

\$17.31 per hour

The wage required for a household with 2 employed parents and 2 children



©
Quality of Life
CHALLENGE

What does the Affordability Index measure?

It is the hourly rate of pay that allows a family to cover the following costs of living:

- adequately feed, clothe and shelter their household
- maintain the health of family members
- participate in activities that are an ordinary part of community life
- receive up to two weeks paid time off for illness annually
- rent rather than own their home
- own a car and use public transit

This rate of pay does not allow the family to:

- save for children's education, home, holidays or retirement
- service loan debts or credit card bills
- afford to care for an elderly relative or a disabled family member

This Affordability Index calculation does include a sick time benefit but does not include other employment benefits such as extended health, pension plans, bonuses or transportation incentives.

Monthly Costs of Living for a family of four in BC's Capital Region - December 2009

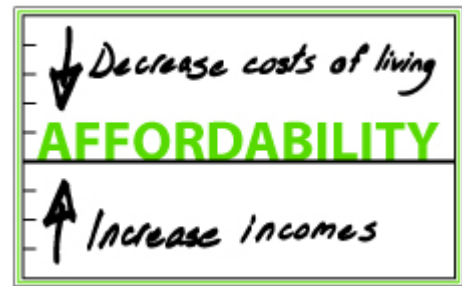
(note on order: listed from greatest to least cost)

Item	Monthly	% of total expenses
Shelter: 3-bedroom unit, telephone, utilities, contents insurance	\$ 1,323.01	27.1%
Child Care	\$ 1,011.17	20.7%
Food	\$ 732.37	15.0%
Transportation	\$ 416.74	8.5%
Clothing	\$ 186.64	3.8%
Medical Services Plan (MSP)	\$ 114.00	2.3%
Emergencies	\$ 201.95	4.1%
Non MSP Health Expenses	\$ 133.00	2.7%
Parent Education	\$ 87.50	1.8%
Other: see note below	\$ 671.80	13.8%
Total	\$ 4,878.18	100%

Note: "Other" expense includes personal care items, household supplies and furnishings, small appliances, recreation, laundry, banking, computer, internet, and children's toys.

By any measure, BC continues to have one of the highest poverty rates in the country.¹ The BC child poverty rate in 2007 was 18.8%, higher than the rate of 14.5% in 1989 and sharply higher than the rate of 11% in 1980.² With a very high cost of living (particularly housing and child care costs), far too many British Columbian families find it impossible to make ends meet.

The Affordability Index, calculated and released each year by the Community Social Planning Council's *Quality of Life CHALLENGE*, reflects the real costs of living through the hourly wage required to enjoy an adequate quality of life in our region.



In 2010, the wage required to maintain an adequate quality of life in BC's Capital Region is calculated at \$17.31 per hour. This calculation assumes two adults working 35 hours per week each while providing a home for two children.

Affordability improves as costs of living decrease and income levels increase. Employers find it difficult to increase incomes to match increases to the costs of living. The region's decreasing affordability is impacting its ability to attract workers, including new immigrants.

The Affordability Index provides an opportunity for dialogue on strategies to improve affordability in BC's Capital Region. It is intended to engage the community to take action to reduce costs of living and to increase incomes.

Some Options for Action

Policy-makers:

- Consider wage levels relative to the costs of living in this region for contracted out services
- Support the development of affordable housing options in neighbourhoods
- Improve accessibility and reduce costs of child care
- Explore solutions to reduce costs of transportation
- Support the development of a Poverty Reduction Plan for municipalities and for the province

Employers:

- Look at your wage scales to see how long a person must be employed before earning a wage required for an adequate quality of life. Consider how you can improve that over the next year, 2 years and 5 years
- Besides pay increases look for other ways to improve the quality of life of your lowest wage earners such as flexible work hours, bus passes, on the job training
- Learn more about your staff's housing and child care challenges and solutions
- Demand the same integrity you aspire to from your suppliers and colleagues. Look beyond the lowest financial offer and consider how the firms you deal with treat their employees when awarding contracts
- Consider ways you and your business partners and employees can take action to reduce costs of living related to child care, housing, food and transportation

Consumers:

- Support local businesses that treat their employees well – some of them are listed at: http://www.qolchallenge.ca/resources/the_employer.php
- Speak out in support of the development of affordable housing options in your neighbourhoods
- Consider your wage rates when hiring people for work around your home
- Consider ways you, your family and friends can take action to reduce costs of living related to child care, housing, food and transportation

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More information: info@qolchallenge.ca

www.qolchallenge.ca

250-383-6166

¹ CANSIM Table 202-0802, Statistics Canada 2006

² BC Child Poverty Report Card 2009