



# *Alternatives North*

## **Media Release**

March 30, 2022

### **Alternatives North Releases 2022 Living Wage Report**

Alternatives North has released its calculation of the living wage required by NWT families, with updates for Yellowknife, Hay River and Inuvik, and the first-ever calculations of a living wage for Fort Smith.

In order to earn a wage that allows for a decent standard of living, each parent in a family of four with two parents working 37.5 hours per week would have to earn an hourly wage of \$23.38 in Yellowknife, \$21.32 in Hay River, \$22.59 in Inuvik and \$17.81 in Fort Smith.

These rates are a slight decrease in costs due to additional Government transfers and positive changes to the tax structure. The decreases were \$0.57 in Yellowknife, \$3.43 in Hay River and \$1.19 in Inuvik.

The living wage is calculated for a family of four, including two working parents, one child in full time child care, and one child in elementary school. Since two-thirds of Inuvik's population is Indigenous, that living wage is calculated for Indigenous persons who are eligible for programs non-Indigenous families cannot access.

"Though it is positive that the living wage rate is slightly lower than last year, it is still well above the \$15.20 minimum wage," says Alternatives North's Suzette Montreuil, who led recalculation efforts. "We continue to be faced with the need to either raise wages, decrease costs or increase subsidies."

Michel Haener, an Alberta-based economist calculated the living wage rates. She has calculated living wages for other communities including Grande Prairie, Red Deer and Canmore. The nationally-recognized Canadian Living Wage Framework provides a methodology that allows living wage rates to be compared among communities.

The Canadian Living Wage Framework uses a bare-bones budget for the calculation that includes shelter, food, clothing, transportation, child care, health care services and supplies, and a small emergency fund. The budget does not include paying debts, saving money, helping other family members financially or owning a pet, among other things.

See the attached [2022 NWT Living Wage Report](#), [2022 NWT Plain Language Living Wage Report](#), [NWT Living Wage 2022 Infographic](#), [Yellowknife](#), [Hay River](#), [Inuvik](#) and [Ft. Smith](#) Infographics and the [Alternatives North website](#) for previous editions of the Living Wage Reports.

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# 2022

## NWT LIVING WAGE

Inuvik • Hay River • Fort Smith •  
Yellowknife

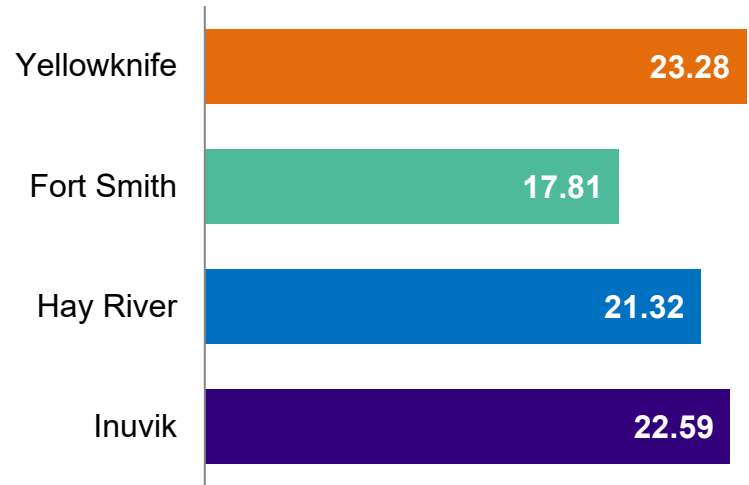
Living Wage is based on a bare-bones budget without the extras many of us take for granted. The budget includes food, clothing, rent, transportation, child care, health care, adult education, some household expenses, and a small emergency fund. Since 2019, a 37.5-hour work week has been assumed for NWT living wage calculations.

For a 2 parent, 2 child household, 2022 NWT Living Wage rates were estimated as:

- \$22.59 in Inuvik;
- \$21.32 in Hay River;
- \$17.81 in Fort Smith; and
- \$23.28 in Yellowknife.

It is important to highlight that the Inuvik and Fort Smith estimate is based on an Indigenous family (the most common household demographic) that has access to child care and health benefit programs that non-indigenous families cannot access.

Below are the 2022 Living Wage rates for a family of 2 parents and 2 children when both parents work full time (37.5 hours per week).



## What is Living Wage?

*The hourly earnings required to cover basic expenses based on the actual costs of living in a specific community.*

## What are the benefits?

### *Individuals & Families*

- ✓ Fewer Living in Poverty
- ✓ Fairer Compensation
- ✓ Better Health
- ✓ Better Quality of Life

### *Community*

- ✓ Better Understanding of Local Living Costs
- ✓ More Civic Participation
- ✓ More Spending in the Local Economy

### *Employers/Business*

- ✓ Better Labour Productivity
- ✓ Less Employee Turnover
- ✓ Less Absenteeism
- ✓ Better Customer Loyalty
- ✓ Better Corporate Image



# How were the NWT's Living Wage rates calculated?

The *Canadian Living Wage Framework* (CLWF) developed by Vibrant Communities Canada was used as a guide for the NWT 2022 Living Wage calculations.

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

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

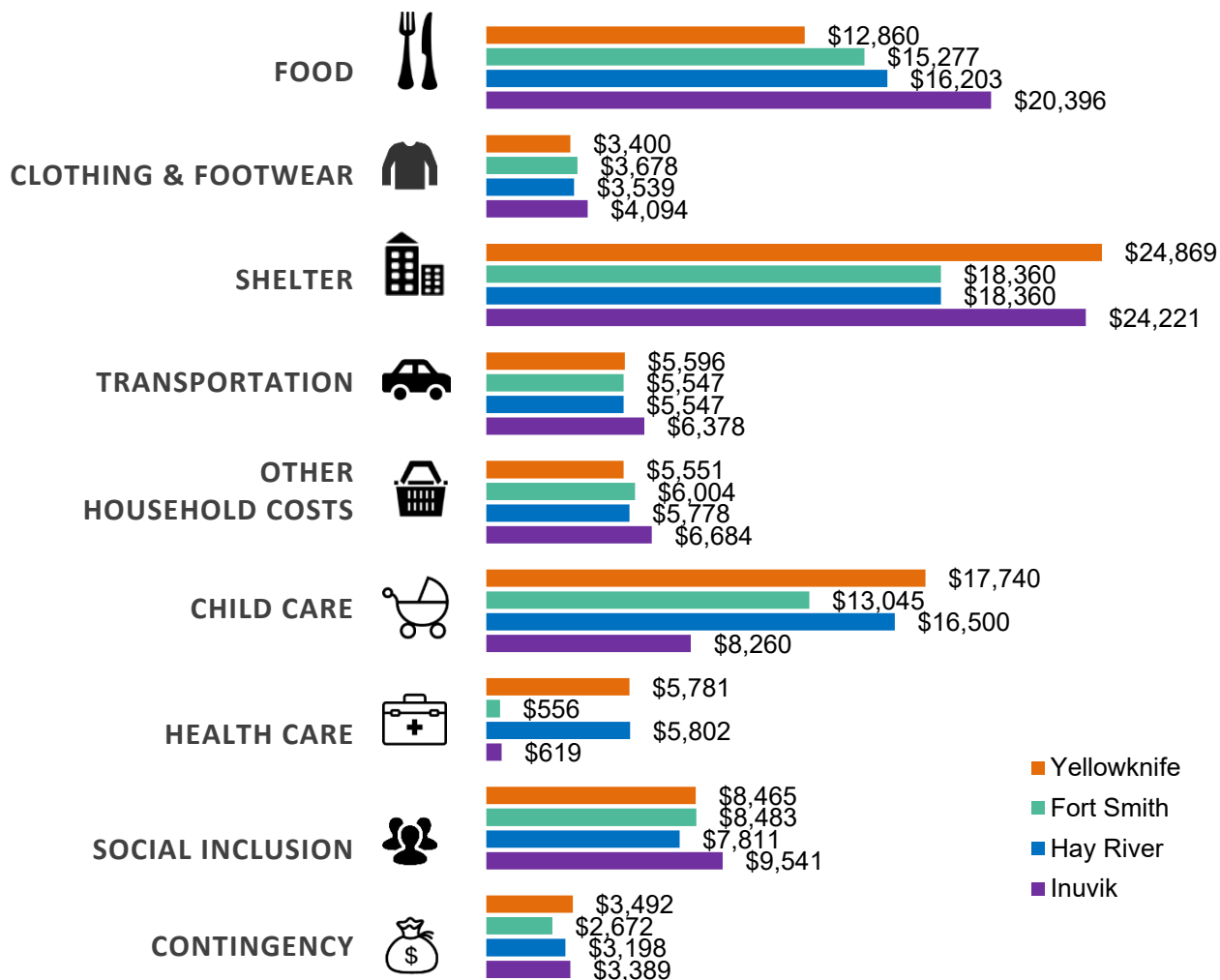
## Annual Family Expenses

### Budget Exclusions

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

## Annual Expenses

This chart shows the annual expenses used in the 2022 calculation.



# 2022

## YELLOWKNIFE LIVING WAGE

Living Wage is based on a bare-bones budget without the extras many of us take for granted. The budget includes food, clothing, rent, transportation, child care, health care, adult education, some household expenses, and a small emergency fund.

In 2015, 2017, and 2019, Yellowknife's Living Wage was calculated to be \$20.68, \$20.96, \$23.95, respectively. For 2022, Living Wage rate is \$23.28.

Compared to 2019, the Living Wage reference family— a couple family with 2 children— faces similar annual expenses but attains somewhat higher government transfers that offset the need for employment income.

# \$23.28

**per adult per hour**

is Yellowknife's 2022 Living Wage for a family of 2 parents working 37.5 hours per week and 2 children including self-funded health and dental expenses.

## What is Living Wage?

*It is the hourly earnings required to cover basic expenses. It is based on the actual costs of living in a specific community.*

## What are the benefits?

### *Individuals & Families*

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**March 2022**

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# How was Yellowknife's Living Wage calculated?

The *Canadian Living Wage Framework* (CLWF) developed by Vibrant Communities Canada was used as a guide for Yellowknife's 2022 Living Wage calculation.

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

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

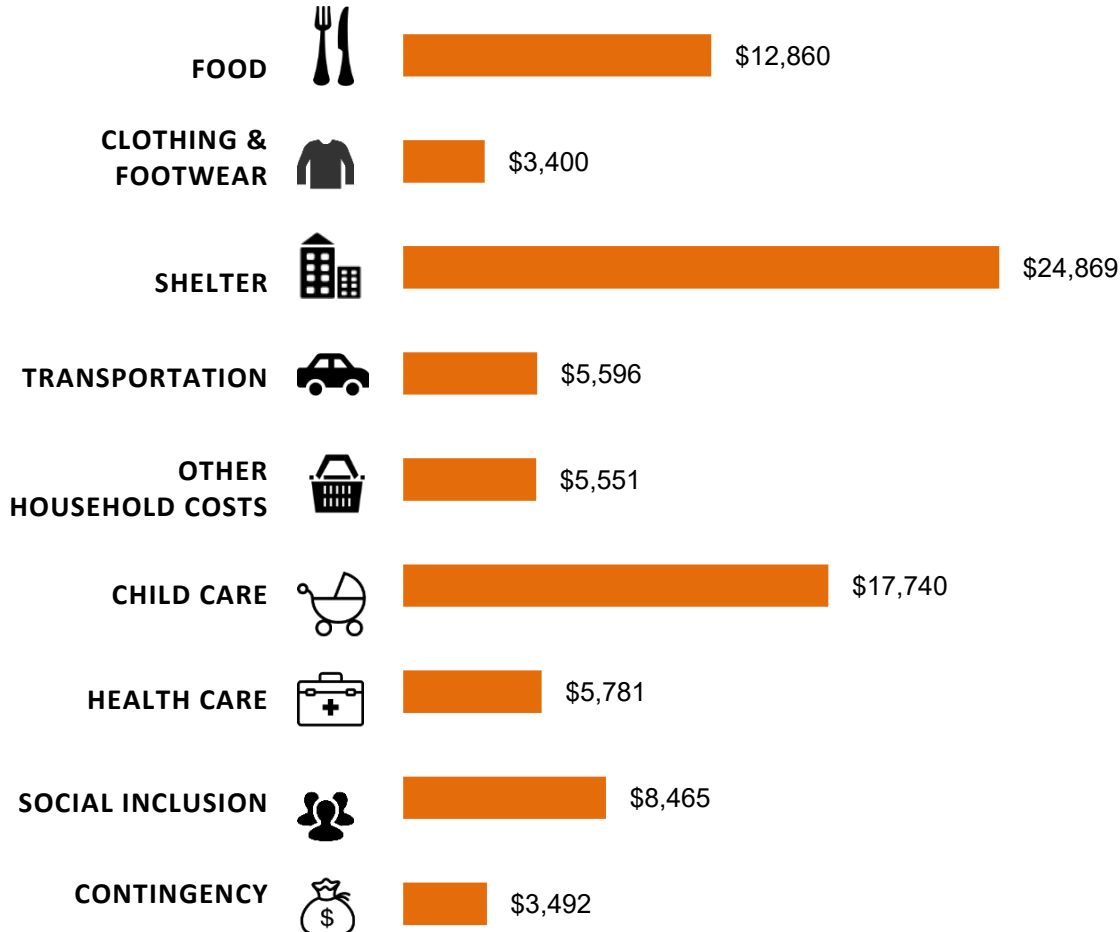
## Annual Family Expenses

### Budget Exclusions

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

## Annual Expenses

This chart shows the annual expenses used in the 2022 calculation.



# 2022

## FORT SMITH LIVING WAGE

Living Wage is based on a bare-bones budget without the extras many of us take for granted. The budget includes food, clothing, rent, transportation, child care, health care, adult education, some household expenses, and a small emergency fund.

This is the first time that Living Wage has been estimated for Fort Smith. The resulting Living Wage rate is \$17.81.

It is important to highlight that the Fort Smith estimate is based on an Indigenous family (the most common household demographic) that has access to child care and health benefit programs that non-Indigenous families cannot access. Access to these programs results in lower expenses and, in turn, a lower Living Wage rate.

# \$17.81

**per adult per hour**

is Fort Smith's 2022 Living Wage for an Indigenous family of 2 parents working 37.5 hours per week and 2 children

## What is Living Wage?

*It is the hourly earnings required to cover basic expenses. It is based on the actual costs of living in a specific community.*

## What are the benefits?

### *Individuals & Families*

- ✓ Fewer Living in Poverty
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- ✓ Better Health
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### *Community*

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# How was Fort Smith's Living Wage calculated?

The *Canadian Living Wage Framework* (CLWF) developed by Vibrant Communities Canada was used as a guide for Fort Smith's 2022 Living Wage calculation.

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

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

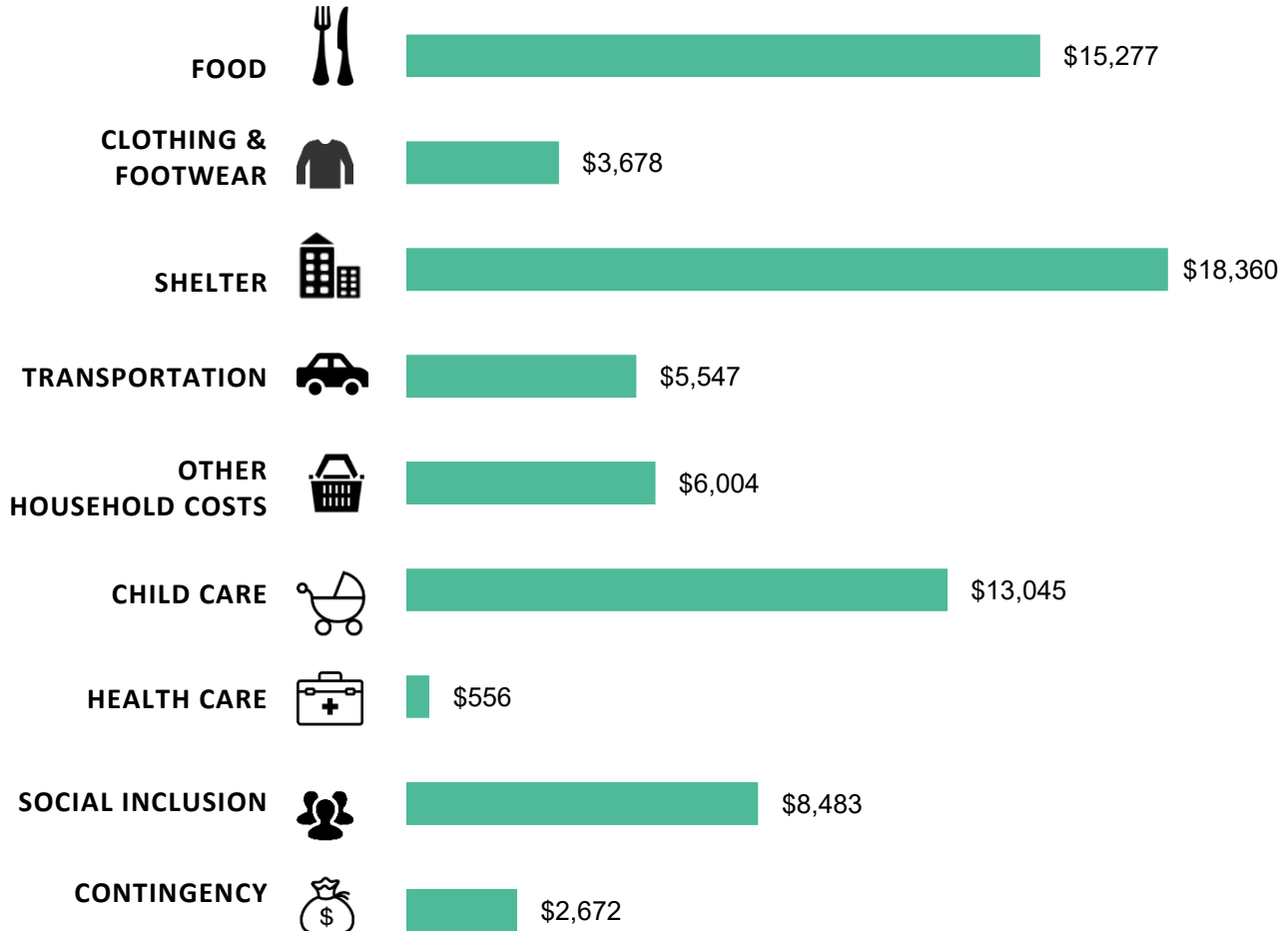
## Annual Family Expenses

### Budget Exclusions

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

## Annual Expenses

This chart shows the annual expenses used in the 2022 calculation.



# 2022

## HAY RIVER LIVING WAGE

Living Wage is based on a bare-bones budget without the extras many of us take for granted. The budget includes food, clothing, rent, transportation, child care, health care, adult education, some household expenses, and a small emergency fund.

In 2019, Hay River's Living Wage was calculated to be \$24.75.

The resulting 2022 Hay River Living Wage rate for a couple family with 2 children is \$21.32.

Compared to 2019, the Living Wage reference family— a couple family with 2 children— faces similar annual expenses but attains increased government transfers that offset the need for employment income.

# \$21.32

**per adult per hour**

is Hay River's 2022 Living Wage for a family of 2 parents working 37.5 hours per week and 2 children including self-funded health and dental expenses.

## What is Living Wage?

*It is the hourly earnings required to cover basic expenses. It is based on the actual costs of living in a specific community.*

## What are the benefits?

### *Individuals & Families*

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# How was Hay River's Living Wage calculated?

The *Canadian Living Wage Framework* (CLWF) developed by Vibrant Communities Canada was used as a guide for Hay River's 2022 Living Wage calculation.

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

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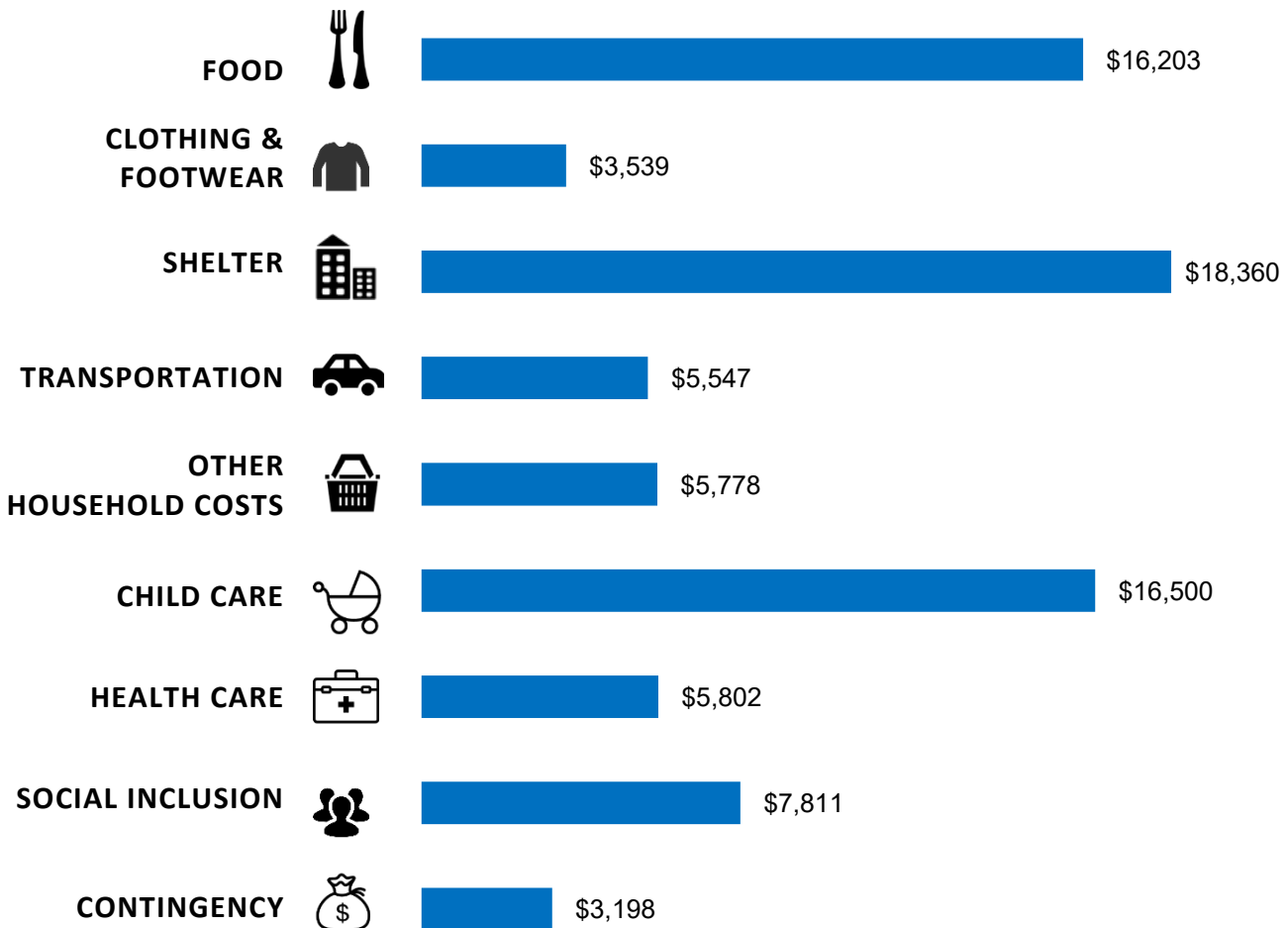
## Annual Family Expenses

### Budget Exclusions

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

## Annual Expenses

This chart shows the annual expenses used in the 2022 calculation.



# 2022

## INUVIK LIVING WAGE

Living Wage is based on a bare-bones budget without the extras many of us take for granted. The Living Wage budget includes food, clothing, rent, transportation, child care, health care, adult education, some household expenses, and a small emergency fund.

In 2019, the Inuvik Living Wage rate was estimated to be \$23.78.

The 2022 Inuvik Living Wage rate for a couple family with 2 children is \$22.59.

It is important to highlight that the 2019 and 2022 Living Wage rates for Inuvik are based on an Indigenous family (the most common household demographic) that has access to child care and health benefit programs that non-Indigenous families cannot access.

# \$22.59

**per adult per hour**

is Inuvik's 2022 Living Wage for an Indigenous family of 2 parents working 37.5 hours per week and 2 children

## What is Living Wage?

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## What are the benefits?

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# How was Inuvik's Living Wage calculated?

The *Canadian Living Wage Framework* (CLWF) developed by Vibrant Communities Canada was used as a guide for Inuvik's 2022 Living Wage calculation.

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## Annual Family Expenses

### Budget Exclusions

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- × Alcohol or tobacco costs
- × Personal life or disability insurance
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## Annual Expenses

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