LIVING WAGE REPORT 2025

Calculating what it takes to live in Metro Vancouver

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Living Wage BC

BC Policy SOLUTIONS

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About the authors

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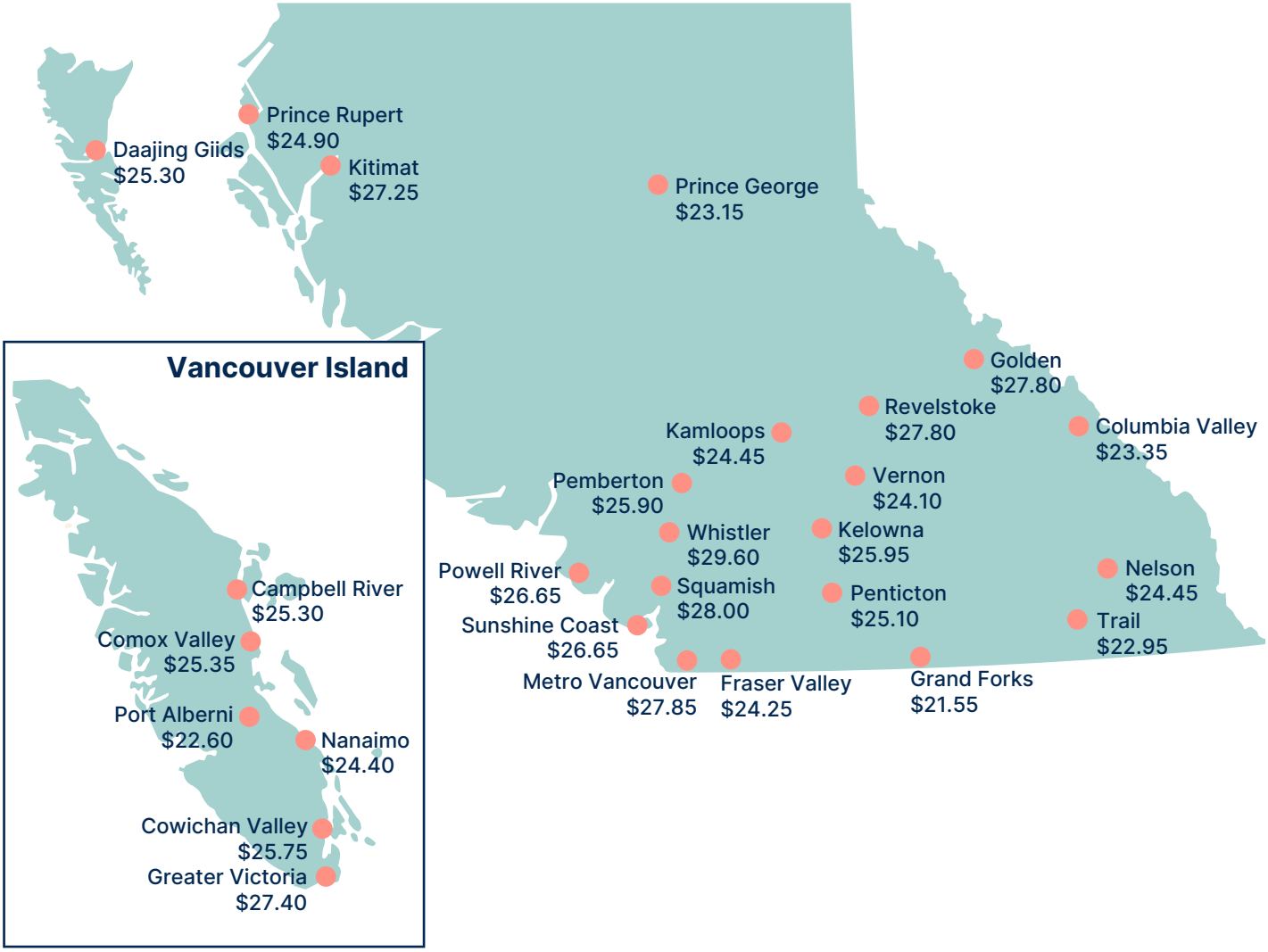
Map of 2025 living wage rates in BC



Summary

The living wage is the hourly rate that a full-time worker must earn to cover essential expenses, avoid chronic financial stress and participate in the social, civic and cultural life of their community. This rate supports a basic, decent standard of living, but without many of the comforts or extras that many may take for granted.

There is now a $10 gap between the 2025 Metro Vancouver living wage and BC's current minimum wage of $17.85 per hour.

To better reflect the experiences of different household types, the 2025 Metro Vancouver living wage calculation is based on the weighted average of the rates for three household types: a two-parent family with two children, a single parent with one child and a single adult living alone.

Although inflation has moderated from the historic highs of 2022, the cost of living in BC continues to rise. Government measures at the provincial and federal levels, including ongoing investments in child care affordability, the full rollout of the Canadian Dental Care Plan and increases to the BC Rental Assistance Program for families with children, have helped offset some of the pressures on household budgets.

However, these gains have been offset by persistent cost increases, particularly in housing. Shelter remains the largest expense in the living wage household budget, with rents rising faster than general inflation and vacancy rates remaining low. Out-of-pocket child care costs have also increased significantly for the two-parent, two-child living wage family, driven by rising fees and reduced eligibility for public subsidies as household incomes grow.

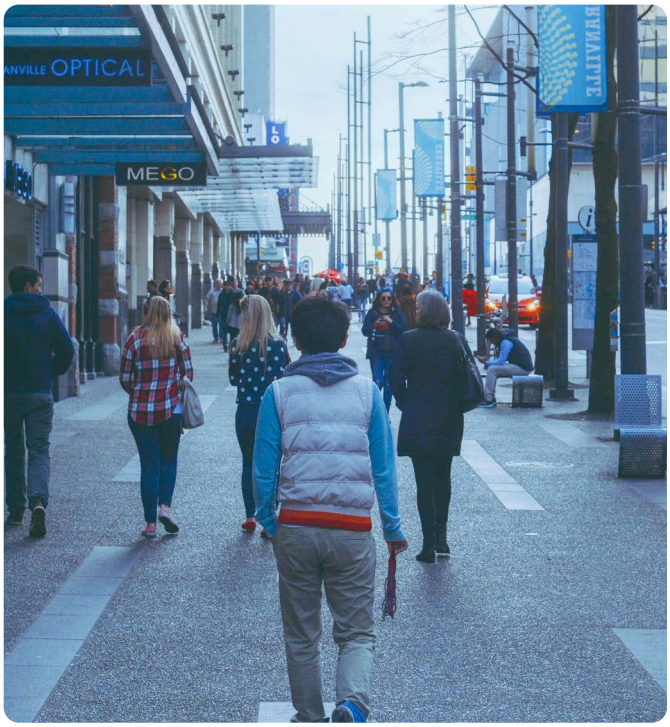
More than half a million workers in Metro Vancouver, representing 36% of all paid employees, earn less than the living wage and face ongoing financial hardship.[1] Many are pushed into Metro Vancouver's farther suburbs or out of the region entirely.

Work doesn't pay enough to meet the cost of living for too many in Metro Vancouver.

Coordinated action from employers, policymakers and communities is urgently needed to ensure that paid work provides economic security and a pathway out of poverty for all, no matter the job.

In this time of deep economic uncertainty, supporting workers is not only morally right, it is smart economic policy. Raising wages for low-paid workers is a sound investment in the local economy because lower-income families tend to spend most of their earnings in their own neighborhoods, supporting small businesses and community services.[2]

Strategic public investments in housing affordability, public transit, mental health and programs that reduce costs for people will create local jobs while making BC's economy stronger, more resilient and more equitable.



Why a living wage is essential

Low-wage workers often face impossible choices: buying groceries or heating their homes, paying bills or making rent on time. These trade-offs can lead to mounting debt, chronic stress and long-term health issues. Many people are forced to work long hours, sometimes at multiple jobs, just to cover basic needs. Parents lose precious time with their children and miss out on community life and we all feel the loss.

Earning a living wage can be transformative for low-wage workers. It allows people to meet essential needs, support their children's healthy development, reduce financial stress and fully participate in their communities. It is a key tool for ensuring paid work leads to a decent standard of living for all, not just a daily struggle to get by. Research also shows that paying living wages benefits employers and bolsters the local economy, reducing staff turnover, increasing productivity and increasing spending in local communities.[3]

Unlike the minimum wage, which sets the legal floor for pay and often falls short of covering real-life expenses, the living wage reflects the actual cost of living in a specific community. Since the first Metro Vancouver living wage calculation in 2008, the living wage has been higher than the BC minimum wage. While the gap between the two narrowed from 2018 to 2021, due to substantial minimum wage increases and policy changes like eliminating Medical Services Plan (MSP) premiums, introducing the BC Family Benefit and expanding child care investments, it has widened again in recent years.

Today, the difference is $10 per hour (Figure 1). Recent inflation-based increases to the minimum wage are welcome but they are not enough. More must be urgently done to support the hundreds of thousands of low-wage workers in Metro Vancouver and across BC.

It also makes life very difficult because as a low-income earner you cannot save, you're just trying to survive.

Low wage worker

Sometimes you need two or three jobs. That's how people survive here.

Low wage worker

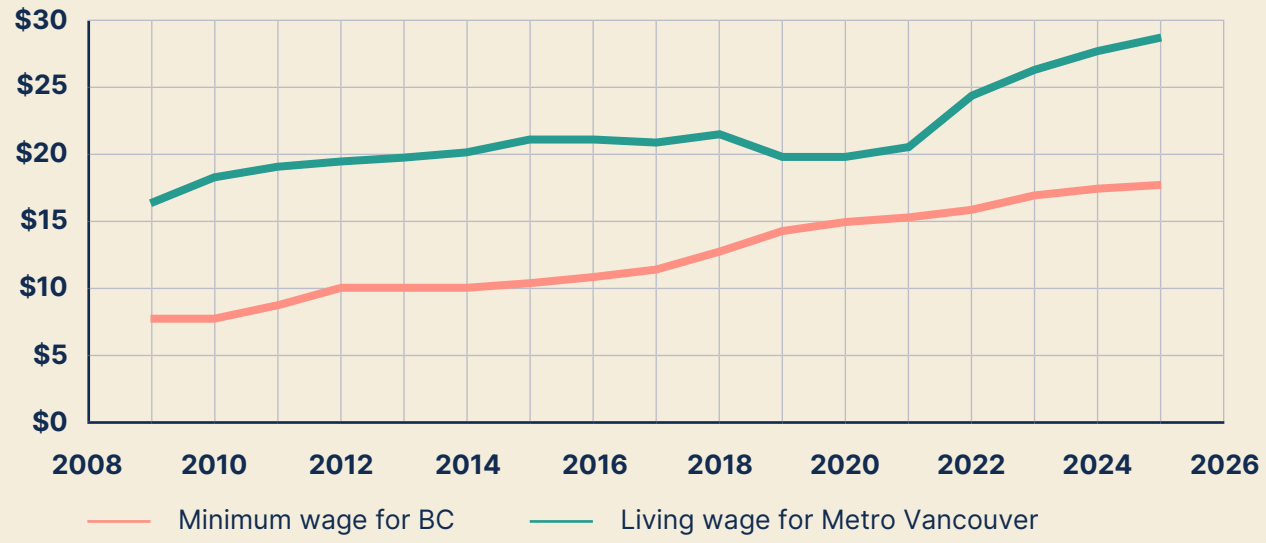
The [cost of living] crisis feels like it is really ramping up. It does not feel like it's stopping. And it doesn't feel like much is being done to address it.

Low wage worker

It's really hard, it's really expensive for us.

Low wage worker

Figure 1: Living wage for Metro Vancouver compared to the BC minimum wage ($ per hour)



Sources: Ivanova, I. and A. French, 2024, Working for a Living Wage: Making paid work meet basic family needs in Metro Vancouver 2024 Update and Government of Canada website, General Hourly Minimum Wage Rates in Canada since 1965.

What is a living wage?

Across BC, the living wage is the hourly rate a full-time worker needs to earn to support themselves and their family in their community.

To calculate the living wage, we estimate the cost of a basket of essential goods and services that reflects a decent, though modest, standard of living in a specific community. While individual household expenses vary, the living wage is designed to ensure that households have enough income to:

- Cover basic needs like food, clothing, shelter and transportation.
- Participate in everyday community life.
- Avoid the chronic stress of poverty and financial insecurity.
- Support healthy child development for households with children.

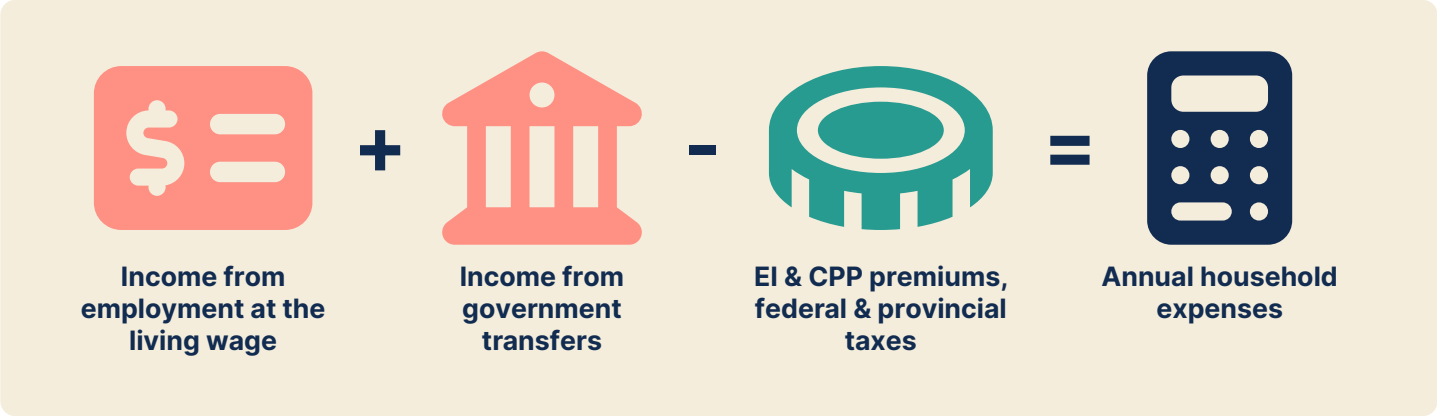
The living wage calculation accounts for government benefits that help make life more affordable for British Columbians. The calculation also includes federal and provincial income taxes, Employment Insurance premiums and Canada Pension Plan contributions, which all workers must pay.

The living wage calculation is intentionally modest. **It does not include:**

- Debt payments, such as credit card, student loans or other loan payments.
- Retirement savings.
- Home ownership costs.
- Savings for children's post-secondary education.
- More than minimal spending on recreation, entertainment or holidays.
- Costs of caring for a disabled, seriously ill or elderly family member.
- A substantial buffer for emergencies or other unexpected expenses.

Earning a living wage helps workers and their families escape poverty and chronic financial stress, offering a basic level of economic security. But it remains a conservative budget, without many of the comforts or extras that many may take for granted.

The living wage formula



About the BC living wage methodology

First developed in 2008 with input from policy experts, community organizations, labour unions, employers and low-income workers, the BC living wage methodology laid the groundwork for the Canadian Living Wage Framework and became the model used across Canada. Today, it is used in over 70 communities nationwide, including more than 25 in BC (see livingwage.ca). The BC living wage methodology is reviewed regularly with guidance from experts and community partners to ensure it continues to reflect the true cost of a modest, dignified life.

Living wage family model and capturing the needs of all workers

The living wage movement in Canada – pioneered in BC – emerged as part of broader efforts to tackle child poverty, which was a pressing concern in the mid-2000s and early 2010s. Low wages are a major contributor to child poverty in Canada, which is why living wages are an important component to solve child poverty. Because of the focus on children, the living wage was originally calculated based on a reference family of four with two parents working full time and two young children.

Since the introduction of the Canada Child Benefit in 2016, the BC and federal governments have made significant progress in reducing child poverty by investing in child care affordability and more generous family benefits. There has been no matching increase in government support for single, working-age adults, raising questions about whether the living wage is adequate for single adults living alone.

Single working-aged adults represent the largest group living in poverty in both Canada and British Columbia, at a slightly higher rate than children living in single-mother families.[4] According to the latest data available from Statistics Canada, 32% of working-aged adults in British Columbia who live alone or with non-relatives are living in poverty. This rate is nearly three times higher than the provincial average of 11.3% and exceeds the 29.9% poverty rate among children in single-mother households.[5] Single adults who are Indigenous, racialized or living with a disability face even greater levels of poverty due to systemic discrimination.

Additionally, while the Metro Vancouver living wage for a two-parent family was originally sufficient to support a single-parent family with one young child, that changed in the early 2010s because government support for single parents did not keep up with the sharp increases in the cost of living, particularly for housing and food.

New this year, the 2025 living wage calculation is based on the weighted average of costs, government benefits and taxes for three different household types:

- A family of four with two full-time working parents and two children aged four and seven.
- A single parent with one four-year-old child.
- A single adult living alone.

A living wage rate is calculated for each of these households and weighted by the proportion of adults in BC in each household type, using data from the 2021 census. In 2025, the wage rate at which a two-earner family of four meets their expenses was $28.12, the wage rate for a single parent with one child was $27.85 and the wage rate for a single person was $27.51, resulting in a Metro Vancouver living wage of $27.85.

For more details on the methodology and data sources used to calculate the 2025 living wage rates across BC, see the stand-alone Technical Appendix accompanying this report at bcpolicy.ca/ living-wage.

2025 Living wage rates across British Columbia

This year, 27 BC communities are releasing their 2025 living wage calculations at the same time. Across the province, living wages range between $21.55 in Grand Forks and $29.60 in Whistler.

Community	Living Wage 2025	% Change from 2024
Campbell River	$25.30	*New*
Columbia Valley	$23.35	+2.0%
Comox Valley	$25.35	+4.1%
Cowichan Valley	$25.75	+0.2%
Daajing Giids	$25.30	-5.9%
Fraser Valley	$24.25	+4.4%
Golden	$27.80	+3.1%
Grand Forks	$21.55	+3.6%
Greater Victoria	$27.40	+2.3%
Kamloops	$24.45	+3.2%
Kelowna	$25.95	+0.7%
Kitimat	$27.25	*New*
Metro Vancouver	$27.85	+3.0%
Nanaimo	$24.40	+2.6%
Nelson*	$24.45	+12.1%
Pemberton	$25.90	*New*
Penticton	$25.10	+0.7%
Port Alberni	$22.60	*New*
Powell River	$26.65	+0.6%
Prince George	$23.15	+1.0%
Prince Rupert	$24.90	*New*
Revelstoke*	$27.80	+9.0%
Squamish	$28.00	+4.6%
Sunshine Coast	$26.65	+0.9%
Trail	$22.95	+0.4%
Vernon	$24.10	*New*
Whistler	$29.60	+5.4%

* Calculations for these communities have changed this year to include the cost of owning a car.

Explaining the increase in the 2025 Metro Vancouver living wage

The 2025 living wage for Metro Vancouver is $27.85 per hour—an increase of 80 cents from the 2024 rate of $27.05 per hour, representing a 3% rise.

Ongoing provincial and federal investments in child care affordability, the roll out of the Canadian Dental Care Plan and increases to the BC Rental Assistance Program for low-income families with children have helped ease the financial strain for many British Columbians. However, the cost of essentials like rent, child care and food continue to climb, offsetting gains from government programs this year.

Metro Vancouver Monthly Household Expenses, 2025

	Family of Four	Single Parent	Single Person
Shelter Rent, utilities and tenants' insurance	$3,343	$2,603	$2,107
Food	$1,266	$656	$507
Out-of-pocket Child Care Costs After BC Affordable Child Care Benefit	$908	$145	-
Transportation	$567	$487	$80
Out-of-pocket Health Care Costs After Canadian Dental Care Plan	$167	$59	$54
Phone and Internet	$150	$103	$103
Clothing and Footwear	$170	$85	$42
Adult Education	$112	$112	$112
Contingency For having to miss work without pay	$328	$162	$160
Other Household and Social Participation Expenses	$933	$456	$311

Inflation down from recent highs, but prices continue to rise

Shelter

Shelter remains the largest expense in the Metro Vancouver living wage budget, with rents rising faster than general inflation across all unit sizes and vacancy rates remaining low.

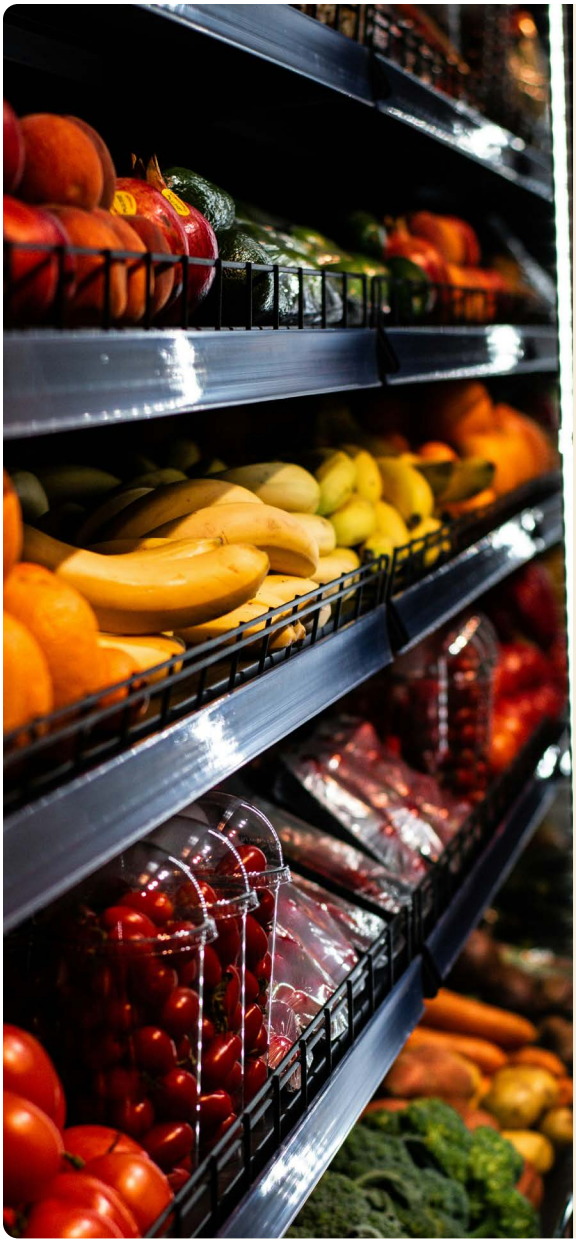
Demand for rental housing continues to outpace supply, pushing rent prices up. In 2025, monthly shelter costs for the living wage households (including rent, utilities and tenant insurance) are $2,107 for a one-bedroom unit, $2,603 for a two-bedroom and $3,343 for a three-bedroom. These figures represent shelter cost increases of 5.5%, 2.3% and 5.4%, respectively, lower than last year's near-record rent growth of 9.5% (for a three-bedroom unit) but still significantly higher than general inflation.

While long-term tenants benefit from BC's rent control measures, newcomers and those forced to move face steep rents and low vacancy rates. In October 2024, the average rent increase when a two-bedroom unit was turned over was 26.5% in Metro Vancouver.[6] BC leads the country in no-fault evictions, largely due to our reliance on the secondary rental market, such as privately owned condos and basement suites.[7]

Recent data from Statistics Canada and the Canada Mortgage and Housing Corporation (CMHC) show that asking rents for all unit sizes in Metro Vancouver have fallen from previous stratospheric highs, although the region continues to record the highest average asking rents in the country.[8] This trend is consistent with the observed moderation in rent cost increases for the Metro Vancouver living wage households.

High rents are forcing many workers further into suburban communities, lengthening their commutes to work and increasing transportation costs (as many of these communities are underserved by public transportation).

> We have a few people that are stuck in abusive situations because of housing. So they're, you know, with a partner or roommates or family and they can't leave because there's nowhere for them to go.
>
> **Food bank worker**



Food

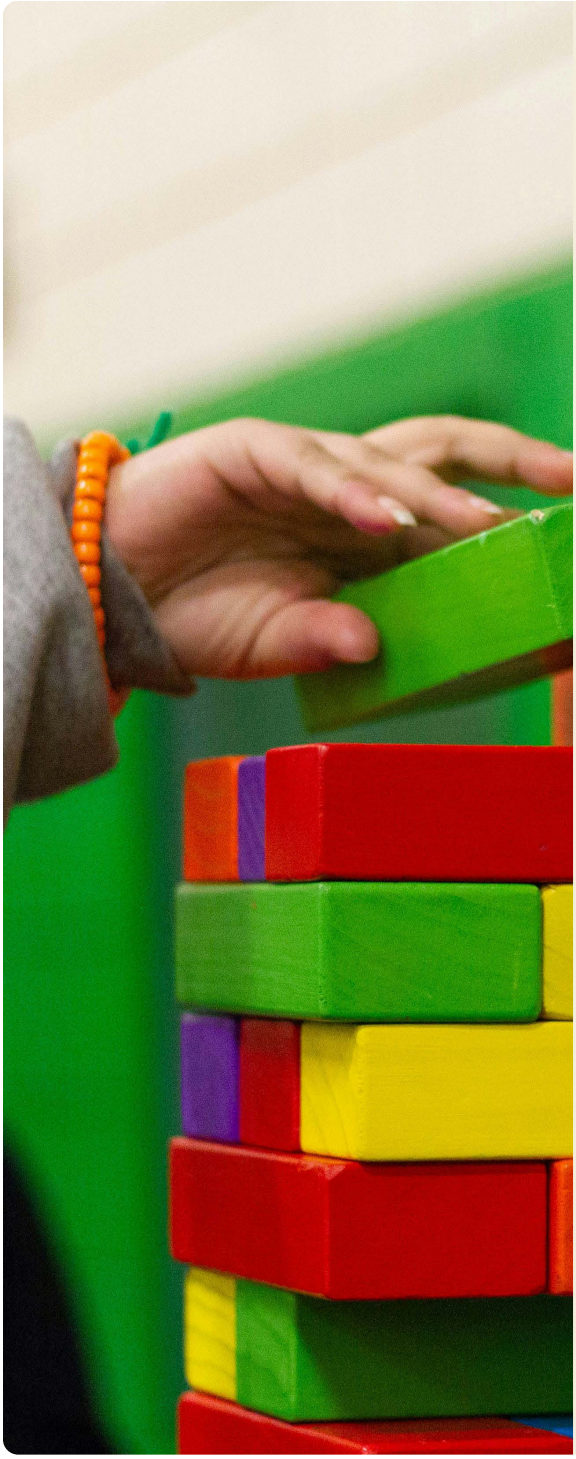
Food is the second-largest expense in the Metro Vancouver living wage budget (just behind housing) and it's been one of the fastest-growing costs for BC households in recent years. Food expenses for the BC living wage are based on the cost of purchasing Health Canada's National Nutritious Food Basket, which includes a nutritious diet but does not consider special dietary needs, cultural or other food preferences and take-out or restaurant meals. Food prices have increased 3.6% from last year, reflecting the increase in the Consumer Price Index (CPI) for food purchased from stores.[9]

Living Wage BC's recent *Food for Thought* report highlights a worsening crisis of food insecurity in our province: one in five British Columbians are struggling to afford enough food, with Indigenous, Black and disabled people, and rural communities, facing the most severe barriers accessing healthy food.[10] Drawing on interviews with nearly 50 low-wage workers and voices from across the food system, the report illustrates the concerning impacts of high and rising grocery prices and stagnant wages on families and communities across the province.

Food Bank Canada's latest *Hunger Count* report provides additional evidence of this trend, reporting a 79% increase in food bank visits in BC since 2019. Concerningly, 23% of food bank users in BC have a job, up from 14% in 2019.[11] Once considered a last resort, food banks have become a lifeline for thousands of households. Food insecurity is not just a social issue, it is a public health emergency with lasting impacts on physical and mental well-being.

Although food price increases began to slow in mid-2024, costs remain high and continue to rise faster than general inflation in BC, which drives up the living wage.

> I never used to actually look at the price of food before, but now that everything's gone up like I have to be mindful about what I'm putting in my cart.
>
> **Low wage worker**



Child care expenses

For a Metro Vancouver living wage family of four, monthly child care costs average $1,223, covering fees for a four-year-old in full-time licensed group care and a seven-year-old in before- and after-school care, plus full-time care during school breaks. These costs are offset by the BC Affordable Child Care Benefit, an income-tested benefit which provides $315 per month for the Metro Vancouver living wage family of four and $508 for the single parent.[12]

Out-of-pocket child care costs have jumped 27% for the living wage family of four and 15% for the single parent family in Metro Vancouver since last year, driven by rising child care fees and reduced eligibility for the BC Affordable Child Care Benefit as household incomes increase.[13]

Despite the recent increase, child care remains the only major expense in the Metro Vancouver living wage budget that has significantly declined since 2008. Once nearly as costly as rent, child care now ranks third (behind housing and food) thanks to sustained provincial and federal investments over the past seven years. Families fortunate enough to secure a spot in a participating program have seen enormous savings, with out-of-pocket costs now half of what they were in 2017 (adjusting for inflation). Those accessing $10-a-day child care save even more, though these spaces represent only 10% of licensed child care spots in Metro Vancouver as of June 2025.[14]

Still, many families are not seeing these savings.

While the number of licensed spaces has grown in recent years, demand continues to outstrip supply, leaving thousands of parents on long waitlists. Many parents are forced to choose between reducing the hours they can work or relying on unlicensed child care providers who charge more and are not eligible for provincial fee reductions.[15] Parents using unlicensed care qualify for much lower Affordable Child Care Benefit amounts, widening the cost gap between families with access to licensed care and those without. As a result, some families pay significantly more than what is reflected in the living wage calculation.

> I just really hope the government can do something about child care because the system of being on a waitlist for like five years is crazy.
>
> **Low wage worker**

Transportation

Transportation costs include the amortized cost of owning and operating a used car for the Metro Vancouver families with children and a two-zone bus pass for the single-adult household and the family of four, replaced by a discounted student transit pass, the U-Pass, for eight months of the year when one of the parents will be taking a college course.[16] In 2025, transportation costs in Metro Vancouver increased by about 1% for households with children and by 2.7% for the single-adult household, reflecting higher increases in public transit fares than in the costs of owning and operating a vehicle.

Transportation costs are higher in many smaller BC communities that have inadequate (or sometimes non-existent) public transit networks. In those communities, a single adult living alone requires a car to get around and a family of four needs two cars, which pushes up expenses and therefore increases their living wages.

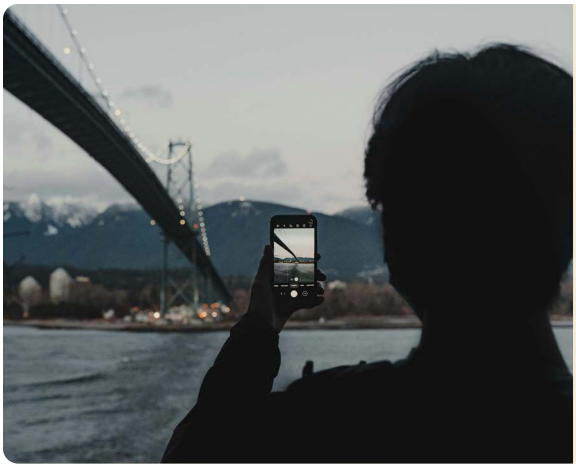
> Almost everybody that we service is spending most of their money on housing first and very, very few of our program participants have vehicles.
>
> **Food bank worker**

Out-of-pocket health expenses

The cost of a basic extended health and dental plan from Pacific Blue Cross serves as a benchmark for estimating out-of-pocket health expenses for workers without employer-sponsored extended health coverage. If a living wage household chooses to purchase such a plan, they would still incur additional costs for services only partially covered by the insurance.

The new Canadian Dental Care Plan, a federal initiative to expand dental care access for low and modest-income Canadians, has significantly reduced these expenses. Coverage was broadened in mid-2025 to include all low-income adults, in addition to previously covered children under 18, seniors and individuals with disabilities in households lacking private insurance. We estimate that the Canadian Dental Care Plan lowers out-of-pocket health expenses for living wage families by between 28% and 64%, depending on household type.

> The federal dental program is fantastic because I certainly don't have extended health benefits.
>
> **Low wage worker**



Phone and internet

The Metro Vancouver living wage expenses include the cost of high-speed home internet as well as a mobile data plan and a basic smartphone for each adult in the household. Phone and internet costs decreased in Metro Vancouver and across BC in 2025, continuing a multi-year downward trend as federal initiatives aimed at reducing the cost of mobile wireless prices and fostering greater market competition have begun to show results. Despite these efforts, Canada continues to rank among the countries with the highest mobile service prices globally.[17]

Clothing and footwear

Clothing and footwear account for a relatively small share of the overall cost of living in BC. Prices in this category have consistently increased at a slower pace than other goods and services in Canada over the past four years. In 2025, clothing and footwear costs went up by 0.9% for the living wage households.

One factor contributing to this trend is the rise of fast fashion, which has made low-cost apparel widely available to Canadian consumers. However, these savings often come at a cost: fast fashion relies heavily on global supply chains where garment workers, particularly in the Global South, frequently face poor working conditions, low wages and limited labour protections. It is estimated that only 2% of garment workers globally earn a living wage.[18]

Adult education

The living wage includes an allocation that covers the cost of two college courses per year for each household type, allowing workers to pursue additional training as a pathway out of low-wage employment. Education costs the Metro Vancouver living wage households $112 per month, an increase of 1.9% since 2025.

Including a modest education budget in the living wage calculation was a recommendation from focus groups of low-wage workers when the Metro Vancouver calculation was first developed in 2008. The importance of access to re-training and upskilling opportunities has continued to grow as automation and technological change are reshaping work.

Contingency fund

The living wage includes a contingency amount equal to two weeks' wages for each adult in the household, providing some cushion for unexpected events like serious illness of a family member or transition time between jobs.

> Rent, I find, takes up a big chunk of both our incomes and when he [my husband] was in between jobs, I asked him to go to the food bank to help us with the cost of whatever.
>
> **Low wage worker**

Other household and social participation expenses

This amount covers toiletries and personal care, furniture, household supplies, laundry, school supplies and fees, bank fees, some reading materials, minimal recreation and entertainment, family outings (e.g., to museums and cultural events), birthday presents, modest family vacation and some sports and arts activities for the children (in families with children). This amount allows workers and their families to participate in the social, civic and cultural life of their communities, a core guiding principle of the living wage.

To estimate the cost of other necessary expenses we rely on analysis developed by Statistics Canada for the purpose of calculating the Market Based Measure (MBM) – Canada's official poverty line. In the MBM, the other necessities component is calculated as a fixed percentage (75.4%) of the total cost of the food and clothing components of each MBM region.[19] The percentage was determined based on historical spending patterns on a set of selected items deemed by Statistics Canada to be necessary for a modest, basic standard of living.

In its third review of the MBM, Statistics Canada has proposed moving communication services and technology out of the 'Other' necessities component of the MBM and treating them as a separate Communication services component.[20] Since the Metro Vancouver living wage methodology already includes a specific line item for phone and internet costs, we have removed these expenses from the estimate of 'Other' household expenses to avoid double counting. As a result, the total amount in the 'Other' household expenses category has decreased compared to last year. This does not reflect cost reductions for Metro Vancouver families but rather a methodological improvement that ensures the living wage budget remains a conservative estimate of living expenses.

Government benefits help, but elimination of the Climate Action Tax Credit hurts low-wage households

Living wage family of four

A family of four earning the living wage receives over $10,000 in government transfers in 2025, about the same as in 2024. This amount excludes nearly $4,000 from the BC Affordable Child Care Benefit (which is paid directly to the child care provider) and an estimated $750 savings from the Canadian Dental Care Plan. These government supports significantly reduce out-of-pocket expenses and help prevent the living wage from increasing further. However, as the living wage rises, eligibility for certain benefits declines, in particular those that are not inflation adjusted.

Canada Child Benefit 100% helps.

Low wage parent

Living wage single-parent family

A single-parent family earning the living wage receives nearly $14,000 in government transfers in 2025, not including more than $6,000 from the BC Affordable Child Care Benefit and an estimated $1,200 from the Canadian Dental Care Plan. These contributions substantially reduce the required living wage. Changes to the BC Rental Assistance Program in 2025 have increased financial support for single parents with the living wage income by over $3,000 a year, more than offsetting the loss of the Climate Action Tax Credit as of July 2025. Qualifying for the BC Rental Assistance Program lowers the wage a single-parent family requires to meet expenses in Metro Vancouver below that of a family of four for the first time since the early 2010s.

Living wage single adult

Single individuals without children earning the Metro Vancouver living wage receive about $500 in government transfers in 2025 and an additional estimated $490 from the Canadian Dental Care Plan, which was extended to working-age adults in mid-2025. Single adults have experienced a decline in provincial government support in 2025, primarily due to the elimination of the Climate Action Tax Credit, which leaves a single adult at the Metro Vancouver living wage income about $200 worse off.

Impact of government benefits and tax changes

Government transfers continue to alleviate financial pressure for families in Metro Vancouver by extending relief depending on household type. However, as the cost of living (and thus the living wage) rises, the support available through government benefits tapers off. Many benefits meant to support low- and modest-income families are clawed back steeply at family income levels close to the living wage ($85,000 - $100,000 for a family of four), incomes that in reality can barely provide a decent standard of living for a family in Metro Vancouver.

In addition, recent policy changes have reduced support for low and modest-income British Columbians compared to 2024, particularly the elimination of the BC Climate Action Tax Credit as of July 2025 and the end of one-off BC government benefits provided in 2024 (the BC Family Bonus and the BC Hydro affordability credit). As a result, living wage households are now between $300 and $900 worse off depending on the family type. This loss of support comes at a time when rent and food costs continue to rise faster than inflation, putting even more pressure on household budgets.

The Canada Child Benefit remains the largest government transfer for living wage families in BC, providing over $8,000 annually to the Metro Vancouver living wage family of four and over $7,000 to the single parent family in 2025.

The BC Affordable Child Care Benefit, discussed earlier in this report, is the second-largest transfer, contributing about $6,000 to the single parent living wage family and $3,700 to the family of four. However, the family of four is eligible for $1,100 less than last year, highlighting the steep clawbacks that occur at income levels near the living wage in Metro Vancouver.

Recent enhancements to the BC Rental Assistance Program, a rent subsidy for low-income families with children, raised the eligibility threshold to $60,000 in gross family income (from the previous $40,000) and increased average monthly support from $400 to $700. These changes have significantly eased the financial burden for single-parent households across the province. The Metro Vancouver single-parent family receives over $3,200 in 2025 through this program.

With the elimination of the BC Climate Action Tax Credit in mid-2025, low-income British Columbians saw reductions in government support that are likely higher than the carbon tax they were paying. This was one of the only government benefits available to individuals without children and its loss is likely to increase poverty among single adults in BC.

The BC Renter Tax Credit, an income-tested benefit not indexed to inflation, provides $400 per year for the Metro Vancouver single-parent and single-person living wage households. The income of the Metro Vancouver living wage family of four is above the eligibility cut-off for this benefit.

A $110 ICBC rebate per insured vehicle (not income-tested) is available for the second consecutive year. This is welcome relief for drivers but does not benefit people who rely on public transit who face substantial fare increases in 2025.

The new Canadian Dental Care Plan, launched in June 2024 for children under 18, seniors and people with disabilities, offers dental coverage to low- and modest-income households without private insurance. Coverage was expanded to low-income adults starting in mid-2025. This has helped low-income individuals save hundreds of dollars in health care costs. We estimate that Metro Vancouver living wage households save between $500 and $1,200 in 2025 from the Canadian Dental Care Plan, depending on family type.

The reduction in the federal income tax rate for the lowest tax bracket from 15% to 14% as of July 1, 2025 reduces the federal tax bill for the Metro Vancouver living wage households by $241 for the family of four, $147 for the single person and $60 for the single parent. The savings are nominal for modest-income workers while higher earners get the maximum benefit of about $200 per taxpayer and $400 per couple in 2025. Income tax cuts are not an effective way to improve affordability for low- and middle-income people. The money spent on this tax cut ($4.2 billion in 2025/26) could have provided a more generous grocery rebate (the 2023 grocery rebate cost $2.5 billion) or additional investments in housing, transit, mental health and other services that would lower the cost of living.

Impact of government programs on the living wage

Program	Impact on the Metro Vancouver living wage	
Canada Child Benefit	Lowers the living wage by **$2.20.** Without it, the living wage would be **$30.05.**	Lowers the living wage of the single parent by **$6.22.** Without it, the living wage would be **$34.07.**
Canadian Dental Care Plan	Lowers the living wage by **40¢**. Without it, the living wage would be **$28.25.**	
BC Family Benefit (Including Family Bonus for January to July 2025)	Lowers the living wage by **50¢**. Without it, the living wage would be **$28.35.**	
BC Child Care Fee Reduction Initiative	Lowers the living wage by **$1.85**. Without it, the living wage would be **$29.70.**	
BC Affordable Child Care Benefit	Lowers the living wage by **95¢**. Without it, the living wage would be **$28.80.**	
BC Renter Tax Credit	Lowers the living wage by **20¢**. Without it, the living wage would be **$28.05.**	
BC Rental Assistance Program (Available since April 1, 2025)	Lowers the living wage by **20¢**. Without it, the living wage would be **$28.05.**	Only available to the single parent but lowers the living wage of the single parent by **$2.64.** Without it, the living wage would be **$30.49.**
Elimination of the Climate Action Tax Credit (Half year only)	Increases the living wage by **10¢.** Without it, the living wage would be **$27.75.**	

Getting to a living wage for all workers

The role of employers

The living wage is more than a number. It is an invitation to employers to consider what fair compensation truly means. It calls on businesses, public institutions and non-profit organizations to ensure that every worker—whether employed directly or through contracts— earns enough to live with dignity. As the cost of living continues to rise, especially in high-cost regions like Metro Vancouver, it is no longer sufficient to offer minimum wage. Employers must ask whether their lowest-paid workers are paid enough to realistically afford to live in their communities.

Raising wages for low-paid workers is not only a moral imperative but also a sound investment in the local economy. Lower-income families tend to spend most of their earnings within their own neighborhoods, supporting small businesses and community services. Paying a living wage is a key contribution that employers can make to support poverty reduction efforts across the province.

Employers get behind the living wage

An increasing number of employers in British Columbia recognize the importance of paying a living wage. As of October 2025, over 450 employers across the province are certified Living Wage Employers. This group includes small businesses, non-profit organizations, unions and cooperatives. Municipalities, First Nation Councils, school boards and airports have also adopted living wage policies. Living Wage Employers include the City of Burnaby, New Westminster School Board, Squamish Nation, Vancity Credit Union and YVR airport. Last year, over 2000 workers received a pay increase because of their employer's commitment to paying a Living Wage.

Certified employers commit to paying a living wage to all direct employees and contract staff. They also require major service providers, such as those offering janitorial, security and food services, to do the same. The certification process is administered by Living Wage BC, a program of the Vancity Community Foundation.

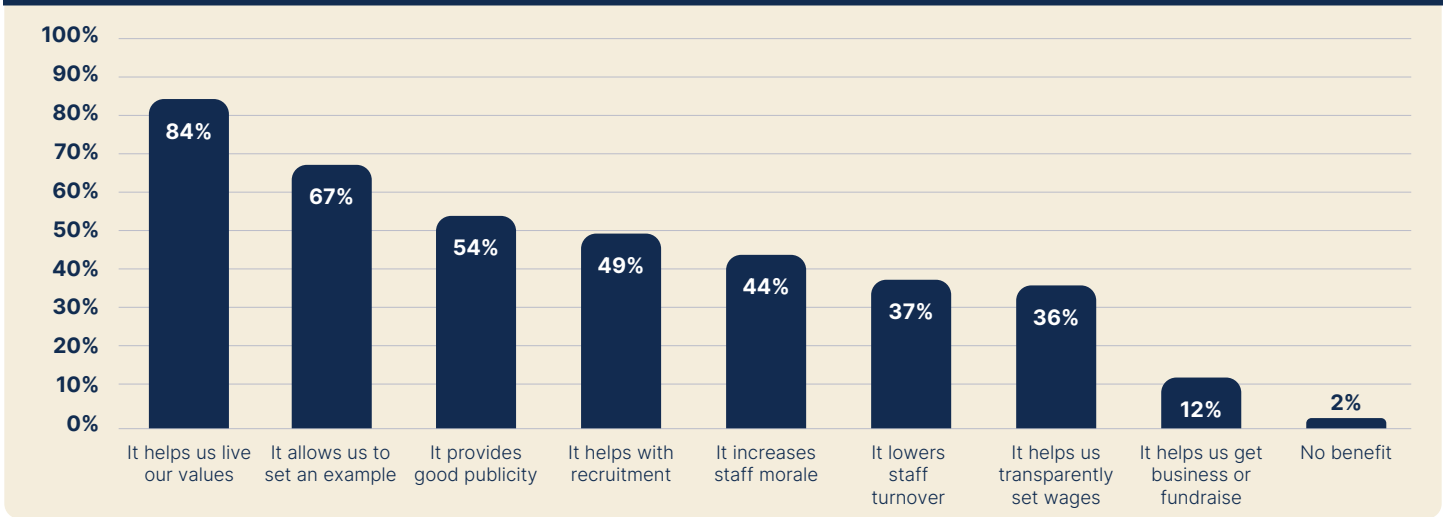
For the full list of Living Wage Employers or to become a Living Wage Employer, please visit Living Wage BC's website at livingwagebc.ca/living_wage_employers.

Importantly, employer-paid benefits that reduce out-of-pocket costs for families (such as extended health and dental coverage, subsidized transit passes, paid sick and vacation time over and above the statutory minimums) can reduce the hourly rate needed to meet expenses, just like government transfers do. Living Wage BC has a calculator on its website to work out the value of employer benefits.

Paying living wages has concrete benefits for employers, including reduced absenteeism and staff turnover, increased skill, improved morale and productivity levels, reduced recruitment and training costs and improved customer satisfaction. Being a living wage employer is also good for a company's reputation.

A recent survey of BC certified Living Wage Employers showed that 98% of them have experienced some benefit from being part of the program.

Figure 2: Reported benefits of being a certified Living Wage Employer



Source: 2025 BC Living Wage Employers survey conducted by Living Wage BC. "Other" (1%) and "Don't Know" (1%) not shown.

The role of government

Living Wage employers play a vital role in reducing working poverty, but voluntary action alone cannot resolve BC's affordability crisis.

The gap between BC's minimum wage and the Metro Vancouver living wage has reached $10 per hour. Coordinated efforts from all levels of government are needed to raise wages and reduce cost pressures so that all workers can thrive.

Raising the minimum wage to $20 per hour would help narrow the gap between the minimum wage and the living wage, benefiting about 350,000 workers across British Columbia.[21] In addition to higher minimum wages, workers need pay equity legislation, stronger protections against wage theft and meaningful access to collective bargaining.

Affordability depends not only on wages but also on government benefits and public services that reduce the cost of living for British Columbians. For example, more generous government transfers could do more to moderate the increases in the living wage amid BC's high and rising cost of living.

However, many programs are clawed back or eliminated at income levels well below the Metro Vancouver living wage, including:

- The federal Canada Workers Benefit ends at $48,093 in net family income for a family, below the 2024 poverty line for a family of four anywhere in BC. For single workers, the Canada Workers Benefits ends at $36,749.
- The BC Rental Assistance Program ends at $60,000 in gross family income regardless of family size (as of April 1, 2025). Although an enormous improvement over the previous cap of $40,000, this is less than what two full-time minimum wage workers in BC would earn.
- The GST Credit is unavailable above $66,841 in net family income for a family.

Governments must regularly review these thresholds and ensure benefit amounts reflect actual costs. For example, the maximum amount of the BC Renter's Tax Credit is $400 per year - a drop in the bucket given rent levels in Metro Vancouver. All government benefits must be indexed to inflation to ensure inflation does not erode their value.

When government transfers fail to keep up with the cost of living, households which are the hardest hit are those headed by earners who are already marginalized and tend to do poorly in the labour market. Single mothers, Indigenous people, recent immigrant workers and workers with disabilities tend to have lower earnings and face higher unemployment rates, which puts them at a disproportionately higher risk of poverty.

More generous income supports for low- and middle-income households could help tackle food unaffordability and insecurity in combination with affordable food strategies developed by provincial and federal governments.

Public services can further reduce out-of-pocket costs for workers. Child care is a key example: recent investments have dramatically lowered fees, but most families still pay much more than they would under a fully implemented $10-a-day child care. Universal access to $10-a-day child care would reduce the Metro Vancouver living wage by $1.65 per hour to $26.20 (a 5.9% decrease).

Recent federal investments in a public dental care plan for lower-income households and the beginnings of a public pharmacare program are other examples of public service expansion that help make life more affordable.

Access to reliable, affordable transit is another critical factor that can reduce pressure on the living wage, making life easier for both workers and businesses. Without public transit, single adults would require a vehicle and families of four would need two, pushing up family expenses and raising the Metro Vancouver living wage by nearly $3 per hour. Free transit for children under 12 has helped many Metro Vancouver families,

but many BC communities lack adequate transit service. Expanding transit networks across BC to provide more frequent and reliable transit services in smaller towns and rural areas and introducing free transit for youth under 18 province-wide would reduce transportation costs across the province.

Governments at all levels and across all departments need to work together to bring down the cost of food and address food insecurity. There is no silver bullet, but a combination of policies can make food more affordable: examples include investing in local farmers and food systems, supporting independent grocers and bulk-buy programs, raising wages and ensuring equitable access to food across communities. It is essential to include the voices of those most affected by food insecurity and unaffordability in the development and implementation of solutions.

Finally, improving housing affordability is essential. No government efforts to tackle the cost of living crisis can succeed without moving the dial on housing affordability. Sky-high rents put enormous pressure on household budgets in Metro Vancouver and across the province. While the BC government caps annual rent increases for existing tenants (up to 3% in 2025), when rental homes are vacated landlords are free to raise rents to whatever market rate a new tenant is willing to pay. Although asking rents in Metro Vancouver have fallen from previous stratospheric highs, the region continues to record the highest average asking rents in Canada.

Recent federal and provincial government actions, such as investments in rental housing, short-term-rental restrictions and zoning reform, are steps in the right direction, but are insufficient. A more ambitious approach is needed, including larger-scale public investments in non-market rental housing, further zoning reform and stronger rent control tools such as vacancy control, which limits rent increases between tenancies. Vacancy control policies, which existed in BC in the 1970s, would impose restrictions on rent increases not only on continuing tenancy but also when renters move out and new tenants come in. This can help curb spiking rents and reduce landlords' incentive to evict tenants.

Without substantial progress on housing affordability, rising rents will continue to undermine gains in reducing cost pressures in other areas. Fortunately, the provincial government has the fiscal capacity to increase public investments in non-market rental housing, which could be largely self-financing over time.

Employers can support these efforts by advocating for policies that reduce costs and improve quality of life for all British Columbians. When employers champion these policies, they help moderate future increases in the living wage.

How can the BC government help close the gap between the minimum wage and the living wage?

Lift wages

- Become a Living Wage Employer
- Raise the minimum wage to $20 an hour
- Strengthen workplace protections

Cut costs

- Improve housing affordability
- Develop an affordable food strategy
- Connect BC through better, low-cost transit

Conclusion

In 2025, the Metro Vancouver living wage is $27.85 per hour, up 80 cents or 3% since last year. This is the hourly wage that Metro Vancouver full-time workers need to earn to be able to cover basic expenses, avoid chronic financial stress and have the time and resources to participate in the social, cultural and civic activities that enrich our communities. The living wage reflects a decent but modest standard of living in a specific community, without extras many take for granted. Across BC, living wages range from $21.55 in Grand Forks to $29.60 in Whistler.

The living wage is a vital benchmark for economic security, offering a transparent measure of what it truly costs to live with dignity in Metro Vancouver and in over 25 communities in BC. It is not just a number, it is a commitment to ensuring paid employment provides a decent standard of living and an opportunity to fully participate in community life for all workers.

There is now a $10 gap between the Metro Vancouver living wage of $27.85 and the provincial minimum wage of $17.85 per hour. Approximately one-third of workers in the province earn less than the living wage, with racialized and female workers disproportionately represented among low-wage earners. In Metro Vancouver, half of all racialized women earn below the living wage threshold.[19]

As economic uncertainty and a weak labour market worsen affordability, BC urgently needs coordinated action from all levels of government and civil society to raise incomes, strengthen public services and reduce the costs of essentials.

The living wage is first and foremost a call to employers to ensure all workers, including contracted staff, receive compensation sufficient to support a modest but adequate standard of living for themselves and their families. Encouragingly, over 450 employers across BC have stepped up, adopting living wage policies, including small businesses, municipalities, First Nation Councils, school boards, non-profit organizations and airports. These commitments reflect growing leadership and recognition of the employer's role in addressing low incomes and economic insecurity.

However, employers alone cannot solve BC's affordability crisis. Broader systemic change is needed. The provincial government must lead by implementing a living wage policy for its own employees and contractors and by encouraging all public institutions such as universities, hospitals and school boards to follow suit. Embedding living wage standards into government procurement processes would be a powerful step toward economic security for workers across BC.

In addition, more generous income supports and sustained public investment in public services and affordability-enhancing infrastructure are essential. This includes expanding access to affordable housing, universal access to $10-a-day child care, free transit for youth under 18 and publicly funded pharmacare and mental health services.

Without urgent government action, the living wage will continue to rise, placing further strain on employers and leaving thousands of workers earning less than what is required to live in communities across British Columbia.

Raising wages for low-paid workers is a sound investment in the local economy, as lower-income families tend to spend most of their earnings within their own neighborhoods, supporting small businesses and community services. Strategic public investments in housing affordability, public transit, mental health and other programs that reduce costs for people will create local jobs while making BC's economy stronger, more resilient and more equitable.

Addressing the affordability crisis must be a central priority for BC's economic and social policy agenda going forward. Supporting workers is not only morally right, it is smart economic policy that benefits us all.

Notes

[1] Source: Statistics Canada custom table.

[2] See Hunter, P., 2021, The Living Wage Dividend: maximizing the local economic benefits of paying a living wage, Smith Institute and Living Wage Foundation.

[3] https://www.cisl.cam.ac.uk/files/the_case_for_living_wages_report_2022.pdf.

[4] Statistics Canada. 2025. Table 11-10-0135-01.

[5] *Ibid.*

[6] CMHC. Fall 2024 Rental Market Report. 2025. Table 1. The latest four annual editions of this report can be found at https://www.cmhc-schl.gc.ca/chic/Listing?item_ID={BD1A76B4-359A-4E39-A010-43F96C5940C2}.

[7] Xuereb, Silas and Craig Jones. Estimating No-Fault Evictions in Canada: Understanding BC's Disproportionate Eviction Rate in the 2021 Canadian Housing Survey. 2023. Vancouver: Balanced Supply of Housing Research Partnership.

[8] Statistics Canada. "Quarterly rent statistics, first quarter 2019 to first quarter 2025." The Daily. 25 June 2025. https://www150.statcan.gc.ca/n1/daily-quotidien/250625/dq250625b-eng.htm and CMHC. 2025 Mid-Year Rental Market Report. 8 July 2025. https://www.cmhc-schl.gc.ca/observer/2025/2025-mid-year-rental-market-update.

[9] Food costing data sourced from the BC Centre for Disease Control. Food Costing in BC 2022: Assessing the affordability of healthy eating. Vancouver: BC Centre for Disease Control, Population and Public Health Program, 2023. Updated for inflation with CPI for food purchased from stores.

[10] Living Wage BC. 2025. Food for Thought: Why is food so expensive in BC and what can be done about it? https://www.livingwagebc.ca/food_for_thought.

[11] Food BanksCanada. 2025. Hunger Count 2025. https://foodbankscanada.ca/hunger-in-canada/hungercount/.

[12] The BC Affordable Child Care Benefit is an income-tested government payment designed to assist low- and middle-income families with their child care expenses. For families who are approved for this benefit, it is paid to the child care provider and directly reduces the fee that the family has to pay the provider.

[13] The BC Affordable Child Care Benefit is not indexed to inflation and neither the benefit amounts nor the income thresholds for eligibility have increased since the benefit was first introduced in 2018.

[14] According to data provided by the BC Ministry of Education and Child Care, accessed on October 28, 2025. https://studentsuccess.gov.bc.ca/childcare.

[15] For example, the median monthly fee for registered license-non-required care for a child aged three to five in Vancouver was nearly double the median fee charged by licensed group providers for the same age group in September 2025 ($1,500 compared to $856) according to the fee surveys conducted by Westcoast Child Care Resource Centre. See https://www.wstcoast.org/choosing-child-care#fee%20surveys. Accessed on October 28, 2025.

[16] A person taking one college course per semester is eligible for the U-Pass and the living wage calculation assumes that one adult in each living wage household type takes two college courses in the year (one per semester).

[17] Lundy, Matt and Alexandra Posadzki. "Statscan says cellphone bills are plunging. The truth is more complicated." The Globe and Mail. February 19, 2024. https://www.theglobeandmail.com/business/article-cellphone-bill-costs-lower. See also Rewheel research, The state of Gigabit fiber & 5G FWA broadband pricing in 50 EU&OECD markets - 1H2025 and The state of 5G&4G pricing in 50 EU&OECD mobile markets - 1H2025. https://rewheel.fi/research.

[18] For more information, see: https://cleanclothes.org/faq/why.

[19] In the 2018-base MBM, the percentage is calculated in the base year (2018) and updated with general inflation thereafter. The Metro Vancouver living wage calculation uses the percentage every year instead.

[20] Dervin, N., B. Gustajtis, B. Kow, L. Raymong-Brousseau and M. Steinmetz-Wood. 2025. The proposed methodology for the 2023-base Market Basket Measure of poverty. Ottawa: Statistics Canada. https://www150.statcan.gc.ca/n1/en/catalogue/75F0002M2025003.

[21] Statistics Canada. 2025. Custom table.

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