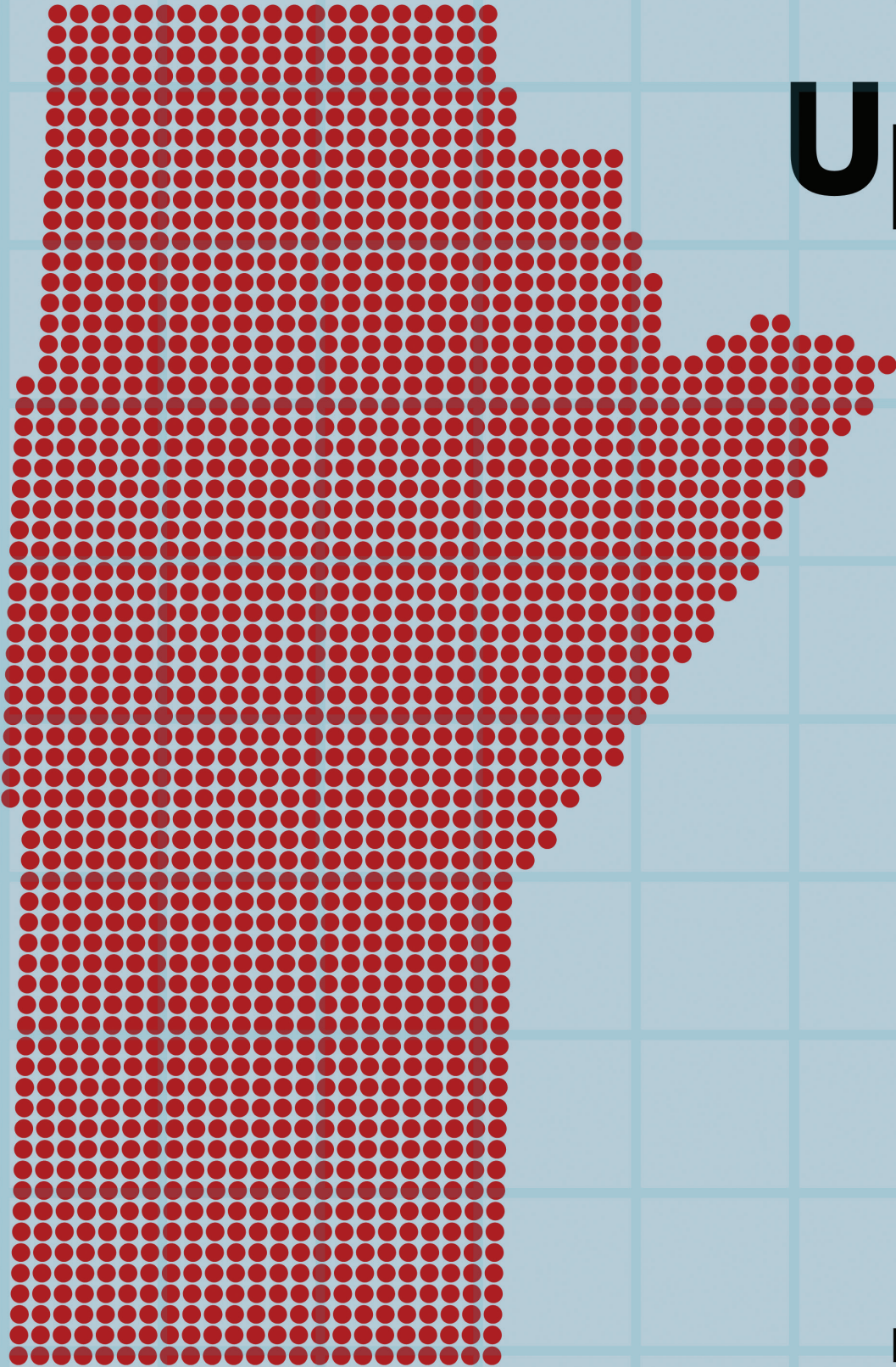




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CANADIAN CENTRE
for POLICY ALTERNATIVES
MANITOBA OFFICE

Manitoba **Living** **Wage** **Update** **2024**



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Key Highlights

- This year's living wage calculations show the important role targeted, robust, indexed government transfers have on the incomes of low-wage families.
- Federal benefits such as the Canada Child Benefit and Canada Worker Benefit, which are raised annually by the previous year's inflation rate, have caught up with the 2022 peak in inflation, adding between \$1548 and \$3408 to annual family income across our living wage calculations.
- After two years of record-setting inflation in 2021 and 2022, the cost of some essential items for living wage families stabilized in 2023.
- Food price inflation remained high at nearly 8 percent in 2023, however the price of other large expenses such as child care, and transportation remained stable or decreased slightly.
- \$10-per-day child care, in particular, kept costs down for Manitoba living wage families. Last year, \$10-per-day child care reduced child care costs by \$222 per month, a savings that was maintained this year. More child care spaces are needed to expand access to this program.
- Stabilizing prices, higher government support, and a significant raise in Manitoba's Basic Personal Amount in 2023 have created

a situation where the living wage is decreasing slightly for some Manitoba families.

- Due to the elimination of municipal bus services in Thompson and transit service reductions in Brandon, the methodology for the Brandon and Thompson two-parent, two-child family was changed and a second used vehicle was added to the expense basket for this family type. This resulted in an increase in the living wage in these cities.
- The pandemic and the associated rise in the cost of living led to an unprecedented 19 percent increase in the Winnipeg 2P2C living wage from 2022 to 2023, and the 2024 living wage remains 16 percent above the 2020 wage.
- The 2024 living wage results can be understood primarily as a ‘catch-up’ year. The cost increases related to the pandemic and government benefits indexed to inflation have worked their way through the tax and transfer system. Government benefits intended to help low income families with the rising cost of living are having an impact.
- 2024 living wages:
 - Winnipeg: \$18.75/hour
 - Brandon: \$16.28/hour
 - Thompson: \$17.90/hour

2024 Living Wage Update: The Big Picture

THE 2024 LIVING wage update paints a picture of some workers beginning to catch up with the cost of living. After two years of record-setting inflation in 2021 and 2022, the cost of some essential items for living wage families has stabilized in 2023. At the same time, federal government benefits such as the Canada Child Benefit and Canada Worker Benefit, which are raised annually by the previous year's inflation rate, have finally caught up with the 2022 peak in inflation, adding between \$1232 and \$3409 to annual family income across our living wage calculations. Stabilizing prices, higher government support, and raising Manitoba's Basic Personal Amount in 2023 have created a situation where the living wage is decreasing slightly for some Manitoba families, after increasing rapidly from 2020 to 2023. This reduction is sending a signal that targeted, indexed government transfers are beginning to offer some inflation relief to low-wage workers in Manitoba.

While low-wage workers are receiving additional government transfers, this does not mean all is well for these workers. The gap between the minimum wage (\$15.80) and the Winnipeg living wage (\$18.75) is \$2.95. It is important to reiterate that the living wage reflects the bare minimum required to avoid living in poverty in Manitoba. Even if someone were to earn a living wage, this does not provide income to replenish savings or pay off debt incurred over the last few years. For the 25 percent of workers in Manitoba who earned less than a living wage in 2023¹ much more remains to be done to close the

gap between minimum wage and a living wage. Furthermore, increasing unemployment, particularly among young workers, is taking a toll. Government supports need to be extended to help workers through a difficult time.

Across Canada and around the world, the price surge seen in 2021 and 2022 finally slowed in 2023 and 2024. The 2023 annual inflation rate in Manitoba was 3.5 percent, down from 7.9 percent in 2022.² In 2023 food price inflation remained high for Manitoba living wage families at nearly 8 percent, however, the price of other large expenses such as child care and transportation,³ remained stable or decreased slightly. The median rent for two- and three-bedroom apartments, which has driven living wage increases over the last few years, either remained the same or declined slightly for all living wage families except the Winnipeg one-parent, one-child family and the Brandon two-parent, two-child family.⁴ Cost stabilization gives working-class families in Manitoba much-needed breathing room while wages and benefits catch up with cost increases.

It is important to reiterate the benefits of \$10-per-day child care fees for living wage families. This program's introduction last year brought child care costs down by between \$200 and \$222 per month across Winnipeg, Brandon, and Thompson. Without that program, the living wage across Manitoba would have been far higher last year. While the introduction of this program provides significant cost savings for working-class families with young children who can access regulated child care spaces, the program is far from universally accessible. Child care deserts persist across the province, and waitlists remain years long.⁵ As of November 2024, the Child Care Coalition of Manitoba reports that the province has delivered 1,654 of the 23,000 childcare spaces promised under the Canada-Wide Early Learning and Child Care Agreement, an improvement of only 119 spaces over last year. Expanding Manitoba's public child care spaces is essential to ensuring living standards for working families can be improved long-term.

In the 2023 tax year, Manitoba raised the Basic Personal Amount⁶ from \$10,145 to \$15,000. Both the two-parent, two-child (2P2C) and the one-parent, one-child (1P1C) families in Winnipeg received the full benefit of this tax credit increase. Taxes owed for the Winnipeg 2P2C family decreased by \$1,048, while for the 1P1C family the decrease was \$524. This tax reduction brought the wage required for the Winnipeg living wage families to meet their expenses down slightly. Thompson and Brandon 2P2C families also saw their taxes owed decrease by \$1,048 due to the Basic Personal Amount increase. Single-parent families in Thompson and Brandon experienced no benefit

from the Basic Personal Amount increase, since these households already have enough non-refundable tax credits to bring their taxes owed to zero.

Single parent families in all three cities did however benefit from increases in Rent Assist, which is tied to previous year's median market rent levels. Manitoba's Rent Assist program provides a benefit to our sample households of up to 80 per cent of median market rent for a two-bedroom apartment in Winnipeg. Families are eligible for Rent Assist if they make less than \$42,400. Rent Assist benefits are reduced at a rate of 30 percent of monthly net employment income (this clawback rate was previously 25% but was increased in the late 2010s, reducing benefit and eligibility rates). The high claw back rate for the Rent Assist program makes it inaccessible to any household with two people working full time, including a household with two people earning minimum wage.

This lack of accessibility creates a perverse outcome in which working families who seek higher wages or more hours to cover rising expenses lose their eligibility for provincial programs. The rapid loss of benefits forces these families to require an even higher wage to make up the difference. The Manitoba government could reverse the previous cuts to Rent Assist and support more working families by reducing the benefit reduction rate to the previous 25% or lower. This would be a better alternative to helping households with affordability challenges compared to the government's current policy of supporting income, gas and property tax cuts, providing large unneeded handouts to high income earners.⁷ For a more systemic approach to creating a more progressive tax-and-transfer system in Manitoba see *Funding Our Way: Rebalancing Revenues and Spending for a Fair and Prosperous Manitoba*.⁸

Living wage increases for the 2P2C families in both Brandon and Thompson were driven by the addition of a second used vehicle to the household expense basket for these families. This methodological update was made in response to the elimination of the municipal bus service in Thompson⁹ as well as Brandon Transit service reductions¹⁰ and feedback from Brandon stakeholders that public transportation is not a reliable option for parents with young children. Following living wage methodologies for smaller communities in other provinces with limited public transit access, the cost of financing and operating a second used vehicle was reduced by 50 percent to reflect lower usage and therefore lower fuel and maintenance costs.

One significant change to federal public programs that did not make it into this year's living wage calculation was the Canada Dental Care Plan (CDCP) for eligible families earning less than \$90,000. Due to the program

phase-in structure, the CDCP is currently only available to seniors aged 65 and over, children under 18, and adults with a valid disability tax credit. As a result, the adults in each living wage family must continue to pay for private health and dental insurance. However, since the adults in each living wage family pay for health and dental coverage, the children are ineligible for Canada Dental Care Plan coverage. Therefore, health insurance costs remain unchanged in the 2024 living wage calculation. This will change in January 2025 when all Canadians earning less than \$90,000 without access to dental coverage become eligible.

Table 1 below tracks past living wage amounts by family type, highlighting and explaining previous decreases in the living wage. Although this is the first year that the Winnipeg 2P2C family has seen a decrease, all other location/family type pairings have seen at least one decrease over time. It is important to note that the impact of the pandemic and the associated rise in the cost of living led to an unprecedented 19 percent increase in the Winnipeg 2P2C living wage from 2022 to 2023, and the 2024 living wage remains 16 percent above the 2020 wage.

The 2024 living wage results can be understood primarily as a ‘catch-up’ year, with the cost increases related to the pandemic and the government response having worked its way through the tax and transfer system. Government benefit enhancements, either through the automatic increase in indexed benefits or tax and benefit changes aimed at providing increased support in response to inflation, have taken effect. The government response

TABLE 1 Manitoba Living Wages, 2009–2024

	2009	2013	2016	2020	2022	2023	2024
Winnipeg 2P2C	13.44	14.07	14.54	16.15	18.34	19.21	18.75
Winnipeg 1P1C	18.64	17.04 ^a	17.4	21.2	25.28	25.46	20.8
Brandon 2P2C	11.1	13.41	14.55	14.19 ^b	15.66	15.69	16.28
Brandon 1P1C	16.99	10.79 ^a	16.98	14.44 ^c	13.35 ^e	13.53	12.98
Thompson 2P2C	11.18	13.46	15.28	14.27 ^b	16.63	17.48	17.90
Thompson 1P1C	16.39	14.79 ^a	17.58	14.93 ^d	20.91	25.35	18.68

a A change to how child benefits were treated for income tax purposes reduced taxable income, increasing income-tested benefits more than increase in expenses.

b Increase in expenses more than offset by enhanced federal child benefits through introduction of CCB.

c Increase in expenses more than offset by introduction of enhanced CCB and Canada Workers Benefit; family now also qualifies for Rent Assist and provincial childcare subsidy.

d Increase in expenses more than offset by introduction of enhanced CCB and Canada Workers Benefit; family now also qualifies for higher Rent Assist and provincial childcare subsidy.

e Modest increase in expenses more than offset by higher income-tested benefits, including enhanced Rent Assist and Canada Worker Benefit program payments.

that was lagging behind the rising cost of living has now caught up, with the large increases in the living wage seen over the pandemic period being at least partially reversed. The living wage calculation findings this year demonstrate the important role targeted government income transfers and benefits, indexed to the cost of living, have on improving the incomes of low income families. It also highlights the significant impact of targeted federal government benefit enhancements. For example, the Canada Worker Benefit provides between \$1626 and \$2616 annually to our sample single parent families. Because these enhancements are income tested, they do not lead to the same scale of revenue losses and large increases in budget deficits that the Manitoba government tax cuts have generated.

What is a Living Wage?

A **LIVING WAGE** is the hourly rate at which a household can meet its basic needs once government transfers have been added to the family's income (such as the Canada Child Benefit and Rent Assist) and deductions have been subtracted (such as income taxes and Employment Insurance premiums). The full details of the calculation methodology are spelled out in CCPA MB's 2024 Living Wage calculation guide, available at www.policyalternatives.ca/offices/manitoba/.

The living wage is based on:

- A family of two parents with two children aged four and seven. According to the 2021 census, couples head 71.6 percent of families with children in Manitoba, and 28.4 percent of families with children are headed by a single-parent.¹¹
- Both parents work full-time, at 35 hours per week.
- Estimated family expenses in 10 categories (listed on the following page).
- The cost of government deductions (provincial and federal taxes, Employment Insurance premiums and Canada Pension Plan contributions).
- The value of government transfers like the Canada Child Benefit.
- Employers provide minimal paid vacation and sick time.

This methodology follows the model for living wage calculations used across the country, with communities across Canada calculating their local living wage based on this approach. The living wage gets families out of severe financial stress by lifting them out of poverty and providing a basic level of economic security. But it is also a conservative, bare-bones budget without the extras many of us take for granted.

A Bare Bones Budget – Portrait of a Living Wage Family’s Expenses in Winnipeg

At \$18.75 per hour in Winnipeg — or \$34,219 annually in employment income for each parent working full-time — here’s what a family of four could afford:

- **FOOD:** \$1,103/month (based on Statistics Canada’s Market Basket Measure food component).
- **CLOTHING AND FOOTWEAR:** \$174/month (based on Statistics Canada’s Market Basket Measure clothing and footwear component).
- **SHELTER:** \$1808/month (includes the CMHC median rent estimate for a three-bedroom unit, utilities, and contents insurance).
- **TRANSPORTATION:** \$620/month (includes the amortized cost of owning and operating a used car and one adult monthly bus pass).
- **CHILD CARE:** \$411/month (a four-year-old in full-time care year-round, save for weekends, statutory holidays, a seven-year-old in before and after school care, and full-time care for summer break, in-service days and winter/spring break).
- **PRIVATE HEALTH INSURANCE:** \$216/month (the cost of basic extended health and dental plan from Manitoba Blue Cross).
- **PARENTS’ EDUCATION:** \$170/month (estimated cost of two university courses per year for one parent).
- **CONTINGENCY FUND:** \$218/month (the equivalent of two weeks wages for each parent to provide some cushion for unexpected expenses like a serious illness to a family member, transition time between jobs, etc.)

A LIVING WAGE IS:

Based on the principle that full-time work should provide families with a basic level of economic security, not keep them in poverty.

The living wage provides the income required for a family of four with two parents working full-time to pay for necessities, support the healthy development of their children, escape financial stress, and participate in their social, civic and cultural lives.

Winnipeg: 18.75/hour

Brandon: \$16.28/hour

Thompson: \$17.90/hour

- OTHER HOUSEHOLD EXPENSES: \$1097/month (covers personal care, furniture, kitchen or household supplies, internet connection, cell phone and minimal recreation).

The living wage does not cover:

- Credit card, loan, or other debt/interest payments;
- Saving for retirement;
- Owning a home;
- Savings for children's future education;
- Anything beyond minimal recreation, entertainment, or holiday costs;
- Costs of caring for a disabled, seriously ill, or elderly family member;
- Much of a cushion for emergencies or tough times.

The living wage calculation is based on the needs of two-parent families with young children. It supports a mix of family types throughout the life cycle. The living wage is designed so young adults are not discouraged from having children and older workers have some extra income as they age.

The living wage for a single parent with one child has typically been significantly higher, although this has changed in recent years. Single-parent families face obvious challenges. Shelter, transportation, and childcare expenses are inflexible and having two incomes to cover such expenses goes a long way. However the lower employment income earned by single parent families makes them eligible for income transfers such as Manitoba Rent Assist or the Canada Worker Benefit, which bridge the gap between a lower wage and higher expenses. A discussion on single-parent families is included for each city in this report.

The living wage methodology uses the annual inflation rate to calculate the living wage. Therefore the expenses outlined in *Table 1* reflect price increases that occurred up to the end of 2023.

The 2024 Living Wage Update in Detail

Winnipeg Family Living Wage

The 2024 family living wage for Winnipeg is \$18.75/hour, a 46 cent or 2.4 percent decrease from the \$19.21/hour 2023 living wage.

This decrease comes after large increases in the living wage since 2020, rising by just over \$3 per hour from 2020 to 2022. The reason for this year's decrease in the living wage is a combination of three main factors: (1) slowing inflation, especially in housing costs, (2) the value of indexed government benefits catching up with high inflation in 2022; and (3) and tax cuts reducing provincial (and for some cases federal) taxes owed.

Overall monthly expenses for the two-parent, two-child family increased by \$131 per month relative to last year, while income from benefits such as the Canada Child Benefit (CCB) and Carbon Action Incentive Payment (CAIP) increased by \$129 per month, and taxes owed decreased by \$141 per month.

The \$131 per month, or 2.3 percent, increase in household expenses for the Winnipeg living wage family was mainly due to price inflation for food, which rapidly increased. The living wage families monthly food bill increased by \$80 per month in 2023, a 7.9 percent increase relative to last year. This was slightly below last year's 8.9% increase, but was by far the largest increase among expenses in 2023. Transportation costs increased by \$9 per month, or 1.5 percent, a major slowdown relative to the previous two years.

TABLE 2 Monthly Expenses for Winnipeg: 2 Parent – 2 Child Family

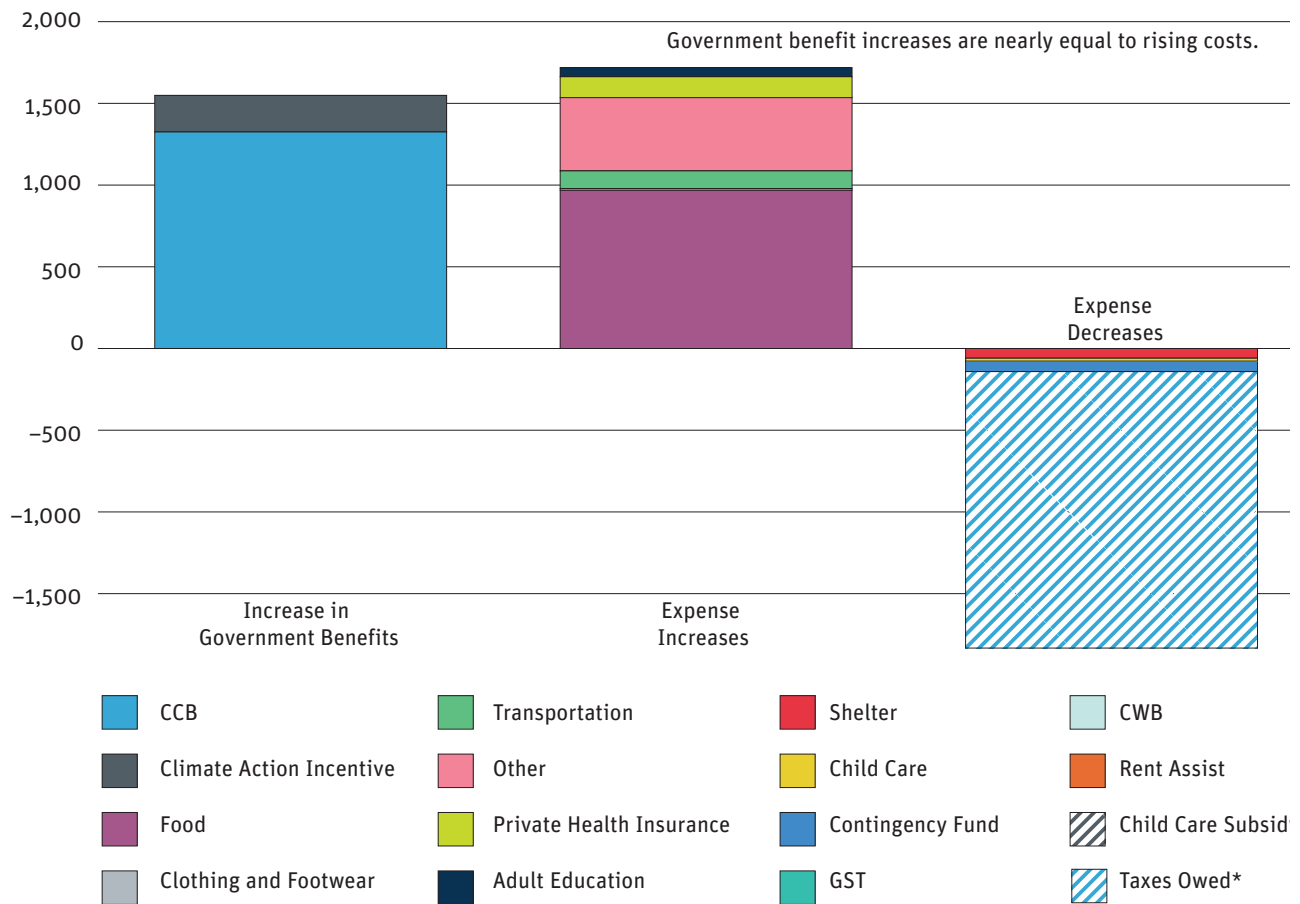
Category	2023	2024	Percentage Change
Food	\$1022	\$1103	8%
Clothing/footwear	\$173	\$174	1%
Shelter	\$1813	\$1808	0%
Transportation	\$611	\$620	2%
Other	\$1060	\$1097	4%
Childcare	\$413	\$411	0%
Private health insurance	\$206	\$216	5%
Parent's education costs	\$166	\$170	3%
Contingency fund (2 weeks' salary)	\$224	\$219	-2%
TOTALS	\$5688	\$5819	2%

In contrast, the median cost of renting a three bedroom apartment (the largest expense category for the living wage family) decreased by \$5 per month. Childcare costs also remained stable thanks to the federal-provincial \$10-per-day child care program, stabilizing household costs. It is worth reiterating that the introduction of \$10-per-day childcare last year brought childcare expenses for the living wage family down by 35 percent or \$221 per month, a program which is continuing to pay dividends as inflation cools.

Government transfers to the living wage household increased significantly in 2023 as the value of these transfers caught up with record inflation in 2022. Overall, government transfers increased by \$129 per month or 16.4 percent. The Canada Child Benefit (CCB) is indexed to increase according to the previous year's inflation rate, 2022 in our case. The CCB is indexed to increase with the previous year's inflation rate, 2022 in this case. The Winnipeg living wage family saw an increase of \$1,325.10, or \$110.42 per month to their CCB. At the same time, the Climate Action Incentive Payment (CAIP) also saw a large increase of 27 percent, or \$224 per year. As in 2023, the 2024 family does not qualify for the Manitoba child care subsidy, GST credit, or Rent Assist.

Taxes owed for the Winnipeg two-parent, two-child family decreased by \$141 per month relative to last year. There were two reasons for this decrease: (1) the increase of Manitoba's Basic Personal Amount (a non-refundable tax credit on the first \$15,000 of individual income); and (2) higher government transfers reducing the amount of wage income required for the living

FIGURE 1 Change to Government Benefits and Household Expenses for Winnipeg 2P2C Family



* \$1048 of this tax decrease is due to changes to the BPA in 2023. The remainder is due to decreased income from a lower living wage.

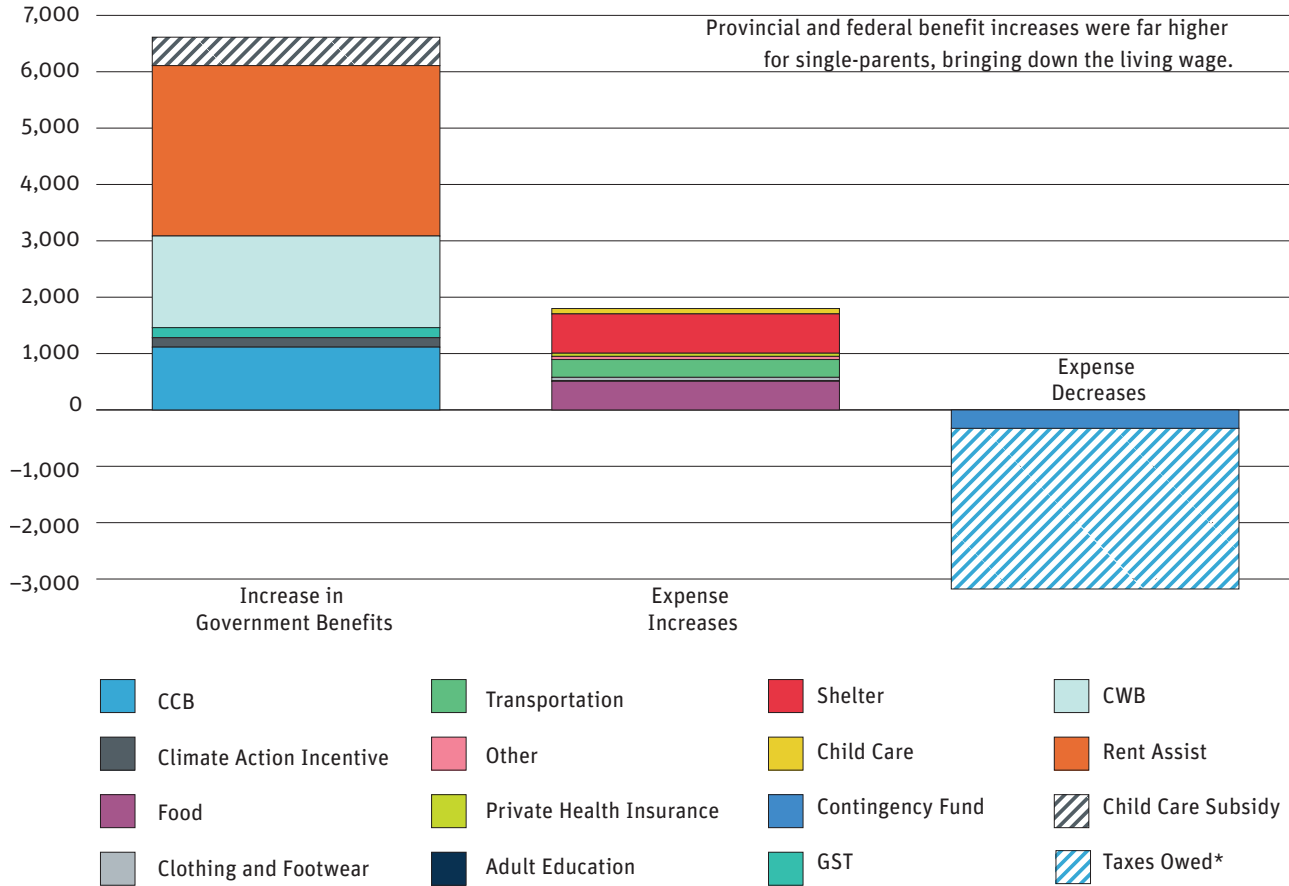
wage family, resulting in a lower taxable income. The increase to the Basic Personal Amount from \$10,145 to \$15,000 reduced total taxes paid for the living wage family by \$1,048.

Winnipeg Single Parent Living Wage

The living wage in Winnipeg for a one-parent, one-child family fell significantly from \$25.46 in 2023 to \$20.80 in 2024, a decrease of \$4.66. Similar to the two-parent, two-child family, this decrease is due to a stabilization in household costs alongside a major increase in government transfers and lower taxes owed due to changes to Manitoba’s Basic Personal Amount.

Relative to 2023, expenses for the Winnipeg one-parent, one-child family increased by \$123 per month, or 3 percent. Cost increases were driven by a

FIGURE 2 Change to Government Benefits and Household Expenses for Winnipeg 1P1C Family



* \$524 of this tax decrease is due to changes to the BPA in 2023. The remainder is due to decreased income from a lower living wage.

7.9 percent increase in the cost of groceries (\$42 per month) and a 4.1 percent increase in the median rent for a two-bedroom apartment (\$58 per month).

These household cost increases were more than offset by a \$551 per month increase in government transfers for the Winnipeg one-parent, one-child family, an 86 percent increase relative to 2023. Federal benefit increases included a \$1,114 in increased CCB payments (\$93 per month), and extra \$1,626 in the Canada Worker Benefit (CWB), \$178 more in GST credits, and \$168 in the CAIP. In total, federal benefits increased by \$3,086 or \$257 per month. Unlike 2023, the family qualified for the childcare subsidy and Rent Assist, which was a major contributor to its living wage decrease. In total, provincial transfers amounted to \$3,527 (\$293 per month), including \$3023 in Rent Assist and \$504 in childcare subsidy. The year-to-year volatility in the single parent living wage amounts in Winnipeg (and Thompson) are a

function of the rapid clawback rates of income tested benefits including Rent Assist, where increases in income lead to large losses in benefit income, creating challenges for families trying to make ends meet through paid work.

Brandon Family Living Wage

The 2024 living wage for a Brandon two-parent, two-child family is \$16.28/hour; an increase of 59 cents or 3.8 percent increase from \$15.69 in 2023.

The living wage increase for the Brandon two-parent, two-child family was driven primarily by adding a second used vehicle to the basket of household expenses. For a full explanation of this change, see the introduction. Adding a second vehicle increased transportation costs for the two-parent, two-child family by \$157 per month, or 26 percent.

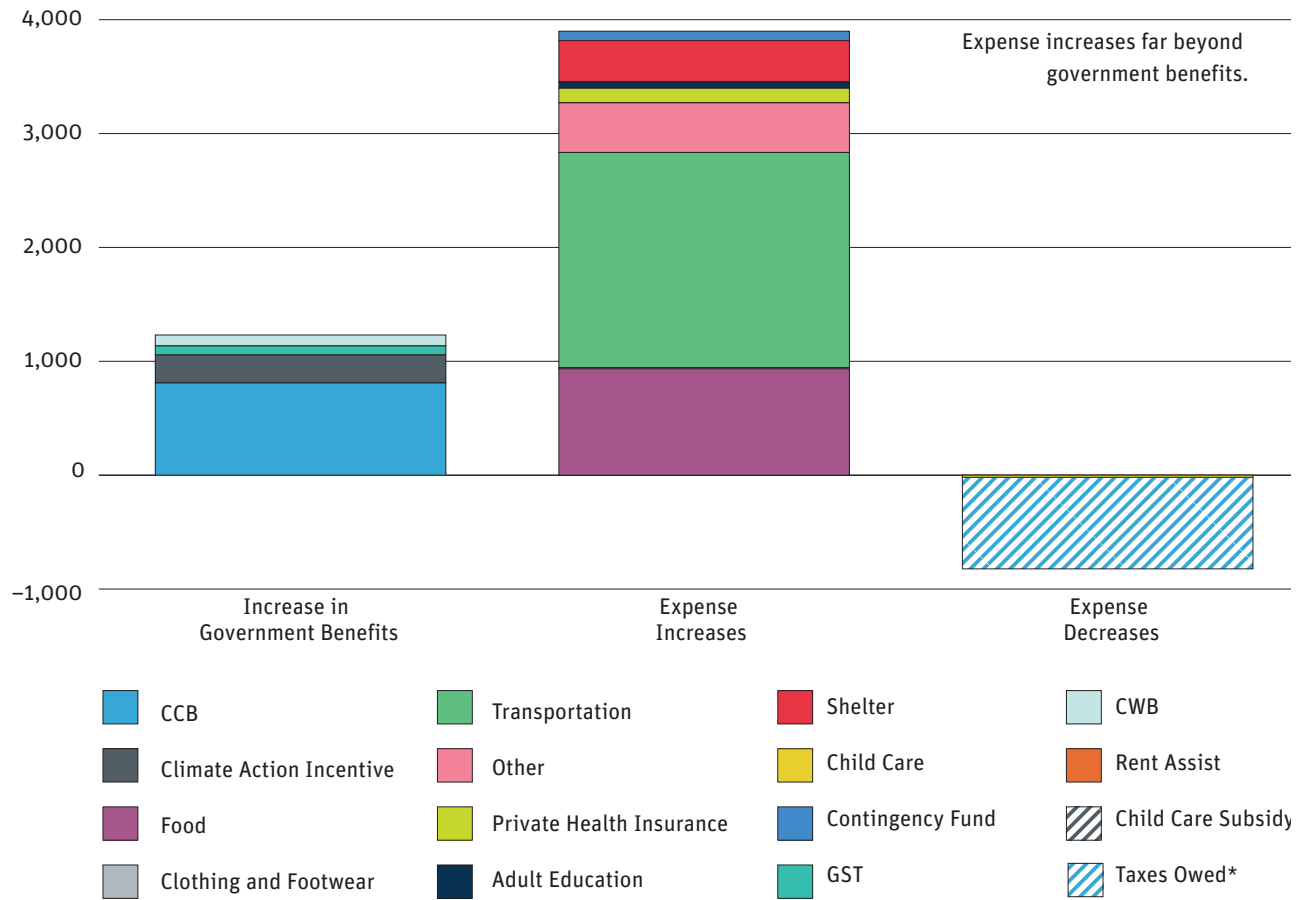
As with living wage families in Winnipeg, the Brandon living wage families household budget showed a larger increase in food costs and more moderate increases in the cost of rent, clothing, and other household essentials. Monthly food costs for the Brandon two-parent, two-child living wage family increase by \$78 per month, or 7.9 percent. The median cost of a three-bedroom apartment increased by \$30 per month, or 2.1 percent. Overall, monthly household expenses increased by \$323 per month, or 6.2 percent.

Rising expenses for the Brandon two-parent, two-child family were significantly offset by increases to government transfers and a reduction in taxes owed. Federal government transfers increased by \$1232 relative to

TABLE 3 2023 vs. 2024 Monthly Expenses for Brandon: 2 parents, 2 children

Category	2023	2024	Percentage Change
Food	\$987	\$1065	7.9%
Clothing/footwear	\$173	\$174	0%
Shelter	\$1,445	\$1,475	2.1%
Transportation	\$605	\$763	26%
Other	\$1031	\$1,068	3.5%
Childcare	\$413	\$411	0%
Private health insurance	\$206	\$216	5%
Parent's education costs	\$166	\$170	3%
Contingency fund (2 weeks' salary)	\$183	\$189	4%
TOTALS	\$5,209	\$5,532	6.2%

FIGURE 3 Change to Government Benefits and Household Expenses for Brandon 2P2C Family



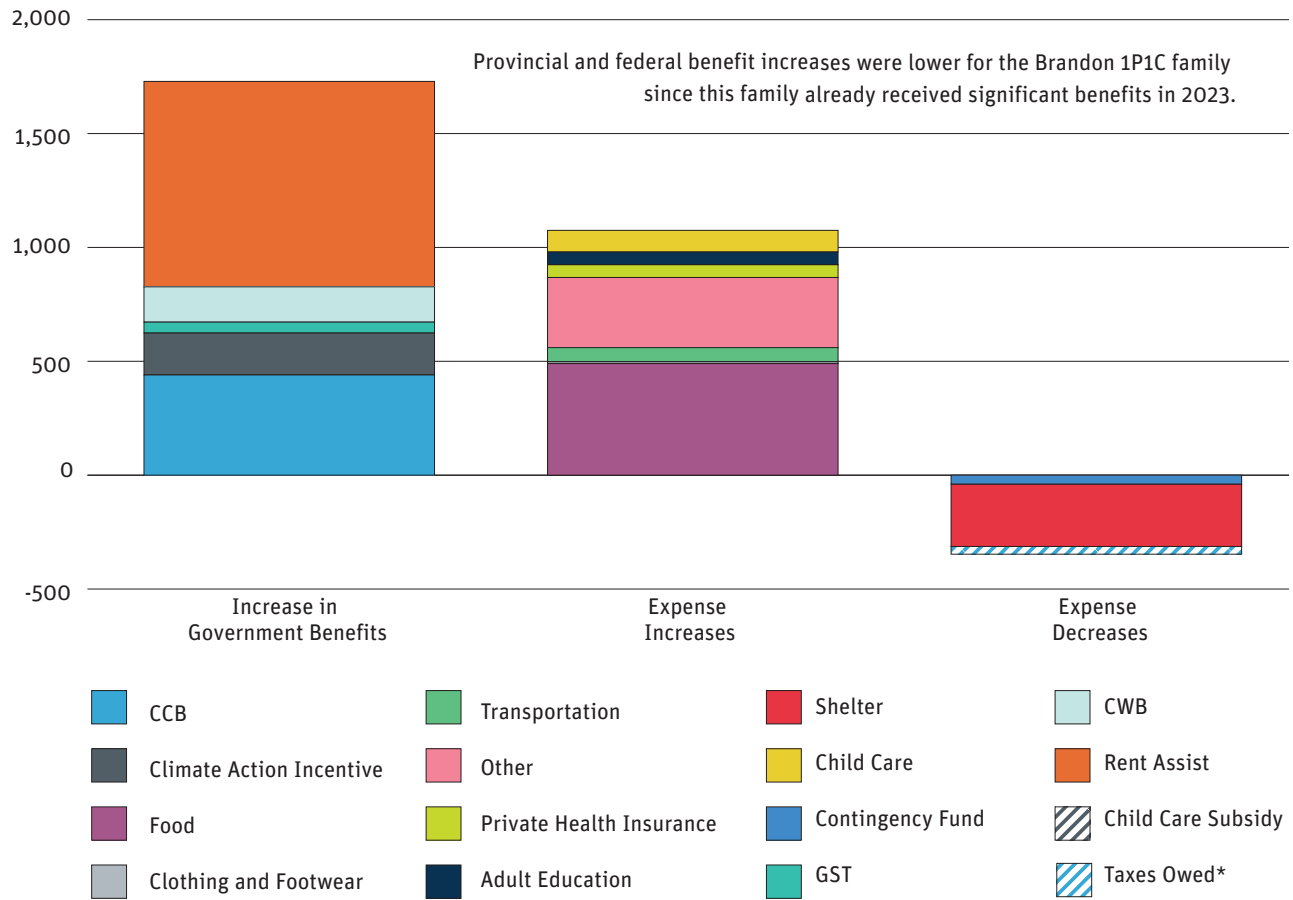
* Taxes owed dropped by \$1048 due to the BPA change introduced in 2023. The difference between \$1048 and \$804 is due to this family's higher living wage.

2023, \$103 per month or 10 percent. This increase included a \$810 increase in CCB payments (\$67.50 increase per month), a \$96 increase in CWB payments (\$8 per month), a \$79 increase to GST payments (\$7 per month) and a \$246 increase to the CAIP (\$20 per month). Once again, the Brandon two-parent, two-child family does not qualify for Rent Assist or childcare subsidy.

Brandon Single-Parent Living Wage

The 2024 living wage for a single parent with one child living in Brandon is \$12.98/hour, a 55 cent decrease from \$13.53/hour in 2023. This is the third year in a row that increases in the cost of necessities such as food, rent, and transportation have been more than offset by increases in government support for the single-parent living wage family in Brandon. Living expenses for a

FIGURE 4 Change to Government Benefits and Household Expenses for Brandon 1P1C Family



* This change is due to the living wage reduction for this family.

single-parent family in Brandon grew by \$64 per month between 2023 and 2024, with the largest increases being a \$41 per month increase in food costs and \$25 per month increase for ‘other’ expenses such as internet, cell phone, and furniture. Median rent for a two-bedroom apartment in Brandon actually declined by \$23 per month, partially offsetting other expense increases.

The decrease in the living wage combined with higher government transfers resulted in significant increases in benefit amounts. Annual transfer increases included a \$440 increase in the CCB (+\$37 per month), a \$155 increase in the CWB (+\$13 per month), and \$184 in higher CAIP (+\$15 per month). The Brandon single parent family also saw a \$901 increase in Rent Assist (+\$75 per month), again benefiting from Rent Assist being indexed to higher Winnipeg rents. Due to their lower income status and having no

provincial income taxes due, the 1P1C family in Brandon did not benefit from the provincial government’s increase in the Basic Personal Amount.

Thompson Family Living Wage

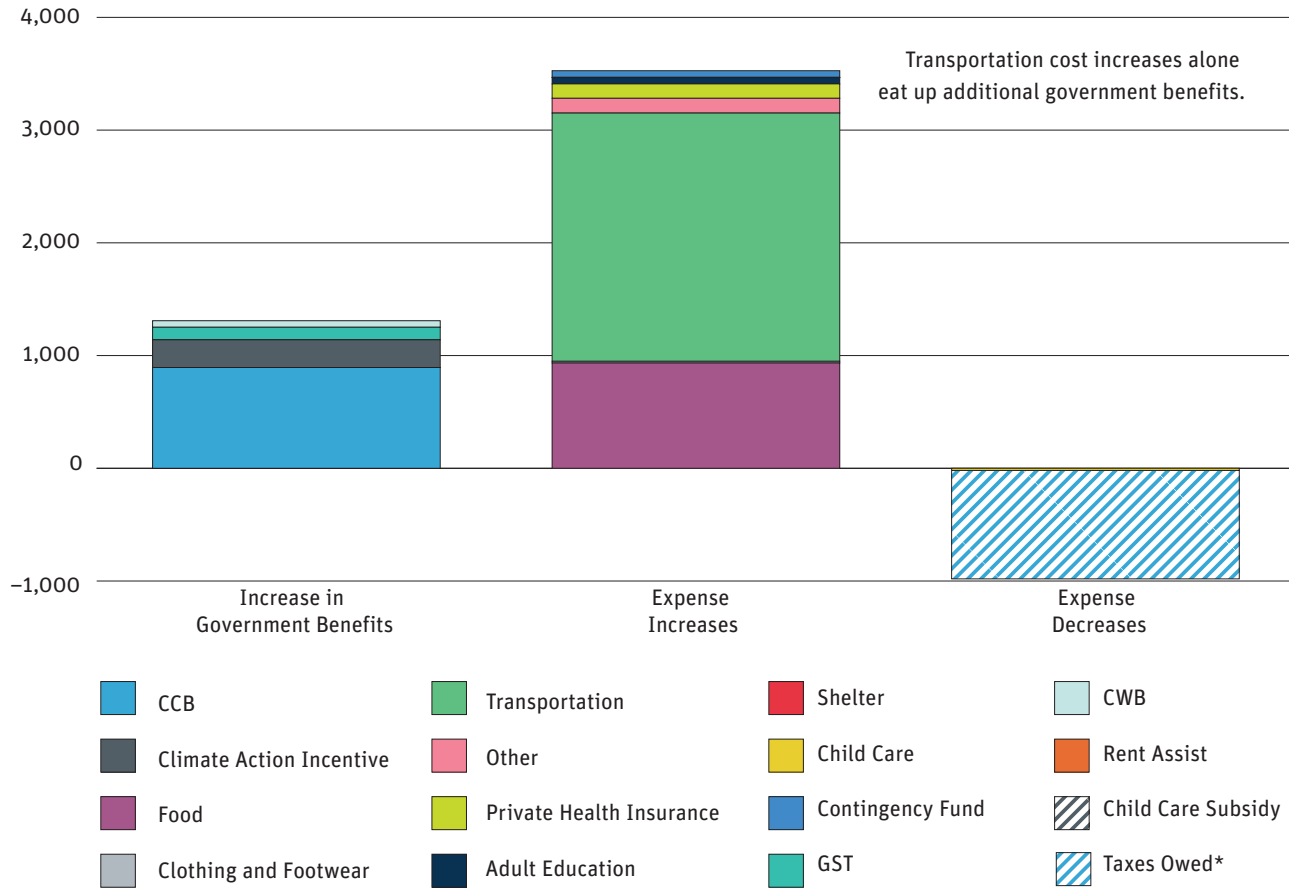
The 2024 living wage for Thompson’s two-parent, two-child family is \$17,90, a slight increase of 42 cents from \$17,48 in 2023. Similar to the Brandon two-parent, two-child living wage family, this increase is driven by adding a second used car to the expense basket (for an explanation of this change, see the introduction). The addition of a second car increased monthly transportation costs for the Thompson 2P2C family by \$183 per month, a 32 percent increase relative to 2023. Similar to calculations in Winnipeg and Brandon, food costs for the Thompson 2P2C family increased by \$78 per month while other cost categories, including median rent for a three-bedroom apartment, remained relatively unchanged.

Mirroring other cities, the Thompson 2P2C family received a significant increase in government transfers, offsetting a large portion of expense increases. Annual CCB payments increased by \$894 (+\$75 per month), GST payments increased by \$111 (+\$9 per month), CAIP payments increased by \$246 (+\$20 per month), and this year the Thompson 2P2C family qualified for the CWB, however this benefit only provided \$58 (+\$5 per month). The Thompson 2P2C family did not qualify for Rent Assist or the Child Care Subsidy. At the same time, taxes paid by the Thompson 2P2C decreased by \$963 due to the provincial BPA increase as well as a lower taxable income.

TABLE 4 2023 vs. 2024 Monthly Expenses for Thompson: 2 parents, 2 children

Category	2023	2024	Percentage Change
Food	\$990	\$1,064	7.9%
Clothing/footwear	\$236	\$237	0%
Shelter	\$1,255	\$1,255	0%
Transportation	\$579	\$763	32%
Other	\$1,450	\$1,460	1%
Childcare	\$413	\$411	0%
Private health insurance	\$206	\$216	5%
Parent’s education costs	\$166	\$170	3%
Contingency fund (2 weeks’ salary)	\$204	\$209	2%
TOTALS	\$5,499	\$5,788	5%

FIGURE 5 Change to Government Benefits and Household Expenses for Thompson 2P2C Family



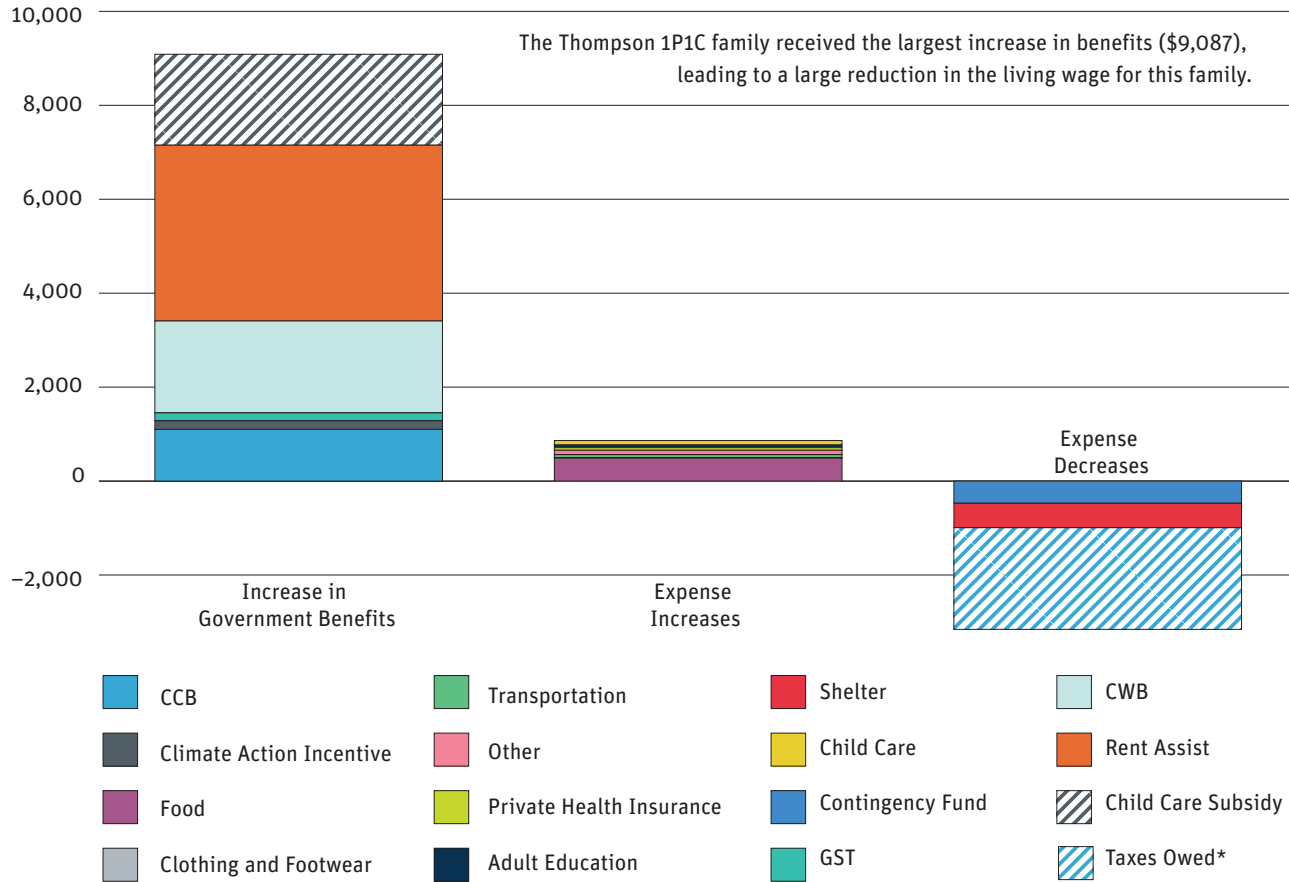
* Taxes owed dropped by \$1048 due to the BPA change introduced in 2023. The difference between \$1048 and \$962 is due to this family's higher living wage.

Thompson Single Parent Living Wage

The 2024 living wage for the Thompson one-parent, one-child family registered the largest swing, falling 26 percent from \$25.35 in 2023 to \$18.68 in 2024. Other than food costs, which increased by 7.9 percent or \$41 per month, expense increases were low for this family. Shelter costs decreased, with reported median rent for a 2-bedroom unit in Thompson falling by \$44 per month. This reduction in shelter costs contributed to an \$11 overall decrease in monthly expenses for this family.

Due to the lower living wage and lagging inflation adjustments, the Thompson 1P1C family saw a large increase in government transfers of \$9,087 or \$757 per month. The benefit income of this family more than doubled from 2023, with increases to every program, including the CCB (+\$1,100 or \$92

FIGURE 6 Change to Government Benefits and Household Expenses for Thompson 1P1C Family



* \$524 of this tax decrease is due to changes to the BPA in 2023. The remainder is due to decreased income from a lower living wage.

per month), the CWB (+\$1,956 or \$163 per month), the GST credit (+\$168 or \$14 per month), and the CAIP (+\$184 or \$15 per month). Unlike in 2023, the Thompson single-parent family qualifies for the Child Care Subsidy (\$1,936) and Rent Assist (\$3,743 or \$312 per month), which it did not qualify for last year. Like the Brandon single parent family, the Thompson 1P1C family benefits from Rent Assist being indexed to higher Winnipeg rents. As with the Winnipeg single parent family, the large year-to-year changes in the living wage are due to high benefit clawback rates for programs like Rent Assist, where increases in income lead to large losses in benefits.

Endnotes

1 Goulet-Kilgour, Callum and Niall Harney. 2024. *Struggling to Get Ahead: Who Works for Less than a Living Wage in Manitoba?*. Canadian Centre for Policy Alternatives: Winnipeg. September 2024.

2 Statistics Canada. 2024. “The Daily - Consumer Price Index: Annual Review, 2023”. Statistics Canada: Ottawa. January 16, 2024. <https://www150.statcan.gc.ca/n1/daily-quotidien/240116/cg-boo6-eng.htm>

3 It should be noted that data for the 2024 living wage comes from 2023, the last available annual dataset, and therefore does not reflect the 2024 Manitoba gas tax holiday.

4 In the case of Winnipeg, the slight decrease in CMHC median rent for a Winnipeg 3br apartment differs from both the CMHC average rent for a Winnipeg 3br and Statistics Canada rent component of the Manitoba CPI, which both reported rent increases (4.2% and 5.4%, respectively). With that being said, the CMHC median (\$1723) and average (\$1735) rent statistics for a 3br apartment in Winnipeg were virtually identical in 2023. This means that the shelter figure used to calculate the 2024 living wage would be almost equal if CMHC average rent were used rather than CMHC median. The divergence between CMHC median and average rents appear to be due to increases in the top-half of the Winnipeg 3br rental market. Unpacking the difference between rent statistics across Manitoba requires further research.

5 Macdonald, David, and Martha Friendly. “Not Done Yet: \$10-a-day child care requires addressing Canada’s child care deserts.” Canadian Centre for Policy Alternatives: Ottawa. May 2023.

6 The Manitoba Basic Personal Amount is a non-refundable tax credit (tax benefits that reduce the amount of tax an individual owes to a maximum of zero tax owed) which provides a full reduction of provincial income tax on the first \$15,000 of income to all earners in Manitoba.

7 A recent report by the Parliamentary Budget Office confirmed that the bottom 40% have seen their purchasing power decrease since 2019, while the highest earning 20% saw their income increase by more than double the increase in cost of the goods and services they consume.

8 Hajer, Jesse, Niall Harney, and David Macdonald. 2023. “Funding Our Way: Rebalancing Revenues and Spending for a Fair and Prosperous Manitoba.” Canadian Centre for Policy Alternatives: Winnipeg. November 2023.

9 <https://www.thompson.ca/p/transit>

10 <https://www.cbc.ca/news/canada/manitoba/brandon-transit-routes-1.7303853>

11 Statistics Canada. “Manitoba Census Profile, 2021 Census of Population”. Statistics Canada: Ottawa. <https://www12.statcan.gc.ca/census-recensement/2021/dp-pd/prof/details/page.cfm?Lang=E&SearchText=Manitoba&DGUIDlist=2021A000246&GENDERlist=1,2,3&STATISTIClist=1,4&HEADERlist=0>



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