \$10-a-day child care, which is now also the goal of the new federal investments in child care.

TRANSPORTATION: \$546 per month. This includes the amortized cost of owning and operating a used car as well as a two-zone bus pass for one parent, replaced by a discounted student transit



While families lucky enough to have stable housing benefitted from the pandemic-related rent freeze, those who had to move faced low vacancy rates and rapidly rising rents.

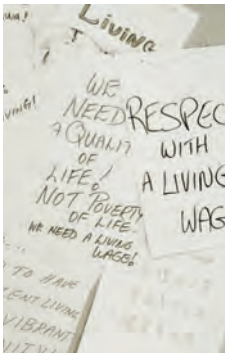
9 Many Metro Vancouver families are not able to secure a child care spot in centre-based care, which is the type of child care arrangement that has seen the largest fee reductions and is eligible for the largest amount of Child Care Benefit. As a result, these families may pay higher out-of-pocket child care fees than those assumed in the living wage calculation.

10 Griffiths, Nathan. "BC leads country in household evictions over the past five years." *Vancouver Sun*. July 25, 2022. <https://vancouversun.com/news/local-news/b-c-leads-country-in-evictions>.



pass, the U-Pass, for eight months of the year. Transportation costs grew significantly since last year, by 11.5 per cent, due largely to the sharp spikes in the costs of gasoline. Transit fares in Metro Vancouver also increased in July 2021 and July 2022.

NON-MSP HEALTH CARE: \$225 per month. This is the cost of a 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. The costs of purchasing a basic family plan increased by \$37 per month, or 19.7 per cent this year, due to a sharp increase in the price of dental coverage (from \$99 to \$134 per month).



The federal government’s commitment to provide dental coverage for uninsured Canadians with low and modest incomes will benefit living wage families, but the first stage of implementation (the proposed Canada Dental Benefit for families with young children) is expected to come into effect in December 2022 and will be included in the 2023 living wage calculation.

PHONE AND INTERNET: \$196 per month. This includes the cost of high-speed home internet, two mobile data plans and the purchase of two basic smartphones. Up \$9 since last year, which reflects the switch to the faster 4G LTE data network and an increase to 4GB of data (from last year’s 3GB) to reflect Canadians’ changing data usage patterns.

CLOTHING AND FOOTWEAR: \$174 per month.

PARENTS’ EDUCATION: \$106 per month, which is up \$2 since last year. This amount allows for two college courses per year so one parent can work on upgrading their training as a way out of low-wage work. A small budget for education has been included in the living wage calculation since its inception in 2008 at the suggestion of participants in our focus groups with low-wage workers. Access to training has become even more important since then because automation and technological advances are rapidly changing the way work is done.

CONTINGENCY FUND: \$281 per month—two 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. Up \$42 per month or 17.3 per cent to account for the need to replace higher wages to cover higher family expenses while one of the earners in the family is off work.

OTHER HOUSEHOLD AND SOCIAL PARTICIPATION EXPENSES: \$971 per month. This covers toiletries and personal care, over-the-counter medication and expenses not fully covered by private health insurance, furniture, household supplies, laundry, school supplies and fees, bank fees, some reading materials, minimal recreation and entertainment, family outings (e.g., to museums and cultural events), birthday presents, modest family vacation and some sports and arts activities for the children. This component of the family budget grew significantly since last year, by \$122 per month or 14.4 per cent, adding to the financial pressures experienced by many families.

GOVERNMENT TRANSFERS: The living wage family's expenses were partially offset by government transfers the family received last year.

The Metro Vancouver living wage family receives substantial government support through the Canada Child Benefit, the BC Affordable Child Care Benefit and the BC Child Opportunity Benefit, a total of \$16,686 in 2022. Without these benefits the Metro Vancouver living wage would have been significantly higher.

The one-time Insurance Corporation of BC rebate and the one-time October enhanced payment of the BC climate action tax credit are much smaller in value but in a year when inflation is at a 40-year high, every little bit helps to take off some pressure from stretched family budgets.

The Metro Vancouver living wage family is considered too well-off to qualify for the federal GST credit.

In summary, soaring food and housing costs are putting tremendous pressure on family budgets and driving the jump in the living wage this year. Although additional investments to further reduce child care fees and provide a dental benefit for young children coming in December will benefit families, without large-scale public investments in affordable housing, the savings for families will quickly be eaten up by rising rents.

Soaring food and housing costs are putting tremendous pressure on family budgets and driving the jump in the living wage this year.

Employers get behind the living wage

A growing number of BC employers are seeing the value of paying living wages—there are nearly 400 certified Living Wage Employers across BC, including many small businesses, non-profit organizations, unions and cooperatives. Fourteen local governments have adopted living wage policies as of October 2022, including the cities of Burnaby, Langley, New Westminster, North Vancouver, Pitt Meadows, Port Coquitlam, Quesnel, Vancouver and Victoria.

These employers have committed to pay all their direct staff and contract employees a living wage and to require their major service providers to also pay a living wage, including for janitorial, security and food service contracts. Living Wage for Families BC, a program of the Vancity Community Foundation, runs the living wage certification for employers in BC.

For the full list of Living Wage Employers or to become a Living Wage Employer, please contact Living Wage for Families BC (www.livingwageforfamilies.ca).

Getting there: The role of employers and government

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.

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.

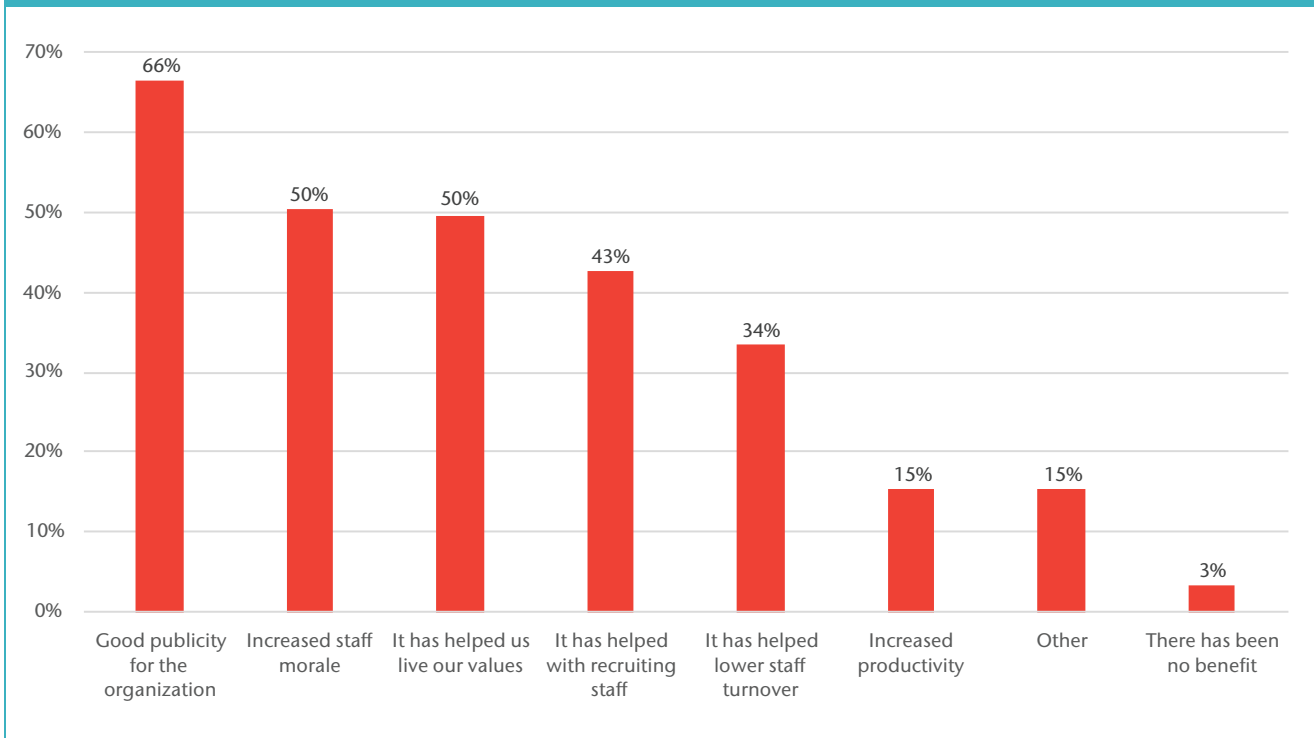
Paying living wages can have concrete benefits for employers, including reduced absenteeism and staff turnover, increased skill, improved morale and productivity levels, reduced recruitment and training costs and improved customer satisfaction. It is also good for a company's reputation. For example, a study on living wage employers in London (UK) found that turnover rates were cut by 25 per cent on average after organizations implemented a living wage policy.¹¹

A recent survey of BC certified Living Wage Employers showed similar benefits locally (Figure 1).

Employer-paid benefits that reduce out-of-pocket costs for families—such as extended health and dental coverage, subsidized transit passes, 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.

¹¹ Wills, Jane and Brian Linneker. *The Costs and Benefits of the London Living Wage*. London: University of London and Trust for London, 2012.

Figure 1: Reported benefits of being a certified Living Wage Employer



Source: 2022 BC Living Wage Employers survey conducted by Living Wage for Families BC.

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.

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 Metro Vancouver living wage. 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).

Provincial and federal governments must review all low-income transfers and credits regularly to ensure that they are not clawed back at income levels that leave many families struggling, and that the amounts provided keep up with the actual expenses they are meant to defray (such as rent). When government transfers fail to keep up, the families hardest hit include workers who are already marginalized in the labour market, including single mothers, Indigenous people and recent immigrants.

The living wage is not just about employers—the labour market alone cannot solve all problems related to economic insecurity.

In addition to direct government transfers, accessible public services and infrastructure can reduce out-of-pocket costs for families and thus lower the wage needed to afford a decent standard of living.

Child care is a great example. As outlined earlier in this report, recent public investments in child care affordability (and to a lesser extent in expanding child care spaces) have successfully moderated fee increases for children under age five in licensed child care and reduced out-of-pocket costs for many low- and middle-income families. The substantial new child care fee reductions scheduled for December 2022 will further reduce out-of-pocket costs for families who are able to secure a spot with a participating child care provider and will likely help offset some of the increases in the cost of living expected next year.



Recent public investments in child care affordability have successfully moderated fee increases for children under five in licensed child care and reduced out-of-pocket costs for many low- and middle-income families.

However, even with those investments, most BC parents will continue to pay significantly more than what they would if BC fully implemented \$10-a-day child care, which is now also the goal of the new federal investments in child care. If BC had \$10-a-day child care in 2022, the Metro Vancouver living wage would have been \$22.06, about \$2 per hour lower. This highlights the power of public policy to reduce out-of-pocket costs for families and is precisely why the living wage takes into account federal and provincial taxes and transfers.

Another public program that moderates the living wage is the U-Pass—a low-cost transit pass for students in public post-secondary institutions in BC. A parent taking one college course per semester is eligible for the U-Pass for eight months, which reduces the family's transit costs and shaves off 30 cents from the 2022 Metro Vancouver living wage. The introduction of free transit for children under 12 in BC also benefits many Metro Vancouver families by expanding their transportation options. Free transit for all would make it even easier for families to make more of their trips using active transportation options, which are healthier and generally less expensive than driving.

However, rising housing costs and rents in particular put enormous pressure on family budgets in Metro Vancouver and across the province. Over the last four years, the BC government has made limited progress through its 2018 Homes for BC plan but progress is too slow, and the new affordable housing construction targets (114,000 units over a decade) were too low from the outset.¹² The good news is that the provincial government has the fiscal capacity to scale up public investments in non-market and below-market rental housing, and that affordable rental housing could be self-financing in the long run, as the CCPA-BC's Alex Hemingway has demonstrated.¹³

Moving the dial on housing affordability in Metro Vancouver and across the province would require a large-scale build out of non-market rental housing to be combined with more effective tools to limit rent increases, such as vacancy control, which existed in BC in the 1970s. Vacancy control ties rent to the unit and imposes restrictions on rent increases not only on continuing tenancy but also when renters move out and new tenants come in.¹⁴

12 See Lee, Marc. "What happened to the 114,000 new affordable homes promised in BC?" *Policy Note*. March 11, 2022. <https://www.policynote.ca/housing-promises>.

13 See Hemingway, Alex. "Financing public housing: how a massive expansion of rental homes can literally pay for itself." *Policy Note*. April 21, 2022. <https://www.policynote.ca/financing-public-housing>.

14 See Lee, Marc. "Vacancy control: taking the next step on housing affordability." *Policy Note*. February 11, 2021. <https://www.policynote.ca/vacancy-control>.

Without a large-scale infusion of public affordable housing and stricter rent control measures tied to the unit rather than the tenant, the costs of rent will continue to offset and effectively wipe out affordability improvements in other areas.

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.

Without a large-scale infusion of public affordable housing and stricter rent control measures, the costs of rent will continue to effectively wipe out affordability improvements in other areas.

Living wages in BC

This year, 22 BC communities are releasing their 2022 living wage calculations at the same time:

- Castlegar \$20.54
- Columbia Valley \$21.85
- Comox Valley \$20.26
- Cowichan Valley \$23.53
- Cranbrook \$21.90
- Daajing Giids \$25.87
- Dawson Creek \$20.53
- Fernie \$23.58
- Fraser Valley \$18.98
- Golden \$25.56
- Grand Forks \$20.05
- Greater Victoria \$24.29
- Kamloops \$19.14
- Kelowna \$22.88
- Metro Vancouver \$24.08
- Nanaimo \$20.49
- Nelson \$20.83
- Powell River \$23.33
- Prince George \$21.19
- Prince Rupert \$22.69
- Revelstoke \$23.60
- Trail \$21.13

For a full list of communities see www.livingwageforfamilies.ca.



Living Wage for Families BC

Living Wage for Families BC aims to reduce poverty for workers and their families. They certify and promote employers who pay their staff and contractors a living wage, and advocate for complementary government policies that would help families make ends meet. They are a program of Vancity Community Foundation.

Contact us at 236.558.2635 or info@livingwageforfamilies.ca.

livingwageforfamilies.ca

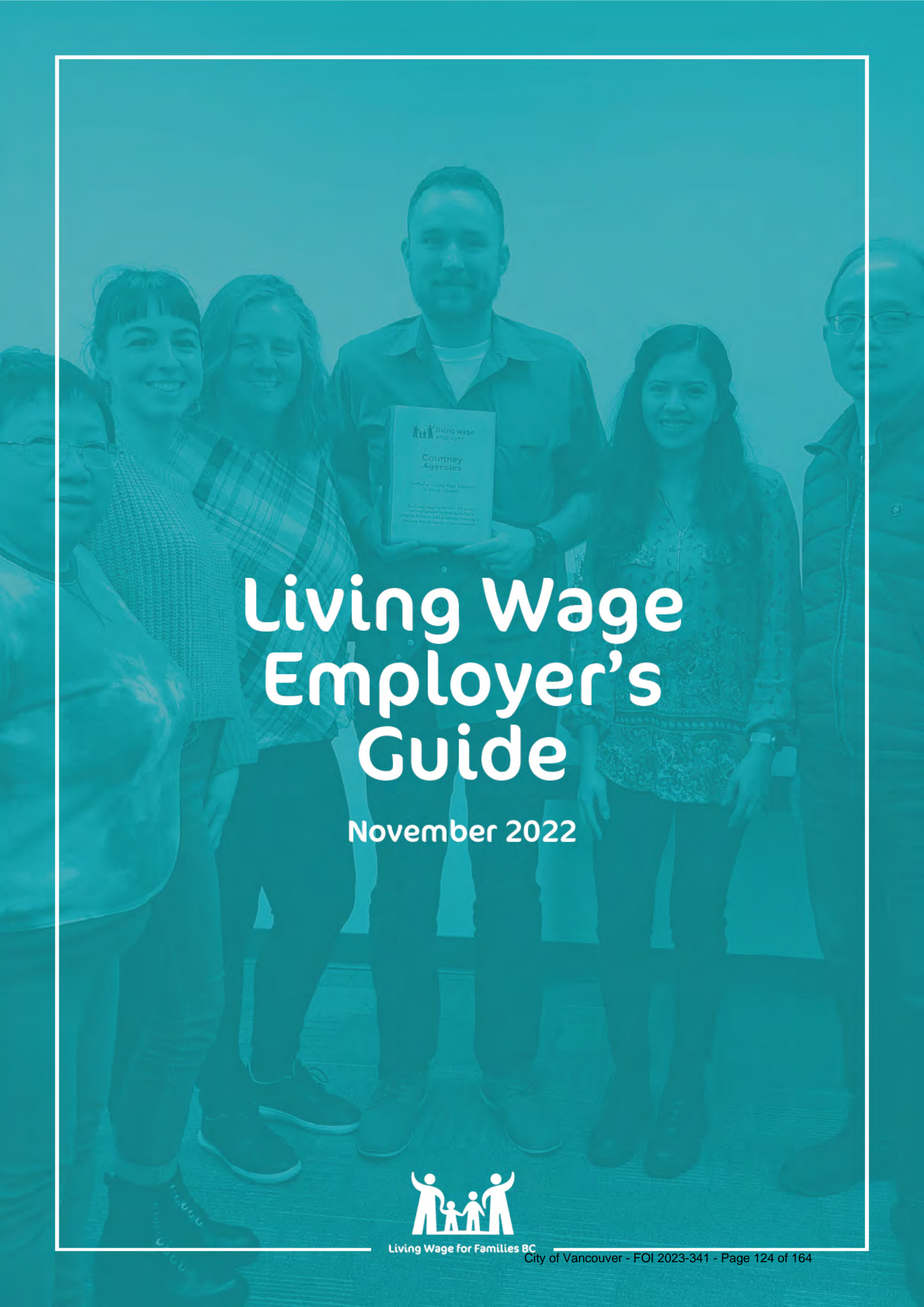


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The Canadian Centre for Policy Alternatives is an independent, non-partisan research institute concerned with issues of social, economic and environmental justice. Founded in 1980, it is one of Canada’s leading progressive voices in public policy debates.

The CCPA-BC is located on unceded Coast Salish territory, including the lands belonging to the xʷməθkʷəy̍əm (Musqueam), Skwxwú7mesh (Squamish) and sə́ilwətaʔ / Selilwitulh (Tsleil-Waututh) Nations.



Living Wage Employer's Guide

November 2022



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Why become a Living Wage Employer?

Living Wage Employers are responsible employers who care about their employees and the community. They recognize that paying a living wage constitutes a critical investment in the long-term prosperity of the economy by fostering a dedicated, skilled and healthy workforce.

The Living Wage Employer Program recognizes and celebrates employers that pay their direct and indirect employees a living wage.

Benefits of becoming a Living Wage Employer

- ▶ Living Wage Employers receive public recognition for demonstrating a commitment to socially responsible practices, making them more attractive to potential employees and customers.
- ▶ Employers paying a living wage experience decreased employee turnover and absenteeism, increased retention and productivity, increased staff morale, and savings on rehiring and retraining.
- ▶ Employees who earn a living wage experience increased mental and physical health as well as economic well-being, leading to a more productive and committed workforce.
- ▶ 97% of Living Wage Employers have found a benefit from being part of the program.



“We want to be part of a community that invests in the long-term prosperity of individuals and the economy. Paying a living wage to our employees and service providers will help make families stronger and communities healthier.”

Christine Bergeron,
President and CEO, Vancity Credit Union



What is the Living Wage?



A living wage is the hourly amount a worker needs to earn to cover their family's basic expenses within their community. It is recalculated on an annual basis to ensure that it accurately reflects changing living expenses. For more details about the calculation, see www.livingwageforfamilies.ca.

A living wage can be made up of base wage and benefits.



Living Wage Employer certification process

Conditions for becoming a Living Wage Employer

- ▣ Employers agree to ensure that all direct employees and contractors are paid the current living wage rate for their area within six months of a successful application.
- ▣ If employees and contractors are paid applicable non-mandatory benefits, the living wage hourly rate that must be paid will take account of this.
- ▣ To find the living wage rate in your community, visit our website at www.livingwageforfamilies.ca/living_wage_rates.
- ▣ If applicable, employers will create and implement an internal living wage policy. An example is provided in Appendix 2 of this Guide.
- ▣ If applicable, employers agree to insert a living wage clause, stipulating that contracted workers and subcontracted workers are to be paid a living wage, in all future contracts where staff who are not direct employees are contracted to provide services to their organization on a regular, ongoing basis.

Apply to be a Living Wage Employer

Depending on the employer's size (as described below), employers should submit either an application form or an implementation plan.

Small Employers

Smaller companies and organizations (with fewer than 20 staff and/or with few service contracts), where a stepped implementation may not be required, should complete the Living Wage Small Employer Application form at www.livingwageforfamilies.ca/become_a_living_wage_employer.

Large Employers

Large employers (with 50 or more staff and/or with multiple service contracts) should complete an implementation plan rather than an application form.

Reporting

To maintain their Living Wage Employer status, employers must complete a short annual recertification form which confirms their commitment to paying the living wage.

The Campaign distributes this form to employers once the new living wage rates are calculated, and employers have six months to return the form and outline how they are continuing to meet the program requirements. Employers who do not complete and return the recertification form will lose their Living Wage Employer status.

If possible, employers are advised to leave themselves an annual budgetary headroom of about 2-3% annually in case the living wage increases.

Monitoring

The Living Wage for Families BC does not monitor employer compliance with the living wage beyond the above-mentioned annual recertification. If an employer is found to have not fulfilled the criteria, the Campaign will work with the employer to identify whether continued involvement in the program is possible.

Support

The Living Wage or Families Campaign and our network of existing Living Wage Employers can provide advice and support to employers including guidance on best practices, case studies from leading employers, and model procurement frameworks.

We determine whether an employee is paid a living wage based on their total compensation package (base wage + nonmandatory benefits).

"Being a Living Wage Employer means that the folks who work here serving our community can afford to live in it. If we want to build strong community, we must lead by example and start from within."

– Chilliwack Restorative Justice and Youth Advocacy Association

Applying to become a Living Wage Employer

As noted above, small employers should complete an application form, which is available on our website.

Large employers should instead prepare and submit a draft *Living Wage Employer Implementation Plan* that should include the following details.

An example is provided in Appendix 1 of this Guide.

Implementation Plan

1. Employer details

- ▶ Employer name and addresses of all offices/worksites/premises.
- ▶ Living wage rates for all offices/worksites/premises.
- ▶ Basic description of employer and nature of the workplace.
- ▶ Contact person's details in relation to this application.

2. Direct employees

- ▶ Number of direct staff.
- ▶ Hourly wage of lowest paid employee
- ▶ Number of direct staff that will have their wages increased as a result of the living wage.
- ▶ Initial timeline for bringing all direct employees to a living wage rate.
- ▶ Mechanism that will be used internally to ensure that all staff are maintained at a living wage rate on an annual basis as per conditions.
- ▶ For organizations that have collective agreements in place, confirmation of how and when you will inform the relevant union(s) of your intention to apply for living wage status.

3. Contracted service staff

- ▶ Brief description of your current service contracting process.
- ▶ Estimated number and type of service contracts that will be affected by your certification as a Living Wage Employer.
- ▶ Mechanism that will be used internally to ensure that all relevant service contracts will include a relevant living wage clause at time of renewal or initial awarding.

4. Overseeing the plan

- ▶ How this plan will be overseen.
- ▶ Who has responsibility for overseeing the plan.

Completed plans should be emailed to: info@livingwageforfamilies.ca

Certification Process

Applications will be reviewed by the Living Wage for Families BC's Employers Committee, which is comprised of representatives from certified Living Wage Employers. If the application is deemed by the Employers Committee to fulfill the conditions of the Living Wage Employer Program, the employer is deemed a certified Living Wage Employer.

Under this certification, you will be entitled to:

- ▶ A Living Wage Employer plaque noting your commitment to paying the living wage.
- ▶ One or more Living Wage Employer window decal(s) for store front or office display.
- ▶ A Living Wage Employer electronic logo for use on your website and letterhead.
- ▶ Recognition on the Campaign's website and any of our periodic publications.

We encourage new Living Wage Employers to celebrate their certification as a Living Wage Employer with staff and board members, and to announce their status on social media and with local media and partners.



Exemptions to the Living Wage

Employer criteria

As there are different forms of employment for which a living wage may not be possible, the following types of staff can be excluded from an employer's living wage policy if necessary.

- ▣ Casual employment of fewer than 120 hours of work per year.
- ▣ Multiple small contracts.
- ▣ Interns and students who are completing practicum placements or co-op terms, as long as these categories make up no more than 10% of staff (or, no more than 20% for small nonprofits with five or fewer staff).
- ▣ Apprentices and trainees, as long as their probationary period or training period has a defined end point at which time they will be paid the living wage.
- ▣ Staff on their probation period.
- ▣ Social purchasing: employers may source up to ten percent of their labour from qualified social enterprises (to be approved by the Living Wage for Families BC); qualifications include that the social enterprise must be purpose-built for employing hard-to-employ individuals, be owned by a not-for-profit, and must be pre-existing.

Interns and Students

Interns: Internships are defined as on-the-job training opportunities offered by an employer to provide a person with practical experience. Completing an internship does not itself result in an academic certificate or diploma.

Employers must pay interns the living wage if their internship falls under the definition of "work" as provided by the BC *Employment Standards Act*. If interns are not performing "work" under the *Employment Standards Act*, they may be exempt from the employer's living wage policy, as long as they don't represent a core part of the total staff makeup (no more than 10% for most employers; in the case of small non-profits with five or fewer staff, no more than 20%) when combined with the number of students completing practicum placements or co-op terms.

Students completing practicum placements, co-op terms or taking part in Canada Summer Jobs: Students completing practicum, Co-op terms or taking part in Canada Summer Jobs may be exempt from the employer's living wage policy, as long as they don't represent a core part of the total staff makeup (no more than 10% for most employers; in the case of small non-profits with five or fewer staff, no more than 20%).

Students who are also regular employees or contractors for the employer must be paid the living wage.

Apprentices and Trainees: Apprentices and trainees are defined as workers who are being trained while working for an employer, and often have a path to regular employment through their apprenticeship or training period. Apprentices and trainees can be exempt from the employer's living wage policy, including if they have an initial probationary period, as long as their training or probationary period has a defined end point at which time they will be paid the living wage.

For more information on these definitions, please refer to the BC *Employment Standards Act*.

Casual employment and small contracts

Casual or ad-hoc employment of fewer than 120 hours of work per year can be exempted. Common examples include emergency repairs and maintenance work. Similarly, for large employers as applicable, small contracts can be exempted when a contract makes up no more than half of a percentage of the employer's purchasing budget.

Social purchasing and social enterprises

Note: This policy is for employers wanting to contract work out to social enterprises, and not for social enterprises who would like to certify as a Living Wage Employer.

Employers may have a range of procurement practices to express their commitment to poverty reduction in their communities. Paying the living wage is one tool to address poverty, and social procurement (or purposeful purchasing) from social enterprises that are providing supported employment to individuals with barriers to participation in the labour force is another. Living Wage for Families BC recognizes the role of social enterprises in poverty reduction.

Where employers applying for certification as a Living Wage Employer have social procurement policies, they may still meet the living wage conditions, set out below, upon approval of the Living Wage Employers Committee:

- ▶ The applying employer has established procurement policies that state its intent to purchase from social enterprises as part of a corporate responsibility strategy.
- ▶ The social enterprises from which the employer is procuring are pre-existing social enterprises set up for the purpose of providing supported employment to individuals who would otherwise not be participating in the labour force (and are likely still receiving income or disability assistance).
- ▶ The social enterprises have either a not-for-profit structure themselves or are subsidiaries of not-for-profit organizations.
- ▶ The social enterprises are recognized by their peers as purpose-built social enterprises, through participation in Buy Social Canada, the Enterprising Nonprofits Program or another intermediary who can verify the purpose, structure and financial model of the social enterprise.
- ▶ No more than 10% of the employer's total procurement comes from social enterprises.

Other conditions and guidance

Externally contracted staff and the living wage

This clause covers external contracts that provide services for your organization on a regular ongoing basis, that is, for at least 120 hours of labour per year, or for large organisations those contracts which are more than 0.5% of their purchasing budget.

Externally contracted staff refers to staff that many employers use to provide services such as janitorial, security, cleaning or catering.

Living Wage Employers are encouraged to inform contractors about the Living Wage Employer Program and how it may affect the terms of your agreements. A living wage clause should be included in all future and renegotiated agreements with contractors you hire. You do not need to renegotiate existing contracts before they come up for renewal in order to be compliant. All future agreements, whether new or being renewed, must incorporate the living wage standards.

See Appendix 3 of this Guide for a sample clause that can be incorporated into existing contracts and requests for proposals (RFPs). The living wage rate for the purposes of this clause is the rate set at the time of the start of the contract renegotiations. The clause should also ensure that a "living wage premium" is awarded to contracted and subcontracted workers that end up being paid below the living wage rate within six months of its annual recalculation.

Thus, employers need to undertake the following:

A. If the staff are directly contracted by your organization. When the contract comes up for renewal you should include a living wage clause as part of your request for proposals. It is expected that, after selecting a suitable contractor, a living wage clause will be inserted in the contract as per the RFP.

B. If the staff are not directly contracted by you, but do provide services - for example, as part of a tenancy agreement. You should advocate for a living wage clause to be included in the agreement/contract when it comes up for renewal.

Best Effort Clause

If you can clearly show that you made your best efforts to fulfill this clause you will be allowed to apply for/keep your Living Wage Employer status. (For example, if you received no responses to an RFP that included a living wage clause.)

Once certified, employers are not expected to monitor whether their service providers are complying with the living wage criteria beyond the annual recertification requirement of the Campaign, but they can request the right of proof.

Probation Period

We know that for many employers, staff will only become entitled to benefits on completion of their probation period. For this reason, we allow for less than a living wage during a probationary period for the employer. However, this probation period must be less than six months, and there must be a defined end date. People earning less than a Living Wage because they are on their probation period cannot represent a core part of the total staff makeup (no more than 10% for most employers; in the case of small non-profits with five or fewer staff, no more than 20%).

Employers operating outside of British Columbia

The Living Wage for Families BC will only consider operations within British Columbia for certification.

If an employer employs employees, as defined by the Canada Revenue Agency, elsewhere in Canada or globally, the Living Wage for Families BC will consider the employer's operations within British Columbia for certification. The Campaign will encourage the employer to pay the regional living wage and seek certification by other living wage campaigns in the other jurisdictions in which they work.

Self-employed persons and employers with one staff member

Employers must have at least one direct employee, as defined by the Canada Revenue Agency, in order to apply for certification. This means that self-employed persons who work for themselves and do not employ others cannot apply for certification. Self-employed persons who employ at least one direct employee can apply for certification.

Incentive-based pay (tips, gratuities, bonuses)

Employers will be eligible for certification if they pay a living wage to workers before factoring in any tips or incentives that are variable. The living wage must be a reliable amount for workers, and therefore variable amounts cannot be included in an employer's living wage rate.

Collective agreements

It is expected that organizations that have collective agreements in place will inform the relevant union(s) of their intention to apply for living wage status. Collective agreements will be treated as contracts, as per above.

How your benefits package affects the living wage calculation

Non-mandatory benefits include employer contributions that help reduce an expense in the living wage budget such as extended health/dental care, child care expenses, transport expenses, professional development and education, and enhanced vacation and sick leave.

They do not include payments that an employer is mandated by law to provide, such as employment insurance and Canada Pension Plan contributions.

The living wage for granting agencies

If your work includes distributing grants to non-profit organizations or other community groups, we encourage you to include language in your granting information to applicants that notes your Living Wage Employer status and encourages applicants to include a living wage for their staff in the project budget they submit to you.

Certification Fees

The Living Wage certification process is not without cost for our program. Staff time involved with calculating the Living Wage and value of non-mandatory benefits, engaging, supporting and certifying employers and the costs for creating and mailing promotional materials, plaques and decals represents a considerable strain on our limited budget.

To help recover the costs required to administer the program, we have introduced certification and re-certification fees for Living Wage Employers.

We have looked closely at the Living Wage initiatives in Canada and around the world and have decided to replicate the fees that Living Wage Ontario charge. These figures are also reflective of what Living Wage Employers told us they would be happy to pay.

Type of organisation	Number of staff in BC	Price of certification
For profit	0-50	\$200
	51-250	\$400
	251-999	\$800
	1000+	\$1,000
Non-profit/Public Bodies	0-50	\$100
	51-250	\$200
	251-999	\$400
	1000+	\$500

There will also be an additional \$150 charge for employers wishing to receive a Living Wage plaque.

Living Wage Employers have found many benefits for joining the program:

- ▣ **Recognition:** Living Wage Employers proudly display their certification on their website and with decals on their vans, shop fronts and office spaces. We also work closely with new Living Wage Employers to promote their certification through the media, web posts and social media channels. Many employers have found that certification has led to increased business for them.
- ▣ **Support:** We support employers to calculate the value of their non-mandatory benefits and discuss ways that they can bring their staff up to a Living Wage.
- ▣ **Investing in advocacy:** Living Wage for Families BC advocates for government policies which help reduce the cost of living for families in BC.

We are also exploring options to allow Living Wage Employers to network with each other and share promotional opportunities with other Living Wage Employers.

Appendix 1: Example of a Living Wage Employer Implementation Plan

Introduction

Company X is proud of its record as a responsible employer. To date, it has won numerous awards recognizing this commitment. Company X provides a wide range of eye care solutions. It was founded in 1970 and we currently have seven retail outlets in the Lower Mainland. (Details of all our premises are in the appendix to this application.) We currently employ 85 staff, 50 full time and 35 part time. The current living wage rate in our community is \$24.08 an hour, as noted by the Living Wage for Families BC campaign.

Direct Employees

Based on an analysis by our human resources manager, we currently have 2 full time and 2 part-time staff that are below the current living wage rate.

These positions are all retail assistant positions. When we take into account the extended health benefits that the full-time staff receive, we need to increase their base hourly wage by \$1.53/hr to reach the living wage rate. The 2 part-time positions are not paid benefits, so their base hourly wage needs to be increased by \$2.10/hr to reach the living wage rate.

The chart on this page exhibits the positions that were adjusted to ensure a living wage was paid.

The company's HR manager will be responsible for making these changes within three months of being awarded Living Wage Employer status. The HR manager will undertake a comprehensive wage review for all staff members and our Living Wage Employer commitments will be included as part of this review.

Position	Current	Benefits	Total	Pay increase needed
Retail Assistant FT	\$21.00	\$1.94	20	\$1.14
Retail Assistant FT	\$21.00	\$1.94	20	\$1.14
Retail Assistant PT	\$21.00	\$0.00	20	\$3.08
Retail Assistant PT	\$21.00	\$0.00	20	\$3.08

Our staff is non-unionized so we have no collective agreements.

Contracted Service Staff

We currently lease all our premises and security services are provided as part of these leasing arrangements. Our leases vary from one to 10 years. As we don't directly contract security services we can't guarantee that we will be able to ensure a living wage clause, but we will endeavour to follow the criteria set out in the best effort clause set out in the Living Wage Employer conditions.

We have three service contracts that fall under living wage criteria.

- Computer system maintenance and support. This contract is an annual contract that is renewed at the start of every year. We commit to including an appropriate living wage clause when it is next renewed. However, we estimate that no workers will be affected by this.
- Eye equipment maintenance. We have a three-year contract that is due for renewal in October 2023. We commit to including an appropriate living wage clause in the new contract at this date. Again we estimate that no workers will be affected by this as it is highly specialized work.
- Janitorial/cleaning. This contract covers all our premises and is due for renewal in November 2023. We commit to including an appropriate living wage clause in the new contract at this date. We estimate that this will affect 15-20 workers.

Implementation

This plan was developed by the HR manager and has been approved by the CEO and the board of directors. The HR manager will be responsible for its implementation. A section on our Living Wage Employer commitments will be included in the annual HR report to the board.

Signed: _____ Date: _____

Appendix 2: Example of an Internal Living Wage Policy

Purpose

At [Name of Employer], it is important to us to be aware of and maintain corporate social responsibility. We strive to make decisions and take actions that have a positive impact on our community, our staff and the people we serve. As a responsible employer, we believe that our employees need to earn a wage that meets the needs of daily living and provide some discretionary income. We recognize that paying a living wage constitutes a critical investment in the long-term prosperity of our organization by fostering a dedicated, skilled and healthy workforce.

Definition

The living wage is the hourly rate of pay that enables wage earners living in a household to:

- ▣ Feed, clothe and provide shelter for their family
- ▣ Promote healthy child development
- ▣ Participate in activities that are an ordinary element of life in the community
- ▣ Avoid the chronic stress of living in poverty

This hourly rate is calculated every year by the Living Wage for Families BC campaign, based on the living expenses of a family of four with two children aged 4 and 7, with both parents working full time (35 hours/week).

Application

The policy applies to all employees employed by [Name of Employer], as well as all employers employed by a contractor or subcontractor who perform services directly or indirectly for [Name of Employer] on a regular ongoing basis.

Direct Staff

- ▣ Staff earning only a salary or wage will earn at minimum a living wage. The living wage is recalculated annually in November each year. Any increases in the living wage will be passed onto staff within six months of this date.

Contracted Staff

- ▣ Where services are contracted, e.g., food service and cleaning, we choose vendors/service providers that also pay a living wage to their staff, similar to this policy. This clause covers external contracts that provide services for our company on a regular, ongoing basis, that is, for at least 120 hours of labour per year.
- ▣ Living wage clauses are included in all agreements and renegotiated agreements with contractors we hire.

Benefits in Consideration

- ▣ In instances where non-mandatory benefits are provided to staff, the basic hourly wage due to staff may be adjusted to reflect the positive impact these benefits have on the employee's ability to meet basic needs and have some discretionary income.
- ▣ These benefits include health, dental and disability coverage for staff covered by this policy. Benefits may be provided on a cost-shared basis; however, the premiums paid by the employee cannot reduce the wage to below an acceptable level with respect to a living wage.

Accountability

[Name of Company] maintains its participation in this policy through the Living Wage Employer Program. We are accountable for upholding and keeping current with this policy. [Name of Company] will ensure that a relevant process is in place for employees to raise any issues relating to the living wage policy in a safe and confidential manner.

Appendix 3: Example of Living Wage Clause for Service Provider Contracts

The following is an example of living wage contract clause for insertion into contracts with service providers to guarantee living wage provision. These contract clauses are offered as starting points in order to assist drafting of appropriate provisions. These contract clauses are not recommended clauses, nor do they substitute the requirement to seek legal advice.

Living Wage for Families BC is not responsible for the use or operation of any or all of these clauses and accepts no liability arising out of such use or operation.

1.1 It is a condition of this Agreement that, for the duration of this Agreement:

- (a) the Contractor pays all employees who are employed by the Contractor to perform services pursuant to this agreement not less than the Living Wage, as set annually by the Living Wage for Families BC; and
- (b) notwithstanding 1.1 (a), the contractor has up to 6 months from the date on which any increase in the Living Wage is adjusted by Living Wage for Families BC, to increase any or all wages such that the Contracted Employees continue to be paid not less than the Living Wage.

Sub Contracting

1.2 If the Contractor sub-contracts all or part of the provision of the Services to a sub-contractor pursuant to clause [1.1], the Contractor shall ensure that any sub- contractor adheres to clause 1.1 as though it were the contractor.

Termination of Contract

A breach by the Contractor of its obligations pursuant to clauses 1.1 and 1.2 shall constitute a material breach by the Contractor of this Agreement which shall entitle the client to terminate this Agreement.

Contact

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🌐 livingwageforfamilies.ca

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- [Skip to footer](#)

British Columbia News

New premier delivers action to expand housing supply within first days

<https://news.gov.bc.ca/27822>

To help deliver more good homes for people, the Province is introducing new laws to build the homes people need, make it possible for homes that are vacant to be rented and remove discriminatory age and rental restrictions in stratas that hurt young families.

“B.C.’s housing crisis is stressing out and hurting people while it holds back our economy,” said Premier David Eby. “As a first step in my 100-day plan, we are making changes to deliver more homes for British Columbians, faster. We will work with municipalities to set housing targets and make sure the homes people need get built. For those searching for a home today, there's good news. We're making it possible for thousands of condos that are vacant to be rented out as soon as these new laws pass. For those worried about the future, we're setting out a new way to co-ordinate the efforts of our cities and the Province to build the homes people need quickly.”

The first piece of legislation, the housing supply act, will help speed up housing development and increase supply by giving the Province the power to set housing targets in municipalities with the greatest need and highest projected growth. Targets will be based on information provided by and in consultation with municipalities. The new housing targets will encourage municipalities to address local barriers to construction so that housing can get built faster, including updating zoning bylaws and streamlining local development approval processes.

“I had a good job lined up and even I had a hard time finding a home,” said Omama Shoib, a health-care worker who moved from Alberta to Victoria. “We need more housing options across the board urgently. Some people aren't as lucky as I was and have to turn down job opportunities or schooling because they can't find suitable housing. I'm relieved the government is doing more to increase housing so people don't have to give up on pursuing their goals just because they can't find a place to live.”

The Province will monitor progress and work with municipalities to help address barriers to meeting housing targets and to support the increased community needs associated with targeted growth. The act enables compliance options as a last resort, should municipalities with the highest need struggle to create the conditions that are necessary to ensure housing gets built.

If passed, the housing supply act is scheduled to be brought into force in mid-2023. To support implementation, the Province will continue to help local governments speed up local approval processes through the continued implementation of the Development Approvals Process Review and work underway to accelerate provincial approvals.

In addition, the Province is making amendments to the Strata Property Act to end all strata rental-restriction bylaws and to limit age-restriction bylaws so that the only permitted age restriction is to preserve and promote seniors' housing through the “55 and over” rule in strata housing. Some buildings have “19+ only” age restrictions that mean couples starting a family have to plan to move out as soon as they become pregnant. Stratas will be able to appear at the Residential Tenancy Branch to evict problem tenants and recover costs of those appearances.

“There's a lot of things on your mind when you are getting ready to start a family. It can be a very stressful time,” said Sarah Arnold, an expectant mother and condo owner in Victoria. “The last thing you need to think about when you're preparing to welcome a newborn is finding a new place to live. These unjust age restrictions have

hurt a lot of families, and I am pleased to see the Province is taking action to make sure no more couples have to uproot their lives and leave their homes if they decide to start a family.”

In areas where government has data through the Speculation and Vacancy Tax, there are approximately 2,900 empty condos that cannot be rented out because strata rules prevent them from renting out their condo, and government expects there are more empty units in strata buildings in other parts of the province. This amendment will enable owners to rent out these badly needed homes immediately. Government also expects that some owners in strata buildings would choose to rent out a room in their condo if they were given the opportunity to do so.

“Rules that prevent families with children from living in a home or prevent people from renting the unit they own are no longer acceptable in our current housing market,” said Murray Rankin, Attorney General and Minister Responsible for Housing. “These amendments will open up more rental and homeownership options for people at a time when they’re needed the most.”

If approved, the changes to the Strata Property Act would take effect immediately. Bylaws restricting short-term rentals, such as AirBnBs, will continue to be allowed.

These actions are new steps to deliver homes in B.C., building on B.C.’s 10-year, \$7-billion Homes for B.C. plan.

Learn More:

A map showing the location of all announced provincially funded housing projects in B.C. is available online: <https://www.bchousing.org/homes-for-BC> (<https://www.bchousing.org/homes-for-BC>)

To learn about the steps the Province is taking to tackle the housing crisis and deliver affordable homes for British Columbians, visit: <https://strongerbc.gov.bc.ca/housing> (<https://strongerbc.gov.bc.ca/housing>)

Two backgrounders follow.

Aileen Machel

Director of Communications
Office of the Premier
250 361-5381

Ministry of Attorney General

and Responsible for Housing
Media Relations
236 478-0251

Backgrounders

What people are saying about the housing supply act, amendments to the Strata Property Act

Marianne Alto, mayor, City of Victoria –

“This legislation will provide us with another tool to deliver the much-needed homes our current and future residents need, to house the people who call - and want to call - Victoria home. I appreciate the Province taking leadership in this regard. Local and provincial governments can work together to fulfill our commitments to build the continuum of housing the people in our cities deserve, across the affordability spectrum - and Victoria will do our part.”

Jill Atkey, chief executive officer, BC Non-Profit Housing Association –

“Through land use, zoning and approvals, municipalities have the tools they need to create the right conditions for the right type of housing supply. This legislation recognizes the urgency of the housing crisis and takes us a step beyond the status quo by requiring municipalities to set and achieve the housing they need in their communities.”

Linda Buchanan, mayor, City of North Vancouver –

“Access to affordable and adequate housing is a right we all share. The housing crisis we are experiencing today requires all levels of government to work together toward delivering homes that people need so our communities and economy function. I applaud the Province for taking steps to increase housing supply through a targeted, needs-based approach. Every community has an important role to play.”

Ken Sim, mayor, City of Vancouver –

“By removing restrictions on strata housing units, this act will help deliver much-needed rental supply, making it easier for families with children to live and work in Vancouver. No municipality will benefit more than the City of Vancouver (the city with the largest number of strata units) from the removal of strata rental restrictions. Furthermore, the collaborative approach toward housing targets is a critical step forward and will help ensure predictable increases in housing supply across the Lower Mainland. This legislation goes a long way in addressing housing shortages in Vancouver and has my full support.”

Dean Murdock, mayor, District of Saanich –

“Housing affordability and availability are among the biggest problems people in Saanich and across the province are facing. We all need to work together to address this issue and deliver the homes people need for sustainable and thriving communities. I’m glad the Province is taking these steps to help ensure municipalities build the housing people in their communities need.”

Nathan Pachal, mayor, City of Langley –

“In Langley, we used our Housing Needs Report to update our Official Community Plan to ensure that we have housing to meet the needs of all people in our community, including working folks. We have introduced row housing to support gentle infill in areas where they weren't permitted before. We will now be allowing three housing units via second suites and garden suites on some single-family lots in our community. All local governments must do their part to build more housing. The Province and a few municipalities cannot do it on their own. I support this new approach to ensure all local governments have plans, policies and zoning in place to build housing that is obtainable for working folks.”

Brenda Locke, mayor, City of Surrey –

“Surrey has been a leader in offering affordable and diverse housing in the region, but there is no question that we and other cities in the Lower Mainland can deliver more when all levels of government work together. I welcome the proposed new legislation introduced by Premier Eby, and I also thank the Premier for recognizing the need to have the necessary community infrastructure in place to serve the increased supply of new homes. Surrey City Council looks forward to working with the Province to deliver much needed housing for our citizens.”

New legislation to increase housing supply

Legislation is being introduced to increase housing supply and speed up housing development in communities throughout the province where the need is greatest. Amendments are also being made to the Strata Property Act that will remove discriminatory age and rental restrictions in strata bylaws to broaden access to existing housing in B.C.

Housing supply act:

The housing supply act builds on existing requirements for local governments to create Housing Needs Reports that identify housing demand and supply factors in their jurisdictions.

In 2018, government introduced a new requirement for local governments to produce housing needs reports every five years. The first reports were submitted by April 2022. The Province provided \$5 million over three years to support this work.

According to an April 2022 report from the Homebuilders Association Vancouver, 19 out of 20 Metro Vancouver municipalities are not building enough housing to meet their projected population growth for 2040.

Initially, it is expected that housing targets will be established in consultation with approximately eight to 10 municipalities with the greatest need and highest projected growth. The targets will be based in part on information and advice provided by municipalities through their housing needs reports on housing demand and supply factors, and will include criteria, such as unit size and densities, tenure and affordability. Targets will also factor in community plans, projected population growth, economic projections, the local development environment and other relevant factors. Once a housing target is established in a municipality, the municipality will be required to report on its progress, including homes delivered and the actions taken or planned toward meeting the target.

The act will allow the Province to appoint an independent adviser to review the processes of municipalities that struggle to make progress on housing targets. The adviser would help the provincial government better understand unique challenges of the municipality and provide recommendations for actions the municipality or the Province could take to ensure housing targets are met.

The United Kingdom and California have similar housing target frameworks. California has been doing this since 1969 and the U.K. since the early 1980s. Target-setting in both jurisdictions is iterative as new information becomes available and lessons are learned. California has implemented compliance consequences, which allow the state to bar access to grants and loans, including those for infrastructure, if a local government does not fully participate in their targets process.

To support implementation, B.C. will continue to provide new tools and supports to local governments to help them speed up their local housing approvals processes through the continued implementation of the Development Approvals Process Review, as the Province also accelerates work to speed up provincial approvals.

In 2021, government provided \$15 million to local governments to support the implementation of initiatives to improve and speed up development approvals processes, while meeting local government planning and policy objectives. Recent amendments to the Local Government Act also provide new tools to municipalities to help them speed up local approvals.

Strata Property Act amendments:

Amendments to the Strata Property Act will ban strata rental-restriction bylaws and limit age restrictions in strata housing to 55 and older, preserving seniors' communities, while opening up housing options for families. These changes fulfil a recommendation of the Province's Rental Housing Task Force.

Rental restriction bylaws have already been banned in strata corporations formed since Jan. 1, 2010. The change extends the ban on rental restrictions to stratas formed before that date. There are approximately 300,000 strata units built before 2010 that may still be subject to rental bans.

Data from the Speculation and Vacancy Tax shows that in areas of B.C. covered by the tax, there were nearly 2,900 vacant units in strata buildings with rental restrictions in 2021 – the last year the exemption was available before it phased out. If passed, age and rental restrictions would be lifted immediately, and these empty units will be available to renters.

Stratas that want to restrict short-term rentals, like AirBnBs, will still be encouraged to do so to ensure long-term rental options are available for British Columbians. The Province is working with municipalities to bring in further short-term rental restrictions in future legislative sessions. In addition, the Residential Tenancy Branch policy guidelines have been updated to state that a strata corporation can issue a notice to end a tenancy and apply to the Residential Tenancy Branch for dispute resolution in place of the landlord, while recovering the costs of that application.

The Province is also making life easier for those who live in stratas by making electronic meetings a permanent option. During the COVID-19 pandemic, electronic meetings became a reliable and safe way to conduct strata operations and often increased owner participation. Electronic meetings may be held by phone or online via Zoom or Teams, for example, or as a hybrid both in-person and electronically.

If approved, this change would take effect immediately. The Province's temporary regulation allowing stratas to hold electronic meetings was set to expire on Dec. 31, 2022.

Translations

- [Housing_Supply_Chinese\(traditional\).pdf](https://bcgovnews.azureedge.net/translations/releases/2022PREM0065-001745/Housing_Supply_Chinese(traditional).pdf)
([https://bcgovnews.azureedge.net/translations/releases/2022PREM0065-001745/Housing_Supply_Chinese\(traditional\).pdf](https://bcgovnews.azureedge.net/translations/releases/2022PREM0065-001745/Housing_Supply_Chinese(traditional).pdf))
- [Housing_Supply_Farsi.pdf](https://bcgovnews.azureedge.net/translations/releases/2022PREM0065-001745/Housing_Supply_Farsi.pdf) (https://bcgovnews.azureedge.net/translations/releases/2022PREM0065-001745/Housing_Supply_Farsi.pdf)
- [Housing_Supply_French.pdf](https://bcgovnews.azureedge.net/translations/releases/2022PREM0065-001745/Housing_Supply_French.pdf) (https://bcgovnews.azureedge.net/translations/releases/2022PREM0065-001745/Housing_Supply_French.pdf)
- [Housing_Supply_Punjabi.pdf](https://bcgovnews.azureedge.net/translations/releases/2022PREM0065-001745/Housing_Supply_Punjabi.pdf) (https://bcgovnews.azureedge.net/translations/releases/2022PREM0065-001745/Housing_Supply_Punjabi.pdf)
- [Housing_Supply_Tagalog.pdf](https://bcgovnews.azureedge.net/translations/releases/2022PREM0065-001745/Housing_Supply_Tagalog.pdf) (https://bcgovnews.azureedge.net/translations/releases/2022PREM0065-001745/Housing_Supply_Tagalog.pdf)
- [Housing_Supply_Urdu.pdf](https://bcgovnews.azureedge.net/translations/releases/2022PREM0065-001745/Housing_Supply_Urdu.pdf) (https://bcgovnews.azureedge.net/translations/releases/2022PREM0065-001745/Housing_Supply_Urdu.pdf)

Acknowledgment

The B.C. Public Service acknowledges the territories of First Nations around B.C. and is grateful to carry out our work on these lands. We acknowledge the rights, interests, priorities, and concerns of all Indigenous Peoples - First Nations, Métis, and Inuit - respecting and acknowledging their distinct cultures, histories, rights, laws, and governments.



WORKING FOR A LIVING WAGE

2022 Technical Appendix

By Iglika Ivanova

This document is a technical appendix to the report *Working for a Living Wage: Making paid work meet basic family needs in Metro Vancouver – 2022 Update*, outlining the methodology for calculating the living wage in BC communities and the data sources used for the 2022 Metro Vancouver living wage calculation. The report presents the concept of a living wage and the arguments in favour of its adoption by employers and can be downloaded at policyalternatives.ca/livingwage2022.

Introduction

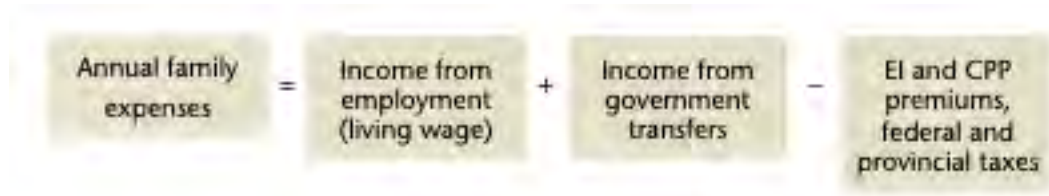
In 2007, First Call Child and Youth Advocacy Society and the CCPA–BC initiated a research project to calculate the living wages in BC’s two largest urban centres, Metro Vancouver and Greater Victoria. That work was part of the Economic Security Project, a research alliance led by the CCPA–BC and Simon Fraser University, funded primarily by a grant from the Social Science and Humanities Research Council of Canada.

The BC living wage methodology was developed in 2008 in collaboration with academic and community partners, including social policy experts, unions and organizations that work with low-income families, and was informed by feedback from focus groups of low-income working parents and employers.¹ Since then, it has served as the model for living wage calculations across the country. More than 60 communities in Canada, including over 20 in BC, have used this approach to calculate their local living wage (see livingwage.ca).

The living wage is calculated as the hourly rate at which a family with two working parents and two young children can meet its basic needs once government transfers

¹ For the full details of the original methodology and the collaborative process that generated it, see *Working for a Living Wage 2008: Making Paid Work Meet Basic Family Needs in Vancouver and Victoria*, which can be found at <http://www.policyalternatives.ca/livingwage2008>.

have been added to the family's income (such as federal and provincial child benefits) and deductions have been subtracted (such as income taxes and Employment Insurance premiums).



The BC living wage is based on the following assumptions (summarized on pages 23 to 33 of the *Working for a Living Wage 2008* report):

- A family of two parents with two children aged four and seven. In BC, 76 per cent of families with children are headed by couples, and 57 per cent of them have two or more children.²
- Both parents working full time, 35 hours per week. According to data from the Labour Force Survey, in 2021 BC workers worked an average of 35.1 hours per week.³
- Estimated local family expenses in ten categories (see below).
- The cost of income taxes and other government deductions such as Employment Insurance (EI) premiums and Canada Pension Plan (CPP) contributions.
- The value of government transfers that the family would be eligible for, such as the Canada Child Benefit.
- Employers providing the statutory minimum paid vacation and paid sick time.⁴

The value of the living wage will change with changes in family expenses and government transfers and taxes, which is why the living wage calculation must be revised annually to ensure its accuracy.

The precise expenses of any given family vary. The purpose of the living wage family expenses calculation is to ensure that the family has the income to:

- Feed, clothe and provide shelter for their family.

² Based on the latest data (2020). Source: Statistics Canada. 2022. Table 11-10-0011-01. <https://www150.statcan.gc.ca/t1/tbl1/en/tv.action?pid=1110001101>. Accessed Oct. 10, 2022.

³ Average actual hours in all jobs (worked in reference week). Source: Statistics Canada. 2022. Table 14-10-0043-01. <https://www150.statcan.gc.ca/t1/tbl1/en/tv.action?pid=1410004301>. Accessed Oct. 10, 2022.

⁴ While BC introduced a permanent right to five days of employer-paid leave for sickness or injury as of January 2022, the continuing COVID-19 pandemic means that this entire allotment would be needed to cover a single COVID-related absence, leaving families scrambling should any other illness or injury arise.

- Ensure healthy child development.
- Participate in activities that are an ordinary element of life in a community.
- Avoid the chronic stress of living in poverty and financial insecurity.

The BC living wage calculation methodology is reviewed regularly in consultation with social policy experts, community partners and other advisors, and refinements are made as needed to ensure that it continues to reflect the costs of a reasonable standard of living. The following methodological refinements have been made since the original calculation:

2015

- Added the cost of full-time child care for the seven-year-old child during professional development (PD) days and school breaks, unless those are specifically covered by the regular monthly fees charged by before- and after-school care programs.
- For calculations between 2015 and 2018, the federal and provincial Children’s Fitness and Arts Tax Credits was claimed.⁵

2017

- Added the cost of a high-speed internet subscription and replaced the family landline with two basic talk-and-text cell phone plans with unlimited Canada-wide minutes. This was done to ensure that the living wage standard of living keeps up with the changing technology use patterns of Canadian families as per data collected by the Canadian Radio-television and Telecommunications Commission (CRTC).⁶ Plus, internet access at home had practically become a requirement for participating in community life and accessing government services and education, particularly in small towns where government offices have closed and in-person education opportunities are not easily available.

2021

- Replaced the talk-and-text cell phone plans with basic mobile data plans with a minimum of 3GB of data to reflect the mobile use patterns of Canadians. The CRTC’s latest available data at that time showed that in 2019, 82 per cent of

⁵ It was assumed that the Metro Vancouver living wage family spends \$500 per child (\$1,000 total) on eligible sports and arts programs. The maximum amounts that could be claimed in tax year 2015 (\$1,000 per child for fitness programs and \$500 for arts programs) were clearly outside the budget of the living wage family. These maximum amounts were cut in half in 2016 and the credits were eliminated as of tax year 2017 federally and tax year 2018 provincially in BC.

⁶ CRTC, Communications Monitoring Report. Ottawa: Government of Canada, 2016. Section 2.0. https://publications.gc.ca/collections/collection_2016/crtc/BC9-9-2016-eng.pdf.

Canadians had a mobile data plan and the average data usage was 2.9 GB per month.⁷

- Upgraded the family's residential internet connection to a higher speed (at least 50 Mbps download and 10 Mbps upload) and access to unlimited data to reflect the federal government's target minimum plan for all Canadians aimed at closing the digital divide.
- Claimed the new refundable Canada Training Credit for a portion of the tuition fees the living wage family paid. The maximum \$250 available is claimed since the family's tuition fees exceed that amount.

2022

- Addressed a longstanding underestimate of the actual cost of rent faced by families that have to move in our original methodology. This was done by applying a "moving penalty" to the median rent estimates in the primary rental market from the Canada Mortgage and Housing Corporation (CMHC) rental market surveys, which include both long-tenured and new tenants. For more details on this methodological change, see p. 9 below.
- Upgraded the family's mobile data plans to the faster 4G LTE network to reflect current federal targets for national mobile availability and increased the minimum data to 4GB to reflect the increasing mobile data usage of Canadians.⁸
- Introduced a second car for the living wage family in smaller communities where there is no public transit or where transit is very limited.

Calculating the living wage

Calculating a BC community's living wage involves the following four stages:

Stage 1: Calculating family expenses.

Stage 2: Calculating government transfers, deductions and taxes: e.g., the Canada Child Benefit (CCB), Goods and Services Tax (GST) credit, the BC Climate Action Tax Credit (BCCATC) and others.

⁷ According to the CRTC, over the last five years wireless data plan subscriptions and internet residential subscriptions have grown significantly faster than the Canadian population, while landline phone subscriptions have steadily decreased. In 2019, 92 per cent of Canadians used Internet at home, 82 per cent of Canadians had a mobile data plan and the average mobile data usage was 2.9 GB per month (the latest year with data available at the time of calculating the 2021 Metro Vancouver living wage). Source: CRTC. *Communications Monitoring Report*. Ottawa: Government of Canada, 2020. Section 1. <https://crtc.gc.ca/eng/publications/reports/policymonitoring/2020/cmr1.htm#a2>.

⁸ CRTC. *Communications Market Reports*. "Current trends up to May 2022 - Mobile wireless." Ottawa: Government of Canada, 2020., Version 5.0. Updated June 30, 2022. <https://crtc.gc.ca/eng/publications/reports/PolicyMonitoring/mob.htm>.

Stage 3: Determining the living wage amount.

Stage 4: Verifying the calculations.

The calculation of the living wage can be quite complex in its details, which is why we provide this Technical Appendix as well as a calculation spreadsheet for use by BC communities.

This Technical Appendix explains how the various family expense amounts are estimated and how to source the necessary data. It also outlines the government transfers, deductions and taxes included in the calculation, all of which are built into the calculation spreadsheet.

The question of timing

Because all the elements of the calculation of the living wage (family expenses, government transfers, and government deductions and taxes) are frequently changing, one needs to make decisions regarding the point in time at which one would fix expenses, transfers and taxes. We have always tried to be as close as possible to the calendar year for which the living wage applies (i.e., taxes and expenses a family would face in the 2022 calendar year for this year's living wage). Because of data availability, our estimates of family expenses are always showing up with a lag.

For the calculations of the 2022 living wage in Metro Vancouver and throughout BC, we used:

Family expenses:

- Amounts as of summer 2022 (i.e., adjusted for inflation using the Consumer Price Index (CPI) average for the first six months of 2022).⁹ The exceptions are rent and child care fees. Rent costs are based on the CMHC rental survey data from October 2021 with a “moving penalty” applied to reflect the higher costs of new rentals. Child care fees for the younger child and before- and after-school care fees for the older child are based on government-provided data for the fiscal year 2021/22.

Government transfers, deductions and taxes:

- CCB and BC Child Opportunity Benefit (now BC Family Benefit) amounts for the July 2021–June 2022 benefit year.
- GST credit, BCCATC amounts for the calendar 2022 to capture the inflation-related one-time enhancements in both programs that are in effect in the

⁹ Prior to the 2021 living wage calculation, family expenses as of December of the previous calendar year were used. However, because inflation jumped substantially in the last two years, this additional inflation adjustment was introduced.

calendar 2022 (i.e., six months for the July 2021-June 2022 benefit year and six months for the July 2022-June 2023 benefit year).

- BC Affordable Child Care Benefit and Rental Assistance Program amounts for the 2022 calendar year.
- Government deductions and taxes for the 2021 tax year.

For the Metro Vancouver living wage and all other BC communities that calculated their living wage in 2021, the value of government transfers is based on the living wage family's income from the 2021 living wage calculation. For communities who are new to the calculation this year, the value of government transfers is based on the family's income in the 2022 living wage calculation.¹⁰

The mechanics of the calculation spreadsheet

The calculation spreadsheet has three tabs: "First-time LW calculation," "Using last year's LW income" and "Family expenses." Use the "Family expenses" tab to manually enter the correct amounts for expenses in your community in the shaded cells. Cells that are not shaded contain provincial-level data and do not need to be changed. Built-in formulas will take the numbers you enter to update the monthly or annual family expense for each of the ten expense categories (bolded in the tab) and automatically enter them in the correct cell of Table I in both of the first two tabs of the spreadsheet. Which of the first two tabs you use for the living wage calculation depends on whether this is the first time the living wage for your community has been calculated, as explained in the spreadsheet.

The calculation spreadsheet includes government benefits, taxes and transfers applicable in BC and will need to be adapted for use in other provinces or territories.

For additional plain-language resources, detailed instructions on using the calculation spreadsheet and tailored support for calculating the living wage in your community, please contact Living Wage for Families BC (www.livingwageforfamilies.ca/contact).

¹⁰ This results in slightly lower benefit amounts and thus a slightly higher living wage than would be the case if a 2021 living wage calculation was available.

Stage 1: Family expenses

The living wage family expenses are divided into the following ten categories:

1. Food
2. Clothing and footwear
3. Shelter
4. Phone and internet
5. Transportation
6. Other household and social participation expenses
7. Child care
8. Non-MSP health expenses
9. Parent education
10. A contingency amount

An additional family expense category for Medical Service Plan (MSP) premiums was included in previous living wage calculations until the BC government eliminated these premiums as of January 2020.

Some of the family expenses used in the living wage calculation are based on statistics available province wide and are also built into the calculation spreadsheet, while local data for other family expenses will need to be sourced by community partners preparing their living wage calculation. This section explains how each of the family expenses is calculated and provides links to the data sources used, when available.

The living wage is designed to afford a decent if still very modest standard of living. To accomplish this, family expenses used for the calculation are generally based on conservative or lower-than-average family expense amounts, as outlined below. This is accomplished in part by adopting amounts from Statistics Canada's Market Basket Measure (MBM) for some expense categories, as the MBM was developed to provide a perspective on low-income households in Canada, and therefore the MBM thresholds are based on less-than-median expenditures. When incorporating local family expense estimates from other sources we use median expenditures where available, which are almost invariably less than average expenditures. The reason for this is that average expenditures are pulled upward by elevated incomes and expenditures of higher-income families.

1. Food

Food expenses are calculated based on the data from the latest available BC Nutritious Food Basket Food Costing Survey undertaken by the BC Centre for Disease Control, a part of the BC Provincial Health Services Authority. If needed, the data are adjusted for inflation using Statistics Canada's Consumer Price Index (CPI) for food in BC. For the 2022 living wage, data from the 2022 food costing survey is used (report forthcoming).

The food costing survey involves the periodic collection of food prices in grocery stores across BC for a number of food items to calculate the average monthly cost of an adequately nutritious diet based on Health Canada's National Nutritious Food Basket. The reports provide monthly food costs for adults and children by sex and age categories at the provincial level. Average monthly food costs for a reference family of four are provided for each health authority and its respective Health Service Delivery Areas (HSDAs).

The exact food costs for a person depend on their sex and age, which requires that some assumptions be made about the living wage family's composition. For the purposes of the calculation, we assume that the living wage family includes a male and a female parent, each between 31 and 50 years of age, a four-year-old girl and a seven-year-old boy.¹¹

The living wage family's composition does not match the composition of the reference family used in the food costing survey reports, so we need to adjust the average regional food costs provided in the report. This is accomplished by calculating the ratio of the food costs for the living wage family (based on the costs for the ages and sexes of its members) to the food costs for the food costing survey's reference family in BC. This ratio is then multiplied by the food expenses for the food costing survey's reference family for the health service delivery area of the community for which we are calculating the living wage.

Since the latest available food costing survey data is from 2022, there is no need to adjust for inflation in this year's calculation.

Metro Vancouver is unique in BC as parts are located in two health authorities, Fraser Health and Vancouver Coastal Health, and span several HSDAs. To reflect this, the Metro Vancouver living wage calculation uses a weighted average of the reference family's food expenses for the HSDAs of Fraser North, Fraser South, Richmond, Vancouver and North Shore/Coast Garibaldi with each weighted by their respective populations in 2022 (using population projections from BC Stats <https://bcstats.shinyapps.io/popApp/>). For North Shore/Coast Garibaldi, we used the

¹¹ While this certainly does not describe all families, the assumptions are intended to produce an estimate of food costs that is sufficient for the vast majority of two-parent families with two children.

population projections of the local health areas of North Vancouver and West Vancouver/Bowen Island only, as the rest of the HSDA falls outside of Metro Vancouver.

2. Clothing and footwear

We use the amount for “Clothing” from Statistics Canada’s MBM for 2020 (latest available), adjusted for inflation using the average CPI for “Clothing and footwear” for BC for the first half of 2022.

3. Shelter

The living wage family’s shelter cost includes rent, utilities and tenant insurance.

RENT

Until this year, the BC living wage calculation relied on the CMHC annual Rental Market Survey for our estimate of rent, using its data for median monthly rent for units with three or more bedrooms in the primary rental market for all communities for which data is available (those with a population of at least 10,000).

This number has always represented a very modest rent budget in Metro Vancouver and understated the financial pressures faced by families that have to move because it aggregates the rents paid by long-term tenants who have benefitted from BC’s rent control measures with those who have recently moved and typically pay higher rents. However, as vacancy rates have declined and housing prices spiked in Metro Vancouver and many other BC communities over the last 14 years, the difference between rents that new and long-term tenants are paying has sharply widened. Further complicating matters, the CMHC data only includes purpose-built rental units, which are referred to as the primary rental market. The secondary rental market (i.e., renting privately owned houses and condos or basement and other secondary suites) has grown significantly since the living wage methodology was first developed but is not captured in the median rent figure.

As a result, the CMHC data on primary rental market median rents became an increasingly less reliable measure of the rents families are paying, and it now no longer reflects a realistic rent budget for a family with two young children (and likely hasn’t for the last few years). This is true both in Metro Vancouver and elsewhere in BC, as we heard loud and clear from our community calculation partners during the 2021 round of living wage calculations.

To develop a more realistic estimate of the rent cost faced by families, we used 2016 census data to estimate the “moving penalty” faced by households who had to find housing within the previous year. We use the 2016 census data to estimate this moving penalty because it is the latest census data available at the time of writing.

The census data confirms that families with children move frequently. Within the previous year, 25 per cent of BC couple families with children had moved.¹² These families paid considerably higher median rents—12 per cent higher in 2016 compared to the overall median (i.e., including longer-term and new tenancies). The data also show that the moving penalty is higher for households living in three-bedroom housing than for those living in one- or two-bedroom units.

We apply this moving penalty to the CMHC median rental figures for 2022 to get a more reliable estimate of the rent cost pressures faced by families in BC.

For Metro Vancouver, the moving penalty increases the living wage family's rent costs from \$1,952 (the CMHC median rent figure) to \$2,186 monthly. The revised figure is still a very modest estimate of rent costs in Metro Vancouver, especially for families who need to move and are not protected by rent control measures. The updated rent estimate results in a significant increase to the 2022 living wage rate because the calculation in recent years has underestimated the true costs of rent for BC families in many communities.

With housing affordability reaching crisis levels in the last five years, it is likely that the moving penalty is even higher today. Unfortunately, data from the 2021 census were not available at the time of writing but will be reviewed as part of next year's living wage calculation. CMHC Rental Market Survey data confirm that a large gap exists between the average rents of vacant and occupied rentals in Metro Vancouver in 2021 and that this gap is highest for three-bedroom or larger units.¹³

If you are calculating the living wage for a smaller community which is not included in the CMHC Rental Market Survey, you would need to use data from your local Housing Needs Report or the Canadian Rental Housing Index (based on rent data from the 2016

¹² We obtained a custom tabulation from Statistics Canada's 2016 census with data for BC's census metropolitan areas and census agglomerations, which represent one or more adjacent municipalities centered on a population core of at least 10,000 people. Integration with the core is measured by commuting flows data from the previous census. The calculation described in this section is based on the data for couple census families with children, without other persons living in their household and living in housing with three or more bedrooms because this is the closest family type to the living wage family. The moving penalty and mobility rates are nearly identical when the data for all household types in three-or-more-bedroom housing are considered.

¹³ Note that we are not able to use that data to calculate the moving penalty for the purposes of the living wage because it is based on average and not median rents. In housing markets with a large share of luxury rentals like Metro Vancouver, luxury rentals push the average rent up, and patterns in average rentals do not necessarily reflect what is happening in the non-luxury market, which is better captured by median rent statistics. However, a large moving penalty in the CMHC data on average rents confirms that the overall rent numbers that capture both long-tenured and new tenancies substantially underestimate the rents faced by families who have to move. Source: CMHC Rental Market Survey data summarized in: Metro Vancouver, *Metro Vancouver Housing Data Book*. Burnaby, BC: Metro Vancouver, 2022. p. 81. http://www.metrovancouver.org/services/regional-planning/PlanningPublications/MV_HousingDataBook_2022.pdf.

Census), adjusted for inflation using the CPI for “Rent” to find the cost of rent for a family of four.

UTILITIES

For the 2022 living wage calculation we use data on the median amount spent on utilities by BC couples with two children (i.e., expenditures on water, fuel and electricity for their principal accommodation) as reported in the 2019 Survey of Household Spending (latest year available). The data were obtained from a Statistics Canada custom tabulation in July 2021 and is adjusted for inflation using CPI for “Water, fuel and electricity.”

TENANT INSURANCE

We obtained quotes from several insurers providing tenant insurance in Metro Vancouver for coverage of \$30,000 in contents. The median quote was \$41.58 monthly and this amount was used for the 2022 Metro Vancouver living wage. You will need to update this amount for your community by obtaining quotes from insurance providers locally.

4. Phone and internet

PHONE

We recommend using the least expensive cell phone plan available locally that is on a 4G LTE network with at least 4 GB of data, along with the cost of a basic smartphone and SIM card fees (if applicable) plus sales taxes (GST and PST). For Metro Vancouver in 2022, this is the Virgin Mobile 4 GB/month data starter plan (bring your own phone) with a budget smart phone purchased separately.

INTERNET

We recommend using the least expensive residential internet plan in your community that provides minimum speeds of at least 50 Mbps download and 10 Mbps upload, including the costs of modem rental and applicable sales taxes (GST and PST). For Metro Vancouver in 2022, this is the \$67.95 per month high-speed internet service provided by TekSavvy (DSL 50 Unlimited). TekSavvy also charges \$4.99 per month for 12 months for a rent-to-own modem, which is included in the living wage calculation.

Note that short-term promotional discounts for new or existing customers are not included in the living wage calculation.

5. Transportation

The living wage assumes that one parent commutes to work using a car while the other commutes by public transit in Metro Vancouver and other urban communities where transit is reasonably available. In communities where there is no public transit (or very limited transit), the family is assumed to have two cars.

The cost of owning and operating a car is based on Statistics Canada's 2020 MBM amount for "Transportation" for rural communities in BC, which reflects the annual costs of owning and operating a second-hand car. The amount is adjusted for inflation using the CPI for "Operation of passenger vehicles."

For the Metro Vancouver two-parent family, the transit expenses are based on the cost of purchasing a two-zone monthly bus pass for four months of the year and the cost of purchasing a U-Pass for eight months of the year. This is because the parent who takes a regular studies course of three or more credit hours at any Metro Vancouver public college qualifies for a discounted U-Pass for the duration of the course (typically a four-month semester).

6. Other household and social participation expenses

The methodology for estimating the costs of other household expenses that are required for a decent standard of living does not rely on pricing of individual items as other parts of the living wage family budget do. That is because doing so would be prohibitively difficult given the large number of items that would potentially need to be priced, such as toiletries and personal care, furniture, household supplies, laundry, school supplies and fees, bank fees, some reading materials, minimal recreation and entertainment, family outings (e.g., museums and cultural events), birthday presents, modest family vacation and some activities for the children (e.g., swimming lessons, dance classes or team sports).

We rely on the analysis developed by Statistics Canada for the MBM to estimate the value of other necessary expenses. The "Other" component of the MBM "is meant to approximate average expenditures on a wide range of other goods and services, using data sources from Statistics Canada's Survey of Household Spending."¹⁴ In the 2008-base MBM, the other necessities component was calculated as a fixed percentage (75.4 per cent) of the total cost of the food and clothing components of each MBM region. The percentage was determined "based on historical spending patterns on a set of

¹⁴ Djidel, Samir, Burton Gustajtis, Andrew Heisz Keith Lam, Isabelle Marchand and Sarah McDermott. *Report on the second comprehensive review of the Market Basket Measure.*, Income Statistics Research Paper Series. Ottawa: Statistics Canada, 2020. Catalogue no. 75F0002M2020002, p. 20.

selected items deemed necessary for a modest, basic standard of living.”¹⁵ We apply this set percentage to each community’s food and clothing costs in the living wage calculation to arrive at the value of the Other expenses locally.

Note that in the 2018 revision of the MBM, Statistics Canada changed the way they estimate the amount for the other necessities component. They continue using the existing set percentage of 75.4 per cent of the costs of food and clothing but only compute this for the year 2018 and in subsequent years adjust the value using all-items CPI. In addition, they add provincial expenditures on cell phone services from the Survey of Household Spending for families in the second decile of income to the other component in 2018. This amount is also adjusted annually using all-items CPI instead of being recalculated.

For the purpose of the living wage, we continue using the old MBM approach to estimating Other expenses for three reasons. First, we do not need to include the cost of cell phone services in this component because these are already included in the living wage calculation separately. Second, Statistics Canada’s approach to adjusting 2018 expenses using all-items CPI would not allow us to capture changes in Canadian families’ mobile data usage, which increased considerably during the COVID-19 pandemic and thus would underestimate the expense needed for cell phone services today. Third, the cost of food has been rising much faster than all-items CPI since 2018, and therefore we are not convinced that a simple inflation adjustment is sufficient to maintain the living wage family’s standard of living.

This expense category is automatically calculated in the spreadsheet based on each community’s food and clothing expenses.

7. Child care

The living wage calculation assumes that the four-year-old child is in full-time child care in a licensed group child care setting, while the seven-year-old child is in before- and after-school care during the school year, with full-time care when schools are closed for PD days, three weeks during winter and spring breaks (assuming that one week of winter break is covered by statutory holidays and informal arrangements) and six weeks of summer care.

This year, the BC Ministry of Education and Child Care generously provided regionally disaggregated data on median monthly parent fees by child care type by HSDA from the 2021/22 Provider Profile Survey for our calculation. This eliminates the need to source local data on child care fees for the four-year-old child and before- and after-school fees for the seven-year-old child, except in very small communities where few

¹⁵ Samir et al, *Report on the second comprehensive review of the Market Basket Measure*. p. 20.

child care options exist and the regional data do not accurately reflect local cost pressures.

At this time, the child care fee data available from the BC government do not include the costs of full-day care for the school-age child during school closures, including PD days, holidays or the summer months. Estimates for child care expenses are sometimes available from regional child care referral centres, which conduct surveys of child care providers in the areas they serve.

For Metro Vancouver in 2022, we surveyed a number of school-age child care providers and calculated the median fees of full-time care during school breaks and in the summer, which was \$235 per week. In Metro Vancouver, monthly fees for before- and after-school care often include full-day care on PD days. This is not the case in every community.

Metro Vancouver is the only BC municipality that spans multiple HSDAs. For the 2022 Metro Vancouver living wage, we used an average of the median parent fees for child care type and age group for each area weighted by their respective populations in 2022.

8. Non-MSP health expenses

The living wage calculation includes an amount for health care expenses not covered by Canada's public health care system. The costs are estimated as the equivalent of purchasing private health insurance for the family. The amount used province wide is the cost of purchasing Pacific Blue Cross insurance (essential coverage under their Blue Choice plan) assuming the oldest person in the family falls in the 45–54 age group. The amount is \$225 per month and does not vary within the province. Note that if the living wage family used this amount to purchase insurance, they would still face the costs for the non-insured portions of medical expenses, which are assumed to be covered through the budget for Other household and social participation expenses.

9. Parent education

The living wage includes an education budget that allows for two college courses per year so one parent can work on upgrading their training as a way out of low-wage work. The parent education component of the family budget was included at the suggestion of participants in our focus groups with low-wage workers when the calculation was first developed. Access to training has become even more important since then because automation and technological advances are rapidly changing the way work is done.

The calculation includes the costs of tuition for two regular studies courses at a local college (three credits each), including student fees and an amount for textbooks. For Metro Vancouver, we surveyed the tuition and fees charged by public post-secondary

colleges and used the fees from Douglas College, which were in the middle of the pack. In many smaller communities only one college is available. Textbook expenses vary by course but we budget for \$150 per course, which is a modest estimate according to many college websites.

10. A contingency amount

The contingency amount provides some cushion for unexpected events like the serious illness of a family member or transition time between jobs. It is calculated as two weeks' pay at the living wage for each parent.

Stage 2: Government transfers, deductions and taxes

The government transfers, deductions and taxes for the living wage family are calculated using formulas built into the spreadsheet.

Government transfers are listed in Table II of the calculation spreadsheet. They provide a source of income that can be used to meet family expenses and thus reduce the living wage. The transfers available to BC families with children in 2022 are:

- A. Canada Child Benefit (CCB)
- B. BC Family Benefit (formerly BC Child Opportunity Benefit)
GST Credit
BC Climate Action Tax Credit (BCCATC)
- C. BC Rental Assistance Program (RAP)
BC Affordable Child Care Benefit
- D. One-time ICBC Rebate.

The CCB, BCCATC and the GST credit are based on formulas set in July of each year, and the amount usually remains the same until the following June. Rarely, the formulas change at other times of the year, for example with the one-time doubling of the GST credit for the period of July to December 2022 or the October 2022 one-time enhanced payment of the BCCATC.

The amounts of government transfers that a family receives each year are calculated based on the family's income from the previous tax year. If the living wage for your community has been calculated previously, we suggest that you use last year's living wage family income to determine the government transfers that the family would be eligible for. The calculation spreadsheet includes a tab titled "Using last year's LW income" that contains all the formulas you will need—just enter last year's living wage

family income, government deduction and taxes in Table IIa. This will automatically calculate the correct amount of government transfers in Table II. This method was used to calculate the 2022 Metro Vancouver living wage.

If this is the first time the living wage is being calculated for your community, use this year's family income to determine the government transfer amounts for the family. The tab titled "First time LW calculation" in the calculation spreadsheet uses this method.

If you are calculating the living wage for a BC community, the calculation spreadsheet includes formulas to automatically calculate the correct government transfers and taxes so you can skip to Stage 3 (though you may still want to read through the rest of this section to see what is included). If you are calculating the living wage for a community in another province or territory, you will need to make changes to the government transfer and tax formulas.

A. Canada Child Benefit

This is a non-taxable federal government transfer to families with children under 18, with slightly higher benefits for children under six. The maximum CCB amounts are available for families with net income under \$32,028, and partial benefits are available for those with higher incomes up to a maximum that depends on the age and number of children in the family. The amounts for the benefit year from July 2021 to June 2022 are used in the calculation (<https://www.canada.ca/en/revenue-agency/services/child-family-benefits/canada-child-benefit-overview/canada-child-benefit-ccb-calculation-sheet-july-2021-june-2022-payments-2020-tax-year.html>).

B. BC Family Benefit (formerly Child Opportunity Benefit)

This is a tax-free provincial benefit for families with children, which replaced the BC Early Childhood Tax Benefit as of October 2020. The benefit is administered by the Canada Revenue Agency (CRA) and the payment is combined with the CCB. It is an income-tested benefit that provides up to \$1,600 for a family's first child, \$1,000 for a second child and \$800 for additional children under the age of 18. BC families with net incomes under \$25,275 receive the full benefit, and partial benefits are available for those with higher incomes up to a maximum that depends on the number of children in the family. The amounts for the benefit year from July 2021 to June 2022 are used in the calculation (<https://www2.gov.bc.ca/gov/content/family-social-supports/affordability/family-benefit>).

C. GST Credit

The GST credit is a federal income-tested benefit that is calculated based on the size and composition of the family. The amount for the 2022 calendar year is used in order to capture the one-time doubling of the GST credit for the July to December 2022 benefit period. For a

two-parent, two-child family, the GST credit ceases at a family net income of \$58,506 for the June 2022 to June 2023 benefit year, so the Metro Vancouver living wage family does not qualify.

D. BC Climate Action Tax Credit

This tax credit is a payment similar to the GST credit in that it is paid by the government to individuals below a certain income level. The amount received depends on the size and composition of the family and its income level. The payment is combined with the GST credit.

For the 2022 living wage calculation the payment amounts for the 2022 calendar year are used (i.e., six months of the amounts from the July 2021 to June 2022 benefit year and six months of the amounts from the July 2022 to June 2023 benefit year, including the one-time enhanced payment for October 2022). For a two-parent, two-child family, the BCCATC ceases at a family net income of about \$65,000–\$68,000 for the regular benefits and a family net income of \$150,051 for the October one-time enhanced payment.

E. BC Rental Assistance Program (RAP)

The RAP provides a monthly payment to low-income families with children who earn at least some employment income and who are not receiving social assistance. Families are only eligible if their gross household income is less than \$40,000 regardless of family size. The spreadsheet does not contain the formula because the living wage income level precludes eligibility anywhere in the province. Even at the minimum wage, a family of two parents working the full year at 35 hours per week will exceed the total income threshold for the RAP. Canada's official poverty line, as measured by the MBM, for a four-person family anywhere in BC also exceeds the income threshold for the RAP.

The few BC families who qualify for the RAP have seen the real value of their benefit erode over time because the maximum rent levels considered for reimbursement through this program have not changed since September 2018 despite rapidly increasing rents.

F. BC Affordable Child Care Benefit

The BC Affordable Child Care Benefit is an income-tested benefit designed to reduce the out-of-pocket child care costs for families with children, and as such it is paid to the child care provider rather than directly to the family. The benefit amount depends on the age of children, the type of child care services used, the actual fees paid and the family's net income.

For the living wage family, we assume full-time licensed group child care for the four-year-old, 10 months of licensed before- and after-school care for the seven-year-old, six PD days, three weeks of full-time licensed care during winter and spring breaks, and six weeks of licensed full-time summer care. The maximum benefit amounts for these types of care are:

- \$550 per month for full-time, licensed group care for children aged three to five.
- \$210 per month for licensed before- and after-school care for school-age children.
- \$415 per month (or \$103.75 per week) for school-age children attending full-time, licensed programs (e.g., full-time care during school closures and during the summer).

Families with an adjusted income below \$45,000 qualify for the maximum benefit while those with incomes between \$45,000 and \$111,000 receive partial benefits. The formulas for calculating the appropriate amounts of the BC Affordable Child Care Benefit are built into the calculation spreadsheet and do not require any additional adjustments if you are using the same types of care as the Metro Vancouver living wage family. However, if you are using different types of child care services in your community living wage calculation, you will need to adapt the formulas built into the calculation spreadsheet. Please contact us for assistance.

G. Provincial and Federal Income Taxes and Deductions

The formulas for calculating the provincial and federal income taxes, as well as the mandatory deductions for EI and CPP premiums for the 2021 tax year are built into the calculation spreadsheet. The calculation spreadsheet allocates federal and provincial tax credits between the parents in the way that is most advantageous to the family. There is a table in each of the first two tabs of the calculation spreadsheet that indicates how these credits have been assigned for the purposes of the living wage calculation.

The living wage family is eligible for the child care expenses deduction. The amount received depends on the actual child care expenses over and above any BC Affordable Child Care Benefit received up to the maximum of \$8,000 for the four-year-old child and \$5,000 for the seven-year-old child. Child care expenses must be claimed by the spouse with the lower income. However, the living wage assumes that both parents earn equal incomes so it does not matter which parent claims it. In the calculation spreadsheet it is allocated to Parent 1.

Each parent is also eligible for the deduction for CPP enhanced contributions on employment income.

In BC communities located in a prescribed northern or intermediate zone based on the CRA's list, the living wage family is also eligible for the northern residents' deductions. In the two communities calculating their 2022 living wage where these deductions apply, Daajing Giids (Haida Gwaii) and Dawson Creek, we assumed only the northern residency deduction (for living expenses) is claimed but not the travel deduction. That is because in both cases the living wage calculation does not explicitly budget for the types of trips that would be eligible for the travel deduction. A different calculation spreadsheet was used for these northern communities and is available by request from the CCPA-BC or Living Wage for Families BC.

The living wage family's tax calculation includes the tax credits the family would be eligible for. There are two types of tax credits available: non-refundable and refundable.

Non-refundable tax credits reduce the amount of tax an individual has to pay but only up to the amount of tax owed. If the amount of non-refundable tax credits exceeds the amount of tax owed, the person does not benefit from these extra tax credits (they either lose the credits or, in some rare cases as with the tuition amount, these can be carried over for future years or transferred to a spouse).

Refundable tax credits, as the name suggests, can be refunded by the government if the amount of credits the person is eligible for exceeds the amount of tax owed. The spreadsheets include a separate line in Table IV for refundable tax credits to ensure that non-refundable tax credits do not result in negative tax owing.

The following federal non-refundable tax credits are included (2021 tax year):

- Basic personal amount—claimed by both parents
- EI and CPP premiums—claimed by both parents
- Canada employment amount—claimed by both parents
- Tuition amount (actual tuition fees paid minus the \$250 claimed for the Canada Training Credit)—allocated to Parent 2
- Medical expenses credit—allocated to Parent 1 as it is advantageous for the parent with the lower net income to claim

The following federal refundable tax credits are included in the calculation spreadsheet (2021 tax year):

- Canada Training Credit (the living wage calculations includes \$250 or the actual tuition fees paid, whichever is lower)—allocated to Parent 2
- Canada Workers Benefit—allocated to Parent 2
- Refundable Medical Expenses Supplement—allocated to Parent 1

Note that the Metro Vancouver living wage family income is too high to qualify for the Canada Workers Benefit or the Refundable Medical Expenses Supplement.

The following BC non-refundable tax credits are included (2021 tax year):

- Basic personal amount—claimed by both parents
- EI and CPP premiums—claimed by both parents
- Tuition amount (actual tuition fees paid minus the \$250 claimed for the Canada Training Credit)—allocated to Parent 2
- Medical expenses credit—allocated to Parent 1 as it is advantageous for the parent with the lower net income to claim
- BC Tax Reduction Credit—claimed by both parents

The BC Tax Reduction Credit is a non-refundable income-tested tax credit that reduces the provincial income tax bill for people with individual net income less than \$34,929. In the Metro Vancouver calculation, only Parent 1 is eligible for the BC Tax Reduction Credit. However, if the living wage in your community is lower, Parent 2 might also be eligible. The calculation spreadsheet will automatically adjust provincial taxes for Parent 2 if that is the case.

There are currently no refundable BC tax credits that the model living wage family would qualify for.

For more information of taxes and tax credits, consult the CRA website:

www.canada.ca/en/revenue-agency/services/forms-publications/tax-packages-years/general-income-tax-benefit-package/british-columbia.html.

Stage 3: Determining the living wage amount

This step is the easiest. Examine Table III in the calculation spreadsheet. Cell C46 is the gap between the available annual income and the annual family expenses. The living wage amount is the wage at which the gap is as small as possible while still being greater than \$0.

Therefore, if the gap line is negative, increase the living wage amount in Cell B53. If the gap line is positive, reduce the living wage amount in Cell B53 until the gap is negative, and then increase it until the gap line has the lowest possible positive amount.

Stage 4: Verifying the calculations

Once you complete your community's living wage calculation, please contact Living Wage for Families BC so we can verify your calculation.

You can verify the amounts of government transfers through federal and provincial online benefit calculators, including:

- The CRA child and family benefits calculator:
<https://www.canada.ca/en/revenue-agency/services/child-family-benefits/child-family-benefits-calculator.html>.
- The BC Affordable Child Care Benefit estimator:
<https://myfamilyservices.gov.bc.ca/s/estimator>.
- The BC Rental Assistance Program calculator:
<https://www.bchousing.org/housing-assistance/rental-assistance-programs/rap-safer-calculator>.

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