

MIDDLESEX-LONDON BOARD OF HEALTH REPORT NO. 84-24

TO: Chair and Members of the Board of Health

FROM: Emily Williams, Chief Executive Officer

Dr. Alexander Summers, Medical Officer of Health

DATE: 2024 December 12

MLHU ONTARIO LIVING WAGE NETWORK CERTIFICATION

Recommendation

It is recommended that the Board of Health receive Report No. 84-24 re: "MLHU Ontario Living Wage Network Certification" for information.

Report Highlights

- MLHU has obtained re-certification as a Living Wage Champion as of November 18, 2024.
- London Elgin Oxford Living Wage has been increased to \$19.50 per hour effective November 18, 2024.
- The increase to the living wage requires an increase to the wages of Test Shoppers and contracted services (e.g. security).

Background

The <u>Ontario Living Wage Network</u> (OLWN) is a network of employers, employees, non-profits, and researchers who certify and advocate for proponents of Living Wage work standards for all Ontario workers.

A Living Wage is not the same as the minimum wage, which is the legislated minimum all employers must pay and is set by the provincial government. The living wage reflects what people need to earn to cover the actual costs of living in their community. A Living Wage ensures families are not under severe financial stress, promotes social inclusion, and helps families achieve a basic level of economic security, which aligns with the principles of health equity. The Living Wage is calculated based on the needs of a family of four with two parents each working full-time, full year. The 2024 living wage rates have increased by an average of 3.4%, driven primarily by rising rent costs in the province. The London-Elgin-Oxford region has the lowest living wage in the province at \$19.50, up from \$18.85 in 2023. The MLHU's decision to become a Living Wage employer was values driven, as the equity principle that drives our service division is also embedded into the MLHU practices about compensation. It is important

for the MLHU not to lose sight of this value driven decision during difficult times, especially as it will most impact lowest paid employees and contractors.

MLHU successfully obtained certification as a Living Wage Champion on October 16, 2023. The Champion level of certification signifies that all direct and indirect employees of MLHU are paid at or above the Living Wage, or will be within the next six months, and that any contractors who provide services to MLHU are paid at or above the Living Wage. With the 2024 increase to the living wage, MLHU will be required to increase the wages of Test Shoppers and ensure wage increases to some external contracted staff (e.g. security) within the next six months. The total annual cost for the increase to contracted services is \$6,241. The total annual increase to wages for Test Shoppers will cost between \$400-700 in 2025.

Next Steps

The OLWN provides material to identify MLHU as a certified living wage employer and the MLHU will coordinate a re-certification announcement internally. The increases for contractors will be effective May 1, 2025, to enable those companies time to adjust. Test Shopper wage increases will be implemented January 1, 2025, in alignment with the MLHU annual budget.

This report was written by the Associate Director, Human Resources and Labour Relations in the Corporate Services Division.

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This report refers to the following principle(s) set out in Policy G-490, Appendix A:

- The following goal or direction from the Middlesex-London Health Unit's Strategic Plan:
 - Employee Engagement and Learning specific to supporting staff and vendor financial wellbeing.

This topic has been reviewed to be in alignment with goals under the Middlesex-London Health Unit's Anti-Black Racism Plan and Taking Action for Reconciliation, specifically Anti-Black Racism Plan recommendation #5, Employment Systems to Support Black Employees and Taking Action for Reconciliation recommendation #5, Workforce Development.