

YELLOWKNIFE
2017
LIVING WAGE



Alternatives North

November 2017



Alternatives North

Alternatives North is a territorial social justice coalition based in Yellowknife. Members include churches, labour unions, environmental organizations, women and family advocates, anti-poverty groups as well as individuals with an interest in our work. It is a leader in poverty reduction and elimination efforts. Alternatives North helped to bring the No Place for Poverty coalition to life in December 2009. It supported the creation of the Government of the Northwest Territories' strategic framework on poverty (*Building on the Strengths of Northerners*) tabled in June 2013, and the Territorial Anti-poverty Action Plan tabled in June 2015. For more information, visit www.alternativesnorth.ca or contact us at info@alternativesnorth.ca.

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Introduction

In 2015, with financial support from the Government of the Northwest Territories' Anti-Poverty Fund, Alternatives North commissioned the calculation of Living Wage estimates for Yellowknife. Alternatives North and Vibrant Communities Canada have partnered to fund the 2017 Living Wage update presented in this report. The rationale for undertaking the re-calculation was to determine the impact of recent changes in government transfer programs and taxes on the level of employment income needed for low income families to meet their basic expenses.

As was the case in 2015, the 2017 Living Wage calculation for Yellowknife is based on the Canadian Living Wage Framework. The approach utilizes a bare-bones budget that incorporates expenditures on food, clothing, rent, transportation, child care, health care, adult education, some household expenses, and a small emergency fund. For the most common family unit in the city– two-parents with two children– the 2017 Living Wage rate for Yellowknife is:

\$22.24

per hour for each parent

This reflects about \$46,000 in employment income per parent. Earning this Living Wage could impact thousands of Yellowknife residents. The 2016 Census profile for the city indicates that there were more than 4,400 individuals living in households earning less than \$40,000 in employment income.

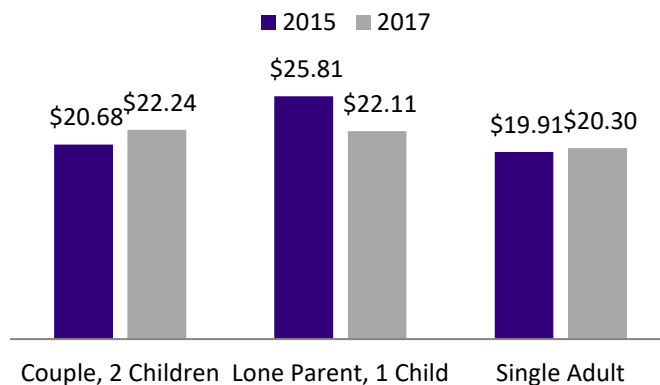
Earning a Living Wage can have benefits for workers, families, employers and society at large. A Living Wage relieves families of the stress of meeting their basic expenses and affords more time and resources to be a part of community life. Businesses keep their employees longer and spend less on recruitment and training. Living Wage workers have more income to spend on local goods and services; they also pay more taxes.

In the NWT, legislation currently sets the minimum wage that all employers must pay their workers at \$12.50 per hour. In contrast to the minimum wage, Living Wage reflects what full time workers must earn to afford basic living expenses based as closely as possible on the actual cost of goods and services within their community.

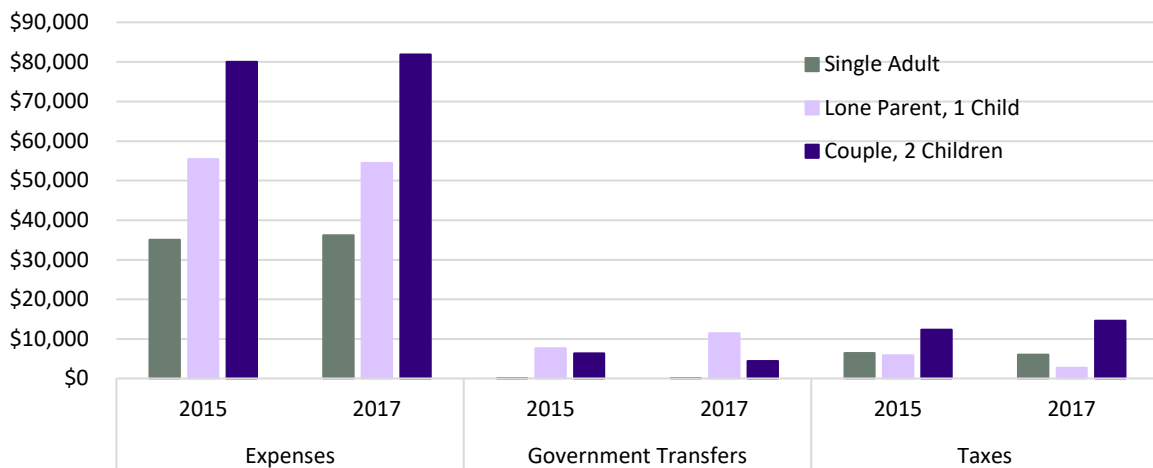
Overview

The 2017 Living Wage estimates resulting from the calculations detailed in this report are compared to the 2015 estimates in the charts below. Following recommendations outlined in the Canadian National Living Wage Framework, the Living Wage rate for a couple with two children is compared to two other common household types. For the couple with two children, the Living Wage rate applies to both parents as all adults are assumed to work.

Yellowknife Living Wage Estimates



Year-to-year changes in the Living Wage rate can result from changes in any one of the externally determined components of the Living Wage calculation – Annual Expenses, Government Transfers, or Taxes. The corresponding level of Employment Income (and subsequent wage rate) needed to balance the Living Wage equation (see page 4) will be impacted. As shown in the chart below, changes to each of these components contributed to the overall change in Living Wage rates from 2015 to 2017.



Annual Expenses increased for the couple family and single adult but decreased slightly for the lone parent family. The decrease for the lone parent family was mainly the result of a lower rental rate estimate for 2-bedroom units.

Significant change between 2015 and 2017 in Government Transfers to families with children resulted from the replacement of the Universal Child Care Benefit (UCCB), Canada Child Tax Benefit (CCTB), and National Child Benefit Supplement (NCBS) programs with the non-taxable Canada Child Benefit (CCB) as well as enhancements to the NWT Child Benefit. The Government Transfers received by lone parent family increased significantly as a result.

Since 2015, there have also been a number of changes to the federal tax structure that have implications for some low income families and impact the calculation of this component of the Living Wage calculation. Some of these include:

- Increase in the maximum amount available to be claimed under the Northern Residents Deduction
- Elimination of taxable federal child benefits (UCCB, CCTB, and NCBS) and replacement with non-taxable child benefits (CCB)
- Elimination of the Children's Fitness Tax credit at the end of 2016
- Elimination of tax credits for textbooks and education supplies in June 2017 (tuition fees can still be claimed)
- Elimination of the public transit tax credit at the end of 2017

From the chart on the previous page, it can be seen that the tax burden of the lone parent family decreased significantly between 2015 and 2017 due mainly to a change in taxable income resulting from the first two changes noted in the list.

Yellowknife's Living Wage Calculation

In May 2013, Vibrant Communities Canada (VCC) formally released the *Canadian Living Wage Framework* (CLWF)¹ which provides a consistent Living Wage calculation methodology. The CLWF guided Yellowknife's 2015 Living Wage calculation and is again used as the basis for the 2017 calculation. The approach is summarized below.

Calculation Method - Living Wage is the hourly wage rate that allows this formula to balance:

$$\text{Annual Family Expenses} = \text{Employment Income} + \text{Income from Government Transfers} - \text{Taxes}$$

Reference Households



Couple, 2 Children

- Female parent age 34 & male parent age 36, both working fulltime²
- 1 female child age 3 & 1 male child age 9



Lone Parent, 1 child

- Single Mom age 31 works fulltime
- 1 male child age 3



Single Adult

- Male age 25 works fulltime

Annual Family Expenses

Budget Inclusions

- ✓ Food
- ✓ Shelter (rental housing)
- ✓ Clothing & footwear
- ✓ Transportation
- ✓ Other household costs
 - Bank fees
 - Personal care items
 - Household operation, maintenance, furnishings, & equipment
- ✓ Child care
- ✓ Health care
- ✓ Social inclusion
 - Adult education
 - Basic cell phone, cable & internet
 - Recreation, entertainment, & gifts
 - Vacation
- ✓ Contingency funds

Budget Exclusions

- ✗ Special dietary needs
- ✗ Owning a home
- ✗ Credit card, loan or other debt/interest payments
- ✗ Savings for retirement
- ✗ RRSP, RESP, or RDSP contributions
- ✗ Hobbies
- ✗ Pet ownership
- ✗ Parking
- ✗ Alcohol or tobacco costs
- ✗ Personal life or disability insurance
- ✗ Financial help to family members
- ✗ Costs of caring for a disabled, seriously ill, or elderly family member

¹ Available at: http://www.livingwagecanada.ca/files/7813/8243/8036/living_wage_full_document.pdf

² The CLWF recommends assuming that an average of 35 hours per week is worked but also indicates that local realities be reflected in the calculation. Statistics Canada data (CANSIM Table 281-0049) indicates that the standard work week for salaried employees in the NWT typically ranges from 38-40 hours or more per week. Therefore, to err towards a more conservative Living Wage, a 40 hour work week is assumed.

Although the CLWF recommends that the reference household(s) include a couple with two children, the framework also indicates that it is good practice to keep track of the variation in expenses faced by different family types. In Yellowknife, couple families most often have two children and lone parents most often live with one child³.

The formula above is a simplified representation of the Living Wage calculation. In reality, many government transfers depend on income levels. Since there is interdependence between variables, the calculation of the Living Wage rate, net income levels, taxes, and government transfers are linked. The Canadian Centre for Policy Alternatives (CCPA) developed a Living Wage Calculation Spreadsheet to support its Living Wage estimates for BC communities⁴. The CCPA spreadsheet was customized for each reference household in this study to reflect the Yellowknife context and all tax, benefit, subsidy, and benefit formulas were updated to reflect the most recent information available from NWT and federal government websites.

The Living Wage calculation is based on the defined household composition—the number of children and adults—and specific assumptions respecting budget expenditures. In reality, there is considerable variation in household composition as well as budget choices and corresponding expenditures. It is not possible to account for this variation in the calculation. The assumptions made are intended to reflect a reasonable set of conservative spending choices for the specified household composition.

It is important to keep in mind the implications that conservative spending assumptions and budget exclusions might have on some households. These include, but are not limited to:




- Inability to pay off debt or to save for or finance larger purchases
- Hampering the ability to care for elderly or disabled family members at home
- Difficulty accommodating special dietary needs
- Decreased quality of life due to a restricted ability to partake in hobbies, athletic programs, pet ownership, and social and culture programs
- Inability to retire early or retire without support

³ Based on the 2016 Census profile for Yellowknife.

⁴ Available at: www.policyalternatives.ca/livingwage2013

What is the Living Wage in Yellowknife?

Applying the above approach results in the following 2017 Living Wage estimates.

| | Living Wage | Annual Expenses* | = | Employment Income | + | Income from Government Transfers | - | Taxes |
|---|---------------------------------|------------------|---|-------------------|---|----------------------------------|---|----------|
|  Couple, 2 children | \$22.24 (each parent) | \$82,099 | | \$92,518 | | \$4,302 | | \$14,713 |
|  Lone Parent, child | \$22.11 | \$54,653 | | \$45,989 | | \$11,456 | | \$2,784 |
|  Single Adult | \$20.30 | \$36,270 | | \$42,224 | | \$137 | | \$6,083 |

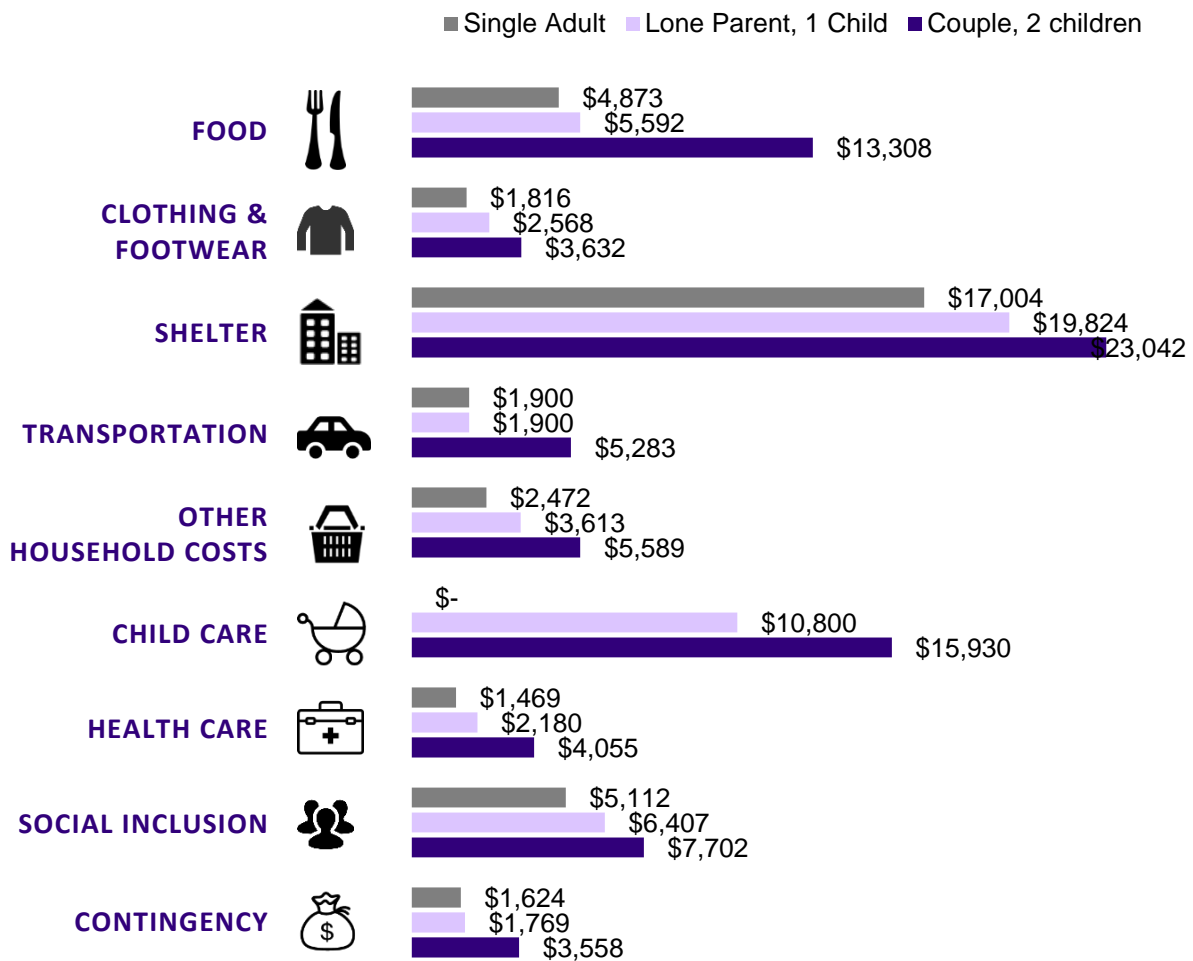
*Due to rounding up to the nearest cent when determining LW, each equation may not balance exactly.

Not surprisingly, the Living Wage is highest for the households with children. The Living Wage for the lone parent with one child is slightly higher than for the couple with two children. In 2015, there was much greater disparity in the Living Wage estimate for the couple family and lone parent family. As described in the overview section this change was driven by increased non-taxable benefits available to the lone parent family.

Further detail on elements of the 2017 Living Wage calculation is provided below.

Annual Expenses

Estimation of each reference household's annual expenses requires collecting appropriate data and researching local costs. For some budget items, specific assumptions need to be made respecting household spending choices. The resulting estimates for each budget component are summarized in the chart below. The specific estimation methods and data sources used are detailed in Appendix A.



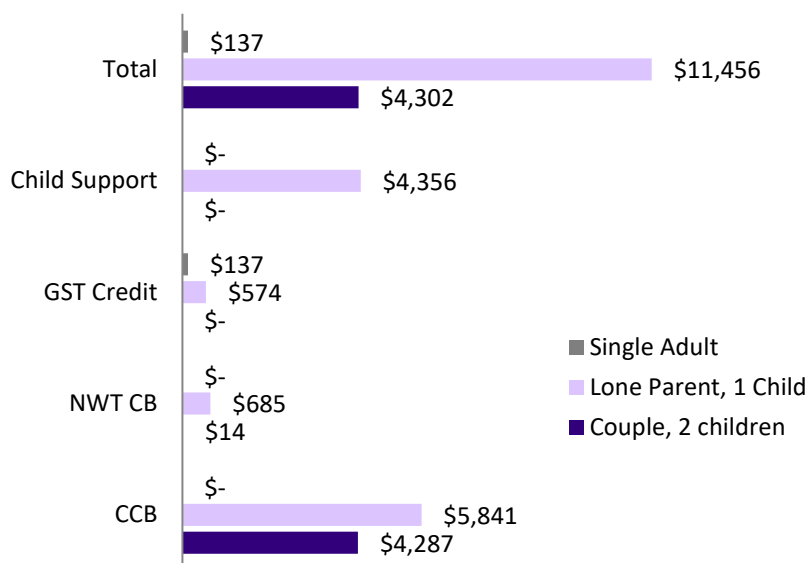
Shelter is the largest component of annual expenses for each household. For the couple and lone parent families, child care is the next largest component of expenses. Food and social inclusion also account for a significant portion of total household expenses.

Income from Government Transfers

Each household receives subsidies and payments that help offset costs. Below are the government transfers that potentially apply to low income households in Yellowknife.

| <i>Subsidy, Benefit, and Transfer Programs</i> | |
|--|----------------------------|
| Federal: | Territorial: |
| Canada Child Benefit (CCB) | NWT Child Benefit (NWT CB) |
| Goods and Services Tax (GST) Credit | |
| Child Support | |

The estimated government transfers received by each reference household are compared below.



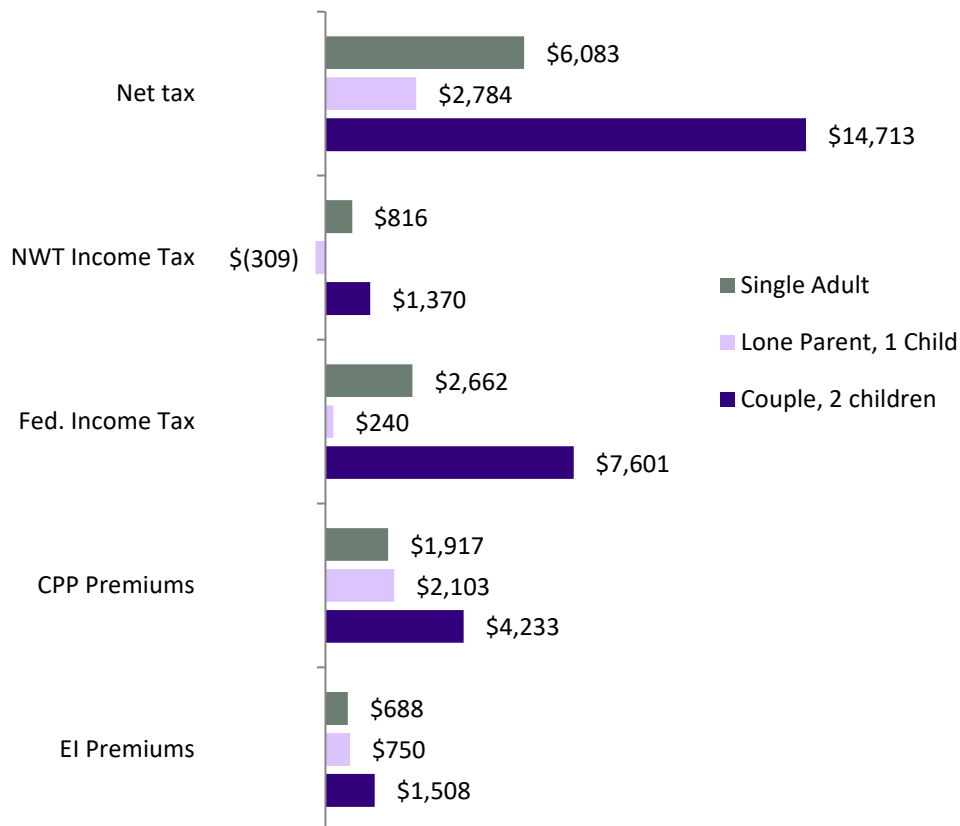
Note that the couple family does not receive the GST Tax Credit because their family net income is too high.

The Child Support rates set by the Federal government have not changed since 2015, therefore this element of Government Transfers has not changed for the lone parent family.

The Canada Child Benefit, which was established by the Federal Government in 2016, provides significant non-taxable benefits to both the couple and lone parent family.

Taxes

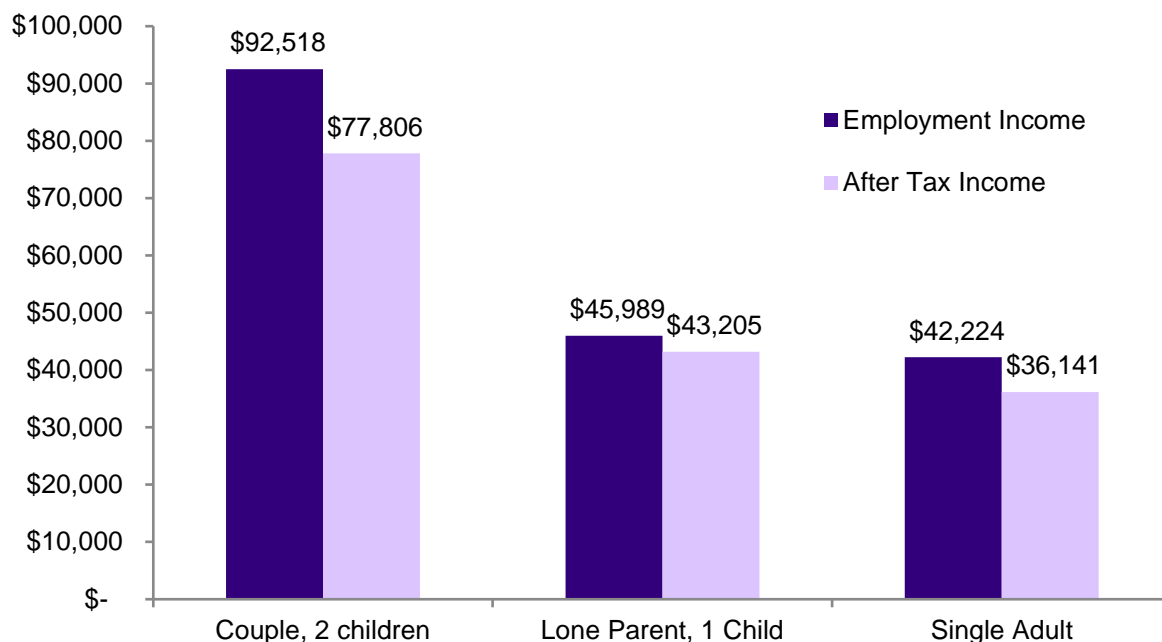
Taxes are also a component of the Living Wage calculation equation. Published tax formulas and indexing values were used to determine the tax contributions and credits applicable to each reference household. As noted on page 3, several key changes to the federal tax structure have occurred since 2015. For Yellowknife and other NWT residents, the increase in the basic amount available to be claimed through the Northern Residents deduction (\$3,011 to \$4,015) was one of the most significant changes.



The couple family bears the largest tax burden of the three reference households with most of the total stemming from federal income tax. The lone parent family pays minimal federal income tax.

Employment Income

The chart below compares employment income and after-tax income for the reference households included in the Living Wage calculation. At these income levels, the Living Wage calculation formula is balanced. The Living Wage for each reference household is determined directly from the before-tax employment income.






As noted previously, the tax burden of the lone parent is the lowest of three reference households and significantly lower than it was in 2015. Again, this is mainly due to the impact of the increase in non-taxable benefits received through CCB and NWT CB as well as the higher Northern Residents deduction.

Appendix A: Expense Calculation Details



FOOD

| |  Couple, 2 children |  Lone Parent, 1 child |  Single Adult |
|----------|--|--|--|
| Monthly | \$1,019 | \$466 | \$406 |
| Annually | \$13,308 | \$5,592 | \$4,873 |

The food cost estimates are determined from the 2015 Market Basket Measure (MBM) for Yellowknife⁵. The MBM food cost estimate for a family of 4 in 2015 is \$12,935^{6,7}. Yellowknife Consumer Price Index (CPI) data⁸ for the food product group is used to adjust the 2015 value to 2016 value of \$13,308.

Data for different household compositions was not available for Yellowknife; however, published weekly food basket costs for different ages and genders are available for Edmonton⁹. For the same composition of a four person family, Yellowknife costs are 16.7% higher than Edmonton (i.e. \$11,400/yr in Edmonton compared to \$13,308/yr in Yellowknife). Assuming costs for the other household compositions vary by the same percentage, Edmonton costs are scaled upwards to determine food costs for the lone parent family with one child and single adult.

⁵ See http://www.statsnwt.ca/prices-expenditures/market_basket_measure/

⁶ Note that the ages of the individuals used to represent a four person family for the purposes of the MBM calculations is slightly different than those used for the Living Wage calculation. The impact of this difference is assumed to be insignificant.




⁷ The MBM food cost estimate is based on the National Nutritious Food Basket (NNFB) for more information on the NNFB visit: <https://www.canada.ca/en/health-canada/services/food-nutrition/food-nutrition-surveillance/national-nutritious-food-basket/questions-answers-2008-national-nutritious-food-basket.html#a1>

⁸ CANSIM Table 32-0021 provides Yellowknife CPI values for food of 138.6 in 2015 and 142.6 in 2016.

⁹ Edmonton weekly food basket data is published at [http://www1.agric.gov.ab.ca/\\$department/deptdocs.nsf/all/sdd16458](http://www1.agric.gov.ab.ca/$department/deptdocs.nsf/all/sdd16458)






CLOTHING AND FOOTWEAR

| |  Couple, 2 children |  Lone Parent, 1 child |  Single Adult |
|----------|--|--|--|
| Monthly | \$303 | \$214 | \$151 |
| Annually | \$3,632 | \$2,568 | \$1,816 |

The 2015 Yellowknife MBM estimate for Clothing and Footwear (\$3,538) is adjusted for inflation (using Yellowknife CPI values for the clothing and footwear commodity group¹⁰). The household size scaling factor recommended by Statistics Canada is then applied to arrive at estimates for the lone parent family and single adult.



SHELTER

| |  Couple, 2 children |  Lone Parent, 1 child |  Single Adult |
|----------|--|--|--|
| Monthly | \$1,920 | \$1,652 | \$1,417 |
| Annually | \$23,042 | \$19,824 | \$17,004 |

It is assumed that the couple family rents a 3 bedroom apartment, the lone parent family rents a 2 bedroom apartment and the single adult rents a 1 bedroom apartment and each household purchases tenants' insurance¹¹.

Based on CMHC's Spring 2016 Rental Market Report¹², the average rent¹³ charged for apartment units in Yellowknife was: \$1,902/mth for a 3 bedroom unit, \$1,636/mth for a 2 bedroom unit; and \$1,401/mth for a 1 bedroom unit. A review of rents being charged by the two major property managers in Yellowknife as of September 25, 2017,¹⁴ suggests that the CMHC figures remain reflective of current rental rates, most of which include heat and water but not electricity. For this reason, the CMHC may underestimate the average cost of renting; however, in order to avoid overestimation,

¹⁰ CANSIM Table 326-0021 reports the 2015 and 2016 Yellowknife CPI for clothing and footwear as 100.7 and 103.4, respectively.





¹¹ Note that housing cost included in the Yellowknife MBM uses the weighted average of median rent for 2 and 3+ bedroom apartments plus the cost of electricity and it does not include the cost of tenant insurance. The 2015 MBM housing cost value adjusted to 2016 using the Yellowknife CPI for shelter is \$23,466.

¹² Available at www03.cmhc-schl.gc.ca/catalog/productDetail.cfm?cat=110&itm=5&lang=en&fr=1429240369218

¹³ Average rents presented in the CMHC Market Rental Report reflect rents charged by surveyed landlords who may or may not include utility costs.

¹⁴ Northview Apartment Real Estate Investment Trust <https://www.northviewreit.com/apartments/cities/yellowknife> and Midwest Property Management (<http://www.rentmidwest.com/yellowknife>)

CMHC estimates are used. RBC's online insurance quote service was used to attain estimates of annual costs for tenants' insurance (\$218, \$192, & \$192) for \$2 million in legal liability and \$50,000, \$40,000 and \$40,000¹⁵ in contents, respectively.

| | |  Couple, 2 children |  Lone Parent, 1 child |  Single Adult |
|--|----------|---|---|---|
|  TRANSPORTATION | Monthly | \$440 | \$158 | \$158 |
| | Annually | \$5,283 | \$1,900 | \$1,900 |

In the 2015 Living Wage calculation, several transportation scenarios were considered for each reference household and it was determined that it was reasonable to assume that the single adult and lone parent family rely on public transit and occasional taxi use. However, given the challenges of coordinating transportation to two workplaces, school and day home, the couple family owns and operates a private vehicle and one parent uses public transit to travel to work independently. The same assumptions are again applied.

For both the lone parent and single adult household, the assumptions are:

- 1 public transit pass (children under 5 ride for free) is purchased each month at a cost of \$75
- 50 taxi round trips per year (to correspond with one grocery trip every non-vacation week) at a cost of \$20 each round trip

For the couple family, the cost of operating a private vehicle follows the same approach as used for the 2015 Living Wage calculation with updated vehicle models. The costing is guided by methods recommended by the Canadian Automobile Association^{16, 17}. The following assumptions are made:

- Vehicle make is a 2013 Toyota Matrix purchased upon sale of a 2008 Toyota Camry and both vehicles valued at average Canadian Black Book prices (\$15,123 and

¹⁵ \$40,000 in contents coverage was the minimum available.





¹⁶ See http://caa.ca/car_costs/

¹⁷ Depreciation not included because it is not an out-of-pocket cost.

\$10,433, respectively). Appropriate tires were included and do not need to be purchased separately.

- Bank financing is obtained for 60 months at 4%
- Annual mileage of 10,820 km based on driving 20 km every day and an additional 20 km every weekend and one round-trip to Edmonton (3,000 km)
- Fuel price of \$1.139/L based on Yellowknife prices listed on NWTgasprices.com on September 25, 2017
- City vs Highway mileage at 70/30% and mileage based on the values for the 2013 Toyota Matrix included within the CAA's Driving Costs calculator
- Use of free parking spaces away from home

| Expenditure | Annual Estimate |
|---|-----------------|
| Ownership Costs (bank financing) | \$2,488 |
| Gasoline | \$1,274 |
| Maintenance | \$300 |
| Private insurance premiums ¹⁸ | \$1,095 |
| Registration fees (including insurance if part of registration) | \$126 |
| Total | \$5,283 |

| |  |  |  |  |
|--------------------------------------|---|---|--|---|
| | | Couple, 2 children | Lone Parent, 1 child | Single Adult |
| OTHER HOUSEHOLD COSTS | Monthly | \$466 | \$301 | \$206 |
| | Annually | \$5,589 | \$3,613 | \$2,472 |

Other household costs include: allowance for children over 6; bank fees; household operation, maintenance, furnishings, and equipment; laundry; and personal care items. Assumptions match those made in 2015 except where specifically noted.

Allowance – Canadian Living article has suggested that a rule of thumb for the amount of allowance paid per week is age in dollars¹⁹. For the purpose of this study a \$40 monthly allowance for the nine year old child in the couple family is assumed.

¹⁸ Estimate attained through RBC Insurance's online quote estimator.





¹⁹ Godrey, N. (2013). Kids' Allowance Tips. Accessed from: www.canadianliving.com/moms/family_life/kids_allowance_tips_2.php

Bank Fees - Comparison of major banks suggests that chequing account fees can be kept to as low as \$10/month (overdraft protection included) by limiting transactions²⁰.

Household Operation, Maintenance, Furnishings, and Equipment – Average Yellowknife expenditure data from Statistic Canada's Survey of Household Spending (SHS) is used and adjusted for inflation. Estimated costs are: \$2,651, \$1,875, and \$1,326 for the couple family, lone parent family, and single adult, respectively.

Laundry- The local leasing office for Yellowknife's largest rental property landlord, Northview, indicated that costs have increased to \$2.75 per each instance of washing and drying in most buildings. Assumed loads per week and resulting costs for the couple family, lone parent family and single adult are: 3 loads- \$858; 2 loads- \$572; and 1 load - \$286, respectively.

Personal Care Items - Average 2015 SHS Yellowknife expenditure data is inflation adjusted. Estimates are: \$1,480, \$1,046, and \$740 for the couple family, lone parent family and single adult, respectively.

| | |  Couple, 2 children |  Lone Parent, 1 child |  Single Adult |
|--|----------|---|---|---|
|  CHILD CARE | Monthly | \$1,328 | \$900 | - |
| | Annually | \$15,930 | \$10,800 | - |

With parents working full-time, it is assumed that fulltime child care is needed for all children. Child care cost information is reviewed in the table below.

| Program | Monthly Rates |
|---|---|
| Licensed Family Day Homes ²¹ | \$800-1000/month for 3 year olds |
| YWCA Out-of-School Care ²² | \$280 full time for school days \$50/day for non-school days & \$360 for March Break (2 weeks) |
| Yellowknife Daycare | \$900/month for 3 year olds; \$920/month for 4 year olds |
| Kids Corner Child Care ²³ | \$910/month for 3 year olds |
| City Summer Day Camp | \$220/week for 5 years and older ²⁴ |

²⁰ See www.ratehub.ca/chequing-accounts/accounts/personal

²¹ A random sample of licensed family day homes currently included on Education, Culture and Employment's list were contacted.





²² YWCA childcare fees available at: <http://www.ywcanwt.ca/children-and-youth/after-school-program>

²³ Rates attained from <http://www.childcarekc.org/daycare-rates>

²⁴ Personal communication with the City's Recreation Supervisor.

Below, cost information is combined with program assumptions to determine child care budget estimates. It is assumed that even when child care is not required during a vacation, to maintain the day home spot, the full month is paid.

| | Couple, 2 Children | Lone Parent, 1 Child |
|----------------------------|---|---|
| Children under 4 years old | Day Home (12 mths at \$900/month): \$10,800 | Day Home (12 months at \$900/month): \$10,800 |
| Child age 9 | After School: \$2,800 March Break: \$360 Other Non-school Days ²⁵ (13): \$650 City day camps (6 wks): \$1,320 | |

| |  |  |  |
|---|---|---|---|
| | Couple, 2 children | Lone Parent, 1 child | Single Adult |
|  HEALTH CARE | | | |
| Monthly | \$338 | \$182 | \$122 |
| Annually | \$4,055 | \$2,180 | \$1,469 |

Following the CLWF, health care expenses are included in annual expenses. However, it is important to be aware that these expenses will not be incurred by some low-income households. Through Health Canada's Non-insured Health Benefits program and the Government of the Northwest Territories' Metis Health Benefits program, qualifying Yellowknife residents will receive coverage for many extended health benefits. For those who do not qualify for these programs and do not have an employer provided plan, out-of-pocket health care expenses for vision, dental, and prescriptions are likely. It is assumed households choose to purchase private coverage to mitigate against potentially unexpected and expensive costs.

Premiums are based on estimates received from SunLife for their Health and Dental Choice A plan²⁶. Coverage limitations are such that some out-of-pocket expenses are likely²⁷. Assumptions respecting out-of-pocket expenses are outlined below.

²⁵ Based on the Yellowknife District 1 calendar for 2017/18: <http://www.yk1.nt.ca/documents/general/YK1%20Calendar%202015-2016%20-%20FINAL.pdf>




²⁶ SunLife quotes were also used in 2015 but the plan's coverage is now slightly different.

²⁷ The plan also includes vision care at 100% reimbursement for expenditures of \$150/2 years; it is assumed that by using discount online eyeglass suppliers this is not exceeded. There is also \$80 coverage of up to \$250/person/yr for services from other health care practitioners (chiropractors, physiotherapists, acupuncturists, naturopaths, psychologists, registered massage therapists, speech therapists and osteopaths). It is assumed that the households do not incur these expenses.

| Expense | Assumptions | Coverage | Couple, 2 Children | Lone Parent, 1 Child | Single Person |
|----------------------|---|------------------------------|--------------------|----------------------|----------------|
| Premiums | | | \$3,319 | \$1,812 | \$1,285 |
| Prescriptions | \$220/person/yr | 80% | \$176 | \$88 | \$44 |
| Dental | Do not spend beyond maximum coverage/yr | 80% to a max of \$700/person | \$560 | \$280 | \$140 |
| | Budget Estimate | | \$4,055 | \$2,180 | \$1,469 |



SOCIAL INCLUSION

| |  Couple, 2 children |  Lone Parent, 1 child |  Single Adult |
|----------|--|--|--|
| Monthly | \$642 | \$534 | \$426 |
| Annually | \$7,702 | \$6,407 | \$5,119 |

Social inclusion expenses relate to spending on goods and services that allow for fuller participation in society. Expenditures for cell phones for each adult, basic TV and internet service, adult education, recreation, entertainment, a modest vacation, and conservative spending on gifts have been included.

Cell Phone(s), Cable, and Internet – Prices were researched in October 2017. Ice Wireless offered the most affordable calling, texting and data plan at \$59/month. A basic internet package through NorthwesTel was \$41.95/month and a basic cable package was advertised at \$46.95/month.

Adult Education - The CLWF suggests assuming that one adult household member enrolls in evening classes at a local college. For 2017/18, Aurora College tuition fees are \$305/course and part-time student fees were \$10/term. For books and materials the College prices at cost recovery. A total cost of \$375 for one course has been assumed.

Recreation and Entertainment - The City of Yellowknife co-ordinates several free family-friendly activities throughout the year and participation by each household is assumed. The following are also included: annual flexi passes to access City recreation facilities²⁸; a Netflix account²⁹; and 12 restaurant meals. Each household is also

²⁸ Rates available at <http://www.yellowknife.ca/en/getting-active/admission-fees.asp>. In 2015, it was assumed that 11 monthly passes were purchased due to inability to pay for a cheaper annual pass up front. For 2017, it is assumed that the City's payment plan option is used.

²⁹ In 2015, movie theatre outings were assumed; due to the much lower cost and increased frequency of Netflix subscription, this assumption was changed.

assumed to have one computer with related costs based on the average Yellowknife 2015 SHS value. The cost of children's toys is taken from the same source and split in half for the lone parent family.

| | Couple, 2 children | Lone Parent, 1 Child | Single Adult |
|---|------------------------|--|---------------------|
| Flexi Passes (1 year) | Family: \$1,273 | Adult: \$584 Preschool: \$281 | Adult: \$584 |
| Children's Toys | \$218 | \$109 | |
| Computer equipment, software, & supplies | \$613 | \$613 | \$613 |
| Netflix account | \$120 | \$120 | \$120 |
| Restaurant Meals (12) (\$25/adult; \$15/child) | \$960 | \$480 | \$300 |
| Budget Estimate | \$3,184 | \$2,187 | \$1,617 |

Vacation - All households take one 6 night trip to Edmonton where they stay in a low cost hotel. The lone parent family and the single adult fly. The couple family uses their vehicle to travel to, from, and within Edmonton; the mileage associated with the travel has been included in the transportation expenses. Other assumptions include:

- Hotel costs are assumed at \$100/night for a room that accommodates the families and \$80/night for the single person.
- One restaurant meal per person per day is purchased.
- Return airfare is \$407/person³⁰.
- The single adult and lone parent use a taxi to travel to and from the Yellowknife airport, the Edmonton Sky Shuttle Airport Service, and rely on walking and public transit within Edmonton.

| | Couple, 2 children | Lone Parent, 1 Child | Single Adult |
|--|--------------------|----------------------|----------------|
| Taxi to & from Yk Airport | | \$40 | \$40 |
| Airfare | | \$814 | \$407 |
| Hotel | \$600 | \$600 | \$480 |
| Sky Shuttle ³¹ | | \$30 | \$30 |
| Public Transit (4 adult day passes at \$9.5/day) ³² | | \$38 | \$38 |
| Restaurant Meals (6) (Assume \$25/adult & \$15/child) | \$480 | \$240 | \$150 |
| Budget Estimate | \$1,080 | \$1,760 | \$1,145 |





³⁰ Based on the lowest price including tax available on October 1, 2017.

³¹ Rates attained from <http://edmontonskyshuttle.com/>

³² Children under 4 ride free. Rates attained from <http://www.edmonton.ca/transportation/ets/fares-ets.aspx>

Gifts – Conservative spending is assumed (\$25/child; \$40/adult; \$15/birthday party gift).

| | Couple, 2 children | Lone Parent, 1 Child | Single Adult |
|--|--------------------|----------------------|--------------|
| Christmas Gifts (1/child, 1/spouse, 1 gift outside the household) | \$170 | \$65 | \$40 |
| Birthday Gifts (1/child, 1/spouse, 1 gift outside the household) | \$170 | \$65 | \$40 |
| Birthday Party Gifts (each child attends 4 parties) | \$120 | \$60 | |
| Other Gifts (3) | \$120 | \$120 | \$120 |
| Budget Estimate | \$580 | \$310 | \$200 |

| | |  Couple, 2 children |  Lone Parent, 1 child |  Single Adult |
|---|----------|---|---|---|
|  CONTINGENCY | Monthly | \$297 | \$147 | \$135 |
| | Annually | \$3,558 | \$1,769 | \$1,624 |

In order to be prepared for emergencies and unforeseen expenses, each household puts aside a small amount of their income each month. The total annual amount is based on two weeks of employment income (before-tax).