



NEWS

by AMY STEELE

City of Calgary urged to adopt living wage

Group wants fair compensation as part of new ethical procurement policy

Vibrant Communities Calgary (VCC) is urging the City of Calgary to implement a new living wage policy for its employees and the companies it contracts with.

VCC is a non-profit organization that promotes poverty reduction. VCC defines a living wage as at least \$10 an hour or \$11.25 an hour if the employee isn't paid benefits.

City of Calgary administration is currently working on a new Sustainable, Ethical and Environmental Procurement Policy (SEPP). The policy's goal is to "support the purchase of goods and services that will enhance and protect the environment, protect the welfare of workers and represent best value for the corporation." If council adopts the new policy, suppliers of goods and services would have to meet new standards in order to do business with the city. VCC wants a living wage for Calgarians to be included in the new policy.

"We believe, fundamentally, work should be compensated by adequate pay and benefits and people who work for a living shouldn't live in poverty," says Ramona Johnston, manager of VCC. "By not adopting a living wage the city is failing to protect those workers and their families who work for city suppliers and they're ensuring many of them will continue living in poverty... so the city is subsidizing employers who exploit their workers."

She says the costs of poverty end up passed onto the community and the city through costs to the health care, education, justice and social service systems.

"Poverty, resulting in part from low wages, is a contributing factor to crime, homelessness and other social ills that tax Calgarians and our social assistance system and tarnish the reputation of our city," she says.

Johnston doesn't know how many people would positively benefit from a City of Calgary living wage policy. However, she says some jobs advertised on the City of Calgary's website pay less than \$10 an hour. She has also interviewed janitorial staff employed by city contractors who are paid \$7 or \$8 an hour. Johnston says if the City of Calgary created a living wage policy it could inspire other public and private organizations to follow suit. She points out that in the first six months of 2006, 14 per cent of employed Calgarians, or 67,000 people, made less than \$10 an hour.

Derek Cook, who has been involved in creating the new ethical procurement policy for the city says the policy does encourage contractors to pay employees more than minimum wage. Cook says employers who pay their employees over the minimum wage would receive extra points in the bid scoring process. But he says it wouldn't be mandatory to pay more than minimum wage.

Cook says the proposed policy would cover all goods and services purchased by the City of Calgary, including those produced in underdeveloped countries. He says it would be difficult to mandate a living wage that was applicable to all workers, locally, nationally and internationally, who were involved in producing goods and services for the City of Calgary.

"It really comes down to a practical question – how do you make that work and is this the right vehicle to do that in?" says Cook.

VCC's Johnston is trying to garner aldermanic support to include the living wage in the proposed policy. So far, Ald. Joe Ceci and Druh Farrell have expressed support.