

2023-10 Living/Minimum Wage for all Manitobans

Mover: Canadian Centre for Policy Alternatives - Manitoba

The Province of Manitoba and Manitoba municipalities should:

- a. Make the minimum wage a living wage in Manitoba by adopting the living wage methodology developed by the Canadian Centre for Policy Alternatives
- b. Include living wages in Manitoba contracted and subcontracted services, include a legally binding clause requiring contracted service workers, including those working for subcontracted companies, to be paid the living wage for Manitoba.
- c. Ensure that government funded agencies and non-profits can pay at least a living wage as a base salary.

Because: A living wage is the amount needed for a household to meet its basic needs, taking into account government transfers and deductions. It sets a higher test for quality of life than the minimum wage by reflecting what earners in a family really need to earn based on the actual costs of living.

Because: Government programs and services such as Rent Assist, child benefits, subsidized child care and affordable public transit play an important role in calculating a living wage. The more generous these government policies and programs are, the less a family requires in wages to achieve a decent standard of living. For example, the provision of universal child care lowers the effective living wage rate. It is incumbent, therefore, on employers to lobby government to provide such services.

Because: The living wage in 2022 for a family of four with two parents working full time was \$18.34 per hour in Winnipeg, \$16.25 per hour in Thompson, and \$15.66 per hour in Brandon.

Because: The living wage alleviates severe financial stress for families by helping to lift them out of poverty and providing a basic level of economic security. Research has shown that paying a living wage has concrete benefits for employers including: reduced absenteeism; increased skill, morale and productivity levels; improved customer satisfaction; and enhanced employer reputations.

Because: Women are more likely than men to be living in poverty, earning less pay for equal work, working for minimum wage, and making less than \$15/hour. A living wage would help reduce the wage gap and lift women out of poverty, especially Indigenous women, racialized women, and women living with disabilities, who are overrepresented in the Province's poverty statistics.

Because: The Province of Manitoba and Manitoba municipalities have a significant connection with a large number of workers in Manitoba. However not all government employees, either those directly employed or those working for companies that sell goods and services to government, receive a living wage.

Because: 140 US cities and a number of municipalities in the United Kingdom have implemented a living wage. New Westminster, BC was the first Canadian city to implement a living wage policy. Recently the City of Vancouver launched a plan to implement a living wage and Quesnel, BC implemented a living wage policy. Both Vancouver's plan and Quesnel's policy include the companies they contract out to. In Manitoba, the Assiniboine Credit Union has adopted a living wage policy that applies to its employees.

Because: Paying a living wage is voluntary. By adopting a living wage policy, governments can demonstrate leadership and set an example for other employers in the private sector to emulate on a voluntary basis. This is a different approach compared to the minimum wage, which creates a mandatory 'floor' that every business is legally required to meet. Efforts to raise the minimum wage to at least a living wage are an important part of the discussion about how to end working poverty.

Because: From 1999 - 2015 the minimum wage was increased a small amount every October 1st. October 1st, 2016 was the first time in nearly two decades that the minimum wage was not increased. The minimum wage is still not high enough to bring full-time minimum wage workers to the poverty line, according to the Low-Income Cut Off - Before Tax (LICO-BT). Single-parent households are much more likely to live in poverty compared to households with two-parents and two children. Predictable increases to the minimum wage to a level that will bring single-parent households above the poverty line will also close the gap for one-person households and for households with two parents and two children. Predictable increases to the minimum wage ensures that businesses have an opportunity to plan for meeting those increases.

Because: Tax measures are needed to assist lower income earners. However, increases to the basic personal income tax exemption, which provide minimum benefit, should not be viewed as an alternative to increasing the minimum wage. The recent increase to the basic personal income tax exemption will provide the lowest income earners with an additional \$16 annually, compared to an additional \$400 that would come from a basic inflationary-adjusted increase to the minimum wage. Minimum wage workers spend their money in the local economy so regular increases to the minimum wage also produce greater benefit to our local economy. Further, the cumulative effect of increasing the basic personal exemption impacts all tax brackets and results in a loss of much needed tax revenue to pay for public services that all Manitobans rely on.

How this Resolution will be Advanced: The Make Poverty History Manitoba coalition's Provincial Working Group is actively working on a campaign for the provincial election 2023 that includes this key priority among a list of others. Following the election, MPHM Provincial Working Group will continue to lead advocacy on this resolution. Other community groups or organizations that are organizing around this issue are \$15 and Fairness Manitoba, the Manitoba Federation of Labour provincially, and CUPE 500 for the City of Winnipeg. Advocacy for this will also be advanced by We Want to Work coalition's advocacy for social procurement policies provincially and municipally.