

Street Talk column August, 2006
Living Wage – Engaging Business in Poverty Reduction
Writer: Ramona Johnston

927 words + Living Wage Profile Box

Calgary Business Seeing the Benefits of Providing A Living Wage

Like many other Calgary employers in the current labour environment, Brian Murphy was struggling to find workers.

In fact, the Government of Alberta predicts that over the next 10 years nearly 400,000 jobs will be created with only 300,000 new workers expected to enter the labour market. As a result, the province may face a shortfall of as high as 100,000 workers, 30,000 of these here in Calgary.

“It’s a challenge to attract and retain good workers in this city right now and our sector is no exception,” says Murphy, President of CottageCare Canada, a general housecleaning service that operates in the city. “I realized that if I was going to recruit and retain the employees I need to run a successful business, I was going to have to explore a variety of options.”

In search of possible solutions to his human resource concerns, Murphy approached Vibrant Communities Calgary (VCC) and was introduced to the Living Wage Initiative. Through the Living Wage Initiative, VCC not only raises awareness about the link between low wages, poverty and issues that impact businesses, but also works together with employers to develop solutions that will benefit their business, their employees and their community.

The Living Wage Action Team, a diverse group of local community leaders and concerned citizens working collaboratively to reduce poverty in Calgary, believes people who work full time should not live in poverty and that hard work should be rewarded with adequate pay and benefits.

“The Living Wage Initiative’s new Engaging Business in Poverty Reduction project focuses on working with the business community to create win-win workplace solutions that benefit employees, businesses and the community,” says Living Wage Action Team Chair, Jenny Saarinen. “Through this collaborative effort, we hope to ensure that working Calgarians are not only paid adequate wages, but also enjoy access to government benefits and programs, health care and dental care and other employment supports like flexible hours and childcare.”

Saarinen says that as a result of more progressive workplace practices by employers, employees would increase their economic security, improve their quality of life and reduce their likelihood of living in poverty.

In providing a Living Wage, Murphy saw a solution to his high employee turnover rate, and following a meeting with VCC, raised his starting wage by \$2, from \$10 to \$12 per hour at his CottageCare South Calgary location, and will consider future increases providing the finances of the operation can support them.

Employees in the cleaning services sector have traditionally been paid low wages and, as a result, many have struggled to provide for themselves and their families.

“In conversation with VCC, I realized our industry has a good fit with the Living Wage Initiative,” says Murphy. “We see real value in providing more than just employment.”

“It just takes a responsible employer and the guidance of great organizations like VCC to make it happen.”

CottageCare didn't stop with just raising wages. Additionally, Murphy committed to maintaining the practice of paying employees their full hourly wage for travel time, will explore the feasibility of providing health benefits or wage top-up in lieu of benefits, and will allow employees to work flexible hours to accommodate childcare and personal needs. He has even taken the time to assist a CottageCare crewmember overwhelmed with finding affordable rental accommodations in Calgary's red-hot real estate market by offering lists of rental contacts provided by VCC.

"We plan to continue working with the Living Wage Action Team as they move forward with their business engagement strategy by offering our feedback and input throughout the Living Wage policy development process," says Murphy. "And as a master franchise holder for Canada, I'm also in a good position to endorse progressive workplace practices to other CottageCares franchises."

On Murphy's recommendation, two other independently owned Calgary CottageCare franchises have followed his example and recently implemented wage increases.

For its partnership with the Living Wage Initiative, CottageCare will receive a certificate and letter of recognition from VCC as acknowledgment for their decision to increase employee wages.

"In beginning this ground-breaking work in Calgary, we'll first look to find businesses in the community who are already implementing progressive workplace practices and who want to share the story of their success," says Saarinen. "We hope by publicizing their best practices and leadership in corporate social responsibility, more businesses will see the benefits to providing a Living Wage and will make progressive changes to their human resource practices."

Murphy adds that he expects offering a Living Wage and other supports will not only help to solve his staffing issues, but that happier and more loyal employees will translate into improved service, higher customer satisfaction and in turn, an improved bottom line. A bottom line he hopes will no longer have to devote thousands of dollars a year to job ad placements due to a high employee turnover rate.

"We do care for our employees and we like to treat them with respect," says Murphy. "You really do feel a sense of satisfaction knowing you are contributing to the well being of the community."

"As an employer, the Living Wage Initiative just makes sense to me."

If you are interested in working for or supporting a progressive workplace employer, or if you would like information about CottageCare Canada, please contact Brian Murphy at (403) 225-3441.

(Ramona Johnston is Manager of Vibrant Communities Calgary, a local non-profit poverty-reduction organization. For more information about or to participate in the Living Wage Initiative's Engaging Business in Poverty Reduction project, please contact the Living Wage Coordinator, Jessica Leech, at (403) 283-2197.)



CottageCare Canada – South Calgary Location
105 – 816 Willow Park S.E.

Recognized by VCC's Living Wage Action Team for:

- ✓ Increasing wages
- ✓ Paying employee travel time
- ✓ Providing flexible work hours
- ✓ Exploring employee health benefits plan