



# Fact sheet

## CUPE members deserve at least \$18 per hour

WE WILL ACHIEVE REAL GAINS THROUGH BARGAINING, ESPECIALLY BY IMPROVING WAGES AND BENEFITS FOR OUR LOWEST-PAID MEMBERS AND MEMBERS IN PRECARIOUS JOBS. WE WILL FIGHT TO ACHIEVE DECENT LIVING WAGES FOR ALL CUPE MEMBERS AND COMMIT TO BRINGING THE LOWEST PAID MEMBERS TO A MINIMUM RATE OF \$18 PER HOUR WITH A DEFINED BENEFIT PENSION PLAN BY 2018. [...] GAINS FOR CUPE MEMBERS WILL HELP TO RAISE THE BAR FOR ALL WORKING PEOPLE.

WE WILL FIGHT FOR AN ECONOMY WHERE EVERYONE HAS A CHANCE TO HAVE A SECURE JOB, MAKING A DECENT LIVING, WITH GOOD BENEFITS AND A GOOD PENSION. GOOD JOBS AND DECENT WAGES ARE WHAT WE NEED TO GROW AN ECONOMY THAT WORKS FOR EVERYBODY

– *STRATEGIC DIRECTIONS 2013-2015*

The income gap between the wealthiest one per cent and the rest of us is stark. In Canada, the top one per cent (approximately 272,000 people) earn on average \$380,000 a year. That is almost ten times the average annual pay of either a public sector worker (\$49,655) or a private sector worker (\$49,407).

But this shocking gap is not the end of the story. In the 99 per cent there is also a significant gulf between those earning over \$150,000 and those at the bottom working for pay at, near or even below, minimum wage.

Nearly one in ten Canadian workers earn wages that are at or below the poverty level. A single person making less than \$23,647 a year or a family with two children and two adults having an income of less than \$43,942 a year is considered to be living in poverty.

Ten per cent of CUPE members' jobs are paid less than \$18 per hour.

### THE 10 LOWEST INCOME JOBS IN CUPE COLLECTIVE AGREEMENTS

- Residential care workers and residential support workers
- Cooks
- Early childhood educators and assistants
- Food counter attendants, kitchen helpers and dishwashers
- Food service workers
- Janitors, caretakers and building superintendents
- Labourers
- Lifeguards
- Light duty cleaners (housekeeper/cleaner)
- Recreation program leaders and instructors

### RAISING THE FLOOR

#### LOW INCOME, INFLATION AND MEANINGFUL WAGE TARGETS

Price inflation for basic goods such as housing, fuel and food hits hardest at the lower end of the income scale. In the same way that increases in flat taxes such as the GST and PST are regressive because they take more of percentage of lower income workers' pay, inflation takes a heavier toll on working families trying to make ends meet.

CUPE is fighting to raise wages for the lowest earners so that inflation does not threaten to push members into poverty.

Inflation from 2013 to 2014 was 2.36 per cent.

### PAY EQUITY

On average, public sector workers earn about 0.5 per cent more than private sector workers. This is almost entirely because women in the lowest paid occupations earn higher incomes in the public sector than they do in the private sector. But there is still work to do to close that gendered wage gap. Implementing and maintaining pay equity plans where pay equity legislation exists will help keep women's wages at a fair scale. Where pay equity legislation is not on the books CUPE locals can negotiate gender-neutral job evaluation plans into their collective agreements.

### RAISING ALL WAGES, LIFTING ALL WORKERS

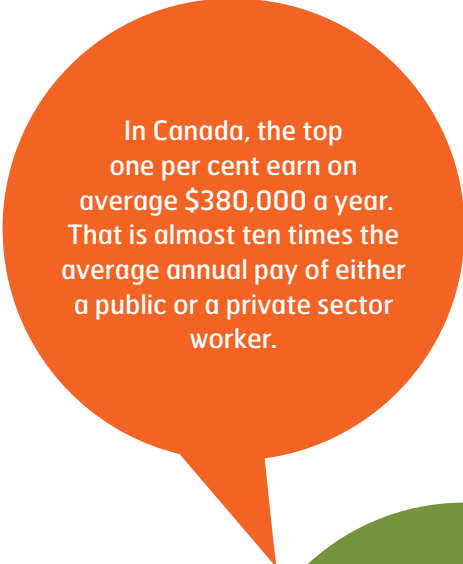
Many collective agreements cover both well-paid workers and workers who earn near-poverty wages. For these agreements, per cent increases in wages widen the gap between the highest and lowest wages over time and do not make the necessary gains to lift the lowest income earners out of near-poverty wages. Special increases to the lowest wages are a more effective and equitable way to raise wages. Flat rate wage increases provide another way to share wage increases more fairly.

Raising the floor for the lowest wages will require bargaining to set this floor in our collective agreements at or above \$18 per hour.

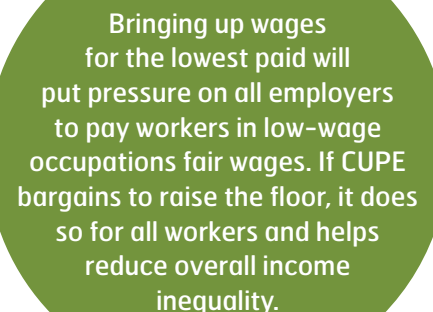
The benefits of setting a wage floor are two-fold. First, the floor will act to push up all wages in the collective agreement. Second, bringing up wages for the lowest

paid will put pressure on all employers to pay workers in low-wage occupations fair wages. If CUPE bargains to raise the floor, it does so for all workers and helps reduce overall income inequality.

CUPE Research will develop a bargaining tool kit to assist CUPE locals with arguments to achieve \$18 per hour.



In Canada, the top one per cent earn on average \$380,000 a year. That is almost ten times the average annual pay of either a public or a private sector worker.



Bringing up wages for the lowest paid will put pressure on all employers to pay workers in low-wage occupations fair wages. If CUPE bargains to raise the floor, it does so for all workers and helps reduce overall income inequality.