

Regional wage models don't work for workers

A 'Living Wage' might sound good in theory, but it has unintended consequences ...

The 'Living Wage' model is based on a "typical" household budget reflecting the assumed expenses of 2 adult wage earners and 2 children. Costs include housing, food, transportation, tuition and childcare.

Regional wage schemes ...

➤ Pit wages against strong social programs

For example, when we win improvements in social programs (like \$10-a-day childcare or lower transit fares) it reduces the size of the "typical" household budget. Lower household expenses mean less income is needed to make ends meet. Under the 'Living Wage' model, our 'Living Wage' would be *reduced* every time we strengthen our social programs.

➤ Entrench poverty by postal code

By paying some of us less than others, based on where we live, those of us doing the same job for the same company will be valued differently. Regional wages schemes also create incentives for companies to move from higher wage areas to lower wage areas, creating more downward pressure on all our wages.

➤ Reinforce structural racism

Racism in the labour market influences what kinds of jobs we get, where we can afford to live, and how far we have to travel to work. Regional wage schemes mean highly diverse, racialized communities in lower-cost areas would have lower wage rates than more affluent and often whiter communities.

➤ Introduce means-testing for wages

Pitting household expenses against our wages is a backward step for workers. We should be valued equally for our labour no matter where we work. Let's remember how women have been paid less historically because it was wrongly assumed their expenses were less (since they supposedly had a male breadwinner to rely on). Today, these kinds of false assumptions about lower living expenses are still used to justify lower minimum wage rates for students and young workers.



A regional 'Living Wage' might sound good in theory, but it has unintended consequences ...

➤ Regional wage rates fragment our struggle and undermine unity

Although the living wage method intends to argue for higher wages for some, it has the unintended effect of arguing for LOWER wages for others, based on where we live. It suggests some workers are worth more than others, and makes it harder for us to build a united movement for decent work.

REGIONAL LIVING WAGE RATES

Thunder Bay	\$16.30
Hamilton	\$17.20
Sudbury	\$16.98
Kingston	\$17.75
St. Thomas & Elgin	\$16.57
Sault Ste. Marie	\$16.20



➤ Household income measures don't reflect our diverse realities

Not all households are "typical" and we shouldn't have to rely on our personal relationships to make ends meet. Some of us are single parents, some of us live by ourselves, others of us are struggling to raise more than 2 kids. Some of us have additional expenses that are not reflected in a "typical" household budget.

For all these reasons, we need to fight to raise the floor of wages and working conditions for everyone.

IT'S TIME FOR \$20

Raising the minimum wage to \$20 would benefit 2 million workers in Ontario, strengthen our communities and give local businesses a much needed boost.



Join the FIGHT for decent work ➤ Justice4Workers.org | @FairWagesNow ➤

