

Pursuing a Living Wage in Calgary

• *Challenge* •

In Alberta, the economy is booming, the unemployment rate is low and employers, particularly those in the construction and hospitality sectors, are concerned about labour shortages and employee retention. The climate offers some support to the case for paying a living wage as part of an overall strategy to attract and retain workers.

At \$7.00, the province has the country's fifth-lowest minimum wage – ahead only of Newfoundland, PEI, Nova Scotia and New Brunswick – and the smallest percentage of its workforce at the minimum wage [Battle 2003]. The fact that a low proportion of workers are paid minimum wage suggests that employers are aware of the need to be competitive.



• *Strategy* •

Vibrant Communities Calgary (VCC) established a Living Wage Action Team in 2003 as a way of encouraging progressive workplace practices. By December of that year, the group published a comprehensive study of American and Canadian living wage initiatives (*Understanding Living Wage: Research Report*). A focus group studied the paper and considered four possible options: 1) do nothing, 2) adopt a US-style municipal policy initiative, 3) encourage voluntary compliance or 4) pursue a combined voluntary/legislative initiative. Most of the 30 Action Team members preferred the fourth option.

In 2005, the Living Wage Action Team chose to start a municipal policy campaign, followed by an extension of this campaign to other public, quasi-governmental, private and nonprofit sectors.

Says Ramona Johnston, Manager of Vibrant Communities Calgary: “We are uncertain of how much support exists for a living wage policy among municipal representatives, but we understand the importance of creating a foundation of political, business and community support. We are also committed to building in an evaluation mechanism to properly track the impact of such a policy, and to ensuring ongoing policy enforcement. Having spoken about living wages to numerous community groups, we are convinced that the issue is generating a lot of interest, which we hopefully can turn into an effective municipal policy and improved wages across all employment sectors.”

• *Impact* •

In November 2005, VCC presented a submission to Calgary City Council’s budgetary process, focusing on the need to reinvest in the City’s social infrastructure and continue efforts to secure more resources from the government of Alberta. Specifically, VCC recommended that the City:

- allocate funding to the development of a “No Sweat Ethical Procurement Policy” that would include a strong living wage component.
- increase support of its Family and Community Support Services (a joint municipal/provincial fund that supports Calgary social programs).
- finance the administration and revenue losses of the low-income transit pass program, regardless of provincial support.

The City has since supported the No Sweat Ethical Procurement policy development with a budgetary allocation. VCC staff and volunteers will work with the City to develop this policy over the next year, potentially building in a provision that Calgary purchase all goods and services from Living Wage employers.

VCC’s work in the area of Living Wage has helped to legitimize and normalize the issue and it has paved the way for other community organizations to enter into the discussion. Its approach also reflects the ongoing learning that is achieved through multi-sectoral collaboration. The Living Wage Action Team originally had a target of establishing a municipal living wage policy, preferring to work with private employers and the voluntary sector at a later time. Recent reflection has led organizers to use a multi-pronged approach with an initial focus on municipal government, which will be strengthened by building a broader base of support among the business and nonprofit sectors.

