

THE IMPACT OF A LIVING WAGE FROM THE PERSPECTIVES OF WORKERS

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Abstract: The focus of this research is the economic, social and health impacts of a living wage for employees in Ontario who were previously earning less than a living wage. The living wage is a calculation based on how much it costs for a family to live in a specific region. The rise of living wage campaigns is a response to the prevalence of low wage work. This research explains the significance of a living wage from the perspectives of workers compared to current research which concentrates on labour market impacts and how this policy affects businesses. Lived experience is emphasized as an important type of knowledge by including the voices of workers through qualitative interviews. Their experiences highlight how low-income and precarious work can affect workers' lives and how the living wage addresses these problems. Their experiences also demonstrate how a living wage is a vast improvement from the minimum wage but also reveal the shortfalls of the current living wage framework. Overall, the living wage has a significant impact on the economic, social and health aspects of living wage workers but falls short as an all-encompassing solution for achieving a decent standard of work. Issues such as unaffordable housing, high tuition costs, lack of job opportunities for young workers and precarious work all contribute to an insufficient living wage. These types of social policies from governments and decent work provided by employers need to assist the living wage in achieving a good standard of living for all workers.

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Introduction

The living wage is an alternative wage measurement based on a calculation of how much it costs to live in a particular area. The living wage campaign is based on the idea that people should not be working and poor and that a full-time job should provide a family with a decent standard of living. The campaign exists in various countries but this study focuses on North America, with particular attention on Ontario, Canada. The focus of this research is the economic, social and health impacts of a living wage for employees who were previously earning less than a living wage. Most of the literature does not look at the impact that a living wage has on workers. Instead, most of the current research concentrates on labour market impacts and how this policy affects businesses. Other literature on this topic discusses the moral justification for a living wage. Therefore, this research adds to the limited analysis of the impact that a living wage has on workers.

Moreover, this research explains the significance of a living wage from the perspectives of workers. The approach of including workers' perspectives of the living wage is only used by a couple of studies. This research emphasizes lived experience as an important type of knowledge by including the voices of workers through qualitative interviews. This is based on both Advocacy/Participatory Knowledge Claims and the idea of epistemic privilege as a part of anti-oppressive research. Their experiences highlight how low-income and precarious work can affect workers' lives and how the living wage addresses these problems. Their experiences also demonstrate how a living wage is a vast improvement from the minimum wage but also reveal the shortfalls of the current living wage framework. Therefore, this research addresses the current gap in the literature by

looking at both the impact that a living wage has on workers and highlighting the perspectives of workers with lived experience.

This thesis begins by outlining the Canadian living wage framework and the history of living wage campaigns in North America. Next, labour market trends are used to show the prevalence of low wage work and precarious employment in Ontario. Additionally, statistics are used to reveal the types of workers who are impacted by this type of work. Next, a review of the literature highlights the moral and economic arguments regarding the living wage but also reveals a gap within the literature regarding the impact on workers and workers' perspectives. Further, the methods of this study are outlined along with the limitations and challenges of this research. Lastly, the results are organized into themes and compared to other relevant studies within the discussion to demonstrate the positive impacts and shortcomings of the living wage.

Overall, the living wage has a significant impact on the economic, social and health aspects of living wage workers but falls short as an all-encompassing solution for achieving a decent standard of living. Other elements need to be part of this solution including secure and fair employment with workplace benefits along with social policy which creates a lower cost of living including affordable housing and public funding for post-secondary education.

Background

The living wage is a calculated hourly wage based on how much it costs to live in a specific community. The Ontario living wage campaign uses the calculation determined by the Canadian Centre for Policy Alternatives (CCPA). This wage is calculated through considering how much is needed for a family to meet their basic needs and to be above the poverty line (Living Wage Canada n.d., 1). In Canada the poverty line is based on the low income cut-off (LICO). Therefore, the living wage calculation includes elements such as food, transportation, and rent, but also recreation, family vacation, and parent education. However, it is stated that this calculation is a conservative estimate as things like owning a home, debt payments, and savings for retirement or your children's education are not included (Ivanova, Klein and Reaño 2017, 3). The calculation is based on a family of two adults working full-time with two children. The purpose of including two children in the calculation is to avoid discouraging people from having children. This also allows workers to have more income as they age. According to the framework, this calculation is similar for people who are single and/or do not have any children (Living Wage Canada n.d., 1). According to the Hamilton living wage calculation, these similarities in budgets for different types of households are a result of subsidies and taxes balancing out these costs (Mayo 2011, 2).

The living wage includes employment benefits within the calculation and the benefits provided by the employer partly determine their eligibility for living wage certification (Living Wage Canada n.d., 5). Additionally, the calculation includes government policy concerning income. The greater the income supports, public services,

and income transfers, the less the private wage that needs to be earned to obtain a decent standard of living (Living Wage Canada n.d., 1). Therefore, the living wage framework suggests that workers' well-being should not only be provided by the employer, but also by the government and the community (Living Wage Canada n.d., 3). Lastly, employer eligibility requires any contract workers to also be paid a living wage. This is established through a legally binding contract clause within the employer's service contracts (Living Wage Canada n.d., 5). Therefore, employers who have been certified by the campaign as living wage employers must pay all contract workers, such as building cleaners, a living wage. While this framework guides the calculations for the individual living wage campaigns in Canada, the specific items included in the calculations from each campaign are different.

While activism around a living wage can be traced back to the 19th century, the contemporary living wage campaign began in the United States in Baltimore, Maryland in 1994. The campaign began as a response from church groups and religious workers who noticed an increase in demand for their shelters and soup kitchens. They also noticed that the people using these services were employed. Therefore, they concluded that the minimum wage was not a livable wage since these people were working full-time but could not earn enough to provide for their families (Pollin 2008, 14-15). Since this beginning, the campaign in the United States has achieved about 140 municipal living wage laws (Pollin 2008, 15). The Canadian living wage campaign began several years later in British Columbia by the provincial CCPA, unions and community groups. This first campaign was named Living Wage for Families Campaign and began in 2008. This

campaign was a result of the government ripping up its collective agreement with the Hospital Employees' Union (HEU) in 2001 and outsourcing the work, causing eight thousand workers to experience a 40% wage cut. The realization of the vulnerability of wages for all workers sparked the campaign in Canada (Evans and Fanelli 2016, 82).

Living wage campaigns have now spread across Canada and typically include organized labour, faith-based groups, community non-profits, and anti-poverty groups. Moreover, women, immigrants and racialized people often lead these campaigns as they are disproportionately affected by low wage work (Evans and Fanelli 2016, 82). The American living wage campaigns use the following strategies: win municipal ordinances for all employers in a city to pay a living wage; win municipal ordinances that require city governments to pay a living wage to city employees and employees sub-contracted by the city; convince employers to pay a living wage voluntarily. The Canadian campaigns use the two latter strategies while also determining a living wage calculation for each city that is updated regularly (Evans and Fanelli 2016, 82). Attempting to win a widespread wage increase has been the strategy of the Fight for \$15 and Fairness campaign in Canada to raise the provincial minimum wage through legislation. These differences in strategies between the American and Canadian campaigns are not only for political reasons. Rather, the institutional frameworks of setting policy are different for these countries. In Canada, minimum wages are set provincially rather than on a city level (aside from workers in federal industries) and therefore campaigning for municipal ordinances to set wages for their jurisdiction is not a strategy that can be used. However, they can still win municipal ordinances that require city governments to pay their own

employees a living wage. This study specifically looks at living wage campaigns in Ontario that use the voluntary approach and/or the municipal ordinances for city employees strategies.

The need for these living wage campaigns is connected to the larger economic and policy trends that affect workers. The contemporary living wage movement in North America is a response to an attack on good jobs and a decline in the ability of workers to fight for higher wages during the 1980s and 1990s. During this time precarious jobs that are part-time, temporary and have limited career advancement began to replace standard and secure employment. This was partly a result of free trade agreements which caused deindustrialization of the Global North and a decline in union bargaining power (Evans and Fanelli 2016, 81). Another problem is the increase in income inequality, as the richest 1% in Ontario had their average income (inflation-adjusted) increase by 71% while there was only a 5% increase for the bottom 90% between 1982 and 2010 (Hennessy, Tiessen and Yalnizyan 2013, 14). To understand the importance of researching the living wage in Ontario, I will outline the recent labour market trends which reveal the growth of low wage and precarious work that workers have to rely on. I will also show the types of workers who are earning low wages and would therefore be impacted by a living wage.

The living wage is in contrast to the minimum wage which is set by governments and legally obligates employers to pay their employees this minimum. The idea of a living wage is what sparked the 1930s minimum wage laws in the United States. This movement was partly inspired by a Catholic Priest, John A. Ryan, who wrote *A Living Wage, Its Ethical and Economic Aspects* in 1906 (Pollin 2008, 15-16). Ryan's ideas will

be discussed further in the literature review. The purpose of the American minimum wage laws was to create decent living wage standards, with President Franklin D. Roosevelt stating, “No business which depends for its existence on paying less than living wages to its workers has any right to continue in this country” (Pollin 2008, 16). Within Canada, the current minimum wage is a wage floor that is set provincially and is not determined by the cost of living, the poverty line or any other measurement (Evans and Fanelli 2016, 85). This means that the minimum an employer has to pay workers is not connected to any standard of living.

The origin of Canadian minimum wage policies is with the Fair Wages Resolution Act of 1900. This federal policy only applied to workers within public works and government contracts to offset the wage and safety standard cuts caused by aggressive bidding competition (Evans and Fanelli 2016, 85). The first official minimum wage laws were introduced afterwards on a provincial level, with Ontario introducing its legislation in 1920. This first legislation only applied to women in certain jobs to protect them from exploitation but by 1937 all workers were included (Hennessy, Tiessen and Yalnizyan 2013, 10-11). This shows the gendered dimension of minimum wage legislation which is tied to the male breadwinner model. Minimum wage legislation in Ontario along with the Factory Act, which regulated hours of work, protected women's role in social reproduction and the patriarchal family structure. Minimum wages for women were necessary because their low wages could undermine the male breadwinner norm. However, these minimum wages did not need to equate to male wages because of the assumption that working women were ‘transitory anomalies’ and only earned a

supplementary income or held a temporary position (Thomas 2004, 57-58). This legislation was also racialized as domestic workers, which was a job typically held by black women, were excluded (Thomas 2004, 58). Therefore, minimum wage legislation was not created for the purpose of allowing women and racialized workers to support themselves through a livable wage.

The minimum wage came to be discussed in relation to the average industrial wage which is the average hourly wage rate for workers in specific a region (Hennessy, Tiessen and Yalnizyan 2013, 10-11). Minimum wage trends in Ontario show that the minimum wage had historically been set a lot closer to the average industrial wage until the mid-1970s. The minimum wage since then has kept below its peak in the mid-1970s and has varied widely as a ratio of the average industrial wage. From 1975-1986 this ratio decreased from 47% to 35% and then from 1986-1997 it rose by 5-6%. From 1997-2005 the ratio dropped again by 3-4% and increased by 5-8% from 2005-2013, resulting in a ratio of 45-46% (Evans and Fanelli 2016, 86). As a result, minimum wage workers experienced drastic fluctuations in their real living standards which was not a reality for any other group of workers in Ontario (Hennessy, Tiessen and Yalnizyan 2013, 11). Evans and Fanelli argue that this variance demonstrates that the minimum wage is not tied to any standard and is instead politically driven (Evans and Fanelli 2016, 88). This is also evident from the long periods of minimum wage freezes despite increases in the Consumer Price Index (CPI) which represents the cost of living (Hennessy, Tiessen and Yalnizyan 2013, 12-13).

Table 1: Employees Earning Adult Minimum Wage or Less in Ontario 1998 to 2013 (annual averages, in thousands)

	Total min wage (or less) employees	Share of Ontario employees earning min wage or less (%)	ON hourly adult min wage rate
1998	242.7	5.3	\$6.85
2003	186.4	3.5	\$6.85
2004	285.1	5.3	\$7.15
2005	239.8	4.4	\$7.45
2006	264.2	4.8	\$7.75
2007	360.0	6.4	\$8.00
2008	379.0	6.7	\$8.75
2009	451.9	8.2	\$9.50
2010	596.2	10.7	\$10.25
2011	584.4	10.3	\$10.25
2012	534.9	9.3	\$10.25
2013	518.6	8.9	\$10.25

Source: (Edmonds and Sidhu 2014, 2)

A significant problem with the minimum wage not being connected to a decent standard of living is that low wage work has been increasing. Table 1, from a report by Social Planning Toronto, demonstrates the increase in the share of Ontario employees earning minimum wage or less. The authors did not specify which types of workers were earning less than a minimum wage. From 1998 to 2013, the number of minimum wage earners increased by 114% (Edmonds and Sidhu 2014, 1). As a proportion of the total working population, people earning a minimum wage have become a larger percentage of

workers in Ontario, increasing by 3.6%. Therefore, minimum wage work has become a greater share of overall employment despite this wage not being a sufficient amount to live on. Table 2, from a report by the Wellesley Institute, provides a more in-depth view of low wage workers since it shows workers who earn between a minimum wage and \$14.25, which is still below a living wage. This table reveals that in 2011, while 9% of Ontario workers earned a minimum wage, over twice that amount (18.9%) earned between a minimum wage and \$14.25. This amounts to 27.9% of workers in Ontario earning less than a living wage in 2011. Therefore, the minimum wage does not tell the whole story about the amount of people who are working in low wage jobs. Overall, minimum wage work has been on the rise and jobs that pay below the living wage are a significant proportion of employment in Ontario.

Table 2: Low Wage Employees in Ontario, 2011

	≤10.25	\$10.25-\$14.25	\$14.25 +	Total
Employees* (%)				
15-24	31.5	42.4	26.2	100
25-54	4.1	13.7	82.2	100
55+	5.3	15.7	79.0	100
Total	9.0	18.9	72.0	100
Employees (000s)				
15-24	281	379	234	894
25-54	146	486	2916	3547
55+	38	111	561	710
Total	464	976	3711	5151
Distribution**				
15-24	60.6	38.8	6.3	
25-54	31.3	49.8	78.6	
55+	8.1	11.4	15.1	
Total	100	100	100	

Source: (Block 2013, 7)

* % of all employees

** % on Minimum Wage Employees

Another important element to note is the characteristics of people who are earning a low wage. Table 2 shows that people aged 15-24 are the largest group of minimum wage earners (60.6%). Still, those aged 25 and over make up 39.4% of minimum wage workers which is a significant amount of working adults having to rely on the lowest paying jobs. Moreover, the percentage for 15-24 age group significantly decreases to 38.8% for workers earning between a minimum wage and \$14.25 while the 25 and over age group make up 61.2%. This is significant because low wage workers are assumed to be young workers and students but this shows that many low wage workers in Ontario do

not fall into this category. The other data available only shows the demographics of minimum wage workers. Table 3 reveals that between 2003-2011 women have been over-represented in minimum wage work. Moreover, people from racialized groups and recent immigrants have become an increasingly large share of minimum wage workers. The number is particularly high when looking at racialized women (16.3% in 2009-2011) and women who are recent immigrants (26.5% in 2009-2011). Additionally, immigrant women are also a growing group of minimum wage workers (12.1% in 2009-2011). Therefore, if a living wage replaced the minimum wage, women, especially those who are racialized, immigrants, and recent immigrants, would benefit the most since they are currently over-represented in minimum wage jobs.

Table 3: Shares of Employees at Minimum wage by Demographic Group (%), Ontario: 2003-2011

	2003-2005	2006-2008	2009-2011
All Employees			
Men	3.3	4.9	7.4
Women	6.0	8.4	11.3
Total	4.6	6.6	9.3
Racialized			
Men	2.1	5.3	8.7
Women	7.1	11.5	16.3
Total	4.5	8.3	12.5
Immigrants			
Men	1.4	3.5	6.0
Women	4.1	7.3	12.1
Total	2.7	5.4	9.1
Recent Immigrants			
Men	-	7.7	-
Women	6.5	14.4	26.5
Total	4.0	11.1	17.3

Source: (Block 2013, 4)

Data suppressed due to sample size

Table 4 was retrieved from a 2014 report conducted by the Ontario Ministry of Labour. The data for this report was computed from Statistics Canada's Labour Force survey by the Ministry of Finance as a special tabulation made for the Ontario Minimum Wage Advisory Panel. This table helps reveal the types of workers who are in minimum wage jobs and also reveals the characteristics of these jobs. Most minimum wage work is within Accommodation/Food Service (28.4%) and Retail Trade (30.7%) which is a significant proportion compared to all other industries (40.9%). Moreover, this data

reveals the precarious nature of these jobs. Most of these jobs are part-time (61%) and non-unionized (89.96%) as opposed to full-time (39%) and unionized (8.9%) or covered by a collective agreement (1.14%). Additionally, while most of these jobs are permanent positions (70%), there are still a large proportion of temporary positions (30%). Lastly, the education level of most minimum wage earners was high school graduate (28.2%) and some high school (26.9%). However, combining those who have completed some type of post-secondary education reveals that 28.3% of minimum wage workers have a higher education. Even though this ranges from earning a post-secondary certificate to a graduate degree, people obtain higher education primarily for the purpose of better employment but are still ending up in minimum wage jobs.

Table 4: Socio-economic characteristics of minimum wage earners in Ontario 2012

Socio-economic characteristics (n=534.9)	Number (‘000s)	Percentage (%)
Industry		
Accommodation/Food Services	152.0	28.4
Retail Trade	164.1	30.7
All other	218.8	40.9
Working Hours		
Full Time	208.5	39
Part Time	326.4	61
Unionization		
Union member	47.6	8.9
Covered by collective agreement (non-union member)	6.1	1.14
Not member or covered	481.2	89.96
Permanent/Temporary		
Permanent	374.3	70
Not Permanent	160.6	30
Education		
0-8 Years	11.7	2.2
Some high school	143.9	26.9
High school graduate	151.1	28.2
Some post-secondary	77.2	14.4
Post-secondary certificate or diploma	92.0	17.2
University: bachelor's degree	45.2	8.5
University: graduate degree	14.0	2.6

Source: (Ontario Ministry of Labour, 2014)

Minimum wage earners: includes workers who are earning less than or equal to \$10.25

Accommodation and food services: “This sector comprises establishments primarily engaged in providing short-term lodging and complementary services ... This sector also comprises establishments primarily engaged in preparing meals, snacks and beverages, to customer orders, for immediate consumption on and off the premises” (Statistics Canada 2012).

Retail trade ”Retail trade comprises establishments primarily engaged in retailing merchandise, generally without transformation, and rendering services incidental to the sale of merchandise” (Statistics Canada 2012).

A significant labour market trend which applies to the problem of low wage work is precarious work. To analyze precarious work, the Poverty and Employment Precarity in Southern Ontario (PEPSO) research project and related articles are used. The PEPSO project is led by United Way Toronto and McMaster University along with 30 partner organizations to collect data on precarious employment trends. The PEPSO data was collected using two surveys in 2011 and 2014 which had a total of just over 8000 respondents. Participants were between 25 and 65 years old and the data sample was representative of sex, age and location within the Greater Toronto Hamilton area (GTHA) (Lewchuk 2017, 8). Table 5 was retrieved from a follow-up article to the PEPSO research that questions official measurements of precarious employment. This table shows that precarious work in Canada has increased by 8.1% since 1989. However, this increase was primarily during the 1990s and has only increased a small amount since.

The article states that despite a large amount of research arguing that secure employment has been declining since the 1980s, official labour market data does not reflect this. Lewchuk argues that the data measurements used are likely oversimplified to display these trends. Specifically, these measurements do not reveal how permanent jobs have changed to take on characteristics of temporary employment (Lewchuk 2017, 4). Therefore, the Employment Precarity Index (EPI) is used to account for these changes by using 10 indicators to measure employment relationship characteristics. Using the EPI on the PEPSO data, Lewchuk reveals that many workers who stated they were in permanent full-time positions had employment characteristics that were a lot closer to insecure temporary positions (Lewchuk 2017, 14). Therefore, while the Canadian data shows that

there was an increase in precarious employment in the 1990s, the increasing precariousness of standard employment is likely under-reported.

Table 5: Percentage of workers in Precarious from of employment: Canada (total employed, all classes of workers, age 14 years+; %)

	1976	1989	1997	2007	2011	2014	2015
Temporary employment		6.5*	9.4	11.0	11.6	11.3	11.3
Self-employed no paid employees	6.3	7.2	10.7	10.3	10.5	10.5	10.5
Total precarious employment		13.7	20.1	21.3	22.1	21.8	21.8

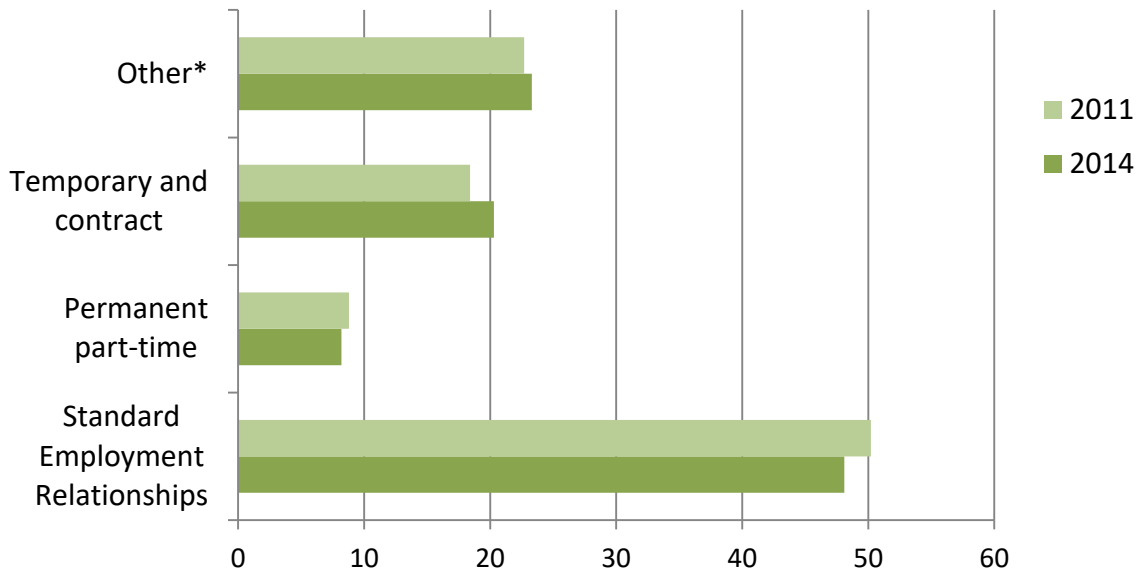
Source: (Lewchuk, 2017, 408)

* 1989 temporary employment Vosko et al. (2009: 30; ages 15-64 years only)

Figure 1, taken from one of the PEPSO studies *The Precarity Penalty*, reveals the significant amount of precarious employment in the GTHA by using the EPI. The PEPSO study demonstrates that less than half (48.1%) of survey respondents were in standard employment relationships. This is down from 50.2% in 2011 while temporary and contract work rose from 18.4% in 2011 to 20.3% in 2014. Overall, this data shows that half of the survey respondents were employed in precarious jobs and this number is increasing. The PEPSO study is helpful to understand the reality of precarious work in Ontario compared to official labour market data. Precarious employment is significant for the living wage because the calculation is for full-time, permanent work. Therefore, people who experience a wage increase to the living wage but are still working part-time hours are not earning enough to cover the cost of living. Similarly, those employed in

temporary or contract positions even with full-time hours are only guaranteed to meet the cost of living as long as they are still employed. These workers do not have the ability to save for this possible period of unemployment since the living wage does not include savings in its calculation. Thus, people earning a living wage but employed in precarious work may not be able to make ends meet.

Figure 1: Forms of the employment relationship: 2011-2014 GTHA (%)



Source: (PEPSO 2015, 25).

- PEPSO survey 2011 and 2014. 2011-2014 change significant at $p \leq .10$.

* In the “Other” category, 70% are in full-time employment but either receive no benefits beyond a wage or are unable to confirm they would be with their current employer for at least 12 months. 15% are self-employed with employees and 14% are in full-time employment but their hours varied from week to week and in some case could be less than 30 hours.

Literature Review

The overall literature on the living wage does not adequately address the experiences of workers who earn a living wage. Instead, the literature primarily focuses on the justification and challenges of a living wage based on moral and economic arguments. Key areas in the literature are the moral discussion, based on religion, human rights and obligation as well as the economic debate which includes labour market impacts, poverty reduction and income inequality. Additionally, there are a few relevant studies which consider the impact that a living wage has on workers, specifically in terms of health, financial and workplace impacts. Two of these studies use methods that include the perspectives of workers. However, this research area is still limited and therefore is a gap within the literature.

Most of the literature that criticizes or rejects the living wage is based in the economic argument whereas the moral discussion is only used to justify a living wage. This moral approach to a living wage is partly rooted in the economic argument because some economic theorists who discussed wages did not separate it from their moral views and/or their religion. To begin with the moral aspect, some suggest that John Bates Clark's marginal product theory supports a living wage (Figart, Mutari and Power 2002; Stabile 2016). This theory was supported by neoclassical economists preceding Clark and states that "market forces resulted in wages equal to the marginal revenue product of labour" (Figart, Mutari and Power 2002, 44). Analyzing Clark's connection to the living wage is important because Stabile (2016) claims that this theory became agreed upon by economists on how wages are set. Leonard argues that this theory actually rejects a living

wage because the theory suggests paying poor workers based on their output rather than providing a life of modest comfort (Leonard 2003). However, others state that Clark combined this model with a moral approach of economic analysis that included social well-being (Figart, Mutari and Power 2002; Stabile 2016). While the first part of his theory states that workers will be paid their output in a competitive economy, the second is a moral argument which considers the impacts of the reality of the market economy such as unequal bargaining power. Further, he states that this wage based on output should be a wage that can sustain workers (Figart, Mutari and Power 2002; Stabile 2016). However, according to Stabile, this second part has not been included in the view among economists of how wages are set. Therefore, the moral aspect of wages is ignored.

Other economic theorists associated the living wage with their religion and this was the justification for their support of a living wage. Richard T. Ely was one of the founders of the American Economic Association and authored *An Introduction to Political Economy* in 1935, which is the highest selling US textbook on political economy. Ely applied both his religious and economic beliefs to his arguments in support of ethical wages and working conditions (Figart, Mutari and Power 2002; Stabile 2016). Ely argued that economic studies should go beyond simply understanding occurrences in the economy. These studies should aim to reveal wrongs in the economy and determine how society can fix them (Stabile 2016, 19). Furthermore, John A. Ryan, a student of Ely, argued in support of a decent livelihood which is grounded on the basis of morals and religion as Ryan was also a Catholic Priest (Figart, Mutari and Power 2002; Stabile 2016). Ryan's book, *A Living Wage: Its Economic and Ethical Impacts* published in 1912,

is one of the first books written in English that advocated for the living wage. He was also an activist in support of the New Deal (Figart, Mutari and Power 2002; Stabile 2016). His specific moral and economic arguments will be explored further with other literature. But as one of the first contributors to this discussion, explicitly using the term “living wage”, it is significant that his economic views were rooted in his religious beliefs.

The literature highlights the perspectives of Western theorists and largely ignores both the moral and economic arguments of a living wage from non-Western theorists. This is problematic because it suggests that only these perspectives are necessary to justify a living wage in current society. However, one source did discuss the views of the Indian philosopher and social economist, P.R. Sarker who was known as a yoga master and spiritual teacher (Friedman 2008, 95). Sarker's economic argument will be explored later, but it is important to discuss here that Sarker's economic theories were based on his religious beliefs. According to Sarkar, the ultimate goal in life is to achieve “the supreme bliss of union with the ‘Infinite Consciousness,’” which requires undertaking rigorous spiritual disciplines that can lift one's mind (Friedman 2008, 96). Moreover, people could only develop these spiritual potentialities when they had their basic material and social needs met (Friedman 2008, 95). Therefore, Sarker's economic theories of a minimum wage were based on his religious and spiritual ideologies, justifying meeting basic needs.

The moral justification is still a major argument to support a living wage today, including the relationship to religion. The contemporary living wage movement which began in Baltimore was started by religious workers (Pollin 2008, 15). This religious

argument began when religious workers witnessed working people having to use shelters and soup kitchens. They argued that working people should be able to afford to live. The economic argument is not the most important here, rather these religious activists place the moral argument at the centre (Pollin 2008; Snarr 2011). Snarr states that this religious moral argument is based on showing compassion to the poor and acting justly toward our neighbours. This Catholic based idea goes further than asking people to provide charity, rather they must also fight for justice for others (Snarr 2011; Waltman 2004). Moreover, there is a shared belief with both past generations and current religious activists that there is a necessity of religious action for change (Snarr 2011, 47). Despite the fact that people are hesitant to allow religious influence because of secularization and past experiences of imposing self-interest (Jayatunge 2014; Waltman 2004) faith organizations have had a significant role in bringing various groups of people together through the moral argument of addressing poverty (Jayatunge 2014).

In addition to the religious moral argument, there is also a moral argument which uses a human rights framework to support a living wage. First, Ryan's view of this human right returns to religion. He argued that "the laborer's claim to a Living Wage is of the nature of a *right*" which is derived from the "right to subsist upon the bounty of the earth" (Stabile 2016, 27-28). A more contemporary view demonstrates that the International Labour Organization (ILO) and the United Nations (UN) both have international human rights laws which demand that workers are provided fair wages (Cornish 2012; Eriksson 2015). Specifically, Eriksson (2015) states that the living wage is viewed as a human right according to the UN's Universal Declaration on Human

Rights, which says “everyone who works has the right to just and favourable remuneration ensuring for himself and his family an existence worthy of human dignity” (23), and Article 7 of the International Covenant on Economic, Social and Cultural Rights (ICESCR), where it states that workers and their families have the right to a decent living (24). Eriksson continues that a living wage is a human right according to the ILO Constitution which states “that peace and harmony in the world requires the provision of an adequate living wage” (24-25). Moreover, this is also claimed in the ILO Philadelphia Declaration and the 2008 ILO Declaration on Social Justice for a Fair Globalization which both state that wage policies should include calculations based on a fair share of the fruits of progress and a living wage (Eriksson 2015, 23-25). However, these provisions do not state what a living wage is or how it is determined (Eriksson 2015, 33). This limits the impact that these laws can have on justifying the living wage as a human right.

Cornish (2012) uses this human rights approach to show that since marginalized groups are typically the low-wage workers, pay equity and anti-discrimination laws would create a living wage. They show that discriminatory pay gaps violate both ILO and UN Conventions. Moreover, Cornish states that the Canadian Charter of Rights and Freedoms and Canadian human rights and pay equity laws also protect this human right to pay equity. In this article Cornish attempts to address the human right to a living wage through this argument of discriminatory wages. However, this argument does not state how achieving non-discriminatory pay equity would create a living wage since there is no guarantee for this wage. While it would increase some wages of vulnerable people, lots of

people would still be left at the minimum wage level. Cornish argues that closing discriminatory pay gaps will create a living wage, however this will only ensure that there is equality in wages, not that the benchmark for determining wages will be set at a living wage.

Another moral argument for the living wage is based on the obligation of employers and the government to ensure a living wage for workers. First, the employer is obligated to pay a living wage because, as White (2012) suggests, businesses should provide a living wage based on the justification of corporate social responsibility (CSR). CSR could address the increasing amount of poverty in society by obligating employers to see their role in contributing to this issue. This could help employers realize how they can have a positive impact in changing this through fair and equitable compensation as recommended in CSR guidelines (White 2012, 12). Moreover, Ryan argued that it is the obligation of employers to pay a living wage because the success of their business is not determined by their profits but rather the ability to pay this wage. However, Ryan acknowledges that businesses are unlikely to pay this wage since it would take away from their profits so he argues that it is the responsibility of the government to ensure that workers are paid a living wage (Stabile 2016, 28-29).

Furthermore, Eriksson argues that the government must make efforts to realize the right to a living wage for workers due to their commitments to the UN's ICESCR discussed previously. Just as for all human rights determined by the UN, the government has an obligation to respect these rights, which means they cannot interfere with an individual's exercise of a human right, including taking retrogressive measures.

Additionally, the state has an obligation to protect these rights from third parties such as the employer. Lastly, the government is obligated to fulfill these rights which means they must take the necessary steps to ensure they are realized (Eriksson 2015, 34-36). Finally, Snarr states that it is a major theological tradition in the living wage movement that the government has a moral responsibility to the living wage which is rooted in both Catholic and Protestant social teachings of the government's role in promoting the common good (Snarr 2011, 52).

Moving away from the moral debate, the largest area of contention within the living wage discussion is the economic feasibility and the economic impact with implementing a living wage policy. Stabile's book outlines a historical progression of the ideas of economic theorists and demonstrates how their ideas are in support of a living wage, even if it not explicitly stated by the theorists. Stabile explores the ideas of Plato, Aristotle, St. Thomas Aquinas, Adam Smith, John Stuart Mill, Karl Marx, Alfred Marshall, Richard T. Ely and John Bates Clark. The significance is that Stabile demonstrates that the lack of support from economists for a living wage is a recent trend rather than a historical one (Stabile 2016, 8).

Specifically regarding Adam Smith, there is some argument on his views of the living wage. Some argue that Adam Smith's ideas demonstrate that he would have supported a living wage because he argues in support of a subsistence wage which allows a worker to afford for themselves and their family to live (Clary 2009; Figart, Mutari and Power 2002; Stabile 2016). Moreover, based on Smith's priority on maintaining a stable economy (Clary 2009) and his criticisms of mercantilism (Stabile 2016), Smith would

have supported the concept of a living wage. Furthermore, Smith acknowledged that low pay and poor working conditions could come as a result of unequal bargaining power for workers but he was hopeful that employers would choose to give up their bargaining advantages (Stabile 2016, 27). Ryan takes a different approach than these authors, suggesting that Smith's ideas in practice led the economy away from a living wage. Ryan argues that “‘the obvious and simple system of natural liberty’ advocated by Adam Smith and his successors, brought, instead of a regime of justice, a period of horror that is known in economic history as the period of English Wage-Slavery” (Ryan 1906, 17).

While there has been some literature that argues against some of these economic theorists' support of a living wage, for the most part, these theories are not addressed by the other side of the economic argument. This could be due to the fact that the living wage only has a small amount of literature. Additionally, it could be that these arguments have been framed in a different way, possibly not using the term “living wage”. Furthermore, Stabile could be correct that past economic theorists would have supported a living wage, but only Stabile and Figart provide their interpretations. It would be helpful to hear additional interpretations.

Turning to the contemporary economic debate, on the one side there are those who criticize the living wage. The two major criticisms of the living wage are based on the negative impacts on employment and the inefficiency of this policy to target workers in poverty. First, following neoclassical economic theory, the increase in the minimum wage would force employers to fire workers and/or reduce their hours because of increased costs to employers (Lammam 2014; Neumark, Thompson and Koyle 2012).

Lammam adds that this increased cost for employers also hurts workers' abilities to obtain on-the-job-training. This training allows workers to learn new skills and gain experience which would lead to upward mobility and therefore higher wages (Lammam 2014, 16). Moreover, employers would employ higher skilled workers instead of the low-skilled workers currently employed to help deal with this new cost (Lammam 2014, 17-18). Neumark, Thompson and Koyle (2012) conclude that living wage laws reduce employment but wages are increased for some workers, leading to a net impact of a modest drop in urban poverty (27-28). Therefore, these authors argue that while some workers do in fact benefit from a living wage, it is at the expense of other workers (Lammam 2014; Neumark, Thompson and Koyle 2012). Also, these workers who are negatively affected are low-wage/low-skill workers. These are the same workers that the living wage policy was intended to benefit (Neumark, Thompson and Koyle 2012; Lammam 2014).

My critique of Lammam's argument is that he used minimum wage increases as part of his evidence to show the negative impact of the living wage. However, the impacts of a minimum wage increase are not necessarily the same as the impacts of a living wage since minimum wage increases are usually still below a living wage. The living wage would change people's spending capabilities which could have a positive impact on the local economy. But a minimum wage that remains below a living wage still puts limits on achieving a decent standard of living and therefore the ability to spend. Lammam states that since minimum wages and living wage laws both require employers to pay higher wages compared to a rate determined by supply and demand, "many of the

negative effects of minimum wage legislation, which have been found in scores of studies over many decades, should in principle also apply to living wage laws” (Lammam 2014, 12). However, minimum wage increases are incremental and not based on any standard of living while living wage increases brings people above the poverty line. Therefore, the economic impacts would be different which means that the minimum wage data used by Lammam cannot be used as evidence to predict the impacts of a living wage.

A second criticism in the literature of living wage policy is that a living wage would not target people in poverty. One study using a simulation found that only 28% of the people who were impacted by the living wage were already poor while only one third (9%) of these workers were able to leave poverty after receiving a living wage (Toikka, Yelowitz and Neveu 2005, 69). Moreover, the living wage impacts that do assist people in poverty are limited because these workers will have their entitlement for governmental social programs and tax benefits reduced due to their increased wages (Neumark, Thompson and Koyle 2012; Toikka, Yelowitz and Neveu 2005). However, these two articles are targeted at the American living wage. As already discussed, the Canadian living wage framework states that it factors in social programs and tax benefits into the calculation of the living wage.

My second critique of this literature is that the study by Toikka, Yelowitz and Neveu only looks at the impact on workers who are earning between a minimum wage and a living wage. This shows that most of the people earning this amount are not living in poverty which is an important evaluation. However, it ignores people who rely strictly on government assistance rather than employment because a minimum wage job would

not be sufficient. Therefore, it does not show the impact that a living wage would have on people in poverty who are not working. A living wage could potentially allow people to join the workforce.

On the other side of this debate is the justification for a living wage. Most of the arguments in support of a living wage are directly responding to criticisms of the policy inside and outside of the academic literature. One of these sources supporting a living wage, *The Fight for Fifteen: The Right Wage for a Working America*, discusses the Fight for Fifteen campaign which aims to raise the minimum wage. This discussion still applies to this literature because the purpose of fighting for a \$15 minimum wage is to obtain a livable wage for workers (Rolf 2016, xv). Additionally, Green (2015) also discusses the impacts of a minimum wage increase to \$15. Supporters of a living wage argue that living wages do not cause employment losses in the labour market (Buss and Romeo 2006; Green 2015; Pollin 2008; Rolf 2016). However, their approaches to this argument are different. Pollin opposes looking at living wage impacts from an “all else equal” economic model, arguing that economic policies are not implemented in a vacuum. He states therefore that a living wage can be implemented during expansive business cycles to help offset costs to the employer because there is a high demand for goods when the economy is expanding. Therefore the relatively small costs to employers—as predicted by Pollin and co-authors in their previous research—can be made more manageable during expansive business cycles. Moreover, he argues that employers benefit from higher productivity, higher morale, lower turnover and lower absenteeism that come with a living wage (Pollin 2008, 26-30).

However, Grant and Trautner argue that employers may remain in opposition despite this because of their inflexible managerial practices that would allow them to realize these efficiency gains (Grant and Trautner 2004, 80). Grant and Trautner add an interesting perspective of employers' opinions of a living wage. The authors suggest that it is likely that employers are against living wage laws because of their existing ideologies since in their study 22% of employers who opposed a Living Wage Ordinance (LWO) were already paying a living wage. This points to the possibility that employers do not support government enforced wages in general (Grant and Trautner 2004, 78).

Rolf (2016) uses evidence to show that employers do not react to these increases by cutting jobs because there are other options that the employer can take which will lead to more profit rather than decreasing output with fewer workers. Furthermore, Green argues that most of the research used to make the argument of negative labour market impacts is based in the 1990s when there was high unemployment. When the data is updated, the job losses are significantly lower. Moreover, Green states that the data focuses on the impact it has on teenagers but when applied to young adults and adults, the increase in unemployment is almost zero (Green 2015, 4). Lastly, Buss and Romeo add to this debate through their study which showed that most cities did not experience a negative impact on their labour market with the introduction of a living wage. In fact, six of these cities actually had positive labour market impacts after the introduction of living wage policy while only two cities experienced a negative impact (Buss and Romeo 2006, 365). Hennessey, Tiessen and Yalnizyan highlight a major argument of the living wage campaign which explains the economic feasibility of the higher wage through wage-led

economic growth. The argument states that the local economy and businesses would benefit from a living wage because the workers impacted by this policy are low- and middle-income people who usually spend locally. The living wage would increase their purchasing power and therefore their increased local spending would directly create economic growth (Hennessey, Tiessen and Yalnizyan 2013, 10).

Another major argument against living wage criticism is that the living wage does not cause businesses to leave (Elmore 2003; Pollin 2008; Rolf 2016). Pollin argues that the average business will only see a 1-1.5% increase in costs that would not motivate them to leave (Pollin 2008, 30-32). Moreover, Rolf demonstrates that living wage policy does not cause the number of businesses to shrink. For example, while there was some evidence showing that businesses closed in Seattle after introducing \$15 minimum wage policy, it was proven that this was not caused by the wage increase. One of the business owners was closing down one of their locations but they were opening two more at the same time (Rolf 2016, 209). Lastly, Elmore (2003) found in their study that businesses were not overly affected by the introduction of a living wage and it did not drive away business from the community. Another important argument to note is that the majority of workers benefiting from this are not teenagers despite this stereotype that attempts to discredit the need for a living wage (Green 2015; Rolf 2016). This stereotype of the minimum wage worker influences how people view the necessity of a living wage.

Another economic argument supporting a living wage discusses the problem of income inequality and why a living wage is needed to address this. Some argue that income inequality is bad for society (Clary 2009; Friedman 2008; Levin-Waldman 2004;

Waltman 2004) and the living wage could reduce this inequality (Green 2015; Levin-Waldman 2004). Levin-Waldman goes further to say that areas with high income inequality are more likely to pass LWOs (Levin-Waldman 2004, 58). Returning to P.R. Sarker, at the centre of his analysis is the idea that there is a need for some level of inequality within a society in order for there to be incentives for people. However, when the inequality becomes too large, it has negative impacts such as on the well-being of low income workers. Therefore, Sarker believed that “[t]he minimum necessities of all should be guaranteed in any particular age” but also believed that after this minimum has been met, the surplus of goods and services are distributed based on the social value of one’s production (Friedman 2008, 96). While Sarker did not agree with equal distribution and opposed the ideas behind a communist society, he maintained that “common people should be assured of a living standard that is appropriate for that time and place, and allows what most consider to be a reasonably dignified and stress-free life” (Friedman 2008, 96-97). Furthermore, Sarker suggested that there needed to be a set limit and ceiling for wages to control the level of inequality through having a set minimum and maximum wage applied to all. Therefore, Sarkarian economic philosophy does not oppose inequality however does argue for a minimum distribution to meet the cost of living. Additionally, Clary (2009) demonstrates that Adam Smith argued that high income inequality would be unstable for society and supported using moral and legal rules to keep society stable as it progressed further.

A gap in the existing literature is the lack of studies assessing the impact on workers themselves who transitioned to earning a living wage. There is a limited amount

of studies which obtain data from the experience of workers and their views on a minimum wage versus a living wage. Rather studies within the literature on the living wage focus on labour markets and the impact on businesses. However, there are some studies which look at the health, financial and workplace impacts of a living wage. Two of these studies use methods that include the experiences of living wage workers. These studies will be used within the discussion section to compare with the results of this study. My study contributes to this literature by adding to the limited amount of studies on the experiences of workers. It is distinct from these existing studies by also analyzing the impacts that a living wage has on the social aspects of workers' lives such as relationships. My study also reports more in-depth qualitative responses.

There were three studies which looked at the health impacts of the living wage in the United States. These studies looked at the specific living wage programs in Boston, Los Angeles and San Francisco. The Boston and Los Angeles studies used the internationally-recognized health impact assessment (HIA) which determines how diverse policies impact health by using quantitative, qualitative and participatory methods (Conley, et al. 2016, 17). The methods for the Boston study were quantitative research through census data, health data sets, and living wage data provided by the City of Boston's Office of Workforce Development. They also collected qualitative data through two community meetings with low wage workers and advocates, a focus group involving people impacted by low income, and stakeholder interviews with organizations involved with the LWO including businesses, the chamber of commerce, the agency that enforces the LWO and labour advocates (Conley, et al. 2016, 20-22). This study proposes that the

living wage needs to be increased from \$13.89 to \$16.96 to allow a family of two working parents and two children to cover their basic needs (Conley, et al. 2016, 15). The study found that income is strongly linked to food access, diet-related chronic disease and mental health outcomes. Moreover, the proposed increase to the Boston living wage would significantly impact all of these areas (Conley, et al. 2016, 9). The Los Angeles study relied on existing academic literature. The study found that health insurance provisions as part of the LWO would be more cost effective than relying on wage gains for improved health outcomes (Cole, et al. 2005, 645). Therefore, only the Boston study considered the perspectives of employees but both found that there is a link between better health outcomes and a living wage.

The San Francisco study also used academic literature, looking at existing studies that linked income to mortality rates. The study found that the modest wage increase from the living wage would lead to significant health benefits. This increase in income would also improve the lives of workers' children because it would increase their level of education and would decrease their children's risk of premarital childbirth (Bhatia and Katz 2001, 9). Lastly, the Waterloo Employee Survey highlights the financial and workplace impacts of a living wage. This study used methods that highlighted the perspectives of workers to add to what is already known from the earlier employer survey they conducted (Beaulne, et al. 2016, 5). The study collected 152 surveys that asked mostly quantitative questions and conducted two in-depth interviews. The responses from these interviews were reported along with the survey responses but also provided some qualitative data. The study asked questions about the living wage but also asked questions

about decent work to understand the impacts “beyond individual income and the immediate work environment” (Beaulne, et al. 2016, 5). The relevant findings from these four studies will be discussed in detail along with the findings from my study.

Methodology

Epistemology

The conceptual framework used for this thesis focuses on Advocacy/Participatory Knowledge Claims. My research aimed to place the voices of workers at the centre, highlighting the importance of lived experience as knowledge. An important aspect of this framework emphasizes a collaborative approach with those who the research concerns which includes “providing a voice for these participants” and “advancing an agenda for change to improve the lives of the participants” (Creswell 2003, 10). This research focuses on the voice of workers to critically analyze the living wage policy and to determine if it has had a meaningful impact on various areas of their lives. Moreover, this analysis was used to highlight both the importance of a living wage and its limitations. The purpose of this is to research with the goal of creating change, outlining to living wage advocates, employers and policy makers how we can move forward with these results in mind.

Potts and Brown discuss epistemic privilege which is the knowledge that people have from their lived experience. They argue that anti-oppressive research involves shifting power to the person with epistemic privilege and not giving the researcher the majority of control. This must also include establishing meaningful relationships that are not merely created for research purposes (Potts and Brown 2005, 263). According to Potts and Brown, there needs to be a power shift so that those being researched, who have epistemic privilege, are in equal relation to the research since there tends to be a paternalistic and hierarchical relationship which is not addressed or attempted to be changed. This is addressed through methods which value lived experience and also

allows those with lived experience to control the direction of the research by not limiting their responses. Overall, Advocacy/Participatory Knowledge Claims and epistemic privilege both guided the methodology of this research.

Methods

The primary research methods used for this thesis were eleven one-on-one qualitative semi-structured interviews. The interview questions are listed in Appendix A. Qualitative data was important to answer the research question because it attempts to understand how a living wage has impacted various aspects of these workers' lives. Quantitative data would not reveal this information because these impacts are likely complex and might not be measurable. Moreover, a semi-structured interview style helps to achieve this goal because I acknowledge that I could not predict the various ways that this wage increase has impacted these workers. I wanted to hear more from their perspectives rather than trying to fit their experiences into the literature or my preconceived ideas. The participants were workers in Ontario who were previously earning less than a living wage and are now earning a living wage or above. While I wanted to hear from workers with diverse characteristics, I did not actively seek out people with these characteristics because there was only a limited amount of people I could reach out to for this research. This is because for participants to qualify for this research they had to be currently working for a certified living wage employer. They also had to have previously worked for less than a living wage either with the same employer or at a different job. Lastly, they had to be working in positions that do not pay an amount that is equal to or above a living wage as an industry standard. However, I did address the

different characteristics of participants within the findings.

The participants were provided either the recruitment script or the recruitment poster by their employer. The research poster was created as an alternative recruitment tool that contained only the basic information. Employer contact information was available on the Ontario Living Wage Network website. Additionally, I had contact information for the employers in Hamilton that I interviewed as part of a previous research project. The employers distributed the research information to the appropriate employees but did not know who chose to participate. Those interested in participating contacted me directly. I considered the risks that this could create for workers. However, I thought that employers would be receptive and would want their employees to participate in the research because they have voluntarily chosen to become living wage employers, understanding the problems with providing less than a living wage to their employees. These interviews were approximately 20 minutes long and were mainly over the phone interviews with one face to face interview. The interviews were initially supposed to be face to face but over the phone became necessary as the focus changed from just Hamilton, Ontario to other nearby cities. I received a Labour Studies Research Grant to provide \$20.00 (through PayPal) as compensation to each participant. Data was analyzed by typing out a rough transcription for each of the interviews. Responses were then categorized into similar responses for each question to determine common themes. These themes allowed me to connect the similar experiences of participants while also highlighting some of the unique experiences. Quotes and paraphrased responses were used to capture more in-depth responses that were significant for the findings.

Limitations

For this thesis I initially planned to conduct up to fifteen interviews. However, the relationship between myself as a researcher and living wage employees made it difficult to obtain this amount of participants. As a researcher interviewing specific workers I could not reach out to workers directly and had to rely on the employer to connect us. I had interviewed Hamilton living wage employers two years earlier which made contacting the employers easier because I already had their contact information and had a research relationship with them. Still, I was depending on the employers to recruit participants on my behalf. While many of the employers did respond to me and agreed to share the information, I did not receive a high response rate. This led me to contact living wage employers outside of Hamilton to help me find participants. I believe that the main reason for not hearing back from employees is because I did not have direct contact with them. It would be difficult to have this direct contact because the main way to get into direct contact with them is to get their contact information through their employer. However, I would not expect an employer to distribute employee contact information since it is confidential information.

Direct contact is important because in my past research I have sent out emails that were more personal to get people to respond. I have also sent multiple emails and sought alternative methods to contact potential participants besides their primary email address (ex. phone number, social media, etc.). However, I could only ask the employer to send the information multiple times. One solution could have been to go to the workplace to talk to the employees in person, however I would still need permission from the employer to do this. Moreover, many of these organizations are small workplaces so it would be

challenging to reach out to a lot of employees using this method. One method I used was switching from sending the recruitment script to the recruitment poster because the script had a lot of information which may have been overwhelming or too time consuming to read. The poster on the other hand contained only the necessary information and the more in-depth details were provided once the participant contacted me.

In terms of larger workplaces, I also ran into the problem that I would need to apply to conduct research at their workplace. Even though I was not studying the workplace itself, my reliance on the employer meant that I had to follow their rules for conducting any research related to the organization. This application process did not work with my time frame since the process takes at least two months with deadlines at set times during the year. I had not considered this when planning my research timeline. Another issue was that some employers were already paying a living wage before they officially became living wage employers. Therefore, it was difficult to determine which organizations qualified for this research because it would not be useful to interview people in positions that already pay a living wage or higher due to industry standards. These employers chose to become certified as living wage employers as a symbolic gesture to support the campaign but do not have a direct impact on low wage workers. The last issue that came up during this study was that a lot of workers interested in participating were from the same workplace. I wanted to ensure that the study included a range of different employers rather than a large proportion having the same employer. This may not have been a problem because the questions asked mostly about their experiences outside of work but there is the possibility that this would have skewed the

data. For example, the people could have given different responses based on whether or not they found their work to be meaningful, if they enjoyed their workplace or if they liked their employer. Overall, these problems made recruitment challenging for this study but I was still able to interview eleven living wage workers.

Findings

Socio-demographic characteristics of study participants

Table 6: Socio-demographic characteristics of interview participants

Socio-demographic characteristics (n=11)	Number
Time earning a living wage	
< 1 year	5
1 year-2 years	4
Over 2 years	2
Age	
<30	4
30-45	4
45-60	3
Gender/Sex	
Female	9
Male	2
Recent Immigrant/Newcomer	
Yes	1
No	10
Racialized	
Yes	4
No	7
Living With Partner	
Yes	9
No	2
Children	
Yes	4
No	7
Working Hours	
Full-time	10
Part-time	1
Permanent/Temporary	
Permanent	11
Not Permanent	0

This first question “How long have you been earning a living wage?” helped to provide context to understand the experiences of the participants. The results are

highlighted in Table 6. The range for how long people earned the living wage is between four months to seven years. The average length was approximately two years. However, not all of these living wages were a result of the living wage campaign. Two participants were earning living wages at their same organization prior to the employer being certified. Additionally, one participant was earning a living wage at their previous job. This variance in periods of earning a living wage helped in understanding different perspectives. It represents people who have felt the longer term impacts and those who are still discovering how the living wage will affect them. Follow-up questions revealed that all of these participants have worked for less than a living wage previously but specific data on how much their wages increased was not collected.

Table 6 also displays the age distribution of participants. To break this down further, within the <30 category, there were two participants who were between the ages of 20-25. This is important to note because while they are still adults, they also fall into the young adult category that includes 25 and younger. The income and spending expectations for a person in their early twenties could be different compared to a person in their late twenties. Also, two of the participants within the 45-60 age category were in their 50s. The median age for this study was 32, while the average age was 36. Therefore, this was a good distribution that represents various working people including those who are still starting their independent lives, those who are middle age and those who are closer to the retirement age of the average working person. This distribution was helpful to hear from people at different stages in their lives. This is important because at different ages

people have different lifestyles, different expectations of work and different family makeups which changes the impacts of a living wage.

The responses to the remaining demographic questions are also summarized in Table 6. The distributions for gender/sex, recent immigrants and racialized people were not evenly distributed. It would have been difficult to attempt to have a more even distribution because of the difficulty in recruiting participants. Moreover, this data cannot be used to make conclusions about the characteristics of living wage workers because the amount of participants is too low and is not necessarily a representative sample. However, this distribution was still helpful because there is some variance within each category. Even though they make up a much smaller proportion of participants, there are still two male participants compared to nine females, one recent immigrant and four racialized people. Additionally, most participants lived with their partner but two lived alone or with family and while there were seven respondents who had children there were still four who did not. Therefore, these different areas have at least some variance which allows the data to speak to different perspectives even if it is limited.

Table 6 also shows that there was not a good distribution of full-time to part-time workers or permanent to temporary positions. Only one person was currently working in a part-time position. However, one other participant stated that they had previously worked in a part-time position at a living wage. They shared their experience of earning a living wage with part-time hours compared to full-time hours. Therefore, both of these responses were useful to represent the perspective of part-time living wage work. Further, all of the participants had permanent employment so there was no temporary or contract

positions. Therefore, this perspective is not represented in this research. However, it may have been difficult to find someone in this type of employment because working for a certified living wage employer likely ensures that other elements of the work are also fair. It is possible that temporary and contract work is not common in living wage jobs although this cannot be concluded from these results.

What was your life like before you earned a living wage? Has it changed since?

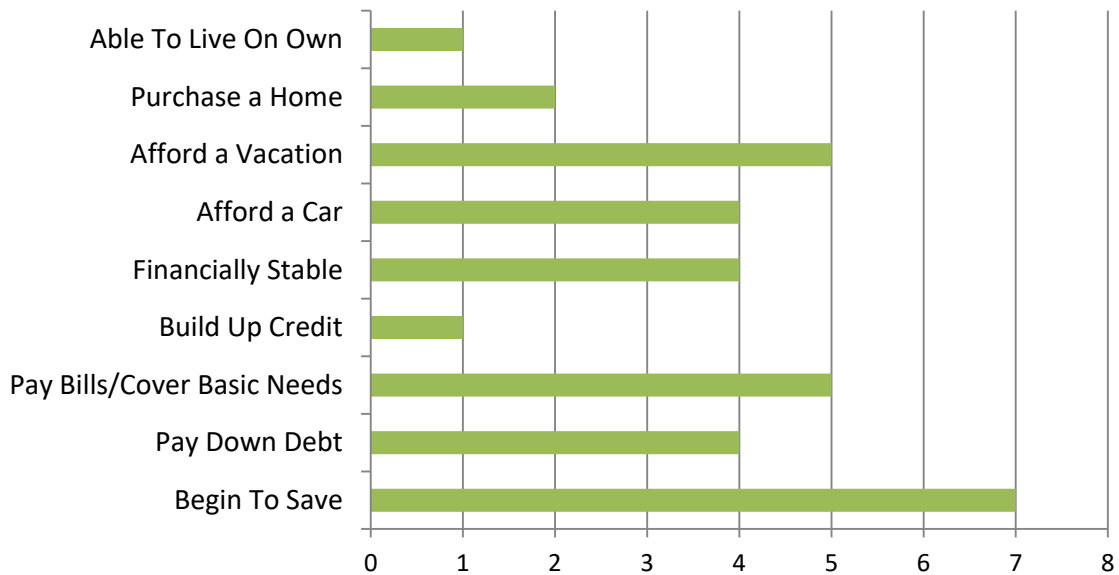
All of the participants stated that the living wage did create a positive change in their lives. The experiences of each participant varied based on their stage of life, family support, and whether or not they were single. Moreover, the exact phrases that each person used to describe their situations were different and not every participant went into depth about their past experiences. Still, there are some common themes. Four participants stated that they had been living paycheck to paycheck with one of these four stating that they relied on loans during this time. They said “I was in a position where I was living off of loans, spending deeper and deeper into my loans rather than at least making what I was spending. So I wasn't at a point where I was able to save any money” (Interviewee 7, Female, 23). Another one of these four participants said that they had to put money on their credit card. Therefore, debt was a common problem before earning a living wage. Additionally, one participant stated that they had trouble paying bills while working their minimum wage job, stating that it was:

very difficult, always a problem buying rent and food, if it wasn't for the kindness of people I would have been in more dire circumstances. I actually had to declare bankruptcy at one point and I was living in a shelter with my kids because I couldn't afford rent with minimum wage.

(Interviewee 8, Female, 54)

Similarly, one participant stated that they could only afford things because they were living with family members. They said that if they were not able to live with family members then they would not be able to pay for their rent, car and other similar expenses.

Figure 2: How has the living wage impacted your finances?



The most common response to this question was that participants were able to now save money with the living wage. Six participants said they were now able to save while one stated that they were able to save or were at least on a more even playing field. The next most common response was five participants stating that they were now able to go on vacation. Three of these participants stressed that they had not been able to go on a vacation for a long time until now. The next highest response was from four participants who stated that they were able to pay down their debt or pay it off completely. One participant stated that the living wage

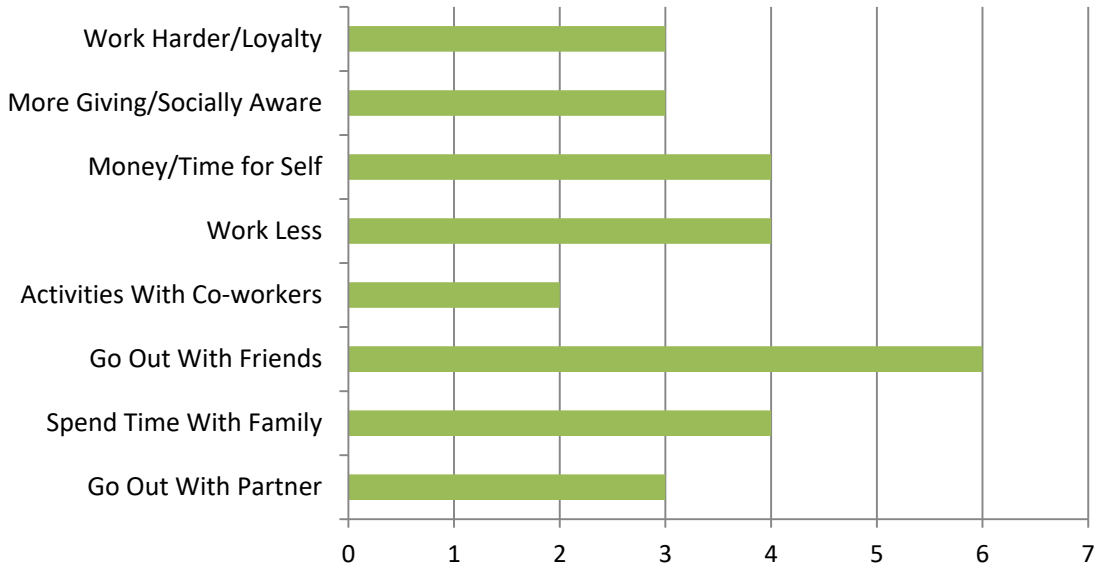
allowed [them and their partner] to pay off those types of debts faster because there's extra money at the end of budget after all needs are met and savings are

accounted for. It helps us to accelerate those payments, we're able to pay it off faster which helps us to get ahead.

(Interviewee 2, Female, 33)

It is notable that these four respondents shared expenses with their partner. Another participant stated that they were able to build up their credit. They also stated that they no longer had to worry about being able to make their student loan payments while another participant said that while they can pay off other debt, they have “a significant chunk of debt from school so that's not going to change anytime soon” (Interviewee 7, Female, 23). Two participants stated that they were now able to pay all of their bills and three other participants said that they could cover their basic needs. Further, three participants said they were more financially stable and another participant stated that they had less financial stress and money was not as tight. Moreover, four participants were able to purchase a car. Additionally, two participants were able to purchase a house and another participant was able to live on their own.

Figure 3: How has the living wage impacted your social life?



The social impacts of the living wage are mostly associated with the extra money and time that people have which affected their relationships in a positive way. Three participants said that they were now able to do more things with their partner. One respondent stated that it is “important to keep dating your spouse” and that they were able to “go on date nights, go to the movies, go to a nice dinner and not worry where we are going to have to pull money from the budget this month in order to do that. Since we know we can do that and know everything is still covered, it allows us to enjoy it” (Interviewee 2, Female, 33). Moreover, four participants stated that they were able to spend more time with their family which included travelling to see children who live in a different city or elderly relatives who live further away. Six participants said that they were able to go out and participate in activities with friends. One of these respondents said that the living wage allowed them to be included, adding that “I could not afford to

participate, it's hard. People would say they'd pay for me but I don't want people to pay for me. If I go people know they're going to have to pay for me because I can't, it's an embarrassment. But now I can say, sure I'll come" (Interviewee 8, Female, 54).

Additionally, two respondents highlighted that they were able to do things with co-workers, for example pitching in to buy a gift for a co-worker or going out to a restaurant as a team outing. In addition to having more money to spend on these types of activities, having more time was also a common response. Four participants stated that they were able to take more time off work because now they are working a set amount of hours and do not have to work extra shifts to earn additional income. One of these participants even stated that they no longer had to work multiple jobs which gave them extra time. Part of these responses was that respondents now had a more stable schedule which is not related to the living wage. However, most of these participants did relate their extra time to earning a living wage because they no longer had to work extra hours to earn a sufficient income.

Two participants stated that the living wage allowed them to give back to others. One respondent stated that they were able to give back rather than always taking while another said that they are able to support good causes. Another participant said that it has helped them to learn about economic and social issues. Specifically, they have learned more about the living wage and how low wages affect different types of people, stating "I didn't really think about all the people who were not just young adults like me sustaining themselves, but people with families who were earning a minimum wage. Like how did they get by with it?" (Interviewee 9, Female, 26). Another common theme was

how earning a living wage made participants feel about their employer and the workplace. Two employees stated that they were appreciative of their employers paying a living wage. One participant said,

employers paying the living wage are the minority so the more that get on board is great because it makes a huge difference to feel appreciated. To pay a living wage is a serious commitment to employees' wellbeing, mental health, and happiness. I see the impact everyday with the people I work with.

(Interviewee 2, Female, 33)

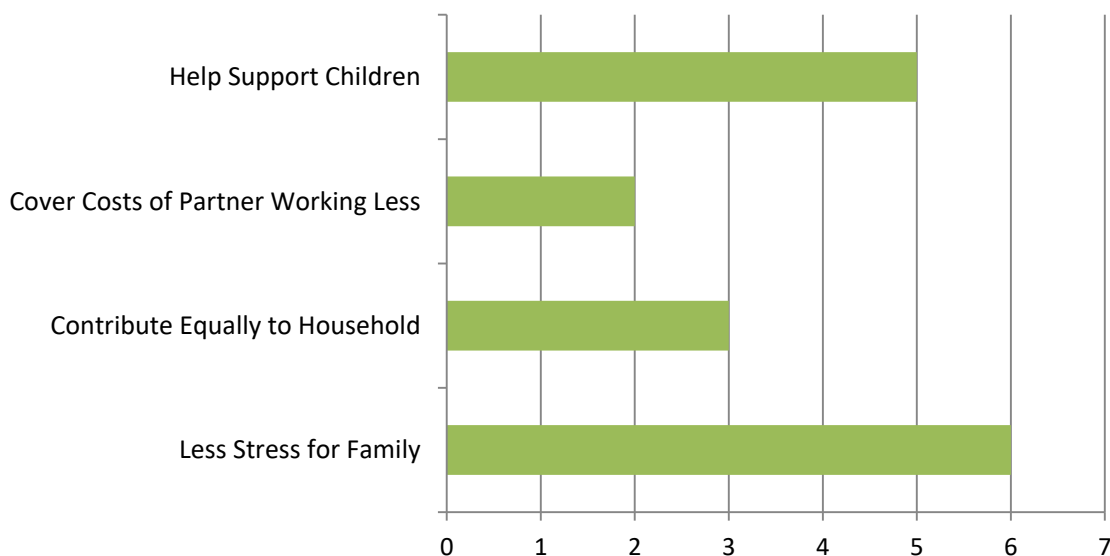
One of these participants also related this to their work ethic, stating that the living wage

also makes me want to work hard and do great things for my boss because they're giving me more so I'm going to do the best I can to help the business do well...It's nice that the company is thinking about you, you're not just a number, not another employee, you feel like you are being part of something. It makes me proud to be part of the business.

(Interviewee 1, Female, 25)

A third participant stated that being paid a living wage shows that the employer values and respects the employees and that this encourages loyalty from the workers.

Figure 4: How has the living wage impacted your family members?



Six participants said that the living wage reduced stress for their family members. Four of these respondents said that the living wage created less financial stress for their partner. Additionally, one participant said it made them a less stressed out parent and the last participant stated that their parents do not worry about them as much. Three respondents stated that now they are able to contribute equally to the household, earning either the same or closer to their partner's wage. One participant stated that they

feel like a more equal contributor to family finances. My partner earns more but because I make a living wage I feel more equal because I am contributing. But with minimum wage, it is considerably less. So that makes me feel good to know I'm contributing that much more to my family.

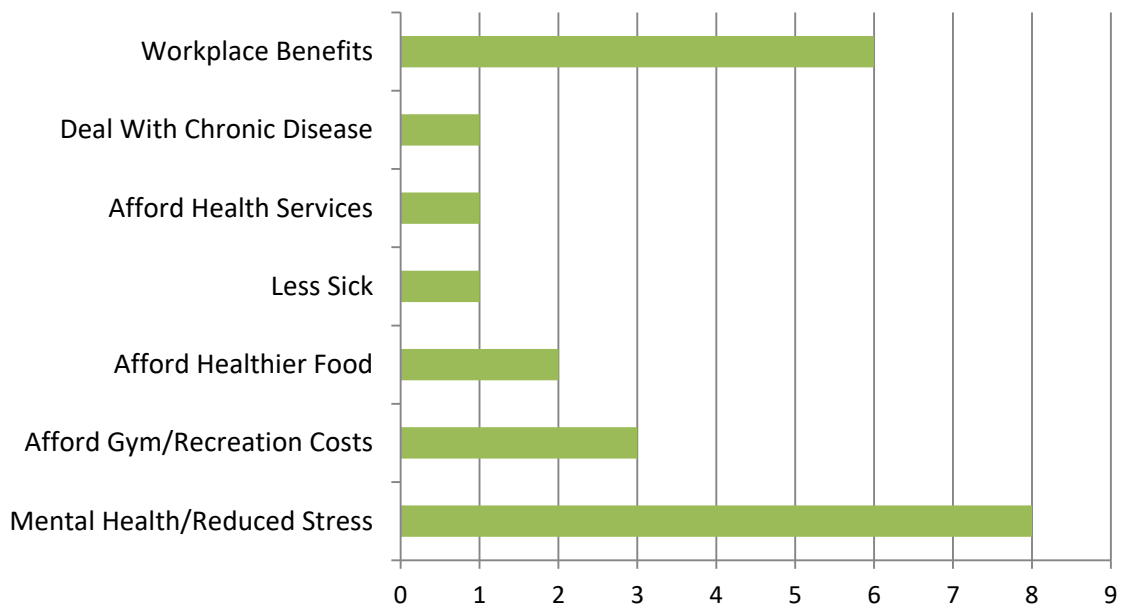
(Interviewee 2, Female, 33)

The consideration of a partner's wage was a common theme within the data. One of these three participants stated that they were now able to be more independent without having to rely on their partner as much. An additional participant said "if I were to enter into a relationship and get married I wouldn't want my independence to be based on [my partner] covering the costs that I can't cover. I would want to feel comfortable that I can cover the costs that I need to for myself" (Interviewee 10, Female, 30).

Moreover, two participants stated that the living wage helped to cover costs while their partner was working less. Specifically, the partner of one of the participants was able to semi-retire in part due to the higher wage that the participant was earning. The second respondent was able to keep up with bill payments while their partner was searching for a job. Furthermore, five participants stated that the living wage helped them to support their children in some way. One respondent was able to save for their child's education, another was able to put their child into extracurricular activities and one other

respondent was able to afford daycare for their child. This respondent stated that if they were not making the living wage then they would have had to get subsidies for childcare. This would have meant that they could not choose the daycare they wanted for their child. Having this choice was important to them because they were able to find a good daycare that their child was happy at. Lastly, two participants stated that they were able to help out their children with post-secondary costs.

Figure 5: How has the living wage impacted your health?

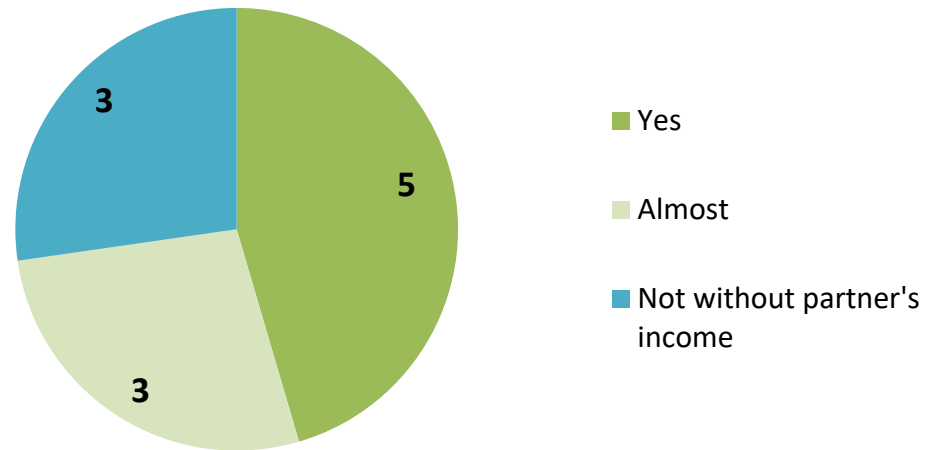


For health impacts, participants highlighted the effect that the living wage had on their stress and the importance of workplace benefits. Eight participants said that the living wage reduced their stress and five participants said that it impacted their mental health. In total, eight respondents said that it either reduced their stress or improved their mental health. Respondents related this to not having to worry about covering costs and being able to participate in social activities which as one participant stated “created a

positive head space” for them. For physical health, three participants said that the living wage helped them to afford to go to the gym or other type of recreation centre. Moreover, two participants said they were able to afford healthier food. One of these participants said “well I’m a bit of a healthy food nut so I can actually afford that now which is really important to me to nourish myself so I can be healthy throughout the years and be active when I’m older” (Interviewee 10, Female 30). Another participant said that they were getting less sick and another said that they could now afford to access a health service that was not covered by their workplace benefits.

Furthermore, one respondent had a chronic illness which meant that they needed a special diet and non-prescription supplements. They were not able to afford these before which impacted their overall health but were able to with a living wage. Lastly, six of the participants noted the importance of having workplace benefits which many did not have at their previous lower paying jobs. It is unclear if these organizations offered benefits before becoming certified as living wage employers. However, one participant stated that their organization only recently started to offer benefits which coincided with when the employer became certified. The participant noted that the campaign does require the employer to offer benefits. As part of a follow-up question, many respondents said that they could not afford these same services provided by their benefits with just the living wage. Or if they did, they would have to cut costs in other areas.

Figure 6: Does the living wage provide you with a good standard of living?



For question 14, participants were divided on whether or not the living wage provided a good standard of living. Four participants stated that it did. One other participant said that it did but without their partner's income it would be tight. Moreover, three participants said that it was almost a good standard of living. Two of these three respondents related this shortfall to the cost of rent. The first participant referred to their current residence as a "hell hole" but could not afford to move because rent had increased by so much in their area. The second participant had moved in with their family after splitting up with their partner. They said that even though they could afford to live on their own, the budget would be too tight and they would not be comfortable living with such a tight budget. They also added that a lot of their friends stayed in relationships because they could afford housing that way, even if it was not the best relationship to be in. The third participant said that it was almost a livable wage but they were still not able to get ahead because of their debt. The last three participants stated that it was only a good standard of living combined with their partner's income. Two of them stated that if

they were single then it would not be a living wage for them with one participant saying “if I got divorced or something happened to my husband I think sometimes it would be impossible to survive at this income” (Interviewee 6, Female, 39).

Is there any aspect of the living wage that could be improved upon?

Six participants highlighted areas of the living wage that could be improved. Four of these respondents suggested problems with the living wage calculation. One participant said that it does not include debt repayments, retirement savings or mortgage payments so it assumes that people will be renting forever. As part of a follow-up question, this respondent said that they were only able to afford these things after they started sharing expenses with their partner. Two of these respondents thought that the calculation was not applicable to single people because it was based on a family with two adults earning two incomes but for a single person the living wage was not enough to cover basic costs. These are the same two participants from the previous question who said the living wage does not adequately allow them to afford rental costs. The last of these four respondents said that the living wage breakdown did not reflect their life and their budget. They understood that there needs to be a generalization for different employees but childcare costs—since they did not have young children— and education costs specifically did not apply to them. However, this participant was one of the people who thought that the living wage provided them with a good standard of living.

The other two participants who discussed potential improvements were also the only ones who had experience working at a living wage with part-time hours. They both stated that the living wage does not consider part-time hours and therefore is not a livable

wage for those workers. The one current part-time worker in this study said that their wage as a total income versus an hourly wage is not a living wage. However, they also said that the nature of the industry they work in requires part-time work. The other participant who had previously worked a part-time living wage position said that it was one of the higher waged jobs but that it was not enough and they had to work other jobs at the same time at the minimum wage rate.

Discussion

This research demonstrates the economic, social and health impacts that a living wage has on employees who were previously earning less than a living wage. Overall, the results demonstrate that a living wage had a positive impact on participants in all three of these areas. Additionally, the responses point to possible improvements for the living wage program. To support the findings from the interviews other relevant studies are used to compare results, particularly those that were highlighted within the literature review. The findings revealed common themes within the three main categories which are discussed separately.

Financial impacts

Expenses

It was expected that the living wage would have a positive financial impact because it is a large increase from the minimum wage and actually accounts for living costs. The fact that people were able to cover their basic needs and become financially stable shows that this was a reality for most of the participants. The living wage made it easier for people to live more comfortably without having to stress about how they will pay their bills and allowed extra room in their budget to spend on non-essential items. Therefore, it seems that the living wage campaign was able to achieve what it set out in its framework. Specifically looking at the Hamilton living wage calculation, covering basic needs, supporting children, and social inclusion were all significant goals. Evidence from my study shows that many people can now afford the items within these categories. The Waterloo living wage study had the same expectation that the living wage would

have a positive financial impact. However, they found that not everyone in their study who earned a living wage could meet their basic needs. The results of the Waterloo study are highlighted in the table below. The table breaks down different types of expenses into the following categories: basic monthly expenses (rent, groceries, utility bills, clothes, hygiene, medication, child care); additional expenses (movies, socializing, culture, car expenses, repairs); and saving for emergencies and future plans (vacation, savings, household item replacement).

The study concluded that people's ability to cover expenses decreased as the expenses became less essential (Beaulne, et al. 2016, 16-17). It is difficult to make this same assessment for my study because it was not set up this way. However, basic expenses, savings, going out with partner/friends, vacation, and car expenses were all things that many of the participants noted they could now afford. The "additional expenses" and "putting money aside" categories both apply to my study as there were several participants who stated they could afford the things in these categories. Still, there were some participants who noted difficulties with certain expenses, especially the high cost of rent. As stated in the Waterloo study, a living wage creates the assumption that everyone earning that wage is able to afford to live (Beaulne, et al. 2016, 16). However, this study and my own found that not everyone was able to afford all of the basic expenses. Since high rent costs were highlighted in particular, access to affordable housing may be another solution along with a living wage to help workers afford basic expenses.

Table 7: Waterloo Study – Assessing Financial Ability to Cover Monthly Expenses

Table 10 – Assessing Financial Ability to Cover Monthly Expenses					
Statements	Always	Often	Sometimes	Rarely	Never
Basic Expenses (145 answers)	113 (77.93%)	28 (19.31%)	3 (2.07%)	0 (0%)	1 (0.69%)
Additional Expenses (145 answers)	66 (45.52%)	37 (25.52%)	33 (22.76%)	8 (5.52%)	1 (0.69%)
Putting Money Aside (148 answers)	58 (39.19%)	26 (17.57%)	34 (22.97%)	24 (16.22%)	6 (4.05%)

Source: (Beaulne, et al. 2016, 17)

Combined Household Income

Another main conclusion from the Waterloo study was that the purchasing power of an individual changes depending on their family context such as living with family, having children or sharing expenses with one's partner (Beaulne, et al. 2016, 20). This was also a main finding in the results of my study. One participant lived with family members because living on their own would have made their budget tighter than they were comfortable with. Moreover, they stated that they knew people who decided to stay in relationships because of the ability to afford rent with their partner even if it was not the best relationship. This relates to the findings that some of the participants did not think that the living wage accurately reflects people who are single. Within this topic, the context of sharing expenses with partner was a major theme. The Waterloo study found that most of their respondents relied on their combined household income to pay for basic monthly expenses. Moreover, many of these living wage workers said they would be unlikely to meet their basic needs on their income alone (Beaulne, et al. 2016, 2). Similarly, my study showed that people did not think that the living wage provided them with a good standard of living because they would not be able to afford to live if they did

not share expenses with their partner. This same finding in my study shows that a living wage might not be able to provide a good standard of living for a single adult and only becomes a living wage once there is more than one income for the household.

A similar theme in my results was that people valued making an equal contribution to their household along with their partner and valued their independence. A living wage would give people their independence and would allow them to still afford to live if they were to become single. Additionally, it would not force anyone to live in less than ideal situations. This reveals a significant problem with calculating the living wage based on two income earners. Despite the living wage framework stating that the calculation for single people would be similar, single people are not able to meet their basic needs on a living wage. This approach assumes that two income earners is the typical household however, this appears to be an outdated idea with 28% of Canadians living on their own in 2016 (Statistics Canada 2017). Therefore the living wage calculation does not reflect the current household dynamic in Ontario and therefore is relying on combined household income to create a living wage which leads to an inadequate wage for single adults.

Additionally, since women are over-represented in low wage work, this is a problem that women are primarily faced with. Therefore, an adequate living wage for single people allows women to be more independent and less reliant on their partners. Connecting this back to the origin of minimum wage laws, there is a similar ideology of the male breadwinner model. The purpose of the living wage is similar to the minimum wage in reducing extreme exploitation but it does not address the root of the minimum

wage in its protection of the family unit and restricting women's independence.

Therefore, the living wage calculation reinforces this idea that the family unit needs to be protected while actually limiting women in their life decisions since they are not able to support themselves on their income alone. If the living wage calculation was targeted at the individual worker rather than a family, it would address this problem. Further research with a gendered lens is needed to fully understand the impacts of the living wage calculation. Additionally, further research that uses a racial/international lens is needed because this specific study did not reveal how the impact of the living wage changes based on race, immigrant status or the country one lives in.

Debt

Another common theme was the problem of debt. Many of the participants experienced debt before earning a living wage and were able to pay down their debt or pay it off completely because of the living wage. As one of the participants noted, the living wage calculation does not include debt repayments. However, this is clearly a major issue for low wage workers as seen from the large amount of participants who faced this problem. Moreover, all of the people who were able to pay down their debt were also sharing expenses with their partner. Based on the struggles of single adults, paying down debt may not have been a reality for them if they were single. Additionally, two of the participants mentioned having to make student loan payments. One different participant also noted this as a problem with the living wage, mentioning that a lot of people who earn less than a living wage also have student debt. Similarly, the Waterloo study found “[o]ut of three (3) respondents who mentioned high cost of living that makes

it difficult to cover all the expenses even when working for the living wage, two (2) referred to student debt being “borderline impossible” to repay with little money left for basic expenses” (Beaulne, et al. 2016, 20).

Therefore, student debt creates an extra burden for people to survive on the living wage. One respondent stated that they struggled to get a job in their field after graduating university and many of their classmates who had good grades are just starting to find secure employment. This is reflective of the earlier background data that shows a significant amount of people with post-secondary education work at minimum wage jobs (Ontario Ministry of Labour, 2014). Moreover, one respondent stated that they were able to worry less about making their student loan payments with a living wage while another said that their student debt was a significant amount of debt that they would be dealing with for a while. Therefore, students turn to low wage work even after obtaining a post-secondary education but cannot afford to make student loan payments on low income. The living wage could be a solution to this problem. However, some workers continue to struggle with student loans even with a living wage. Therefore, this problem points to the larger issues of high tuition costs and little job opportunities for post-secondary graduates. Public funding for post-secondary education and government employment strategies for graduates are possible solutions in addition to the living wage.

Overall, the financial impacts of the living wage show that the calculation does not adequately support all living wage workers. This is especially noticeable for single adults which means that the calculation is too conservative because it takes two incomes to achieve a livable wage. This does not adequately reflect the current family dynamic in

Ontario and therefore is leaving a lot of workers vulnerable. The areas that were limited are directly related to an inadequate social welfare system which reveals the living wage's focus on the money wage compared to the social wage. While the living wage framework highlights how a living wage is also provided through social policy, the campaign does not take on the role of directly pressuring the government to strengthen its social welfare system. Canada's social welfare system has been weakened through neoliberal retrenchment policies and it needs to be rebuilt to contribute to a living wage. Therefore, in understanding that a living wage is a conservative amount, the living wage campaign should pressure the government to improve the social wage so that it can assist the living wage in creating a decent standard of living.

Social impacts

Relationships

Studies that look at how the living wage impacts workers do not discuss social impacts. Therefore, there is not a lot of evidence to compare to for this section.

Relationships with children, partners and co-workers were all positively impacted by the living wage especially in terms of having more money to participate, more time away from work and less stress. A wage that allows someone to have less stress about making ends meet and allows extra money for non-essentials means that people can engage with others. Many of the activities that people do together have some financial element to them. This could even mean travelling to someone's house as stated by one of the participants. These expenses can be restrictive for people who do not have extra money in their budget. Therefore, this limits their ability to participate and leads to difficulties in

maintaining relationships. Additionally, more time spent at work due to working extra hours to make ends meet also restricts people from maintaining relationships. Participants noted that their extra income and extra time as a result of the living wage were beneficial for their relationships. For relationships with family, financial stress can also have a negative impact. Participants mentioned arguing with their partner over money or being a stressed out parent. Therefore, a living wage can lessen the burden for people and allow them to have strong relationships.

Family member impacts

Another key area is how the living wage impacted family members, in which helping to support children was a common theme. Canada's child poverty rate is one of the highest compared to other rich nations. Despite this number declining in past years, Canada still ranks 20th out of 30 industrialized countries. According to Wells, a significant contributor to child poverty is the low wages of parents (Wells 2016, 237). As already stated, one of the participants had to live in a shelter with their children while earning a minimum wage. This is a clear example of how the living wage could directly reduce child poverty. Moreover, other participants were able to cover extra costs for their children such as extracurricular activity, a good daycare and savings for their education. Further, the San Francisco study found that children of living wage workers had increased chances of graduating from high school. The study also found that the number of girls who have children outside of marriage would decrease (Bhatia and Katz 2001, 9). Therefore, a living wage directly helps children of living wage earners to have more support and therefore better outcomes for their future.

Workplace

Relationships in the workplace was another common theme. Regular workplace activities, such as buying gifts or going out for lunch with your team, that allow co-workers to bond are not accessible for people who do not have extra money in their budget. Participants noted that the living wage allowed them to be included in these types of activities which meant they did not have to be embarrassed or make up excuses in these situations. Workplace pride and loyalty stemming from the living wage was another common theme. This link was found in the Waterloo study as participants felt proud of their organization and were motivated to work harder. Moreover, participants were more loyal to the organization because being paid a living wage showed that their work and needs were recognized and respected (Beaulne, et al. 2016, 25). My study found similar results with people feeling respected by their employers and wanting to work harder in return. This also made employees more loyal to the organization.

Health impacts

Mental health

Mental health and reduced stress were the most common responses for health impacts of the living wage. Participants from my study were often burdened with financial stress and were worried about how they would make ends meet while earning a low income. A living wage improved their mental health and had a positive impact on their stress. The Boston study predicted that an increase to the living wage, to one that is more suitable to sustain families, would lead to an estimated 62% decrease in sadness and a 30% drop in anxiety for living wage workers (Conley, et al. 2016, 41). They also linked this to a decrease in hypertension by 10% (Conley, et al. 2016, 45). This demonstrates

that income has a large impact on mental health. The Vancouver living wage calculation report cited the National Longitudinal Survey of Children and Youth which found similar results. They stated that “parents in households with low incomes are more than twice as likely as parents in either middle- or high-income families to be chronically stressed. Not having enough money to buy household essentials and feeling that unrealistic expectations were being placed on their time are two of the primary sources of stress identified in this research” (Ivanova, Klein and Reaño 2017, 2). My study shows that the living wage can help to address these two problems. First, the living wage can lessen the burden of financial stress. Second, the living wage can reduce the amount of time at work since participants were not forced to work multiple jobs or work extra shifts to make ends meet. Furthermore, this study showed that “[a]dolescents living with chronically stressed parents were more likely than other youth to have a tough time socially and in school” (Ivanova, Klein and Reaño 2017, 2). Therefore, less stress for working parents can also have a positive impact on children.

Physical health

Physical health was less of a noted impact of the living wage in my study. Still, there were some participants who were able to afford gym memberships, healthier food, non-benefit health services and who were less sick due to the living wage. Moreover, there have been multiple studies which demonstrate the link between health and the living wage. The Boston study estimated the following impacts for workers with an adequate living wage: a decrease in diabetes by 43%; a 28% decline in food insecurity and hunger; an 11% drop in adult asthma; and a small increase in healthy eating choices,

although this would be much larger with incomes over \$50,000 (Conley, et al. 2016, 47-58). Therefore, there is a clear link between the living wage and health outcomes.

Additionally, one of the respondents in my study had a chronic health condition which meant that they had extra health expenses. While earning a minimum wage, this participant was not able to cover these extra costs which had an impact on their overall health. With the living wage, they were now able to afford these extra medical expenses. Therefore, some people may be more vulnerable and extra costs like this need to be accounted for so that people do not suffer financially due to an uncontrollable health condition. However, the living wage may not be the solution because these are not typical costs for the average worker. Instead, these costs could be covered by the healthcare system.

Further, two studies looked at mortality rates and the living wage. The San Francisco study predicted that increases to the living wage would lead to reduced mortality risks and improved health status (Bhatia and Katz 2001, 1400). Moreover, the Los Angeles study found that health outcomes of living wage workers (specifically reduced mortality rates) would be more cost effective if it relied on health insurance provisions of the ordinance rather than just relying on the higher wage (Cole, et al. 2005, 645). However, since this is an American study, the impact would probably be lower for Canadian workers because of our universal healthcare system. Still, these studies reveal that mortality risk can be reduced by both the living wage and from improved health benefits.

Benefits

Workplace benefits were another major theme within the study. Many of the participants did not have benefits before the living wage and this had a significant impact on their access to health services. Many participants stated that they could not afford these services without benefits even with a living wage because the high costs of medication and dental appointments are too restrictive. Similarly, all of the participants in the Waterloo study stated that drug and dental benefits were important for decent work (Beaulne, et al. 2016, 22). The living wage campaign states that employers must provide benefits to become a certified living wage employer. However, the level of benefits is not specified. Still, one participant said that they did receive benefits at their workplace after their employer became certified as a living wage employer. Having access to health benefits impacts overall health because these extra costs are covered and people do not have to worry about how they will afford them. Therefore, this is an important part of the living wage framework.

Precarious Work

The last common theme from this study is precarious work which is an increasing trend for employment in Ontario. A lot of the problems that participants had in their previous jobs were related to unsecure employment rather than just their wages. One of the participants turned to self-employment after graduating university because they could not find adequate employment. Another participant said that even though self-employment was rewarding for them, it was too unstable. Now having a 40 hour work week at a stable living wage job is something that they would not want to give up. A few of the participants also noted that they now experience more secure hours and therefore

more secure income. Additionally, one participant in their previous job had to work evenings and weekends, had inconsistent scheduling and had to rely on tips as part of their income. This affected their work-life balance. These problems were no longer an issue for these participants within their living wage jobs. Therefore, it seems that living wage jobs are also fair in other ways in addition to offering fair wages.

However, this is not always the case as two of the participants were in part-time living wage jobs, stating that it was not a living wage based on part-time hours. One of these participants had to work other jobs at the minimum wage while working their part-time living wage job. *The Precarity Penalty* study looked at the impact of secure employment on income stress. They found that “[m]oving from Precarious to Secure employment reduces the [Income Stress] Index score by almost 25%” (PEPSO 2015, 94). This means that access to secure employment is a significant factor in reducing financial stress compared to just increasing the wage rate. Therefore, employment security has a significant impact on overall income. Similar to the impacts of low income highlighted in this study, the PEPSO studies reveal the negative impacts of precarious employment, stating that “[w]ithout changes, the growing prevalence of precarious employment is likely to have a harmful effect on individuals, children and families, and it may damage the social fabric that ties our communities together” (PEPSO 2015, 11). It is important to highlight that precarious work is a major problem in addition to low wages and that these both need to be part of the solution to create a good standard of living for working people and their families.

Conclusion

Overall, the living wage has positively impacted economic, social and health aspects of living wage workers' lives. The dominance of low wage work in Ontario means that this research is important to determine how alternative wage measurements can affect peoples' lives. This research helps to address the gap in the living wage literature that does not sufficiently consider the impacts on workers and their perspectives. Further research on this topic could reaffirm the findings of this study and could potentially discover other impacts or shortcomings of the living wage that were not found from these interviews. Additionally, research that includes a larger amount of participants would help to see patterns more effectively which is limited by having a small group of participants. Still, there were clear themes coming from the interviews which points to both the benefits and the shortfalls of the living wage.

The living wage had a positive financial impact on workers, allowing them to afford their basic needs, have less financial stress, and purchase non-essential items such as vacations, all of which were not a reality with low wage work. Additionally, the living wage had a significant impact on people's ability to pay down/off their debt. Many of the participants noted how they struggled with debt but now they are able to manage this debt on a living wage. The living wage also had positive social impacts for workers by reducing financial burdens and therefore giving people the opportunity to spend time with their family, friends and co-workers. Not having enough money restricted people from being able to participate with others because they simply could not afford the costs of going out or travelling to visit someone. Additionally, this same impact was caused by

having more time because people did not have to work extra shifts to make ends meet. A living wage also impacted family members of living wage workers because there was less financial stress for family members and there was extra income to support their children. Research shows that this extra income has a significant impact on the futures of the children of living wage workers. Lastly, the results revealed that workers feel respected by their employer when they are paid a living wage and want to work harder in return.

The living wage also had positive health impacts on workers. Improved mental health in particular was directly related to being paid a living wage because of reduced financial stress. Participants did not note the impact on physical health as much but some did have healthier lifestyles because they could afford gym memberships and healthier food. Moreover, workplace benefits were highlighted as being important for health which workers did not have access to before their living wage jobs. Furthermore, multiple studies show that the living wage is linked to better mental and physical health outcomes. Therefore, the living wage has improved the lives of workers in these three areas. However, there are also shortfalls of the living wage mainly in terms of the financial impact. Some participants from my study and the Waterloo study were not able to afford all of their basic needs on a living wage. Specifically, high rent costs were noted as being difficult to afford even with the living wage. Therefore, either this problem needs to be addressed through affordable housing policy or a higher living wage.

Another major finding was that many participants thought that the living wage was not sufficient for a single adult. Participants noted that they relied on family support or their partner's income to achieve a good standard of living. Further, student loan debt

remains a barrier for some which is a problem with high tuition costs and lack of job opportunity, making it harder for young adults to get ahead. Therefore, a living wage along with improved public funding for post-secondary education and youth job opportunities seem to be necessary. Additionally, there are some people who have extra health expenses related to chronic illness and this should be covered by the healthcare system. Lastly, precarious work was noted as a limitation of the living wage because part-time living wage workers were not able to afford to live on this income. Additionally, many people noted improvements in various areas of their lives due to their living wage jobs also being less precarious. Therefore, secure and fair employment is needed along with a living wage.

These limitations reveal how the calculation reflects the gendered roots of minimum wage policy and upholding the family unit. This needs to be addressed in the calculation so that a living wage is adequate for a single adult and that women are not restricted by this wage. Moreover, the limitations show how the living wage focuses on the money wage compared to the social wage. The living wage campaign needs to pressure the government to strengthen its social welfare system to create a decent standard of living. Overall, while the living wage has made an improvement for these workers after experiencing low wage work, there are still areas that are inadequate. Issues such as unaffordable housing, high tuition costs, lack of job opportunities for young workers and precarious work all contribute to an insufficient living wage. These types of social policies from governments and decent work provided by employers need to assist the living wage in achieving a good standard of living for all workers.

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Appendix A

Interview Questions

Impacts of the Living Wage on Low-Income Workers

Melissa Cameron, Work & Society Master's Student
(Department of Labour Studies – McMaster University)

Information about these interview questions: This gives you an idea what I would like to learn about the Living Wage. Interviews will be one-to-one and will be open-ended (not just “yes or no” answers). Because of this, the exact wording may change a little. Sometimes I will use other short questions to make sure I understand what you told me or if I need more information when we are talking such as: “*So, you are saying that ...?*”), to get more information (“*Please tell me more?*”), or to learn what you think or feel about something (“*Why do you think that is...?*”).

Interview Questions

1. How long have you been earning a living wage?
2. Which age range do you fall into?
 - a) <30 b) 30-45 years of age c) 45-60 years of age d) 60+
3. What is your gender/sex?
4. Are you a recent immigrant or newcomer to Canada?
5. Do you consider yourself to be a member of a racialized group?
6. Is your position full-time or part-time?
7. Is your position permanent or temporary/contract?
8. What was your life like before you earned a living wage? Has it changed since?
9. How has the living wage impacted your finances?

This may be through:

 - Financial security
 - Building up savings
 - Able to purchase essentials
 - Able to purchase non-essentials
 - Other

10. How has the living wage impacted your social life?

This may be through:

- Experience in the workplace
- Relationships with others
- Family life
- Able to participate in the community
- Other

11. How has the living wage impacted your family members? (Ex. kids' extracurricular activities)

12. How has the living wage impacted your health?

This may be through:

- Healthier food options
- Able to afford medications/health services
- Reduced stress
- Other

13. Has the living wage impacted your life in any other ways?

14. Does the living wage provide you with a good standard of living?

15. Is there any aspect of the living wage that could be improved upon?

16. Is there something important we forgot? Is there anything else you think I need to know about the living wage?

END