



## No one should be left behind

**By Heather Douglas, President & CEO**

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In the 19th century, the longest-living pope valiantly tried to fight the excesses of both laissez-faire capitalism and communism.

In doing so, he launched a global reform movement that abolished child labour, reduced the work week and set minimum pay. Italian Pope Leo XIII (1810-1903), known as the "Pope of the Working Man," was the first to describe a living wage.

"If a worker receives a wage sufficiently large to enable him to provide comfortably for himself, his wife and his children, he will, if prudent, gladly strive to practise thrift," he wrote in his 1891 papal encyclical.

"Wealthy owners of the means of production and employers must never forget that both divine and human law forbid them to squeeze the poor and wretched for the sake of gain or to profit from the helplessness of others," Pope Leo XIII argued.

A millennium later, Alberta's business community continues to debate what a "sufficiently large" wage is.

That is a shame, because great cities look after everyone's welfare.

Premier Ed Stelmach legislated the province's position by setting minimum wage at \$8.40 an hour, effective April 1.

With Calgary's high costs, a living wage -- enough to meet basic needs, maintain a safe, decent standard of living and tuck away a bit for emergencies -- translates into \$12 an hour with benefits or \$13.25 without.

Several hundred cities in the U.S. have adopted the living wage policy. Calgary is leading the charge for Canada. According to Vibrant Communities Calgary, from June to December 2007, almost 32,000 Calgarians earned \$9.99 or less an hour.

More than half were women and most needed assistance from the Calgary Food Bank so their children had enough to eat. They worked as store clerks, hotel cleaners, hosts and servers in restaurants or as janitorial staff at city hall and downtown office towers.

Last year, 150 small business operators in Calgary were surveyed about their compensation packages.

Some 91% who paid minimum wage reported they had trouble attracting and retaining staff, while 55% who paid a living wage said they had no difficulty with staff turnover and absenteeism.

A Calgarian earning a minimum wage has to work 88 hours a week to afford a one-bedroom apartment renting at about \$900, without spending more than 30% of income on accommodation,



Canada Mortgage and Housing's measure of affordability. Conversely, if that same person earned a living wage, he or she could work 35 to 40 hours a week and pay the rent.

The Calgary Chamber of Commerce, a not-for-profit business group funded by its membership, pays its dishwashers, servers, and janitorial staff a living wage plus benefits. We have a wonderful cadre of long-serving employees who love the Chamber and are proud to work with us. As management, we are humbled by their dedication and loyalty.

In short, we practise what we preach.

However, the Chamber worries about governments legislating a mandatory living wage. Yesterday city hall debated if it should include living wages in its proposed procurement policy. If passed, council must ensure that living wages:

- Are well-defined and directly tied to Statistics Canada's market basket measures.
- Apply to full-time employees (rather than part-timers looking to earn extra cash).
- Do not create a new layer of bureaucracy to impose red tape or police it.

The most successful organizations pay a living wage, not for recompense in the afterlife but for the economic returns. The only way we can build Calgary into a renaissance city is to ensure no one is left behind.

We are wealthy and vibrant. This should be easy.