

2019

NWT LIVING WAGE

Inuvik • Hay River • Yellowknife

Living Wage is based on a bare-bones budget without the extras many of us take for granted. The budget includes food, clothing, rent, transportation, child care, health care, adult education, some household expenses, and a small emergency fund.

In 2015 and 2017, Yellowknife's Living Wage was calculated to be \$20.68 and \$20.96, respectively. Both these estimates were based on a 40-hour work week.

For 2019, Living Wage rates were estimated for Inuvik, Hay River and Yellowknife. The work week was assumed to be 37.5 hours to better align with Living Wage estimates in other parts of Canada. The resulting Living Wage rates are:

- \$23.78 in Inuvik;
- \$24.75 in Hay River; and
- \$23.95 in Yellowknife.

It is important to highlight that the Inuvik estimate is based on an Indigenous family (the most common household demographic) that has access to child care and health benefit programs that non-Indigenous families cannot access.

Support for the NWT 2019 Living Wage project was provided by the PSAC Social Justice fund, the PSAC NWT Area Council and the RC Diocese of Mackenzie-Fort Smith.

Below are the 2019 Living Wage rates for a family of 2 parents and 2 children when both parents work full time (37.5 hours per week).

Inuvik, \$23.78

Hay River, \$24.75

Yellowknife, \$23.95

What is Living Wage?

It is the hourly earnings required to cover basic expenses. It is based on the actual costs of living in a specific community.

What are the benefits?

Individuals & Families

- ✓ Fewer Living in Poverty
- ✓ Fairer Compensation
- ✓ Better Health
- ✓ Better Quality of Life

Community

- ✓ Better Understanding of Local Living Costs
- ✓ More Civic Participation
- ✓ More Spending in the Local Economy

Employers/Business

- ✓ Better Labour Productivity
- ✓ Less Employee Turnover
- ✓ Less Absenteeism
- ✓ Better Customer Loyalty
- ✓ Better Corporate Image



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How were the NWT's Living Wage rates calculated?

The *Canadian Living Wage Framework* (CLWF) developed by Vibrant Communities Canada was used as a guide for the NWT 2019 Living Wage calculations.

Calculation Method - Living Wage is the hourly wage rate that allows this formula to balance:

$$\text{Annual Expenses} = \text{Before-Tax Employment Income} + \text{Income from Government Transfers} - \text{Taxes}$$

Annual Family Expenses

Budget Exclusions

- × Special dietary needs
 - × Owning a home
 - × Credit card, loan or other debt/interest payments
 - × Savings for retirement
 - × RRSP, RESP, or RDSP contributions
 - × Costs of caring for a disabled, seriously ill, or elderly family member
- × Hobbies
 - × Pet ownership
 - × Parking
 - × Alcohol or tobacco costs
 - × Personal life or disability insurance
 - × Financial help to family members

Annual Expenses

This chart shows the annual expenses used in the 2019 calculation.

