



# 2021 Living Wage Recalculation for Simcoe County

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## Introduction

In 2009, the Canadian Centre for Policy Alternatives (CCPA) published the *Canadian Living Wage Framework: A National Methodology for Calculating the Living Wage in Your Community* and the *Ontario Family Expense Workbook*. The framework defined living wage as the hourly wage a worker needs to earn to cover their basic expenses once government transfers have been added and deductions have been subtracted. The framework outlined a national methodology to capture the basic expenses at the community level to ensure consistency in sources across the country. The living wage calculation included basic items such as food, shelter, transportation and child care as well as a modest amount for recreation. It did not include debt repayment, retirement savings, costs of home ownership or children's education.

The Ontario Living Wage Network uses the living wage as a call to private and public sector employers to pay wages for both direct and externally contracted employees sufficient to provide the basics and participate in community life. The living wage calculation methodology has been updated over the years by the Ontario Living Wage Network to account for changing population demographics and government policies.

The Canadian Living Wage Framework described the living wage as different from minimum wage in that its use is voluntary, it is adjusted for the cost of living locally, it is reflective of the basic necessities of life, and it is calculated regularly to take into consideration cost of living increases, and changes in government transfers and deductions (CCPA, 2009).

**Using the updated methodology set out by the Ontario Living Wage Network, the 2021 living wage in Simcoe County has been calculated as \$19.05 per hour.**

## Background

The Poverty Reduction Task Group (PRTG) is a working table of the Child, Youth and Family Coalition of Simcoe County. PRTG believes that every child and youth deserve the right to live within a safe, healthy, and compassionate community. To achieve this goal all community members must have their own basic needs met and be able to fully participate in the life of their community. If members of a community do not have their basic needs met, they are unable to support themselves and the potential of child, youth, and all others within that community. A compassionate community is one in which all members care about one another. (Source: Basic Needs Task Group, Terms of Reference 2016).

In 2016, through a community consultation pertaining to food security and poverty reduction, PRTG added a focus on income solutions into their workplan as a key pathway out of poverty. The Living Wage calculation reflected this focus. PRTG uses the Living Wage calculation for Simcoe County as a way to provide data that reflects the actual local costs of living (beyond just covering basic needs) and to enhance advocacy and outreach efforts within our community to reduce poverty.



## Living Wage Calculation Methodology

The original Canadian Living Wage Framework provided the specifics for a reference family of four and a list of basket items to source expenses to calculate the living wage (CCPA, 2009). Information shared by the Ontario Living Wage Network highlighted when the original framework was put together the CCPA focused on children living in poverty and the living wage was used as a way to highlight what parents needed to earn in order to support their family. At this time calculations were done to determine how different the living wage was for a lone parent with one child and a single adult. In most cases the living wage for a family of four was the highest. And, all three tested living wage rates were fairly close.

The original framework highlighted the importance of keeping track of the costs and benefits experienced by other family types, to ensure the Living Wage among other family types do not diverge substantially (CCPA, 2009).

Analysis conducted by the Ontario Living Wage Network has shown as new public policies that provide support to families with children have been introduced by the federal and provincial governments and family demographics continue to change, expenses for a reference family of four is no longer the best reference for living wage calculations in Ontario.

In 2016 the [Canada Child Benefit](#) was introduced by the federal government to help families across Canada. Because living wage calculations in Canada were based on a family of four with two children, living wage rates across the country decreased. At this time the Ontario Living Wage Network continued to use the same reference family, although additional analysis between the three family types showed the gap was growing.

In 2019 the Ontario provincial government introduced the [Ontario Child Care Tax Credit \(CARE\)](#) credit to help families with the cost of child care. Analysis conducted by the Ontario Living Wage Network showed the new credit provided over \$4,000 in additional income to the reference family of four which meant a decrease in living wage rates of around \$2.00 across the province. While this is a great support for families with children it became clear the way living wage was calculated in Ontario needed to be updated to reflect the three family types instead of just the reference family of four.

### 2021 Living Wage Calculation

The Simcoe County living wage follows the living wage calculation methodology set out by the Ontario Living Wage Network. This methodology used a weighted average of three different reference households. The family of four with two adults each age 35, a 7-year old boy and a 3-year old girl continued to be used, along with a single parent family with one 35-year-old female and a 7-year old boy. A single male adult age 35 household was also used. The calculation assumed all adults worked 35 hours a week for a full-year.

The weighted average was based on 2016 Ontario census data:

<a href="#">Couple families with some children 0-5 and some 6-14 years of age</a>	187,435
<a href="#">Lone parent families with children 6-14 years of age</a>	114,100
<a href="#">Single Adults between 15 and 65</a>	844,650

Single adults between 15-65 accounted for 74%, couple families with some children 0-5 and some 6-14 years of age accounted for 16% and lone parent families with children 6-14 years of age accounted for 10% of the weighted living wage calculation.

Due to the size and urban/rural diversity of Simcoe County, some annual expenses differed across the county. Where data was available, the cost of living was calculated for six separate sub-regional areas. The expenses for Simcoe County as a whole for each of the three family types was calculated based on the weighted population average of the six sub-regional areas in Table 1.

Table 1: Sub-regional areas of Simcoe County

Sub-Regional Areas	Municipalities (Census Subdivisions)	Weight
Barrie	Barrie	28.6%
East Simcoe	Oro-Medonte, Ramara, Severn	9.1%
North Simcoe	Midland, Penetanguishene, Tay, Tiny	9.8%
Orillia	Orillia	6.3%
South Simcoe	Adjala-Tosorontio, Bradford West Gwillimbury, Essa, Innisfil, New Tecumseth	30.4%
West Simcoe	Clearview, Collingwood, Springwater, Wasaga Beach	15.8%

Source: Statistics Canada. 2021. Annual population estimates by age and sex, July 1, 2002 to 2020. Census of Canada (database). Community Data Program (distributor).

The living wage was calculated as the hourly rate at which a household can meet its basic needs, once government transfers have been added to the family’s income and deductions had been subtracted (see Figure 1).

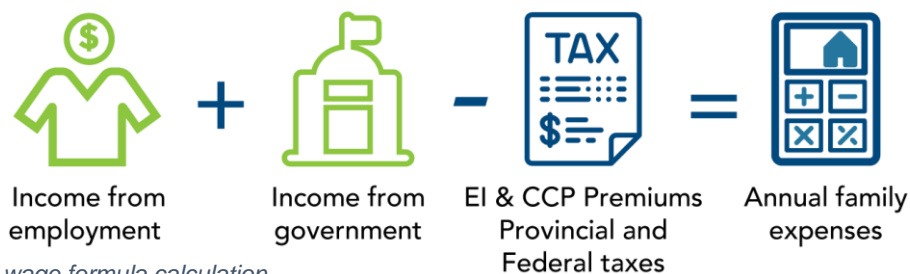


Figure 1: Basic living wage formula calculation

The Ontario Expenses Workbook provided by the Canadian Centre for Policy Alternatives (CCPA) was used to develop the living wage calculation for 2021. The expenses for each of the six sub-regional areas were calculated to reflect the local living costs including food, shelter, transportation, child care, continuing education for the adults to upgrade their skills, tenant insurance, communications (cell phone and internet), and life and critical illness insurance. The Ontario Expenses Workbook ensured consistent methodology across communities when retrieving local data.

## Exclusion Criteria

While the methodology accounts for a range of costs, taxes, and benefits experienced by a family, it is worth mentioning that the living wage does not cover:

- Credit card, loan or other debt/interest payments;
- Saving for retirement;
- Owning a home;
- Savings for children’s future education;
- Anything beyond minimal recreation, entertainment and holidays;
- Cost of caring for a disabled, seriously ill, or elderly family member; or
- Anything other than the smallest cushion for emergencies or hard times (CCPA, 2009).

## Calculation of Living Wage Basket Items

### Summary of Annual Family Expenses

Once the annual expenses for each sub-region and family type were determined and weighted, the expenses for Simcoe County were calculated:

- Single Adult: \$30,436
- Single Parent: \$45,748
- Family of Four: \$79,226

A summary of the annual family expenses for each of the three reference families by the six sub-regional areas, and for Simcoe County overall are provided below. Detailed explanations of these costs and data sources can be found in the sections that follow.

Table 2: Summary of annual family expenses for the reference family of four by sub-regional area in Simcoe County, 2021

	Simcoe County	Barrie	East Simcoe	North Simcoe	Orillia	South Simcoe	West Simcoe
Food	\$9,627	\$9,627	\$9,627	\$9,627	\$9,627	\$9,627	\$9,627
Clothing and Footwear	\$2,842	\$2,842	\$2,842	\$2,842	\$2,842	\$2,842	\$2,842
Rent	\$17,631	\$19,752	*\$17,631	\$12,552	\$16,044	\$17,916	\$17,028
Hydro	\$1,491	\$1,452	\$1,552	\$1,503	\$1,427	\$1,513	\$1,502
Telephone	\$814	\$814	\$814	\$814	\$814	\$814	\$814
Tenant Insurance	\$232	\$252	\$252	\$252	\$204	\$204	\$240
Internet and Netflix	\$789	\$789	\$789	\$789	\$789	\$789	\$789
Transportation	\$11,027	\$7,313	\$12,514	\$12,514	\$12,514	\$12,514	\$12,514
Parent Education	\$794	\$794	\$794	\$794	\$794	\$794	\$794
Child Care	\$18,177	\$18,489	\$15,845	\$16,826	\$18,666	\$19,146	\$17,732
Non OHIP medical	\$2,952	\$2,952	\$2,952	\$2,952	\$2,952	\$2,952	\$2,952
Life and Critical Illness Insurance	\$401	\$363	\$450	\$363	\$446	\$403	\$446
Other	\$9,402	\$9,402	\$9,402	\$9,402	\$9,402	\$9,402	\$9,402
Contingency (4%)	\$3,047	\$2,994	\$3,019	\$2,849	\$3,061	\$3,157	\$3,067
<b>Total Expenses</b>	<b>\$79,226</b>	<b>\$77,835</b>	<b>\$78,483</b>	<b>\$74,079</b>	<b>\$79,582</b>	<b>\$82,073</b>	<b>\$79,749</b>

\*Rent was based on CMHC data which was not available for East Simcoe, so the average cost between the other 5 areas was used as a place holder in this table.

Table 3: Summary of annual family expenses for the reference single parent family by sub-regional area in Simcoe County, 2021

	Simcoe County	Barrie	East Simcoe	North Simcoe	Orillia	South Simcoe	West Simcoe
Food	\$4,799	\$4,799	\$4,799	\$4,799	\$4,799	\$4,799	\$4,799
Clothing and Footwear	\$1,627	\$1,627	\$1,627	\$1,627	\$1,627	\$1,627	\$1,627
Rent	\$14,862	16,716	*\$14,862	\$12,888	\$13,320	\$14,364	\$14,304
Hydro	\$1,491	\$1,452	\$1,552	\$1,503	\$1,427	\$1,513	\$1,502
Telephone	\$407	\$407	\$407	\$407	\$407	\$407	\$407
Tenant Insurance	\$232	\$252	\$252	\$252	\$204	\$204	\$240
Internet and Netflix	\$789	\$789	\$789	\$789	\$789	\$789	\$789
Transportation	\$6,257	\$6,257	\$6,257	\$6,257	\$6,257	\$6,257	\$6,257
Parent Education	\$397	\$397	\$397	\$397	\$397	\$397	\$397
Child Care	\$6,366	\$6,492	\$5,858	\$6,001	\$6,116	\$6,647	\$6,214
Non OHIP medical	\$1,676	\$1,676	\$1,676	\$1,676	\$1,676	\$1,676	\$1,676
Life and Critical Illness Insurance	\$240	\$221	\$265	\$221	\$263	\$241	\$263
Other	\$4,845	\$4,845	\$4,845	\$4,845	\$4,845	\$4,845	\$4,845
Contingency (4%)	\$1,760	\$1,837	\$1,743	\$1,666	\$1,685	\$1,751	\$1,733
<b>Total Expenses</b>	<b>\$45,748</b>	<b>\$47,767</b>	<b>\$45,329</b>	<b>\$43,328</b>	<b>\$43,812</b>	<b>\$45,517</b>	<b>\$45,053</b>

\*Rent was based on CMHC data which was not available for East Simcoe, so the average cost between the other 5 areas was used as a place holder in this table.

Table 4: Summary of annual family expenses for the reference single adult family by sub-regional area in Simcoe County, 2021

	Simcoe County	Barrie	East Simcoe	North Simcoe	Orillia	South Simcoe	West Simcoe
Food	\$3,311	\$3,311	\$3,311	\$3,311	\$3,311	\$3,311	\$3,311
Clothing and Footwear	\$767	\$767	\$767	\$767	\$767	\$767	\$767
Rent	\$12,607	14,244	*\$12,607	\$11,148	\$11,640	\$12,036	\$12,036
Hydro	\$1,491	\$1,452	\$1,552	\$1,503	\$1,427	\$1,513	\$1,502
Telephone	\$407	\$407	\$407	\$407	\$407	\$407	\$407
Tenant Insurance	\$232	\$252	\$252	\$252	\$204	\$204	\$240
Internet and Netflix	\$789	\$789	\$789	\$789	\$789	\$789	\$789
Transportation	\$4,770	\$1,056	\$6,257	\$6,257	\$6,257	\$6,257	\$6,257
Parent Education	\$397	\$397	\$397	\$397	\$397	\$397	\$397
Child Care	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Non OHIP medical	\$1,165	\$1,165	\$1,165	\$1,165	\$1,165	\$1,165	\$1,165
Life and Critical Illness Insurance	\$253	\$233	\$277	\$233	\$275	\$253	\$275
Other	\$3,075	\$3,075	\$3,075	\$3,075	\$3,075	\$3,075	\$3,075
Contingency (4%)	\$1,171	\$1,086	\$1,234	\$1,172	\$1,189	\$1,207	\$1,209
<b>Total Expenses</b>	<b>\$30,436</b>	<b>\$28,234</b>	<b>\$32,090</b>	<b>\$30,476</b>	<b>\$30,903</b>	<b>\$31,381</b>	<b>\$31,430</b>

\*Rent was based on CMHC data which was not available for East Simcoe, so the average cost between the other 5 areas was used as a place holder in this table.

## Food

The cost of food for Simcoe County was provided by Simcoe Muskoka District Health Unit with data gathered from the 2019 Nutritious Food Basket survey. This data can be found on the [Simcoe Muskoka District Health Unit webpage](#) dedicated to this survey (Simcoe Muskoka HealthSTATS, 2022). The report did not provide the specific age and gender for each family member in the reference family, however Simcoe Muskoka District Health Unit provided a breakdown for the 2021 calculation. The Consumer Price Index (CPI) from January to June of 2021 was used to adjust for inflation.

Table 5: Cost of nutritious food in Simcoe County by age and gender

Family Member	Monthly Expenses	CPI 2019	CPI 2020	Annually Expenses
Adult 1 (Female, 35 years old)	\$227	152.6	157.5	\$2,815
Adult 2 (Male, 35 years old)	\$267	152.6	157.5	\$3,311
Child 1 (Boy, 7 years old)	\$160	152.6	157.5	\$1,984
Child 2 (Girl, 3 years old)	\$122	152.6	157.5	\$1,517

Table 6: Annual cost of nutritious food in Simcoe County by family type

Family Type	Annual Food Cost
Family of Four	\$9,627
Single Parent	\$4,799
Single Adult	\$3,311

## Clothing and Footwear

The cost of clothing and footwear was sourced through the Survey of Household Spending (2016), Table: 11-10-0223-01 (formerly CANSIM Table 203-0022), 3<sup>rd</sup> Quintile. The data was adjusted for inflation, using CPI data from Table: 18-10-0005-01 (formerly CANSIM Table 326-0021). These numbers were provided by the Ontario Living Wage Network for local communities across the province.

Table 7: Annual cost of clothing and footwear cost by family type

Family Type	Annual Clothing and Footwear Cost
Family of Four	\$2,842
Single Parent	\$1,627
Single Adult	\$767

## Shelter Costs

### Rent

Canada Mortgage and Housing Corporation (CMHC) provides an annual Market Rental Report for communities with a population of 10,000 or more. Data is based on rental costs for all units in a community. This means the rental rates provided do not reflect current market costs. It is important to note the living wage methodology does not assume a family is new to the community. The cost of rent for the three family types came from CMHC’s [Housing Market Information Portal](#) for the available communities in Simcoe County. These communities include Barrie, Bradford/West Gwillimbury/New Tecumseth, Collingwood Midland and Orillia. Rent was one of the top expenses for each of the three family types.

Table 8: Annual cost of rent by family type in Simcoe County

Family Type	Apartment Size	Annual Cost
Family of Four	3-bedroom	\$17,631
Single Parent	2-bedroom	\$14,862
Single Adult	1-bedroom	\$12,607

Table 9: Monthly cost of rent by sub-regional area and family type

Sub-Regional Areas	Family of Four (3-bedroom)	Single Parent (2-bedroom)	Single Adult (1-bedroom)
Barrie	\$1,646	\$1,393	\$1,187
East Simcoe	No data	No data	No data
North Simcoe (Midland)	\$1,046	\$1,074	\$929
Orillia	\$1,337	\$1,110	\$970
South Simcoe (Bradford/West Gwillimbury/New Tecumseth)	\$1,493	\$1,197	\$1,003
West Simcoe (Collingwood)	\$1,419	\$1,192	\$1,003
<b>Weighted Average</b>	<b>\$1,469</b>	<b>\$1,238</b>	<b>\$1,051</b>

### Hydro

The expense for hydro costs in the county were sourced from the [Ontario Energy Board](#). The average estimated electricity usage of 750 kwh came from the Report of the Ontario Energy Board [Defining Ontario’s Typical Electricity Customer](#). Hydro usage is an average household expense and as such has been used for all three family types regardless of the number of family members.

Costs from the main distribution company for each municipality was weighted and rolled up. The main distribution company was determined using [Ontario’s Electricity System Map](#).



Table 10: Monthly cost of hydro by sub-regional area

Sub-Regional Areas	Municipalities (Census Subdivisions)	Monthly Cost
Barrie	Barrie	\$121
East Simcoe	Oro-Medonte, Ramara, Severn	\$129
North Simcoe	Midland, Penetanguishene, Tay, Tiny	\$125
Orillia	Orillia	\$119
South Simcoe	Adjala-Tosorontio, Bradford West Gwillimbury, Essa, Innisfil, New Tecumseth	\$126
West Simcoe	Clearview, Collingwood, Springwater, Wasaga Beach	\$125
<b>Weighted Average</b>		<b>\$124</b>

### Tenant Insurance

The cost of tenant insurance in a community was sourced through [rates.ca](https://rates.ca) with a personal property limit of \$35,000. The lowest quote for tenant insurance was used as the expense. No questions were asked regarding the number of family members or bedrooms in the rental, so the same cost covered all family types. Cost for a randomly selected residence in each sub-regional area was weighted and summarized.

Table 11: Annual cost of tenant insurance by sub-regional area

Sub-Regional Areas	Municipalities (Census Subdivisions)	Annual Cost
Barrie	Barrie	\$252
East Simcoe	Oro-Medonte, Ramara, Severn	\$252
North Simcoe	Midland, Penetanguishene, Tay, Tiny	\$252
Orillia	Orillia	\$204
South Simcoe	Adjala-Tosorontio, Bradford West Gwillimbury, Essa, Innisfil, New Tecumseth	\$204
West Simcoe	Clearview, Collingwood, Springwater, Wasaga Beach	\$240
<b>Weighted Average</b>		<b>\$232</b>

## Communication

The calculation included a cell phone plan for each adult. The plan included the least expensive unlimited talk and text cell phone plan with 1 GB of data. Upfront costs such as activation fees, SIM cards or modems were not included. Also excluded were any short-term promotional discounts for new customers. The phone plan was sourced through [Telus](#) and cost \$30 per month plus tax. The calculation also included the least expensive unlimited internet plan to support a basic Netflix subscription for each family type. The cost for internet was sourced from [Teksavvy](#) at a monthly cost of \$45 plus tax. The monthly cost for a Netflix plan was \$14.99.

Table 12: Communications cost in Simcoe County

Communications	Monthly	Annually
Cell phone plan (1 Adult)	\$34	\$407
Netflix	\$15	\$180
Internet plan	\$51	\$609

## Transportation

Transportation varied for the family of four and single adult depending on the availability of public transit in each community across Simcoe County. Public transit was available in some, but not all areas of Simcoe County. In Barrie, where public transit was available, it was assumed one parent drove to work and the other commuted using public transit. The reference family of four located in Barrie utilized one vehicle and a monthly public transit pass. The single adult located in Barrie utilized a monthly public transit pass. The single parent family is assumed to need a vehicle regardless of public transit availability. In the other municipalities, all adults require a vehicle to get to and from work.

In Barrie a monthly adult transit pass cost \$88 according to [the City of Barrie](#).

The depreciation, gas, and maintenance costs for owning and operating a four-year old Honda Civic was sourced through Statistics Canada. The amount for car insurance was based on the lowest quote available from the insurance website [www.rates.ca](#). The remaining expenses for operating a vehicle were drawn from the data provided by the cost for a monthly transit pass sourced through the municipal website. Annualized car ownership and operational costs are detailed in Table 13.

Table 13: Annual cost of car ownership and operation

	Annual Cost
Depreciation	\$1,834
Insurance	\$1,376
Gas	\$1,708
Maintenance	\$1,193
Registration	\$120
<b>Total:</b>	<b>\$6,257</b>

To find the total cost of transportation in the county, a weighted average based on population was used. Cost for transportation in each sub-regional area was weighted and summarized.

Table 14: Annual transportation cost in Simcoe County by family type

Family Type	Annual Transportation Cost
Family of Four	\$11,027
Single Parent	\$6,257
Single Adult	\$4,770

## Parent Education

One 3-credit course with textbook and additional administrative fees was sourced for each adult. The cost of one continuing education course from Georgian College including textbooks and administrative fees was \$397.

## Child Care

The child care calculation assumed the cost of 251 days of full-day child care for the three-year-old child, 187 days of before and after school care for the seven-year-old child, and 50 days of summer care for the seven-year-old child. The cost for child care was based on the average market daily rate for child care at a licensed child care center. The rate in each sub-regional area was sourced through the Ontario Child Care Management System (OCCMS).

Table 15: Daily and annual cost of child care in Simcoe County, 2021

Child Care	Daily Rate	Days of Care Required	Annual Cost
Full Day Care for 3-year-old	\$47	251	\$11,811
Before and After Care for 7-year-old	\$23	187	\$4,208
Summer Camp for 7-year-old	\$43	50	\$2,158

Table 16: Daily cost of child care by sub-regional area

Sub-Regional Areas	Full Day Care for 3-year-old	Before and After Care for 7-year-old	Summer Camp for 7-year-old
Barrie	\$48	\$23	\$44
East Simcoe	\$40	\$21	\$40
North Simcoe	\$43	\$22	\$40
Orillia	\$50	\$22	\$42
South Simcoe	\$50	\$23	\$46
West Simcoe	\$46	\$22	\$41
<b>Weighted Average</b>	<b>\$47</b>	<b>\$23</b>	<b>\$43</b>

## Health, Life and Critical Illness Insurance

Non-OHIP health, life, and critical illness insurance were sourced from [rates.ca](https://www.rates.ca). Health insurance cost was consistent across the province. This plan was used as a comprehensive coverage package which included prescription drugs, dental care, vision care, and other health

practitioner expenses such as registered massage therapy, acupuncture, and chiropractic therapy.

The lowest life and critical illness insurance rate for a randomly chosen residence in each sub-regional area was weighted and summarized.

Table 17: Annual cost of health, life and critical illness insurance by family type

Family Type	Health Insurance	Life Insurance	Critical Illness Insurance
Family of Four	\$2,952	\$152	\$249
Single Parent	\$1,676	\$116	\$124
Single Adult	\$1,165	\$128	\$124

Critical illness insurance varied based on a randomly chosen residence in each sub-regional area. Rates were weighted and summarized. There were no differences in life insurance rates across the sub-regional areas.

Table 18: Annual cost of critical illness insurance by sub-regional area

Sub-Regional Areas	Municipalities (Census Subdivisions)	Monthly Cost
Barrie	Barrie	\$105
East Simcoe	Oro-Medonte, Ramara, Severn	\$149
North Simcoe	Midland, Penetanguishene, Tay, Tiny	\$105
Orillia	Orillia	\$147
South Simcoe	Adjala-Tosorontio, Bradford West Gwillimbury, Essa, Innisfil, New Tecumseth	\$125
West Simcoe	Clearview, Collingwood, Springwater, Wasaga Beach	\$147
<b>Weighted Average</b>		<b>\$124</b>

## Other

The Statistics Canada Market Basket Measure (MBM) calculated the other expense at 75.4% of the combined expense for food, and clothing and footwear. This amount was intended to cover toiletries and personal care, furniture, household supplies, laundry, school supplies and fees, bank fees, some reading materials, minimal recreation and entertainment, family outings (for example to museums and cultural events), birthday presents, modest family vacations and some sports and/or arts classes for the children.

Table 19: Annual other costs by family type

Family Type	Other Costs
Family of Four	\$9,188
Single Parent	\$4,787
Single Adult	\$2,973

## Contingency

A contingency in the amount of 4% of total expenditures (approximately two weeks of income) has been included in the expenses. This amount has been set aside to cover emergencies and unexpected events (e.g. job loss), and to cover incidentals not included in the budget such as children’s toys, legal fees, and recreation equipment (e.g. skates).

## Government Transfers and Taxes

The amount of taxes paid and income from Government Transfers was calculated for each household type. See Table 20 for a summary of government transfers and taxes by family type.

Table 20: Summary of government transfers and taxes by family type

Non-Wage Income (Government transfers)	Family of Four	Single Parent	Single Adult
Canada Child Benefit (CCB)	\$9,100	\$5,640	
Ontario Child Benefit (OCB)	\$145	\$605	
Child Care Subsidy	\$11,073	\$5,066	
GST/HST Credit	\$6	\$755	\$456
Ontario Trillium Benefit	\$325	\$1,078	\$363
Ontario Child Care Tax Credit (CARE)	\$4,518	\$983	
<b>Total Income from Transfers</b>	<b>\$25,168</b>	<b>\$14,127</b>	<b>\$819</b>
<b>Living Wage and Government Deductions and Taxes</b>			
<b>Household Employment Income</b>	<b>\$60,645</b>	<b>\$34,028</b>	<b>\$35,788</b>
Federal Income Tax	\$2,665	\$403	\$2,828
Provincial Income Tax	\$747	\$300	\$1,435
Total Government Taxes	\$3,412	\$703	\$4,263
<b>Household Income After Taxes</b>	<b>\$57,233</b>	<b>\$33,326</b>	<b>\$31,525</b>
Less: CPP and EI Contributions	\$3,775	\$2,140	\$2,261
Plus: Total Government Transfers	\$25,168	\$14,127	\$819
Income after tax and transfers	\$79,226	\$45,712	<b>\$30,433</b>
Living Wage Rates before weighted average	\$16.66	\$18.70	\$19.66
<b>Final Living Wage Rate</b>	<b>\$19.05</b>		

## Comparability

Due to the shift in methodology to an aggregated family model, direct comparison between the 2021 living wage rate to previous Simcoe County rates is not recommended. However, changes in expenses for the family of four between the 2021 and 2018 calculation can be made.

Child care costs continue to be the biggest expense for the family of four, and have increased in Simcoe County by over \$1,000 between the 2018 and 2021 calculation.

The cost of rent was the second highest expense. A 3-bedroom apartment in Simcoe County increased by almost \$150 per month (almost \$2,000 per year) compared to 2018. The cost of the two bedroom apartment was almost as much (85%) as the three bedroom apartment. This means the single parent household on a sole income was paying almost as much as the family of four.

As stated above the average rent rates provided by Canada Mortgage and Housing Corporation (CMHC) do not reflect current market value. This means rental costs for households signing new leases will likely be higher than what was estimated in the living wage calculation.

## Impact

The Ontario Living Wage Network and other groups such as the Poverty Reduction Task Group have communicated the living wage as a way to ensure individuals can meet their basic needs such as food, shelter, transportation, and child care. They have also communicated living wage as a way to ensure individuals can have a decent quality of life, allowing them to be active members of the community, and ensures social inclusion.

Evidence collected by the Ontario Living Wage Network has shown that not only does a living wage benefit those who are receiving this wage, but also employers and the community at large.

- On an **individual level**, those who earn a living wage are paid a fair compensation. They have the opportunity to step out of poverty, to experience a better quality of life, improved health, and have increased opportunities for education or skills training.
- At an **employer level**, paying a living wage to employees reduces absenteeism, decreases turnover rates, lowers recruitment and training costs, and increases staff morale, productivity, and loyalty.
- Finally, at the **community level**, a living wage promotes greater consumer spending power, a better local economy, more civic engagement from community members, and an overall improvement in community health.

Currently Simcoe County is very pleased to have 18 certified living wage employers who have committed to pay all their employees at least the living wage.

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