



POLICY BRIEF 2024

Working hands, Empty pockets

Who will Pay the Price of Living?

Toluwanimi Okunola

The LEVEL Youth Policy Program takes place on the traditional and unceded territories of the *xʷməθkʷəjəm* (Musqueam), *Sḵwxwú7mesh* (Squamish) & *səlilwətaʔ* (Tsleil-Waututh) Coast Salish peoples.

GRAPHIC DESIGN

And Also Too

COVER ILLUSTRATION

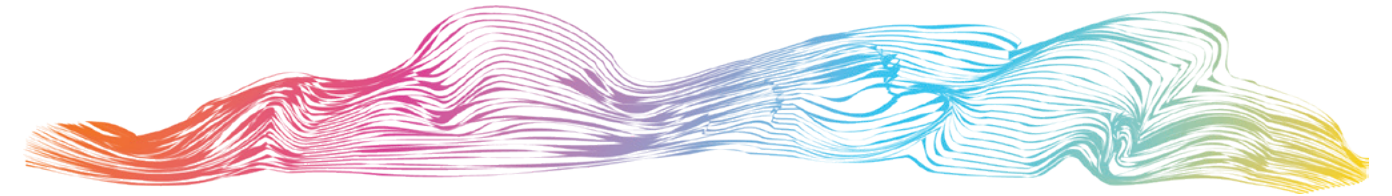
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HEADSHOT PHOTOGRAPHY

Naybu Taw Photography

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About the LEVEL Initiative

LEVEL is a youth engagement initiative of Vancouver Foundation that aims to address racial inequity. We do this by investing in the leadership capacity of Indigenous, racialized, immigrant, and refugee youth to create more opportunities throughout the non-profit and charitable sector.

Despite being the fastest-growing youth populations in British Columbia, Indigenous, immigrant, and refugee youth don't have the same opportunities as other young people. Race continues to be a factor that hinders their ability to have a say in decisions that impact their lives.

LEVEL empowers these youth by building their capacity to challenge and change those systems that hinder their ability to build a more just world.

LEVEL consists of three pillars of work to advance racial equity

1. LEVEL Youth Policy Program
2. LEVEL Youth Organizing
3. LEVEL BIPOC Granting

About the LEVEL Youth Policy Program (LEVEL YPP)

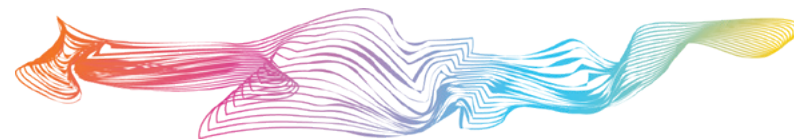
The LEVEL Youth Policy Program (LEVEL YPP) brings together young people between the ages of 19 and 29 from across British Columbia who identify as being Indigenous or racialized immigrants or refugees. Indigenous and racialized newcomer youth are dispropor-

tionately impacted by certain public policies but are rarely included in the development and implementation of public policy process. The LEVEL YPP aims to provide these youth with equitable training and leadership opportunities to better navigate the public policy landscape, and to develop new tools and skills to influence, shape, and advocate for policy changes that are relevant in their own communities. Having young people directly involved in shaping policies that impact their lives is essential to creating systemic, meaningful change. The LEVEL YPP's training is grounded from and within Indigenous peoples' worldviews, which the program acknowledges, could vary from person-to-person or nation-to-nation. Indigenous worldviews place a large emphasis on connections to the land. This perspective views the land as sacred; where everything and everyone is related and connected; where the quality of the relationships formed are key in life; where what matters is the success and well-being of the community, and where there can be many truths as they are based on individual lived experiences.¹ As such, an important premise of this training is to centre and place a particular focus on the fact that the work that has gone into developing this training, as well as the training itself, has taken and will take place on unceded (never given away/stolen) territories of the *hə́ŋq 'ə́min 'ə́m̓*-speaking Musqueam peoples, of the *Halkomelem*-speaking Tsleil-Waututh peoples, and of the *sníchim*-speaking *Sḵwxwú7mesh* (Squamish) peoples.

1. <https://www.ictinc.ca/blog/indigenous-peoples-worldviews-vs-western-worldviews>

Biography

Toluwanimi Okunola



Toluwanimi is a daughter, a sister, a friend, and a child of God. She moved to Canada as a teenager and has experienced the losses, frustrations, celebrations, and triumphs that come with being an immigrant.

Tolu attended Mount Royal University (MRU) from 2016 – 2019 and was the recipient of the MRU Centennial Gold Medal in recognition of her academic performance and campus leadership. At the University of British Columbia (UBC), she is a Beyond Tomorrow Scholar and has been on the Dean’s Honor Roll for two consecutive years. She loves learning and is always open to a positive challenge.

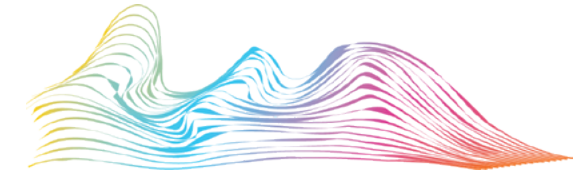
Tolu has a Social Work diploma and has worked with some of the most-vulnerable populations in Calgary, Alberta. In addition to the skills and expertise she is currently acquiring in Business Management, Tolu is actively building a professional identity that combines human-centeredness with business savviness.

If you were to leave her alone with a good Netflix show and a bowl of ice-cream, then you’ve made her day!

Executive Summary

Soaring prices are posing a serious threat to the well-being of Canadians and residents of British Columbia (BC), as the cost of living surpasses wages earned in most households.

When workers are paid more, they can afford more. Better still, when workers are paid, at the very least, what they need to cover their basic expenses, everyone benefits. This is what the Living Wage stands for, and it is what Canadians, particularly low-income earning Canadians, need in these tough economic times.



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The Problem

Just last year, over 1.9 million Canadians accessed food banks across Canada, setting a record-high number of visits in Canadian history.¹

It only takes a stroll through the aisles of a grocery store to see the alarming prices listed on the shelves. To put it plainly, Canadians are struggling to buy food to feed themselves and their families.

*Such is the story of Anna, a mother of two who, the other day, had to leave behind the fresh tomatoes she had picked so that she could pay for bell peppers instead. Her walk home from Walmart that day was not a happy one. There is nothing worse than feeling inadequate as a parent.**

In addition to food prices rising, there has been an upsurge in the prices of other essentials across Canada, such as housing and transportation. Statistics Canada reported a 3.9% increase in the Consumer Price Index (CPI) on an annual average basis in 2023, the second largest increase since 1991.² According to Statistics Canada, “the Consumer Price Index represents changes in prices as experienced by Canadian consumers,”³ and it consists of the prices of food, clothing, transport, and healthcare, amongst others. When there is an increase in the CPI, it means things are more costly than they used to be.

*** Please note that Anna's story is one of fiction interwoven with lived and known experiences.**

Boasting some of the highest food and accommodation prices,^{4,5} BC is reportedly the province with the highest cost of living in Canada.⁶ Low-income earners are affected the most when prices rise, as what used to be barely enough then becomes not enough. A 2024 report on the wage gap in BC revealed that, “over 400,000 people earn less than \$20 per hour,” of which 59% are women, 6% are seniors, 52% are racialized, and 6% are Indigenous. It is no surprise that these statistics represent some of BC’s most vulnerable populations.⁷

Rising prices in BC and in Canada is a complex issue that requires a multi-level and trans-disciplinary approach; however, earning low wages has been cited as a top reason for accessing charitable services like the food bank.^{8,vi} For this reason, this Policy Ask will focus on wages.

Ultimately, the cost of living in Canada must decrease, and it does look like a positive change might just be on the horizon, as reported by Forbes Advisor (June 2024).⁹ Nevertheless, while prices are still high, employees need to earn more money to meet their present needs.



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The Present

In June 2024, the BC government increased the minimum wage from \$16.75 per hour to \$17.40 per hour.¹⁰ While the notion of an increase might seem positive at first, the new figure does not begin to scratch the surface of affordability in BC.

Alternatively, Vancouver-based non-profit, Living Wage for Families BC, advocates for and encourages BC employers to pay a living wage. A living wage is “the hourly rate that full-time workers need to earn to support a family.”¹¹ In BC, this is calculated as the hourly wage that two adults in a household of two children must earn to cover their immediate expenses, such as food, clothing, childcare, transportation, and contingency funds.¹² Unlike the minimum wage, the living wage is calculated annually, and like the CPI, it reflects the cost of living. Conversely, unlike both the minimum wage and the CPI, the living wage is calculated by city, so that the differences in prices across cities are highlighted.



Anna lives in Kelowna, which has a living wage of \$24.60. This means that for her to be able to pay for the groceries, clothes, and childcare her family needs, Anna and her partner must earn at least \$24.60 per hour, working full-time. If Anna were a single parent, she would have to earn double that wage to provide for her family.

Vancouver, on the other hand, has a living wage of \$25.68, while Kamloops has a living wage of \$20.91. If Anna lived in either of these cities, the case would be different, as she would require more money or less money, depending on where she lived, to cover the same expenses.

Fresh produce aisle at a Canadian supermarket. Photo by Torben T. Koch, Wikimedia Commons.



The Proposal

The concept of the living wage dates to the works of ancient Greek philosophers who advocated for a needs-based income,¹³ however, in more contemporary times, the living wage has resurfaced, particularly through campaigns in the United Kingdom and the United States. Although striving for the same outcome, both countries have taken different approaches, with the US taking a mandatory approach in a few of its states and only at the local level, and the UK taking a voluntary approach, so that employers decide whether to pay the living wage calculated for their region. Like the UK, in BC and other Canadian provinces—Alberta, Manitoba, New Brunswick, Nova Scotia, and Ontario—employers pay the living wage voluntarily, and can be certified as a Living Wage Employer. In BC, living wage employers are accredited by Living Wages for Families BC.

Paying the living wage as the base wage usually means raising wages, consequently leading to an increase in the cost of labour; however, this has not impeded the commitment of 400 BC employers to paying a living wage to their employees.¹⁴

It goes without saying that low-wage employees benefit from being paid a living wage. From finally being able to cover their needs to being relieved of the pressure to work multiple jobs for long hours to make ends meet, employees who earn a living wage have reported an upturn in their standard of living.¹⁵

Employers are not left out either. Further research studies have shown that paying the living wage also benefits employers. Some of these benefits include reputational advancements and increased employee commitment and engagement.^{16,xiv}

While it might be unrealistic to mandate all BC employers to become a living wage employer, it is very feasible for the BC Government to become a certified living wage employer. Currently, grid levels G1 and G2 employees of the BC Government earn less than the average provincial living wage—\$23.63.¹⁷ As a living wage employer, the BC Government will better support its lowest paid employees, but beyond that, they will be demonstrating that the welfare of workers is paramount, setting an example worth emulating by the private sector.



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Policy Recommendations

- 1 Partner with Living Wage for Families BC to learn more about and fully understand the living wage.
- 2 Become a living wage employer.
- 3 Provide pecuniary support and other incentives to non-profit and for-profit organizations who are living wage employers.



THE POSTSCRIPT

Anna lives in Kelowna, where the living wage is \$24.60. She earns \$20.80 per hour, while her partner earns \$22 per hour, and they both work full-time at 35 hours and 40 hours respectively. They live together with their children aged four and six years old. Every month, after they have paid the rent for their 2-bedroom basement suite, paid their phone and utilities bills, and paid the fees for before and after-school childcare, Anna and her partner begin the process of eliminating what they can “do without.” They agree that it is her partner’s turn to walk to work, so that Anna gets to buy a bus pass this time around. They rationalize that their son’s winter boots are “not that tight yet.” They do this dance every month, barely surviving. Imagine what a difference it would make if they got paid enough to live well.

But who will pay?

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GRATITUDE

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Thank you to Paul Taylor for making time to consider my ideas and provide very useful feedback and guidance. Many thanks to Anastasia French of Living Wages for Families BC for the information and resources provided. I appreciate you.



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Vancouver Foundation is Community Inspired. We are a community foundation that connects the generosity of donors with the energy, ideas, and time of people in the community. Together, we've been making meaningful and lasting impacts in neighborhoods and communities since 1943. We work with individuals, corporations, and charitable agencies to create permanent endowment funds and then use the income to support thousands of charities. We recognize that communities are complex and that collaboration between multiple stakeholders is needed to help everyone thrive and evolve. Vancouver Foundation brings together donors, non-profits and charities, government, media and academic institutions, local leaders, and passionate individuals to build meaningful and lasting change in the province of British Columbia. We see young people, their voices and experiences as part of that vision to building meaningful change.

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