

FEATURE

'I had no place to go': Saint Johner lives reality of wage report



Mary Saulnier-Taylor, executive director of the Coverdale Centre for Women, says job losses and reduced work hours due to the COVID-19 pandemic have brought three women alone to the shelter's doors. Unable to afford rent, they had nowhere else to go.

Photo: Telegraph-Journal Archive

🕒 Published 15 hours ago



Emma McPhee | Telegraph-Journal

SAINT JOHN • When Leanne Robichaud got notice in July that her rent was increasing for the third time this year, the scramble was on to find a new place to live.

The 47-year-old part-time cashier makes only minimum wage, while her roommate receives \$600 per month on temporary disability – not enough to afford the rent on their two-bedroom apartment rising to \$825 unheated.

"I had no place to go," Robichaud said.

She's not alone: A new report shows that people making minimum wage in Saint John are earning \$7.85 less than the amount they need to meet their basic needs.

Last week, the Canadian Centre for Policy Alternatives, in partnership with Saint John Human Development Council, released the Living Wages in Nova Scotia and New Brunswick report. It found the wage needed to live in Saint John to be \$19.55 – or \$1.37 higher – from the living wage calculated in 2018.

"That \$8 would make a big difference," Robichaud said.

She and her roommate did end up finding another two-bedroom unit, but at \$850 with heat and lights included, Robichaud said she will have to move again if her rent is increased.

It's a situation that Mary Saulnier-Taylor, executive director of the Coverdale Centre for Women, called not as uncommon as Saint Johners might expect – and COVID-19 has only exacerbated the problem. Job losses and reduced work hours due to the pandemic have brought three women alone to the shelter's doors, she said.

Unable to afford rent, they had nowhere else to go.

"Anybody who's worked paycheck to paycheck and minimum wage is for sure struggling," Saulnier-Taylor said. "It's been ongoing as long as I can remember, and it's just increasingly getting worse now."

According to the report, a living wage is based on "the amount needed for a family of four with two parents working full time (35 hours) to pay for necessities and provide a cushion above the poverty line." The report adds there are not "significant differences" in the hourly rate needed for a single adult or a single parent with one child.

A living wage factors in the cost of food, clothing, shelter, transportation, child care, health care, an emergency fund and other household expenses. The 2020 report found the two major contributors to Saint John's living wage raise were increased rent and child care costs.

In Saint John, the median rent for a three-bedroom apartment in the south end is \$900 per month, according to the Canadian Mortgage and Housing Corporation. That's up \$100 per month from the 2018 median.

The report also states that a living wage is not the same as minimum wage – \$11.70 in New Brunswick – nor is it a guaranteed annual income. But the report calls for employers to pay a living wage, as well as recommending that the minimum wage in New Brunswick and Nova Scotia be increased to \$15 per hour over the next two years.

Julia Woodhall-Melnik is an assistant professor with the department of social science at the University of New Brunswick in Saint John. Her research focuses on the intersection of low-wage earners and low-income housing. She says that raising the minimum wage to \$15 per hour would be the "bare minimum" to help people live sustainably.

"In an ideal world, the minimum wage would be raised up to \$19.55," she said. "But \$15 is a step in the direction that we really need to take.

"When we have such a low minimum wage, and every penny is budgeted towards a basic need, and rent increases, absolutely people are at risk of homelessness and losing their housing."

Not everyone thinks raising minimum wage is a solution. David Duplisea, CEO of the Saint John Region Chamber of Commerce, said there are unintended consequences of raising minimum wage to \$15 per hour.

"In some sectors, the margins are already so razor thin that any cost burden is going to have negative effects," he said.

The consequences could be the cutting of hours and hiring for more part-time positions rather than full time, according to Duplisea.

"Minimum wage is a tool you can use to help people get to a living wage," he said. "Unfortunately, raising the minimum wage won't necessarily raise the standard of living."

Instead, Duplisea said, employers could focus on other areas, such as providing employees access to skills upgrading.

But Tony Myatt, an economics professor at the University of New Brunswick in Fredericton, said that research has shown that job losses will be minimal to non-existent as long as minimum wage hikes are relatively modest.

"It seems like a big ask, \$15, but I think it's manageable," Myatt said. "Especially over two years and employers have a chance to plan for it."

According to Myatt, not only does an increase to minimum wage benefit employees, it has payoffs for the employers too.

"They're more reliable; they don't change jobs as much; they often work harder," he said.