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The Costs of Accessibility

The 2023 Living Wage for Regina and Saskatoon

CCPA Saskatchewan Office



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Saskatchewan Office

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The 2023 Living Wage for Regina and Saskatoon**

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For Saskatoon, the 2023 living wage for a family with access to \$10 per day childcare is \$18.50 per hour. A family without access to \$10 per day childcare in Saskatoon would need a living wage of \$20.25 per hour.

In Regina, the living wage is \$18.05 for a family with access to \$10 per day childcare. For Regina, the living wage for those who cannot access the childcare program would be close to \$20, at \$19.80 per hour.

Introduction

This year's living wage calculation for Regina and Saskatoon is a little different from past calculations. That's because we are presenting two different living wage calculations for each city this year. Last year, we made the decision to not include the cost savings from the government's \$10 per day daycare program due to the inaccessibility of the program in both major cities. We reasoned that it would be unfair to expect a family to get by on a living wage that was premised on a daycare subsidy that they might not be able to access. This year we take a different tact. While difficulties accessing childcare spaces continues to frustrate families across Saskatchewan, we nevertheless wanted to show how important social programs can be to a working family's bottom line. So, this year we release a living wage calculation based on a family that can access \$10 per day daycare for their one pre-school child, versus one who cannot, and must pay for alternative types of private caregiving.

For Saskatoon, the 2023 living wage for a family with access to \$10 per day childcare is \$18.50 per hour, a drop from the \$18.90 we calculated last year. In Regina, the living wage is \$18.05 for a family with access to \$10 per day childcare, up from \$17.90 in 2022. However, were we to remove access of both these families from \$10 per day childcare, the amount they would need to earn to cover those increased expenses soars. For Regina, the living wage for those who cannot access the childcare program would be close to \$20 per hour, at \$19.80. In Saskatoon, a family would have to earn \$20.25 per hour to afford the added childcare expenses. These stark differences in income demonstrate the importance of public programs that control the costs that families would otherwise absorb. As childcare has long been in the top three of expenses for our living wage family along with food and shelter, programs that can take the bite out of those costs can give working families some much needed relief.

What is a Living Wage?

Living wages benefit families, communities and employers now and into the future. Living wages reflect what a family needs based on the actual costs in their community. A living wage is not the same as the minimum wage, which is the legal minimum all employers must pay and often does not reflect the true costs families face in the communities within which they live. The living wage is calculated as the hourly rate at which a family of four, with two parents working full-time, can meet its basic needs once government transfers have been added to the family's income (such as federal and provincial child benefits) and deductions have been subtracted (such as income taxes and Employment Insurance premiums).¹

While the living wage calculation is based on the needs of two-parent families with young children, it would also support a family throughout life so that young adults are not discouraged from having children and older workers have some extra income as they age. While the Living Wage is high enough that families can withstand a temporary crisis without falling into poverty, it is certainly not a lavish wage. The living wage gets families out of severe financial stress by lifting them out of poverty and providing a basic level of economic security. But it is also a conservative, bare-bones budget without the extras many of us take for granted. Below we outline the expenses that make up the bare bones budget for our Regina and Saskatoon living wage families.

Bare Bones Budget

Food

Food costs are based on the Saskatchewan Food Costing Group's Cost of Healthy Eating in Saskatchewan 2022 report for a family of four adjusted for inflation.

Clothing and Footwear

These costs are determined via the clothing component for the 2023 Market Basket Measure for Regina and Saskatoon adjusted for inflation.

Shelter

Shelter costs for the Living Wage family are based on the average rental rates for a three-bedroom apartment in Regina or Saskatoon, in addition to electricity costs and basic tenant's insurance. Water, sewer and heat are assumed to be included in the rental rate.

¹ For details on the living wage calculation, See Gingrich, Enoch & Banks, 2014, 13-15.

Transportation

Includes the amortized cost of owning and operating a used car as well as a single adult transit pass. Both Regina and Saskatoon families would qualify for a reduced-cost student pass for 4 months of the year.

Child Care Fees

Based on the fees for a four-year-old in full-time licensed group care and a seven year-old in before- and after-school care, full-time care for three weeks of winter and spring breaks and six weeks of full-time summer care. Fees are an average based on a survey of fee schedules in both Regina and Saskatoon.

Healthcare

The cost of a basic extended family health plan that covers core benefits, prescription drugs and dental.

Parent's Education

Each parent in the Living Wage family takes the equivalent of one post-secondary course per year to upgrade skills and credentials. 2023 tuition and fees from the University of Regina, University of Saskatchewan and Saskatchewan Polytechnic are used to determine the costs for the Regina and Saskatoon living wage family.

Contingency Fund

Two weeks' wages for each parent, which provides some cushion for unexpected events like the serious illness of a family member or the transition time between jobs.

Household Expenses

This category includes costs for internet and cell phone plans, as well as toiletries and personal care, over-the-counter medication and expenses not fully covered by private health insurance, furniture, appliances, household supplies, laundry, school supplies and fees, bank fees, some reading materials, minimal recreation and entertainment, family outings, birthday presents, modest family vacation and some sports and arts classes for the children.

This living wage calculation does not cover:

- Credit card, loan or other debt/interest payments.
- Savings for retirement.
- Owning a home.
- Savings for children's future education.
- Anything beyond minimal recreation, entertainment or holiday costs.
- Costs of caring for a disabled, seriously ill or elderly family member.
- Much of a cushion for emergencies or extended tough times.

Living Wage Family, 2023 in dollars.

EXPENSES	REGINA		SASKATOON	
	MONTHLY	ANNUAL	MONTHLY	ANNUAL
Food	1,254	15,051	1,254.28	15,051
Clothing and Footwear	189	2,279	189	2,279
Shelter	1,654	19,858	1,602	19,234
Transportation	565	6,782	583	6,997
Household	1,138	13,665	1,146	13,761
Childcare	755	9,060	767	9,206
Healthcare	227	2,732	227	2,732
Parent Education	183	2,199	194	2,330
Emergency Fund	210	2,527	215	2,590
TOTAL EXPENSES	6,179	74,155	6,280	75,115
FAMILY INCOME				
Total Income from Employment		65,882		67,525
Federal and Provincial Taxes		(6,098)		(6,782)
Family Take-home Pay		59,783		60,742
Federal and Provincial Transfers		14,427		13,503
Total Disposable Family Income		74,210		74,245
LIVING WAGE RATE		\$18.05		18.50

Explaining the 2023 Calculation

As we mentioned in the introduction, the ability to access the \$10 per day childcare program makes a world of difference to the expenses of our living wage family that requires full-time pre-school childcare for one of their children. In Regina, access to a \$10 per day daycare program provides our living wage family with a savings of \$4,740 compared to childcare fees from 2022. In Saskatoon, where childcare fees have been historically higher than Regina the savings are even greater, close to \$6,000. So even though our living wage family experienced increased expenses in all other categories, the savings provided from the federal/provincial childcare program has seen one living wage reduced and another remain relatively stable.

As you can imagine, when a family does not have to bear such expenses, it reduces the amount they need to earn to achieve a decent standard of living. It is important to note that the current \$10 per day program does not extend to before and after school care for older children, where fees are still considerable. Once our living wage family ages out of the current federal-provincial program, they will likely see their childcare expenses increase, unless the current program is extended to include before and after school care.

Childcare Expense Comparison 2022 to 2023

	2022	2023	DIFFERENCE +/-
Regina	13800	9060	-4740
Saskatoon	15120	9206	-5914

Interestingly, given its controversy here in Saskatchewan, the increase in transfers is primarily driven by the Climate Action Incentive payment (CAIP) - or Carbon Tax Rebate. Indeed, both living wage families received more than double the CAIP rebate in 2023 than they received in 2022 — from \$680 per family to \$1500 per family.

Provincial/Federal Transfer Comparison

	2022	2023	DIFFERENCE +/-
Regina	13389	14427	+1038
Saskatoon	12895	13503	+ 608



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