CALCULATING A LIVING WAGE FOR HAMILTON

Companion Report to *Working and Still Poor? It doesn't add up!*

December 2011

Prepared for Living Wage Hamilton

LIVING WAGE HAMILTON

Funding provided by the United Way of Burlington and Greater Hamilton

United Way Burlington & Greater Hamilton

Prepared by:
Sara Mayo, Social Planner (Geographic Information Systems)

SPRC SOCIAL PLANNING & RESEARCH COUNCIL OF HAMILTON

© The Social Planning and Research Council of Hamilton
162 King William Street, Suite 103, Hamilton, ON L8R 3N9
Phone: 905.522.1148 Fax: 905.522.9124 E-mail: sprc@sprc.hamilton.on.ca
Website: sprc.hamilton.on.ca

A United Way Agency

All rights reserved including the right to reproduce in whole or in part any form.

ACKNOWLEDGEMENTS

This report would not have been possible without the expertise provided by Hugh Mackenzie, of Hugh Mackenzie Inc., and the author and the other members of the Living Wage Working Group of the Hamilton Roundtable for Poverty Reduction are indebted to him for his contribution. The author would also like to thank for their advice members of the Living Wage calculation subcommittee: Tom Cooper, Deirdre Pike, Judy Travis, Mark Weingartner, Don Wells, and Jeff Wingard. Special thanks to SPRC colleagues who gave advice about this report, especially Deirdre Pike, Don Jaffray, and Carla Klassen. A final thank you to the United Way of Burlington and Greater Hamilton who provided the funding to the SPRC which made possible the in-depth research that went into this report.

Any mistakes in this report are solely due to the author.

TABLE OF CONTENTS

1.0 INTRODUCTION: WHAT IS A LIVING WAGE? 1

2.0 HOW WAS THE LIVING WAGE CALCULATED IN HAMILTON? 1

3.0 WHAT IS THE HOUSEHOLD COMPOSITION USED IN THE CALCULATION? 2

4.0 WHAT IS INCLUDED IN HAMILTON'S LIVING WAGE CALCULATIONS? 2

5.0 WHAT IS NOT INCLUDED IN HAMILTON'S LIVING WAGE CALCULATIONS? 5

6.0 WHAT IS THE RESULT OF HAMILTON'S LIVING WAGE CALCULATIONS? 5

7.0 SHOULD EMPLOYERS CALCULATE LIVING WAGES SPECIFIC TO THEIR OWN EMPLOYEES? 5

8.0 ARE BENEFITS INCLUDED IN THE LIVING WAGE? 6

9.0 HOW IS A LIVING WAGE DIFFERENT FROM MINIMUM WAGE? 6

10.0 HOW DOES THE LIVING WAGE COMPARE TO THE POVERTY LINE, MINIMUM WAGE AND AVERAGE INCOMES IN HAMILTON? 7

11.0 ARE INCREASED TAX CREDITS FOR LOW-WAGE WORKERS A BETTER SOLUTION? 7

12.0 WHAT ARE THE LIVING WAGE CALCULATIONS IN OTHER CITIES? 9

APPENDIX I: DETAILED CALCULATIONS FOR HAMILTON'S LIVING WAGE I

APPENDIX II: ANALYSIS OF FINANCIAL SUPPORT AVAILABLE TO LOW INCOME FAMILIES VI

APPENDIX III: VALUE OF HEALTH BENEFITS IN LIVING WAGE CALCULATIONS VII

1.0 INTRODUCTION: WHAT IS A LIVING WAGE?

The issue of what should be the minimum value that employers should pay for the labour that is a key part of their profit has been a debate for at least 100 years. In 1907, a turning point in Australian labour standards occurred when a judge ruled that wages from employment "must be enough to support the wage earner in reasonable and frugal comfort"[1].

The premise of a living wage is that individuals who work should not have to live in poverty but should be able to sustain themselves and their families. A living wage "is envisioned as a wage that allows employees not just to survive (in minimal physiological terms) but to have a decent quality of life to raise children to be healthy and successful citizens to enjoy recreation, culture, and entertainment, and participate fully in social life"[2].

For additional information about living wage in Hamilton, including benefits to employers and workers, and demographics of Hamilton's population of working poor, please read *"Working and Still Poor? It doesn't add up"* report available at www.livingwagehamilton.ca

2.0 HOW WAS THE LIVING WAGE CALCULATED IN HAMILTON?

Consultations about what a living wage should include were conducted in public forums and workshops across Hamilton, since the launch of the living wage campaign in 2006. Over 600 Hamiltonians participated in these events, and many completed sample budgets to indicate what they would or would not include in a living wage budget.

In 2011, the Hamilton Roundtable for Poverty Reduction convened a Living Wage Calculation Sub-committee, which included additional representatives from the City of Hamilton, McMaster University, the Social Planning and Research Council of Hamilton, and the Workforce Planning Hamilton (formerly Hamilton Training Advisory Board). This group worked on the details of how to calculate the living wage and what data sources to use in the calculation.

To calculate a specific living wage for Hamilton, generalized budgets were developed based on trustworthy data sources about actual living expenses in Hamilton.

The calculations are based on a custom spreadsheet developed and graciously provided by Hugh Mackenzie, a prominent Canadian economist and Research Associate with the Canadian Centre for Policy Alternatives and of the Centre for Urban Studies at the University of Toronto.The spreadsheet calculation includes all relevant tax credits, income and payroll taxes, as well as subsidies for which the families would be eligible, such as Hamilton's childcare subsidy program.

---

[1] Australian Broadcasting Corporation. *A Fair Go Economy: The Harvester Judgement*. http://www.abc.net.au/federation/fedstory/ep3/ep3_events.htm

[2]Canadian Centre for Policy Alternatives. (2008). A Living Wage for Toronto. Ottawa, ON.

3.0 WHAT IS THE HOUSEHOLD COMPOSITION USED IN THE CALCULATION?

Hamilton's living wage budget was developed for three different households. The household types do not encompass the diversity of family formations in Hamilton, but attempt to show that there are similarities in budgets for many households. Even when there are major differences (in areas such as childcare, transportation and housing), the applicable subsidies and taxes often balance out these differences.

The household types used for the living wage calculation are as follows:

Single person
Male[3], age 32, working full time (37.5 hours/week)

Family of two
Lone parent[4]: female, age 30, working full time (37.5 hours/week)
One child: boy, age 3

Family of four
Two parents: age 37 years old, both working full-time (37.5 hours/week)
Two children: one boy, age 14 and one girl, age 10

4.0 WHAT IS INCLUDED IN HAMILTON'S LIVING WAGE CALCULATIONS?

In addition to the basic needs of food, shelter and clothing, Hamilton's living wage budget includes other items such as:

- Transportation (used vehicle or transit pass and money for car share and taxis depending on size of family)
- Private health insurance for extended health benefits such as prescription drugs and dental care
- Childcare for children (including after-school and summer care). The lone parent family is eligible for a provincial childcare subsidy from the City of Hamilton, and that amount is included in the budget to off-set the costs.
- Continuing education for adults to upgrade skills
- Household operation, maintenance, furnishings and equipment
- Items that contribute allow for fuller participation in society (also known as "social inclusion"):
    - Children's school fees, field trips and fundraising events
    - Allowance for older child
    - Basic phone, cable and internet
    - City of Hamilton recreation pass and swimming lessons for children

[3]Genders and ages have been specified because the City of Hamilton's nutritious basket calculations (used in the living wage calculation) are different for males and females and for different age groups.

[4]Lone parent budget includes child support payments from child's other parent. Contribution is set using federal child support guidelines, assuming both parents earn $14.95 per hour for full-time work.

    - Monthly family outing to local tourist attraction
    - Family vacation in Ontario
    - Gifts for family birthdays
    - Reading and entertainment supplies
- Other items include:
    - Tenant's insurance in case of fire or theft
    - Personal care items
    - Bank fees
- Contingency of 4% of household budget in case of emergencies or unforeseen expenses

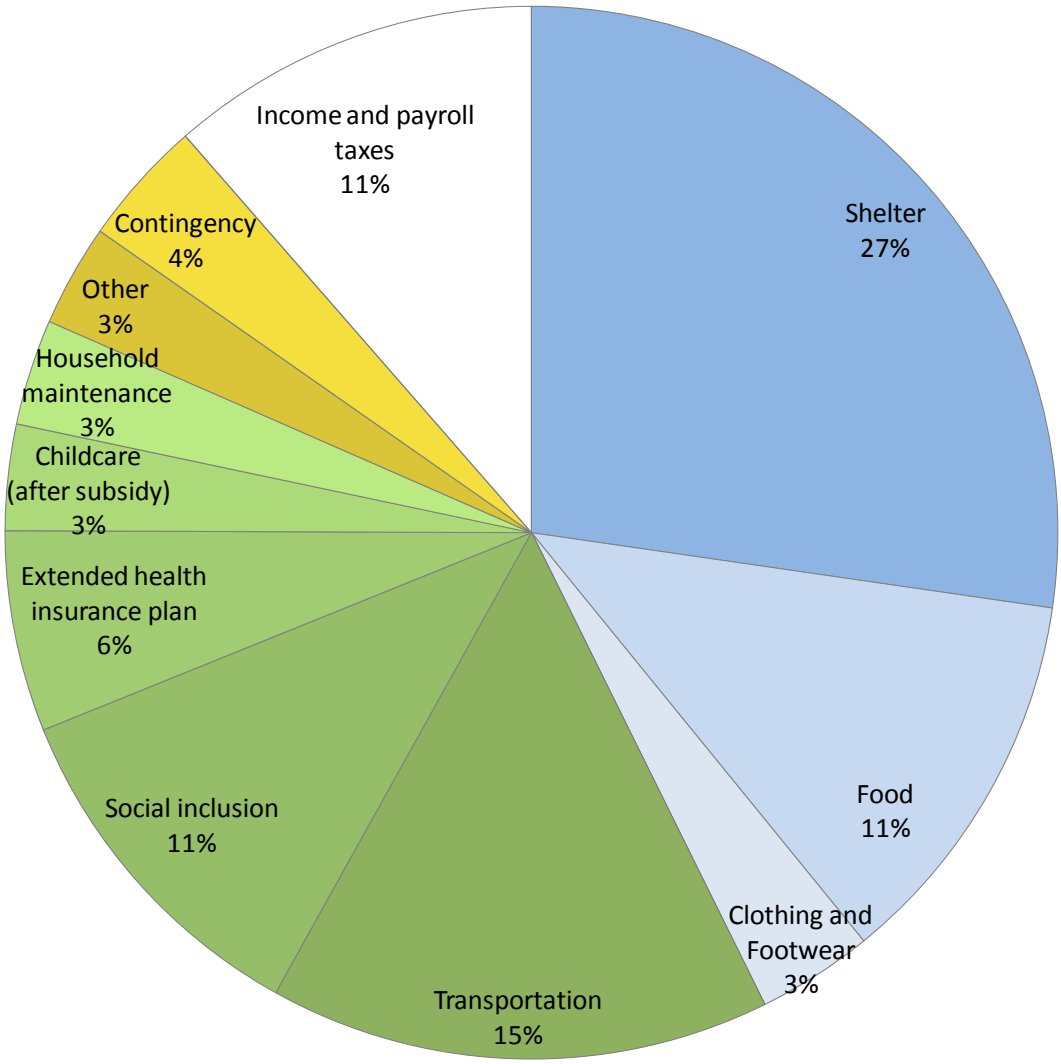
Table 1 summarizes amounts for each major category included in Hamilton's living wage budget:

Table 1. Hamilton's living wage monthly budget, by major expense category and household type, 2011

	Family of four	Family of two	Single person
Food	$705	$294	$266
Rent and utilities	$1,090	$880	$709
Clothing and footwear	$182	$105	$81
Extended health plan	$263	$211	$94
Transportation	$696	$576	$295
Childcare (including after-school and/or summer care)	$338	$64 ($758 before subsidy)	$0
Skills development	$96	$48	$48
Household maintenance	$154	$100	$77
Social Inclusion	$385	$187	$179
Other	$140	$95	$79
Contingency	$169	$135	$79

Chart 1 averages the budgets for the three household types and shows the general allocation for each category.

Chart 1. Hamilton's living wage monthly budget summary by major expense category, 2011



For a detailed breakdown of the budget, as well as data sources for each item, please see Appendix I.

5.0 WHAT IS NOT INCLUDED IN HAMILTON'S LIVING WAGE CALCULATIONS?

The example budgets provided in Appendix I do not account for various expenses that are a part of many household budgets in Hamilton. Many families would make different choices, and many families in Hamilton would still find it difficult to live decently on a living wage budget. For example, there are no provisions for:

- Debt, including student loan repayments
- Savings beyond the contingency allocation (for example: a down payment, RRSP or RESP for children's education),
- Owning a house
- Take-out dinners or lunches (all food is homemade, except for the monthly family outing)
- Special dietary needs, such a gluten-free diets, halal or kosher diets
- Difficulty receiving child support payments
- Difficulty accessing childcare fee subsidy (currently, there are more than 1,000 families on the City of Hamilton's childcare fee subsidy waiting list)
- Costs related to a disability that might not be covered by insurance (or that would render one ineligible for individual health insurance).
- Pets
- Poker nights or drinks with friends
- Extended cable package or satellite television, or upgraded internet package
- Cell phones
- Smoking or alcohol purchases

6.0 WHAT IS THE RESULT OF HAMILTON'S LIVING WAGE CALCULATION?

Appendix I provides a summary of the detailed calculations that were performed to arrive at a Hamilton-specific living wage. Based on these calculations, the wage needed for the family of four is $15.05, the wage needed for the family of two is $14.85 and the wage needed for the single person is $14.90.

Averaging these three amounts, $14.95 has been established as Hamilton's living wage.

This calculation will be revised every two years. In 2013, the Social Planning and Research Council with Living Wage Hamilton will re-examine the data and update the living wage rate for Hamilton to take into account the rising cost of living.

7.0 SHOULD EMPLOYERS CALCULATE LIVING WAGES SPECIFIC TO THEIR OWN EMPLOYEES?

The detailed calculations in this report are included to show the work that has gone into developing Hamilton's living wage and to show how different household types need a similar living wage. Employers, however, should not attempt to recreate this budget for individual employees to establish a living wage for each person based on their specific situations, as that may have legal implications with regards to the Ontario Human Rights Code, employment equity or labour standards legislation. The

calculations in this report show that there is one number for a living wage in Hamilton: $14.95. Employers may of course pay their employees more than the living wage, but employers are encouraged to consider this number as the floor to any wages that they should pay their employees.

8.0 ARE BENEFITS INCLUDED IN THE LIVING WAGE?

The $14.95 calculation assume no employer-paid medical or dental benefits. The living wage calculation allows for each household to purchase private medical and dental insurance. If an employer does pay for group employee health benefits, the living wage hourly rate would be lower. Appendix III shows that the health benefits included in the living wage average $1.25 per hour. It is up to employers to add up their hourly wages and what they pay for employee benefits to determine if the total is $14.95 or higher. It is important that health benefits cover both prescription drugs and dental care.

9.0 HOW IS A LIVING WAGE DIFFERENT FROM MINIMUM WAGE?

As Table 2 indicates, minimum wages are not based on any actual living expenses, but rather set by governments in a fairly arbitrary manner taking into account political pressures from workers and business. Minimum wages are legally binding and cover most (but not all) workers. For most workers in Ontario, the current minimum wage is $10.25 per hour. A person working full-time at this minimum wage would earn less than Statistics Canada's Low Income Cut-off (LICO) one of the most commonly used poverty lines in Canada. Campaigns such as "Poverty free Ontario" led by the Social Planning Network of Ontario have advocated for an increase of the minimum wage to $12.50 per hour. Only the provincial government can change Ontario's minimum wage.

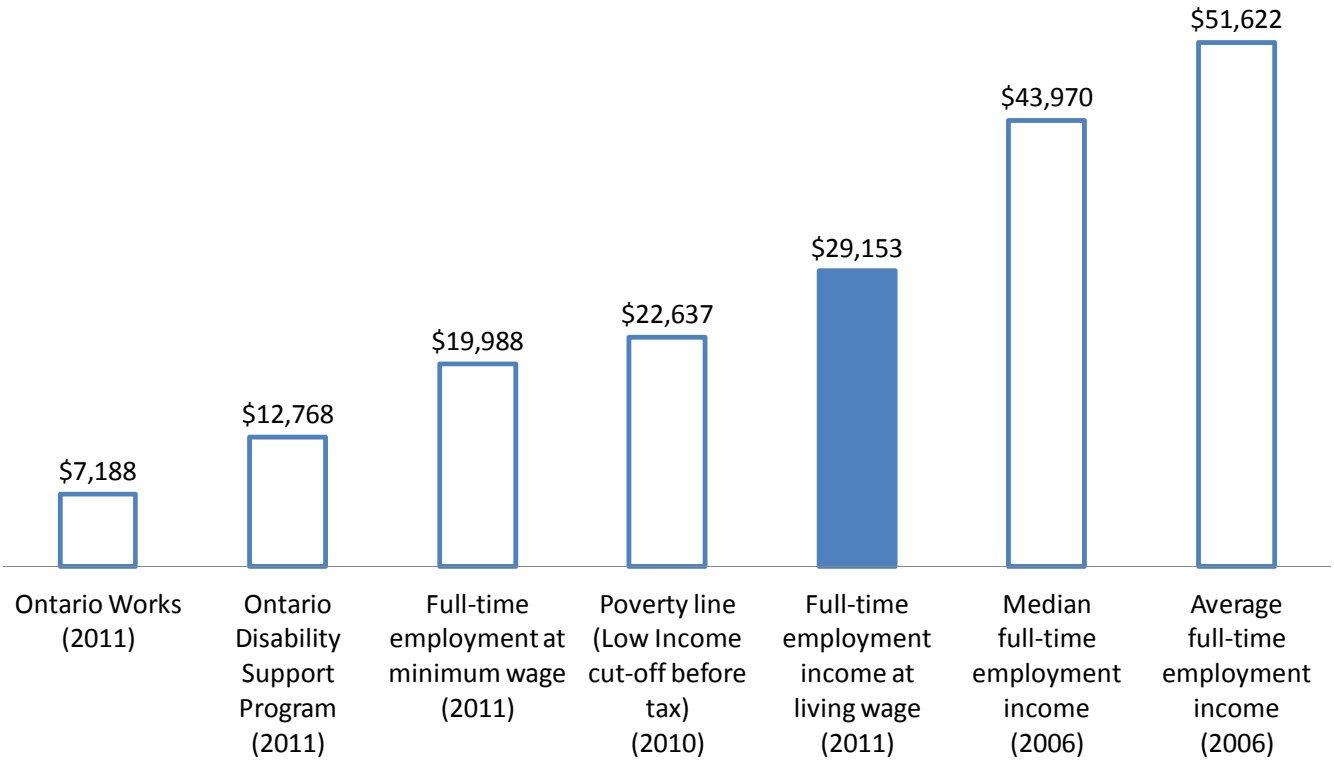
Table 2. Summary of differences between a minimum wage and a living wage

MINIMUM WAGE	LIVING WAGE
Legally binding	Voluntary
Set by province	Locally-led
Level not related to costs of living	Level set by careful research into local costs of living. Open and transparent.
Creates 'working poor' and does not lift workers out of poverty	Provides a decent standard of living to sustain a family and allows for participation in society ("social inclusion")
Has no community-building effect	Can help to attract families to move to a "living wage community"

10.0 HOW DOES THE LIVING WAGE COMPARE TO THE POVERTY LINE, MINIMUM WAGE AND AVERAGE INCOMES IN HAMILTON?

Chart 2 shows that Hamilton's median earner who works full-time, that is the person in the middle of the full-time employment income distribution, is paid almost $15,000 more than the full-time living wage income. The average full time worker in Hamilton earns more than $22,000 more than a living wage worker.

Chart 2. Comparison of annual incomes for a single person, City of Hamilton



11.0 ARE INCREASED TAX CREDITS FOR LOW-WAGE WORKERS A BETTER SOLUTION?

The Ontario Chamber of Commerce has suggested that a better approach to reduce poverty among workers is to increase childcare, housing and transit subsidies[5]. Many anti-poverty advocates are currently supporting the creation of a provincial housing benefit that would allow low-wage workers to be able to afford housing without taking other essentials of their list. A housing benefit would be an important step to reduce poverty in Ontario, and if implemented like the Ontario Child Tax Credit would be helpful both to people on social assistance and workers earning a minimum wage.

[5] http://occ.on.ca/2010/living-wage-wrong-approach-london-chamber-of-commerce/

In fact, the detailed living wage budget prepared for Hamilton shows that on average for the three household types, workers earning a living wage already receive $1.08 per hour that in the form of tax credits that are specifically aimed at low income households: the HST credit, Child Tax Benefits, and the Property Tax credit (See Appendix III). If these credits were removed, the Hamilton's living wage would have to be increased to $16.03.

In addition, the lone parent family in this report's living wage calculation receives an additional $4.45/hour in childcare subsidy. If the Ontario government ended its childcare subsidy program the living wage for a lone parent with a young child would be $19.40 per hour[6]. In contrast, if childcare for young children was viewed as an investment in the future skill building of all children and delivered as a universal early childhood education programin the same way that the school system provides care and education for older children, subsidies targeted at low income families would not be needed. As economist Andrew Jackson from the Canadian Labour Congress points out: "Many working-poor families would not be poor, or would be a great deal less poor, if they had access to free or heavily subsidized prescription drugs, public transit, public recreation programs, good quality child care, public educational institutions which did not charge extra fees, and so on."[7]

A living wage of $14.95, although very modest in comparison to average wages for workers in Hamilton, is just above the income threshold to be eligible for additional subsidies, which are only available to lower wage workers. Incomes much closer to the minimum wage would make a family or individual eligible to the federal Working Income Tax Credit, the Ontario Child Tax benefit, as well as Hamilton's Affordable Transit Pass program. Certainly, if the income threshold eligibility for these tax credits were increased, the extra income would be very helpful to families earning a living wage and would remove pressure on low-wage employers to pay a living wage.

But wage supplements bring their own set of challenges. Jackson places the issue of wage supplements in a broader framework: "A central underlying question is whether governments should recognize the reality of low-paid and precarious jobs, and top-up low family incomes, or intervene directly to ensure that there are better-paid and more secure jobs for workers."

Jackson's view is that "wage supplements can play useful supporting roles in assisting the working poor," but "if wage supplements were quite generous in a context of high unemployment, they could allow employers to lower wages and effectively shift part of their labour costs on to governments".[8]The living wage approach on the other hand, places the onus on employers to pay the true cost of the labour supplied by their workers.

---

[7]Jackson, A. (2006). *Are wage supplements the answer to the problems of the working poor?* Canadian Centre for Policy Alternatives: Ottawa
http://www.policyalternatives.ca/sites/default/files/uploads/publications/National_Office_Pubs/2006/Wage_Supplements.pdf

[8]For more on wage supplements as hidden subsidies to employers, see also Maxwell, J. (2003). *The Great Social Transformation: Implications for the Social Role of Government in Ontario.* Canadian Policy Research Network: Ottawa. Pages 20-21.

12.0 WHAT ARE THE LIVING WAGE CALCULATIONS IN OTHER CITIES?

The living wage calculation model from the Canadian Centre for Policy Alternatives has been used to calculate living wages for communities in B.C., Toronto, and most recently Kingston. With this report, Hamilton becomes the third city in Ontario to use this tool along with community consultations to develop a community consensus around what should and should not be included in a living wage budget. The following table compares the living wages amounts across Canada.

Table 3. Living wages in Canada

Community	Living Wage	Budget guide used	Date of calculation or last update	Link to calculation report
Kingston	$16.29	CCPA model	2011	http://www.policyalternatives.ca/publications/reports/living-wage-kingston
Toronto	$16.60	CCPA model	2008	http://www.policyalternatives.ca/publications/reports/living-wage-toronto
Metro Vancouver	$18.81	CCPA model	2011	http://www.policyalternatives.ca/livingwage2011
Metro Victoria	$18.03	Community Social Planning Affordability Index	2011	http://www.communitycouncil.ca/pdf/2011_CSPC_AI_backgrounder.pdf
Waterloo Region	$13.65	Locally-developed model	2007	Not available

Other communities have living wage campaigns, notably Ottawa and Calgary, but their living wage calculations are not based on evaluating the actual costs of living in their communities. Instead, they have simply divided the Low Income Cut-Off (LICO) for their community, which is a poverty line, by the hours in a full-time work week to determine an hourly wage. The result for Calgary was $12.50 plus benefits; for Ottawa, the result was $13.50 per hour. Since, by definition, a living wage is more than just getting to the poverty line but instead is a wage that reflects actual costs of living to have a decent quality of life and participate fully in social life, it can be argued that these communities have not yet completed the work of calculating a true living wage.

APPENDIX I: DETAILED CALCULATIONS FOR HAMILTON'S LIVING WAGE

Calculations are based on specialized spreadsheet developed by Hugh Mackenzie, of Hugh Mackenzie Inc, prominent Canadian economist and Research Associate with the Canadian Centre for Policy Alternatives and of the Centre for Urban Studies at the University of Toronto. Where applicable, data on local costs was added by the Living Wage Calculation Subcommittee to develop a Hamilton-specific living wage.All data are from 2011, or adjusted for inflation to reflect 2011 dollars.

Category	Item	Average monthly cost			Data source and explanation of calculations
		Family of 4	Family of 2	Single person	
Food, clothing and shelter	Food	$705	$294	$266	**City of Hamilton's Public Health** Nutritious basket calculator (2011)
	Clothing and footwear	$182	$105	$81	**Statistics Canada** Market Basket Measure for the Hamilton CMA, representing "basic standard of living" (2009 figure adjusted for inflation)
	Rent and utilities	$1,090	$880	$709	**Canada Mortgage and Housing Corporation**. Average market rent (2010 figure adjusted for 2011 inflation). Market rent figures may not include heat and other utilities according to CMCH, so a person/family earning a living wage may have to find a unit at below market rent price so that their total shelter cost including utilities would fit in this budget. Figures are prices for a 1 bedroom apt. for the single person, 2 bedroom apt.for the lone parent and 1 child family and a 3 bedroom apt.for the two parents and two child family.
Childcare	Childcare centre, after-school and/or summer care	$338	$64 Without subsidy the cost would be $758 per month.	$0	**City of Hamilton.** Average childcare costs for licensed childcare programs. Family of 2: toddler attends full day childcare centre. Family of 4: youngest child attending after-school child care program during school year, with additional childcare during PA days and 6 weeks of summer. Family of 2 is eligible for provincial childcare fee subsidy from the City of Hamilton. The amount of the subsidy would be $674 per month.

Category	Item	Average monthly cost			Data source and explanation of calculations
		Family of 4	Family of 2	Single person	
Transportation	Vehicle	$551	$576	$0	**Multiple sources** No car for single person. Families buy 5 year old Pontiac Vibe and use it for 4 years (autotrader.ca), depreciation averaged out over this period. Other: gas @ $1.15 per litre, NRCan fuel consumption calculator, insurance quotes for parent driver(s) (kanetix.ca), quotes for winter tire installation, maintenance (Runzheimer International repair cost guidelines), annual registration, CAA membership (needed to lower insurance rate). Insurance is higher for lone parent because of younger age and shorter priori insurance record. All insurance quotes assume clean record. These calculations are lower than CAA's annual published car ownership and operating costs. In 2011, the CAA estimate was $811 per month for a 4 door sedan .
	Transit, taxi and/or car share	$145	$0	$295	**HSR, Taxi and Hamilton Car Share** Single person: HSR bus pass each month; 2 round trip taxi trips per month; 8 hours per month of car share trips Family of 4: 1 bus pass for one parent and 1 bus pass for teenage child
Health	Non-OHIP health insurance:	$263	$211	$94	**Greenshield** Quotes using kanetix.ca for 2nd least expensive plan. Amounts based on no prior medical conditions. Coverage includes dental, prescription drugs, hospital and other extended health.
Social inclusion	Monthly family outing	$108	$54	$40	**Costs of local tourist attractions** One monthly outing to local museum or other tourist attraction and a modest restaurant meal

Category	Item	Average monthly cost			Data source and explanation of calculations
		Family of 4	Family of 2	Single person	
	Family vacation (two weeks per year)	$107	$78	$83	**Ontario Parks, www.cottageportal.com** Family of 4: Alternating every year, lowest price cottage on Lake Erie and camping and Ontario Park Family of 2: Camp Wanakita for 1 week, 1 week "staycation" at home Single: Camping trip to Ontario Park and car rental
	Children's school fees and fundraising	$42	$0	$0	**Social Planning Toronto** *Public System, Private Money: Fees, fundraising and equity in the Toronto District School Board* report. Conservative estimate based on schools adhering to new 2011 Ministry of Education guidelines prohibiting some types of school fees. Budgeted amount includes for each child in school: annual $60 school activity fee, $30 annually for school photos, $10 per month for field trips, and $6 per month in contribution to pizza days and other fundraisers.
	Internet, cable and phone	$111	$111	$111	**Cogeco** Quote for monthly bundle of basic cable (no extra channels), basic phone (landline), and standard internet
	Recreation	$41	$27	$21	**City of Hamilton** Family of 4: annual gym and pool family pass, family skate pass, three 9-week classes (swimming, or basketball for example) per year per child, and annual pass for Hamilton Conservation Authority. Family size adjustment for 2 person family and single person
	Gifts	$25	$16	$12	**Statistics Canada.** Conservative estimate based on Survey of Household Spending**:** 25% of average amount spend by households in the 2nd income quintile on gifts and contributions. Family size adjustment for 2 person family and single person

Category	Item	Average monthly cost			Data source and explanation of calculations
		Family of 4	Family of 2	Single person	
Other	Continuing education	$96	$48	$48	**Mohawk College** Two courses per year per adult to upgrade skills to obtain higher wage employment
	Tenant's insurance	$18	$18	$18	**Kanetix.ca** Quotes for basic content insurance against fire and theft and personal liability.
	Household operation, main-tenance, furnishings and equipment	$154	$100	$77	**Statistics Canada** Typical household budget proportion for this item from Survey of Household Spending (for households in the 2nd income quintile). Proportion was then applied to total for Market Basket Measure "Other" category for Hamilton CMA. Family size adjustment for 2 person family and single person
	Personal care	$39	$25	$20	**Statistics Canada** Same method as previous item (household operation)
	Reading and entertain-ment supplies	$19	$12	$9	**Statistics Canada** Same method as household operation and personal care items.
	Bank fees	$11	$11	$11	**Quotes from banking websites** Average cost for unlimited banking, but no outside AMT fees
	Other not specified	$91	$59	$48	**Statistics Canada** Market Basket Measure for the Hamilton CMA total for category "Other" subtracting the total of all the specified items listed here, except for the family vacation, which is not included in the MBM spending allotments. Pro-rated for family size.
Contingency		$169	$135	$79	4% (two weeks of family household budget)

Taxes and contributions

Category	Annually		
	Family of 4	Family of 2	Single person
Taxes after credits	$4,283	$8	$2,863
CPP and EI contributions	$3,574	$1,761	$1,768

Income totals and wage result

Category	Annually			Data source and explanation of calculations
	Family of 4	Family of 2	Single person	
Household employment income	$58,695	$28,958	$29,055	
Child tax benefits	$1,987	$2,883	$0	
Universal Child Care Benefit	$0	$1,200	$0	
Child support	$0	$237	$0	**Department of Justice** Calculated using Federal Child Support Amounts (simplified tables) and assuming other parent has same income as primary parent.
Household income after taxes and transfers	$54,412	$42,205	$26,349	
Wage (assuming 37.5 hour work week)	$15.05	$14.85	$14.90	
Average living wage (rounded to nearest nickel)	**$14.95**			

APPENDIX II: ANALYSIS OF FINANCIAL SUPPORT AVAILABLE TO LOW INCOME FAMILIES

All amounts presented here are already included in calculations and amounts presented in Appendix I.

Value of tax credits, refunds and benefits available specifically to low income households

Category	Family of 4	Family of 2	Single person
Child tax benefits	$1,987	$2,883	$0
GST/HST and Ontario Sales Tax credits	$0	$319	$0
Property tax credit	$0	$276	$154
Working Income Tax Benefit	$0	$0	$0
Total value	$1,987	$3,514	$154
Additional wage necessary if there was no financial support for low income households	$0.70 (for each parent)	$2.35	$0.15
Average wage supplement for low income workers	**$1.07**		

Other subsidies accessed by households

Category	Family of 4	Family of 2	Single person
Child care subsidy	$0	$8,045	$0
Additional wage necessary if there was no childcare subsidy available	**$0**	**$4.45**	**$0**

APPENDIX III: VALUE OF HEALTH BENEFITS IN LIVING WAGE CALCULATIONS

Category	**Family of 4**	**Family of 2**	**Single person**
Living wage	$15.05	$14.95	$14.90
Wage without cost of health plan	$13.85	$13.15	$13.85
Value of health plan	$1.20	$1.80	$1.05
Average value of benefits	**$1.25**		