

# LIVING WAGE EMPLOYER'S GUIDE

November 2025





# **Contents**

Why become a Living Wage Employer?	3
Benefits of becoming a Living Wage Employer	
What is the living wage?	4
Living Wage Employer certification process	5
Reporting	
Monitoring	
Support	
Conditions for becoming a Living Wage Employer	6
Exemptions to the Living Wage Employer criteria	6
Other conditions and guidance	7
Applying to become a Living Wage Employer	9
Living Wage Employer certification	9
Using Benefits to lower the living wage	10
Certification fees	11
Appendices	12
Appendix 1: Example of Living Wage Employer Implementation Plan	12
Appendix 2: Example of Internal Living Wage Policy	13
Appendix 3: Example of Living Wage Clause for Service Provider Contracts	14
Appendix 4: Example letter to building managers about living wage for cleaning and janitorial staff	15



# Why become a Living Wage Employer?

Living Wage Employers are responsible employers who care about their employees and the community. They recognize that paying a living wage constitutes a critical investment in the long-term prosperity of the economy by fostering a dedicated, skilled and healthy workforce.

The Living Wage Employer Program recognizes and celebrates employers that pay their direct and indirect employees a living wage.

# **Benefits of becoming a Living Wage Employer**

- ➤ Living Wage Employers receive public recognition for demonstrating a commitment to socially responsible practices, making them more attractive to potential employees and customers.
- Employers paying a living wage experience decreased employee turnover and absenteeism, increased retention and productivity, increased staff morale, and savings on rehiring and retraining.
- Employees who earn a living wage experience increased mental and physical health as well as economic well-being, leading to a more productive and committed workforce.
- 97% of Living Wage Employers have found a benefit from being part of the program.









"We want to be part of a community that invests in the long-term prosperity of individuals and the economy. Paying a living wage to our employees and service providers will help make families stronger and communities healthier."

**Vancity Credit Union** 

# What is the Living Wage?

A living wage is the hourly amount a worker needs to earn to cover their family's basic expenses within their community. It is recalculated on an annual basis to ensure that it accurately reflects changing living expenses. For more details about the calculation, see <a href="https://www.livingwagebc.ca">www.livingwagebc.ca</a>. A living wage can be made up of base wage and benefits.





# Living Wage Employer certification process

## **Conditions for becoming a Living Wage Employer**

- Employers agree to ensure that all direct employees and contractors are paid the current living wage rate for their area within six months of a successful application.
- If employees and contractors are paid applicable non-mandatory benefits, the living wage hourly rate that must be paid will take account of this.
- To find the living wage rate in your community, visit our website at livingwagebc.ca/living\_wage\_rates.
- If applicable, employers will create and implement an internal living wage policy. An example is provided in Appendix 2 of this Guide.
- If applicable, employers agree to insert a living wage clause, stipulating that contracted workers and subcontracted workers are to be paid a living wage, in all future contracts where staff who are not direct employees are contracted to provide services to their organization on a regular, ongoing basis.

### **Apply to be a Living Wage Employer**

Depending on the employer's size (as described below), employers should submit either an application form or an implementation plan.

#### **Small Employers**

Smaller companies and organizations (with fewer than 20 staff and/or with few service contracts), where a stepped implementation may not be required, should complete the Living Wage Small Employer Application form at livingwagebc.ca/become\_a\_living\_wage\_employer.

#### **Large Employers**

Large employers (with 50 or more staff and/or with multiple service contracts) should complete an implementation plan rather than an application form.

### Reporting

To maintain their Living Wage Employer status, employers must complete a short annual recertification form which confirms their commitment to paying the living wage.

The Campaign distributes this form to employers once the new living wage rates are calculated, and employers have six months to return the form and outline how they are continuing to meet the program requirements. Employers who do not complete and return the recertification form will lose their Living Wage Employer status

If possible, employers are advised to leave themselves an annual budgetary headroom of about 2-3% annually in case the living wage increases.

### **Monitoring**

Living Wage BC does not monitor employer compliance with the Living Wage beyond the above-mentioned annual recertification. If an employer is found to have not fulfilled the criteria, the Campaign will work with the employer to identify whether continued involvement in the program is possible.

### **Support**

The Living Wage Campaign and our network of existing Living Wage Employers can provide advice and support to employers including guidance on best practices, case studies from leading employers, and model procurement frameworks

We determine whether an employee is paid a living wage based on their total compensation package (base wage + nonmandatory benefits).

See p10 for more information.

"Being a Living Wage Employer means that the folks who work here serving our community can afford to live in it. If we want to build strong community, we must lead by example and start from within."

Chilliwack Restorative
Justice and Youth Advocacy
Association

# **Applying to become a Living Wage Employer**

As noted above, small employers should complete an application form, which is available on our website. Large employers should instead prepare and submit a draft *Living Wage Employer Implementation Plan* that should include the following details.

An example is provided in Appendix 1 of this Guide.

#### **Implementation Plan**

#### 1. Employer details

- **Solution** Employer name and addresses of all offices/worksites/premises.
- Living wage rates for all offices/worksites/premises.
- Basic description of employer and nature of the workplace.
- Contact person's details in relation to this application.

#### 2. Direct employees

- Number of direct staff.
- Hourly wage of lowest paid employee
- Number of direct staff that will have their wages increased as a result of the living wage.
- Initial timeline for bringing all direct employees to a living wage rate.
- Mechanism that will be used internally to ensure that all staff are maintained at a living wage rate on an annual basis as per conditions.
- Pror organizations that have collective agreements in place, confirmation of how and when you will inform the relevant union(s) of your intention to apply for living wage status.

#### 3. Contracted service staff

- Brief description of your current service contracting process.
- Estimated number and type of service contracts that will be affected by your certification as a Living Wage Employer.
- Mechanism that will be used internally to ensure that all relevant service contracts will include a relevant living wage clause at time of renewal or initial awarding.

#### 4. Overseeing the plan

- How this plan will be overseen.
- Who has responsibility for overseeing the plan.

Completed plans should be emailed to info@livingwagebc.ca

# **Certification Process**

Applications will be reviewed by the Living Wage BC Employers Committee, which is comprised of representatives from certified Living Wage Employers. If the application is deemed by the Employers Committee to fulfill the conditions of the Living Wage Employer Program, the employer is deemed a certified Living Wage Employer.

Under this certification, you will be entitled to:

- A Living Wage Employer plaque noting your commitment to paying the living wage.
- One or more Living Wage Employer window decal(s) for store front or office display.
- A Living Wage Employer electronic logo for use on your website and letterhead.
- Recognition on the Campaign's website and any of our periodic publications.

We encourage new Living Wage Employers to celebrate their certification as a Living Wage Employer with staff and board members, and to announce their status on social media and with local media and partners.







# **Exemptions to the Living Wage Employer criteria**

As there are different forms of employment for which a living wage may not be possible, the following types of staff can be excluded from an employer's living wage policy if necessary.

- Ocasual employment of fewer than 120 hours of work per year.
- Multiple small contracts.
- Interns and students who are completing practicum placements or co-op terms, as long as these categories make up no more than 10% of staff (or, no more than 20% for small nonprofits with five or fewer staff).
- Apprentices and trainees, as long as their probationary period or training period has a defined end point at which time they will be paid the living wage.
- Staff on their probation period.
- Social purchasing: employers may source up to ten percent of their labour from qualified social enterprises (to be approved by Living Wage BC); qualifications include that the social enterprise must be purpose-built for employing hard-to-employ individuals, be owned by a not-for-profit, and must be pre-existing.

#### **Interns and Students**

**Interns:** Internships are defined as on-the-job training opportunities offered by an employer to provide a person with practical experience. Completing an internship does not itself result in an academic certificate or diploma.

Employers must pay interns the living wage if their internship falls under the definition of "work" as provided by the BC *Employment Standards Act*. If interns are not performing "work" under the *Employment Standards Act*, they may be exempt from the employer's living wage policy, as long as they don't represent a core part of the total staff makeup (no more than 10% for most employers; in the case of small non-profits with five or fewer staff, no more than 20%) when combined with the number of students completing practicum placements or co-op terms.

**Students completing practicum placements, co-op terms or taking part in Canada Summer Jobs:** Students completing practicum, Co-op terms or taking part in Canada Summer Jobs may be exempt from the employer's living wage policy, as long as they don't represent a core part of the total staff makeup (no more than 10% for most employers; in the case of small non-profits with five or fewer staff, no more than 20%).

Students who are also regular employees or contractors for the employer must be paid the living wage.

**Apprentices and Trainees:** Apprentices and trainees are defined as workers who are being trained while working for an employer, and often have a path to regular employment through their apprenticeship or training period. Apprentices and trainees can be exempt from the employer's living wage policy, including if they have an initial probationary period, as long as their training or probationary period has a defined end point at which time they will be paid the living wage.

For more information on these definitions, please refer to the BC Employment Standards Act.

#### Casual employment and small contracts

Casual or ad-hoc employment of fewer than 120 hours of work per year can be exempted. Common examples include emergency repairs and maintenance work. Similarly, for large employers as applicable, small contracts can be exempted when a contract makes up no more than half of a percentage of the employer's purchasing budget.





#### Social purchasing and social enterprises

Employers may have a range of procurement practices to express their commitment to poverty reduction in their communities. Paying the living wage is one tool to address poverty, and social procurement (or purposeful purchasing) from social enterprises that are providing supported employment to individuals with barriers to participation in the labour force is another. Living Wage BC recognizes the role of social enterprises in poverty reduction.

Note: This policy is for employers who want to contract work out to social enterprises, and not for social enterprises who would like to certify as a Living Wage Employer.

Where employers applying for certification as a Living Wage Employer have social procurement policies, they may still meet the living wage conditions, set out below, upon approval of the Living Wage Employers Committee:

- The applying employer has established procurement policies that state its intent to purchase from social enterprises as part of a corporate responsibility strategy.
- The social enterprises from which the employer is procuring are pre-existing social enterprises set up for the purpose of providing supported employment to individuals who would otherwise not be participating in the labour force (and are likely still receiving income or disability assistance).
- The social enterprises have either a not-for-profit structure themselves or are subsidiaries of not-for-profit organizations.
- The social enterprises are recognized by their peers as purpose-built social enterprises, through participation in Buy Social Canada, the Enterprising Nonprofits Program or another intermediary who can verify the purpose, structure and financial model of the social enterprise.
- No more than 10% of the employer's total procurement comes from social enterprises.

# Other conditions and guidance

#### **Externally contracted staff and the living wage**

Externally contracted staff refers to staff that many employers use to provide services such as janitorial, security, cleaning or catering.

Living Wage Employers are encouraged to inform contractors about the Living Wage Employer Program and how it may affect the terms of your agreements. A living wage clause should be included in all future and renegotiated agreements with contractors you hire. You do not need to renegotiate existing contracts before they come up for renewal in order to be compliant. All future agreements, whether new or being renewed, must incorporate the living wage standards.

This clause covers external contracts that provide services for your organization on a regular ongoing basis, that is, for at least 120 hours of labour per year, or for large organisations those contracts which are more than 0.5% of their purchasing budget.

See Appendix 3 of this Guide for a sample clause that can be incorporated into existing contracts and requests for proposals (RFPs). The living wage rate for the purposes of this clause is the rate set at the time of the start of the contract renegotiations. The clause should also ensure that a "living wage premium" is awarded to contracted and subcontracted workers that end up being paid below the living wage rate within six months of its annual recalculation.

Thus, employers need to undertake the following:

**A. If the staff are directly contracted by your organization.** When the contract comes up for renewal you should include a living wage clause as part of your request for proposals. It is expected that, after selecting a suitable contractor, a living wage clause will be inserted in the contract as per the RFP.

**B.** If the staff are not directly contracted by you, but do provide services - for example, as part of a tenancy agreement. You should advocate for a living wage clause to be included in the agreement/contract when it comes up for renewal.

#### **Best Effort Clause**

If you can clearly show that you made your best efforts to fulfill this clause you will be allowed to apply for/keep your Living Wage Employer status. (For example, if you received no responses to an RFP that included a living wage clause.)

Once certified, employers are not expected to monitor whether their service providers are complying with the living wage criteria beyond the annual recertification requirement of the Campaign, but they can request the right of proof.

#### **Probation Period**

We know that for many employers, staff will only become entitled to benefits on completion of their probation period. For this reason, we allow for less than a living wage during a probationary period for the employer. However, this probation period must be less than six months, and there must be a defined end date. People earning less than a Living Wage because they are on their probation period cannot represent a core part of the total staff makeup (no more than 10% for most employers; in the case of small non-profits with five or fewer staff, no more than 20%).

#### **Employers operating outside of British Columbia**

Living Wage BC will only consider operations within British Columbia for certification.

If an employer employees, as defined by the Canada Revenue Agency, elsewhere in Canada or globally, Living Wage BC will consider the employer's operations within British Columbia for certification. The Campaign will encourage the employer to pay the regional living wage and seek certification by other living wage campaigns in the other jurisdictions in which they work.

#### Self-employed persons and employers with one staff member

Employers must have at least one direct employee, as defined by the Canada Revenue Agency, in order to apply for certification. This means that self-employed persons who work for themselves and do not employ others cannot apply for certification. Self-employed persons who employ at least one direct employee can apply for certification.

#### Tips and bonuses

Employers will be eligible for certification if they pay a living wage to workers before factoring in any tips or incentives that are variable. The living wage must be a reliable amount for workers, and therefore variable amounts cannot be included in an employer's living wage rate.

#### **Commission based pay**

Commission based pay can be included if the employer can prove they pay the difference between the commission earned and what the employee would have made at the living wage rate for that pay period.

#### **Collective agreements**

It is expected that organizations that have collective agreements in place will inform the relevant union(s) of their intention to apply for living wage status. Collective agreements will be treated as contracts, as per above.

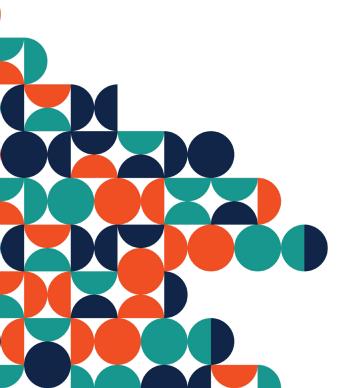
#### How your benefits package affects the living wage calculation

Non-mandatory benefits include employer contributions that help reduce an expense in the living wage budget such as extended health/dental care, child care expenses, transport expenses, professional development and education, and enhanced vacation and sick leave.

They do not include payments that an employer is mandated by law to provide, such as Employment Insurance and Canada Pension Plan contributions.

#### The living wage for granting agencies

If your work includes distributing grants to non-profit organizations or other community groups, we encourage you to include language in your granting information to applicants that notes your Living Wage Employer status and encourages applicants to include a living wage for their staff in the project budget they submit to you.





# Using Benefits to lower the living wage

A living wage rate takes into account an employee's total compensation package (wage + benefits). The Living Wage campaign recognizes the value of non-mandatory benefits.

We have an online calculator to work out the value of your benefits: <u>livingwage.github.io</u>. However, before using the calculator, it's important to note that there are some benefits that can be used to lower the living wage, and there are some that can't.

Principles behind whether a benefit can be used to lower the living wage:

- It is something that is included in the living wage\*.
- It is beneficial for all staff to take advantage of
- It is not too prescriptive and does not take away choice from a worker.
- There is a clear financial value to the benefit (for example it is taxable, and it appears on a T4).
- It is more of a benefit to the worker than the employer.

#### What can be used to lower the living wage:

- > Cash allowance (for example for clothing). Only if it is unrestrictive, the worker can choose to purchase whatever they like and they have full ownership of the items at the end of their employment.
- ▶ Education/Training/Personal Development (up to \$1300 a year, so long as criteria is followed). The worker has to have flexibility and choice on what they use it on, and so it can't use it for things that are just part of the requirements of the job.
- ▶ Health care (private plan or up to \$3000 a year in a health spending account). The Living Wage budget assumes a worker must take out private health insurance. Therefore, if an employer covers the cost of health care, then it removes that cost from them.
- ▶ Paid Time Off (up to 10 days per year). Additional paid time off beyond the statutory minimum (ie anything beyond 10 days vacation, 5 days paid sick leave and statutory holidays) can go towards lowering the Living Wage. This can include additional vacation, sick days, Easter Monday, Boxing Day or a paid day off for your birthday.
  - This cannot include paid days off for irregular occurrences, including bereavement leave, moving, marriage, jury duty or Citizenship ceremonies.
- Savings (up to \$500 a year). Savings contributions can be used to lower the living wage, if they are employer only contributions, available for all staff, and a worker can access them prior to retirement without facing significant financial penalties.
- Telecommunications (for example, phone or internet). If the phone or internet is deemed taxable by the CRA, it can be used to lower the Living Wage. It must be a benefit available to all staff.
- Transit pass (up to \$900 a year). Provision or reimbursement of a transit pass can be used to lower the Living Wage.
- Wellness accounts/personal spending accounts (up to \$500 a year). PSAs are taxable and cover a wide range of wellness and lifestyle expenses. Pet insurance, exercise equipment, child care, transit passes and annual gym memberships can all be covered with a PSA. These differ from non-taxable health spending accounts which are included in the "Health Care" section.

#### What cannot be used to lower the living wage:

The following are all commendable perks an employer may offer workers, but they cannot be used to lower the Living Wage.

- Accommodation (e.g. subsidized rooms at a hotel/onsite accommodation in resort communities/lodgings for agricultural workers). Housing is an essential, and it's vital that a worker has choice on where they live. Tying housing to a specific job incentivizes workers to accept poor working conditions or unsafe accommodation.
- Child care provision is strongly encouraged, but by its nature it is a benefit many staff will not need or use. Reimbursement for child care would be accepted as a cash allowance if offered to all employees.
- Food (e.g. store credit at grocery stores, meals in a restaurant, office snacks or unsold produce). Workers should have choice in where they purchase their food and what they can buy. They may have specific dietary requirements which mean they cannot consume the food on offer.
- ➤ Life insurance and short/long term disability are not calculated as part of the Living Wage rate so cannot be used to lower the Living Wage.
- Mileage should be covered by the employer as part of an employee's work.
- Pension contributions are encouraged. However, they are not used to calculate the Living Wage, so cannot be used to lower the Living Wage. Low wage workers often prioritize having money immediately to pay for rent, food and other essentials.
- Paid Lunch Breaks are not counted as paid leave as they are too short to provide meaningful free time.
- Other specific items (for example gym memberships, bicycles, library cards) are not a specific budget line on the Living Wage calculation, and are not of use to all staff. The employer should consider a personal spending account instead, as it offers more choice for the worker.
- Uniforms or reimbursement for safety equipment such as steel toed boots, since these are essential for the safe completion of work. Consider introducing an unrestrictive cash allowance instead.

### **Certification Fees**

The Living Wage certification process is not without cost for our program. Staff time involved with calculating the Living Wage and value of non-mandatory benefits, engaging, supporting and certifying employers and the costs for creating and mailing promotional materials, plaques and decals represents a considerable strain on our limited budget.

To help recover the costs required to administer the program, we have introduced certification and re-certification fees for Living Wage Employers.

We have looked closely at the Living Wage initiatives in Canada and around the world and have decided to replicate the fees that Living Wage Ontario charge. These figures are also reflective of what Living Wage Employers told us they would be happy to pay.

Type of organisation	Number of staff in BC	Price of recertification	Price of certification
For profit	0-50	\$250	\$300
	51-250	\$500	\$600
	251-500	\$800	\$1,000
	501-999	\$1,000	\$1,500
	1000+	\$1,500	\$2,000
Not for profit	0-50	\$100	\$150
	51-250	\$200	\$250
	251-500	\$400	\$500
	501-999	\$500	\$750
	1000+	\$600	\$800
There will also be an additional \$195 charge for employers who request a Living Wage plaque.	0-50	\$200	\$250
	51-250	\$300	\$400
	251-500	\$400	\$500
	501-999	\$500	\$700
	1000+	\$750	\$1,000

#### Living Wage Employers have found many benefits from joining the program:

- **Recognition:** Living Wage Employers proudly display their certification on their website and with decals on their vans, shop fronts and office spaces. We also work closely with new Living Wage Employers to promote their certification through the media, web posts and social media channels. Many employers have found that certification has led to increased business for them.
- Support: We support employers to calculate the value of their non-mandatory benefits and discuss ways that they can bring their staff up to a Living Wage.
- Investing in advocacy: Living Wage BC advocates for government policies which help reduce the cost of living for BC workers.

We are also exploring options to allow Living Wage Employers to network with each other and share promotional opportunities with other Living Wage Employers.

# **Appendix 1: Example of a Living Wage Employer Implementation Plan**

#### Introduction

Company X is proud of its record as a responsible employer. To date, it has won numerous awards recognizing this commitment. Company X provides a wide range of eye care solutions. It was founded in 1970 and we currently have seven retail outlets in the Lower Mainland. (Details of all our premises are in the appendix to this application.) We currently employ 85 staff, 50 full time and 35 part time. The current living wage rate in our community is \$25.68 an hour, as noted by the Living Wage BC campaign.

#### **Direct Employees**

Based on an analysis by our human resources manager, we currently have 2 full time and 2 part-time staff that are below the current living wage rate.

These positions are all retail assistant positions. When we take into account the extended health benefits that the full-time staff receive, we need to increase their base hourly wage by \$1.53/hr to reach the living wage rate. The 2 part-time positions are not paid benefits, so their base hourly wage needs to be increased by \$2.10/hr to reach the living wage rate.

The chart on this page exhibits the positions that were adjusted to ensure a living wage was paid.

The company's HR manager will be responsible for making these changes within three months of being awarded Living Wage Employer status. The HR manager will undertake a comprehensive wage review for all staff members and our Living Wage Employer commitments will be included as part of this review.

Position	Current	Benefits	Total	Pay increase needed
Retail Assistant FT	\$22.00	\$1.94	20	\$1.74
Retail Assistant FT	\$22.00	\$1.94	20	\$1.74
Retail Assistant PT	\$22.00	\$0.00	20	\$3.68
Retail Assistant PT	\$22.00	\$0.00	20	\$3.68

Our staff is non-unionized so we have no collective agreements.

#### **Contracted Service Staff**

We currently lease all our premises and security services are provided as part of these leasing arrangements. Our leases vary from one to 10 years. As we don't directly contract security services we can't guarantee that we will be able to ensure a living wage clause, but we will endeavour to follow the criteria set out in the best effort clause set out in the Living Wage Employer conditions.

We have three service contracts that fall under living wage criteria.

- Omputer system maintenance and support. This contract is an annual contract that is renewed at the start of every year. We commit to including an appropriate living wage clause when it is next renewed. However, we estimate that no workers will be affected by this.
- Eye equipment maintenance. We have a three-year contract that is due for renewal in October 2023. We commit to including an appropriate living wage clause in the new contract at this date. Again we estimate that no workers will be affected by this as it is highly specialized work.
- Janitorial/cleaning. This contract covers all our premises and is due for renewal in November 2023. We commit to including an appropriate living wage clause in the new contract at this date. We estimate that this will affect 15-20 workers.

#### **Implementation**

This plan was developed by the HR manager and has been approved by the CEO and the board of directors. The HR
manager will be responsible for its implementation. A section on our Living Wage Employer commitments will be included in
the annual HR report to the board.

Signed: Date:	
---------------	--

# **Appendix 2: Example of an Internal Living Wage Policy**

#### **Purpose**

At [Name of Employer], it is important to us to be aware of and maintain corporate social responsibility. We strive to make decisions and take actions that have a positive impact on our community, our staff and the people we serve. As a responsible employer, we believe that our employees need to earn a wage that meets the needs of daily living and provide some discretionary income. We recognize that paying a living wage constitutes a critical investment in the long-term prosperity of our organization by fostering a dedicated, skilled and healthy workforce.

#### **Definition**

The living wage is the hourly rate of pay that enables wage earners living in a household to:

- Feed, clothe and provide shelter for their family
- Promote healthy child development
- Participate in activities that are an ordinary element of life in the community
- Avoid the chronic stress of living in poverty

This hourly rate is calculated every year by the Living Wage BC campaign, based on the living expenses of a family of four with two children aged 4 and 7, with both parents working full time (35 hours/week).

#### **Application**

The policy applies to all employees employed by [Name of Employer], as well as all employers employed by a contractor or subcontractor who perform services directly or indirectly for [Name of Employer] on a regular ongoing basis.

#### **Direct Staff**

Staff earning only a salary or wage will earn at minimum a living wage. The living wage is recalculated annually in November each year. Any increases in the living wage will be passed onto staff within six months of this date.

#### **Contracted Staff**

- Where services are contracted, e.g., food service and cleaning, we choose vendors/service providers that also pay a living wage to their staff, similar to this policy. This clause covers external contracts that provide services for our company on a regular, ongoing basis, that is, for at least 120 hours of labour per year.
- Diving wage clauses are included in all agreements and renegotiated agreements with contractors we hire.

#### **Benefits in Consideration**

- In instances where non-mandatory benefits are provided to staff, the basic hourly wage due to staff may be adjusted to reflect the positive impact these benefits have on the employee's ability to meet basic needs and have some discretionary income.
- These benefits include health, dental and disability coverage for staff covered by this policy. Benefits may be provided on a cost-shared basis; however, the premiums paid by the employee cannot reduce the wage to below an acceptable level with respect to a living wage.

#### **Accountability**

[Name of Company] maintains its participation in this policy through the Living Wage Employer Program. We are accountable for upholding and keeping current with this policy. [Name of Company] will ensure that a relevant process is in place for employees to raise any issues relating to the living wage policy in a safe and confidential manner.

# **Appendix 3: Example of Living Wage Clause for Service Provider Contracts**

The following is an example of living wage contract clause for insertion into contracts with service providers to guarantee living wage provision. These contract clauses are offered as starting points in order to assist drafting of appropriate provisions. These contract clauses are not recommended clauses, nor do they substitute the requirement to seek legal advice.

Living Wage BC is not responsible for the use or operation of any or all of these clauses and accepts no liability arising out of such use or operation.

# 1.1 It is a condition of this Agreement that, for the duration of this Agreement:

- (a) the Contractor pays all employees who are employed by the Contractor to perform services pursuant to this agreement not less than the Living Wage, as set annually by Living Wage BC; and
- (b) notwithstanding 1.1 (a), the contractor has up to 6 months from the date on which any increase in the Living Wage is adjusted by Living Wage BC, to increase any or all wages such that the Contracted Employees continue to be paid not less than the Living Wage.

#### **Sub Contracting**

1.2 If the Contractor sub-contracts all or part of the provision of the Services to a sub-contractor pursuant to clause [1.1], the Contractor shall ensure that any sub- contractor adheres to clause 1.1 as though it were the contractor.

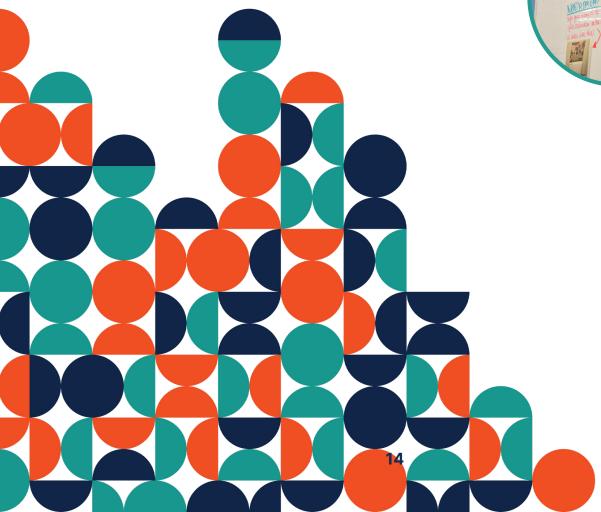
#### **Termination of Contract**

A breach by the Contractor of its obligations pursuant to clauses 1.1 and 1.2 shall constitute a material breach by the Contractor of this Agreement which shall entitle the client to terminate this Agreement.









# Appendix 4: Example letter to building managers about living wage for cleaning and janitorial staff

If the cleaning and janitorial work for your office space is done as part of your agreement with a building manager, below is a template letter which can be sent to them.

Dear Building Manager,

#### Re: Living Wage for cleaners and janitorial staff

<EMPLOYER> recently became a Living Wage Employer, committing to pay our direct staff and contracted workers a living wage. The living wage is the hourly amount that someone needs to earn to make ends meet. For <LOCATION> the living wage is currently <\$X> an hour.

As part of the application process, we identified that the cleaning and janitorial for our office space is carried out through our contract with <BUILDING MANAGEMENT COMPANY>.

Do the cleaners and janitorial workers who clean <COMPANY>'s office space earn a living wage? If they do not, then we strongly encourage you to introduce a living wage policy for all staff.

The living wage can include an employee's total compensation package (wage + benefits). When an employer provides extended health benefits it means that workers and their families do not need to purchase the extended health benefits themselves. Living Wage BC have created a calculator to help work out the value of your benefits: <a href="https://livingwage.github.io/">https://livingwage.github.io/</a>

Paying a Living Wage has benefits for workers, businesses, and the local community. According to Living Wage BC, 97% of Living Wage Employers found a benefit from being part of the program last year. These employers reported that paying a living wage lowered staff turnover, increased retention and is good for morale.

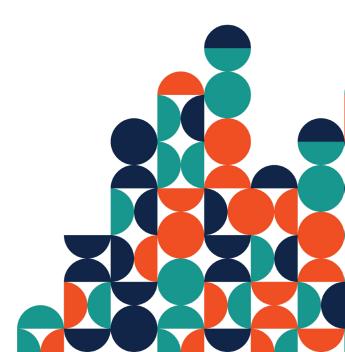
Please do not hesitate to reach out to either me or Living Wage BC (info@livingwagebc.ca) with any questions that you may have

We would appreciate a response confirming that you have received this letter and the actions you will take as a result.

Yours sincerely,

<NAME> <ROLE>

<ORGANISATION> <CONTACT DETAILS>



# Contact

Anastasia French, Managing Director

- ✓ anastasia\_french@vancity.com
- **1** 236 558 2635
- ♦ livingwagebc.ca



