

# Anti-poverty group seeks business support for 'living wage' policy

By Jake Rupert, The Ottawa Citizen July 14, 2009

OTTAWA — A community group took its campaign to have the city to become the first in Canada with a living wage policy to the municipality's business advisory committee Tuesday.

The idea is being pushed by the Association of Community Organizations for Reform Now (ACORN), which wants the minimum pay for a city worker to be \$13.50 an hour and for the city to require the same of any company that gets city contracts.

They call this a living wage because, based on a 35-hour work week, this is what it would take to earn a yearly salary above the low-income cut-off for Ottawa as calculated by Statistics Canada.

City staff are looking at the practicality of the idea's being included in Ottawa's new poverty-reduction strategy, which is scheduled to be released in the fall.

However, minimum-wage policies that govern the private sector in Canada are under provincial jurisdiction, making some city politicians reluctant to support the idea, and business leaders aren't sold on it either.

"This could have wide-ranging implications," committee chair Rob Sproule told the group. "We would like to hear from more people before we make any recommendation on this."

Committee member and restaurant owner Guy Annable said such a policy could have unintended results, like boosting the wages businesses would have to offer to retain employees currently in the same pay range.

"I have two dishwasher positions right now that I can't fill at \$13 per hour," he said.

The city has no full-time workers who make less than \$13.50, but does pay about 400 part-timers, temporary employees and summer students less, and some businesses with city contracts pay their workers minimum wage, currently \$9.50 per hour in Ontario.

Representatives from the group told business advisory committee members that experience in the U.S., where more than 100 cities have enacted living-wage policies, shows they provide several benefits to employers and the general public as well as low-paid workers.

They said such policies take pressure off social-service budgets and result in more productive workers who are off work less and don't switch jobs as frequently. They also said such policies boost local economies because the extra money is spent locally on basic needs that cannot be covered on minimum wages.

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