



# How Much is Enough?

## The Impact of Low Incomes on Households and Communities in Perth and Huron Counties

This report builds on previous research conducted in 2015 regarding the Living Wage in Perth-Huron. Eight focus groups were conducted in order to better understand the experiences of individuals earning below a Living Wage and employers that may want to pay, or do pay, a Living Wage but face challenges in doing so. Data collected in the focus groups was combined with the results of conversations with local service providers to create a recommendation for a community strategy.

### Living Wage Formula

Basic household needs

+

EI Premiums  
CPP Premiums  
Federal Taxes  
Provincial Taxes

-

Income from  
Government Transfers  
(CCTB, etc.)

=

Total expenses

÷

2 adults working full-time

=

Living Wage rate

2019 Huron-Perth  
Living Wage

**\$17.55** PER HOUR



**1 in 2**

HOUSEHOLDS EARN LESS THAN A LIVING WAGE IN PERTH & HURON



Living with depression and anxiety.

### Why is it important?

People are increasingly working for low wages and when they do not earn enough, they must make hard choices and forgo basic needs just to survive. Without enough money to make ends meet, individuals and families face deepening debt, increased stress and anxiety, and poor health outcomes.

The Living Wage is the hourly wage that a worker has to earn in order to cover their family's basic needs. The calculation is based on a family of four with two adults working full time at 35 hours per week.

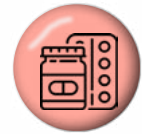
"I was working two jobs. Mentally and physically it destroyed me. It changed me completely. There were times when I wouldn't feel anything. It's like I was living in an empty body."



38% of my income.  
Kassie



# IMPACT AREAS OF NOT EARNING ENOUGH



## Poor Mental & Physical Health

“When you don’t have money, you go through a lot more things than you think. You think it’s just physically you’ll go through it, but mentally you’re not too fit after you go through that.”

The lack of healthy food options, combined with chronic stress, leads to poor health outcomes including depression and/or anxiety, compounding an already limited ability to seek and maintain employment.

Vision and dental care are commonly unaffordable and go unaddressed. There is an increased vulnerability to diabetes with unhealthy food options, lack of exercise, and increased stressors.



## Limited Transportation

“If I didn’t have a mechanic in my family, my car would still be sitting in the driveway.”

A lack of transportation compounds existing challenges when many workplaces are not in close proximity.

Consistently getting to the grocery store, medical appointments, and work is a constant challenge, exacerbating health and employment outcomes and social isolation.

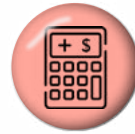


## Food Insecurity

“There were times when the only things in the fridge were margarine, onions, and half a loaf of bread. How am I going to eat that for a week?”

When stretching money, prepackaged, processed, and canned foods are more affordable.

Those with children tend to put them first when healthy food is limited. Skipping meals can become a budgeting necessity, especially in more remote parts of Huron County where transportation is most difficult.



## Confined Employment Options

“I quit my job because I could not afford childcare.”

Childcare fees, along with travel challenges and expenses, may eliminate employment options. The inability to pay for higher education can also limit job opportunities and keep a person underemployed.



## Strained Relationships

“What social life? Every time you leave the house, it costs money.”

Friends, family, children, or romantic partners—every type of relationship can be more difficult because of the stresses and limitations of living on less.

Relationships are particularly tense as a result of asking to borrow money, adding to existing feelings of guilt and worthlessness.



## Few Housing Options

“You can’t afford housing, and if you do it’s a dump. Once you pay rent and hydro, then you’re broke.”

The scarcity of affordable housing is an issue that can lead to unstable housing, couch surfing, or homelessness.

Many who live in subsidized housing report concerns such as broken floor tiles, black mold, substandard infrastructure, and compromised personal safety.



## Unstable Future Planning

“They wanted \$500 for training. [...] How am I suppose to get that if I’m not even working?”

Long-term planning is nearly impossible. Putting away money for bigger purchases such as a home, car, or paying down debt is not attainable for those who live on less.

## Interconnectedness of Problems



The discussions with community members made it clear there are many problems to be addressed.

The reality is the impacts of low wages on people’s lives are complex and interconnected. For example:

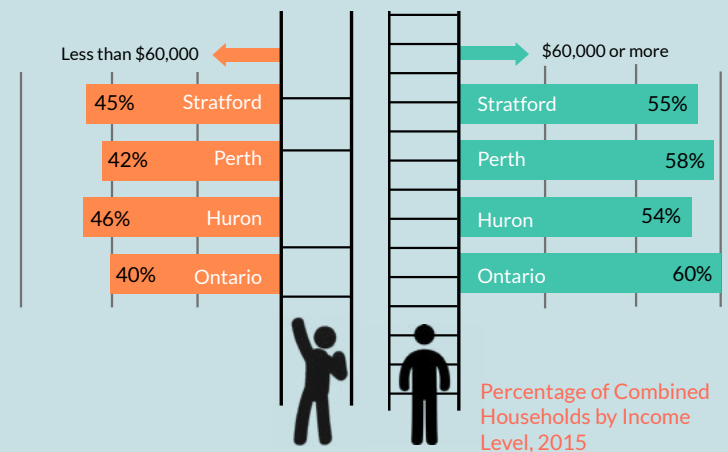
- ❑ Not being able to afford childcare can mean people cannot take the courses or training they need to find more adequate employment.
- ❑ Not having reliable transportation can mean missed doctor’s appointments, being regularly late for work, and severe social isolation.
- ❑ Not being able to afford enough nutritious food can exacerbate health issues which can further impact employability and increase costs of medication.

These individual effects cascade to the community level and citizens cannot fully participate in society.

To help alleviate these problems and ensure our community thrives, efforts should benefit multiple impact areas and include strategies to increase the number of Perth-Huron community members earning a Living Wage.

“I can’t just go out and enjoy myself. If I go out, then my kids don’t get their shoes.”

## SOME HAVE FEWER OPPORTUNITIES



## EMPLOYER EXPERIENCE

### How the Living Wage Affects Employers

Spending more on wages may seem like it could erode revenue, increase the price of goods and services, and result in a reduction of business. However, studies of the impact of increasing minimum wages to a Living Wage show far more benefits than costs.

- ✔ Decreased turnover rates
- ✔ Reduced absenteeism
- ✔ Lower recruitment and training costs
- ✔ Improved employee morale and commitment
- ✔ Higher productivity and service quality
- ✔ More positive public image when certified as a Living Wage employer

### Key Findings from Employers

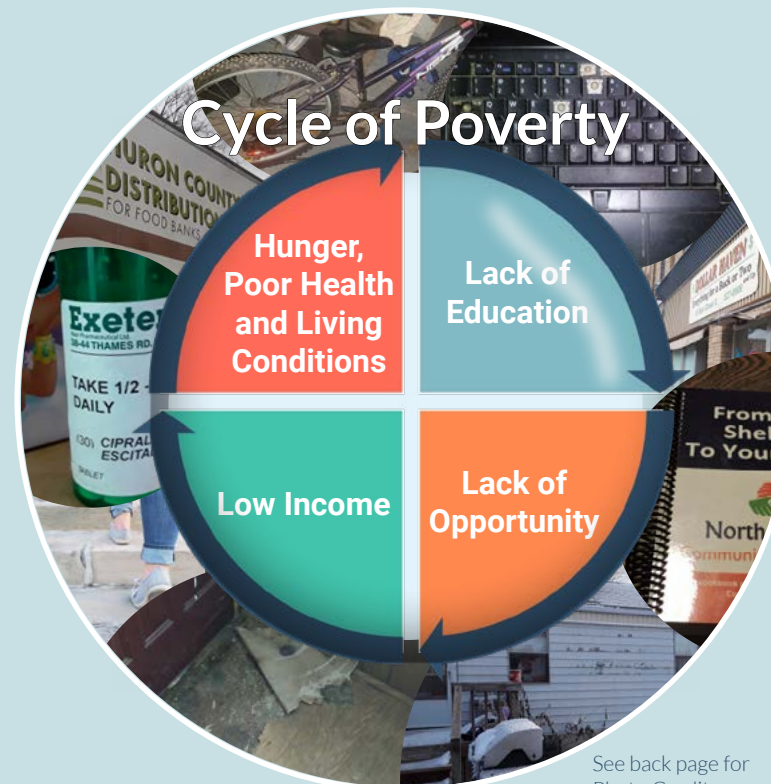
Paying a Living Wage is not always easy. Employers face many challenges which directly or indirectly affect their ability to pay higher wages or offer additional benefits.

Employers in Perth-Huron struggle to fill positions. Many report a lack of skilled labour, and job applicants lacking soft skills.

Employers also recognize the challenges faced by employees and try to provide informal benefits and accommodations whenever possible.

Employers have a largely favourable opinion of the Living Wage. Those who pay a Living Wage have benefitted from the stability employees gain when they can afford their basic needs.

## Cycle of Poverty



See back page for Photo Credit

## How to Move Forward Together

The findings of the “*How Much is Enough?*” report call for immediate action to address the growing poverty in Perth-Huron. Working together we must ensure that everyone is at their best and can access the opportunities they need to have a successful life—for the sake of our communities and for all residents.



Support Living Wage certified businesses



Become a certified Living Wage Employer  
[ontariolivingwage.ca](http://ontariolivingwage.ca)



Contact SRPC to lend your expertise in creating a poverty reduction strategy



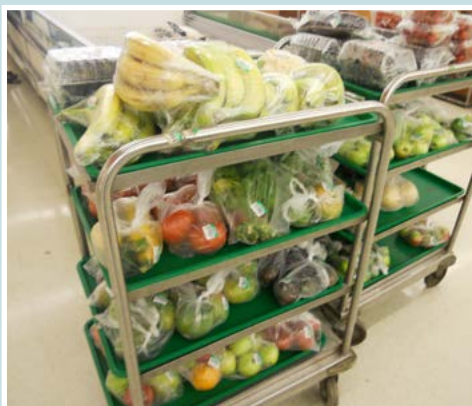
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For more information about the impact of low income on households and communities, read the full report online at: [perthhuron.unitedway.ca](http://perthhuron.unitedway.ca)



Featured photography is taken by community co-researchers through the *Photovoice Project*. The photos demonstrate in a unique and impactful way what earning below the Living Wage can look like in Perth and Huron Counties. See report for full credits.



How I live on less. 99 cents or less rack.  
Joyce



What to make for dinner?  
Candice



Social Research & Planning Council

Operated by United Way Perth-Huron

### About the SRPC

The Social Research and Planning Council (SRPC), operated by United Way Perth-Huron, is comprised of community representatives who are dedicated to the collection, analysis, and distribution of information relating to social trends and issues in Perth and Huron Counties. The SRPC approaches its work in two ways:

- Commissioning research into specific social issues.
- Developing recommendations for community improvement based on local findings and working collaboratively with community members to implement change.

### Social Research & Planning Council

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## RECOMMENDATION FOR STRATEGY

Every day poverty leaves people behind, preventing individuals, families, and communities from reaching their full potential.

The Social Research and Planning Council (SRPC) and United Way Perth-Huron (UWPH) should seek to engage with local municipalities, health units, Poverty to Prosperity (P2P) in Huron, Perth County Food Security Coalition, and other stakeholders through a collective impact approach to create a dual county strategy that reduces the impact of poverty inclusive of individuals and families who earn less than a Living Wage. A strategy, therefore, must be inclusive of approximately half of households in the region. Based on the findings of this report, the development of a Poverty Reduction Strategy needs to consider food security, transportation, income insecurity, housing, physical and mental health, social services, and challenges faced by employers including hiring, staff retention, and the business regulatory environment.

### Become a champion of the Living Wage movement

Help raise community awareness and inspire collective action!  
Become a Living Wage certified employer at [ontariolivingwage.ca](http://ontariolivingwage.ca)



The report was generously funded by:



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