

# 2022

## FORT SMITH LIVING WAGE

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.

This is the first time that Living Wage has been estimated for Fort Smith. The resulting Living Wage rate is \$17.81.

It is important to highlight that the Fort Smith 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. Access to these programs results in lower expenses and, in turn, a lower Living Wage rate.

# \$17.81

**per adult per hour**

is Fort Smith's 2022 Living Wage for an Indigenous family of 2 parents working 37.5 hours per week and 2 children

## 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 was Fort Smith's Living Wage calculated?

The *Canadian Living Wage Framework* (CLWF) developed by Vibrant Communities Canada was used as a guide for Fort Smith's 2022 Living Wage calculation.

**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 2022 calculation.

