

REPORT

Not making enough to live: A third of workers in British Columbia don't earn a living wage

By Igluka Ivanova | MAY 2026



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This report is part of Understanding Precarity in BC (UP-BC), a research and public engagement initiative investigating precarious work and multi-dimensional precarity in British Columbia. UP-BC is jointly led by Simon Fraser University's Morgan Centre for Labour Research and BC Policy Solutions, and brings together four BC universities, 26 community-based organizations and more than 80 academic and community researchers and collaborators. The partnership is supported by the Social Science and Humanities Research Council of Canada (SSHRC). For more information visit understandingprecarity.ca.

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About the author

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About BC Policy Solutions

BC Policy Solutions is an independent, non-partisan research institute committed to advancing transformative policy solutions to the most pressing challenges facing people in British Columbia. Through research, convening and public engagement we seek to build a more just, equitable and sustainable future for all. For more information visit bcpolicy.ca.

About Living Wage BC

Living Wage BC is a program of the Vancity Community Foundation that works with employers, communities and partners to promote living wages across British Columbia. The Living Wage BC initiative calculates living wage rates for communities across the province, supports employers in becoming certified living wage employers and advocates for policies that ensure paid work provides a pathway to dignity and economic security. Learn more at livingwagebc.ca.

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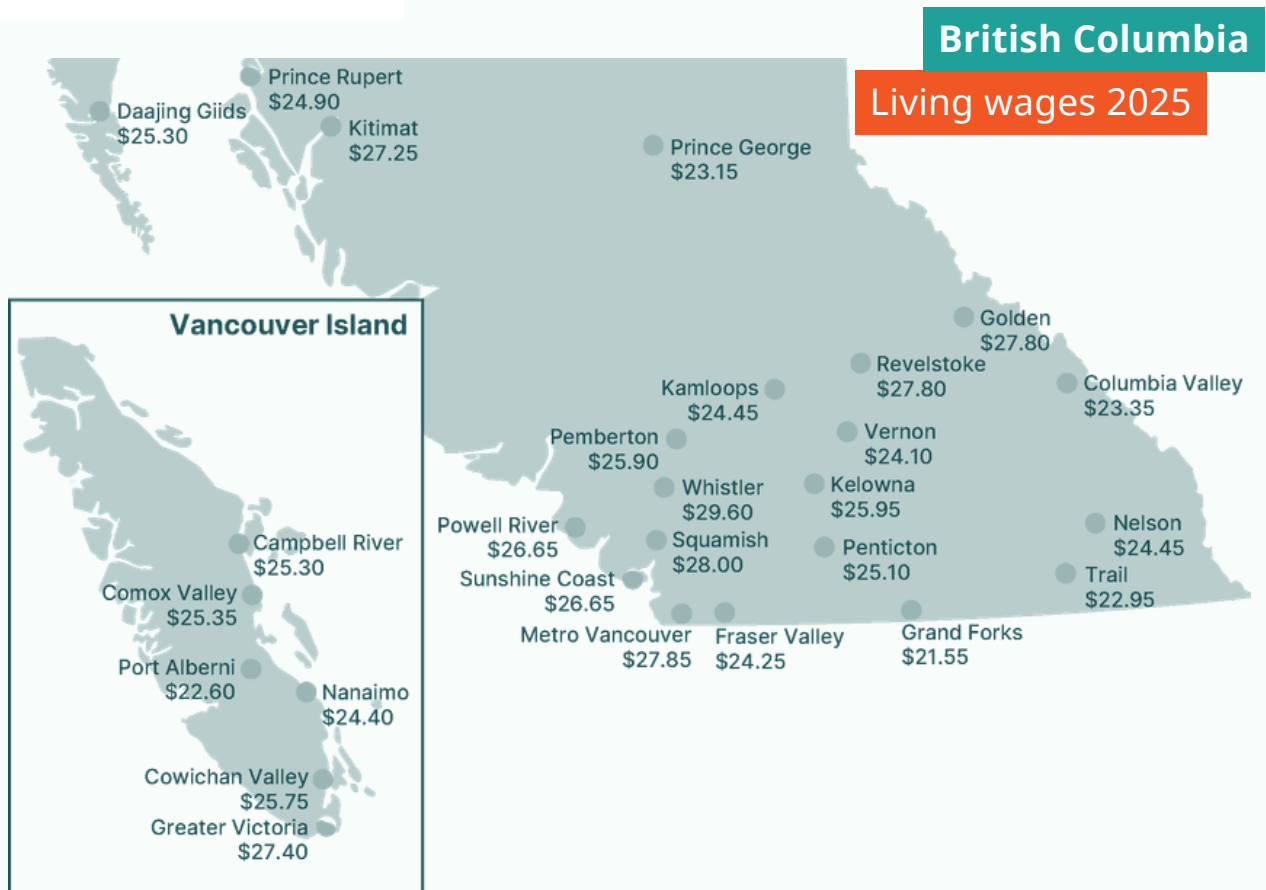
On June 1, BC's minimum wage increases to \$18.25 per hour. Despite this welcome pay raise for the province's lowest-paid workers, the minimum wage is \$3.30 per hour lower than the lowest living wage in BC (\$21.55 in Grand Forks). In BC's largest cities, Metro Vancouver and Greater Victoria, the gap between the minimum wage and the living wage is over \$9 per hour.

BACKGROUND

New Statistics Canada data obtained by BC Policy Solutions and Living Wage BC show a growing gap between wages and the cost of living, with **one third of workers in British Columbia**—more than 775,000 people—**earning less than the living wage in their communities.**

Even with regular minimum wage increases tied to inflation, far too many BC workers continue to earn less than it costs to live in our province. This is not a question of individual effort—it reflects a widening gap between what jobs pay and what it costs to live in BC.

People who don't earn a living wage face impossible trade-offs—buy groceries or heat the house, keep up with bills or pay the rent on time. The result can be spiraling debt, constant financial anxiety and long-term health problems. It often means working long hours, sometimes at multiple jobs, just to pay for necessities.



BC's ongoing affordability crisis has pushed many household budgets to the breaking point. Food and transportation costs are projected to grow rapidly this year, driven by high oil and fertilizer prices because of the war in Iran.

In Metro Vancouver, the gap between wages and the cost of living is especially acute. Recent regional data ([Housing and Transportation Cost Burden Study, 2025](#)) show that households spend an average of about \$41,000 per year on housing and transportation combined—roughly 36% of their total income. For renters, this share is often significantly higher, leaving limited income for food, child care and other essentials. With such a large portion of income already committed to



“The living wage supports a basic, decent standard of living without many of the comforts or extras that many take for granted.”

basic costs—and rising faster than wages—many workers earning less than a living wage are left without a sustainable path to make ends meet and continue to live in the region.

What is the living wage?

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. It is based on the actual costs of living in a particular community at a specific point in time and takes into account all government benefits available to workers and their families and all taxes and mandatory deductions they have to pay.

The living wage supports a basic, decent standard of living without many of the comforts or extras that many take for granted. It does not cover credit card, loan or other debt payments, savings for retirement, a downpayment on a home or the extra costs to care for disabled, seriously ill or elderly family members. Across BC, the living wage ranges from \$21.55 in Grand Forks to \$29.60 in Whistler.

While rents in many large BC cities have fallen from their stratospheric highs of 2022, they remain very high compared to most workers' wages. The average asking rent for vacant units in Metro Vancouver was 20% higher than the average rent of occupied units in October 2025 according to the Canada Mortgage and Housing Corporation rental market survey. In Greater Victoria it is 14% higher. In other words, renters continue to face large rent increases when they move.

The combination of high rents, elevated food prices and low incomes explains the surge in demand for charitable services with increasing numbers of workers forced to turn to food and rent banks. BC food banks report a 79% increase in visits between March 2019 and March 2025. The number of food bank clients who are working more than doubled over the same period.¹

Who earns less than the living wage in BC's largest cities?

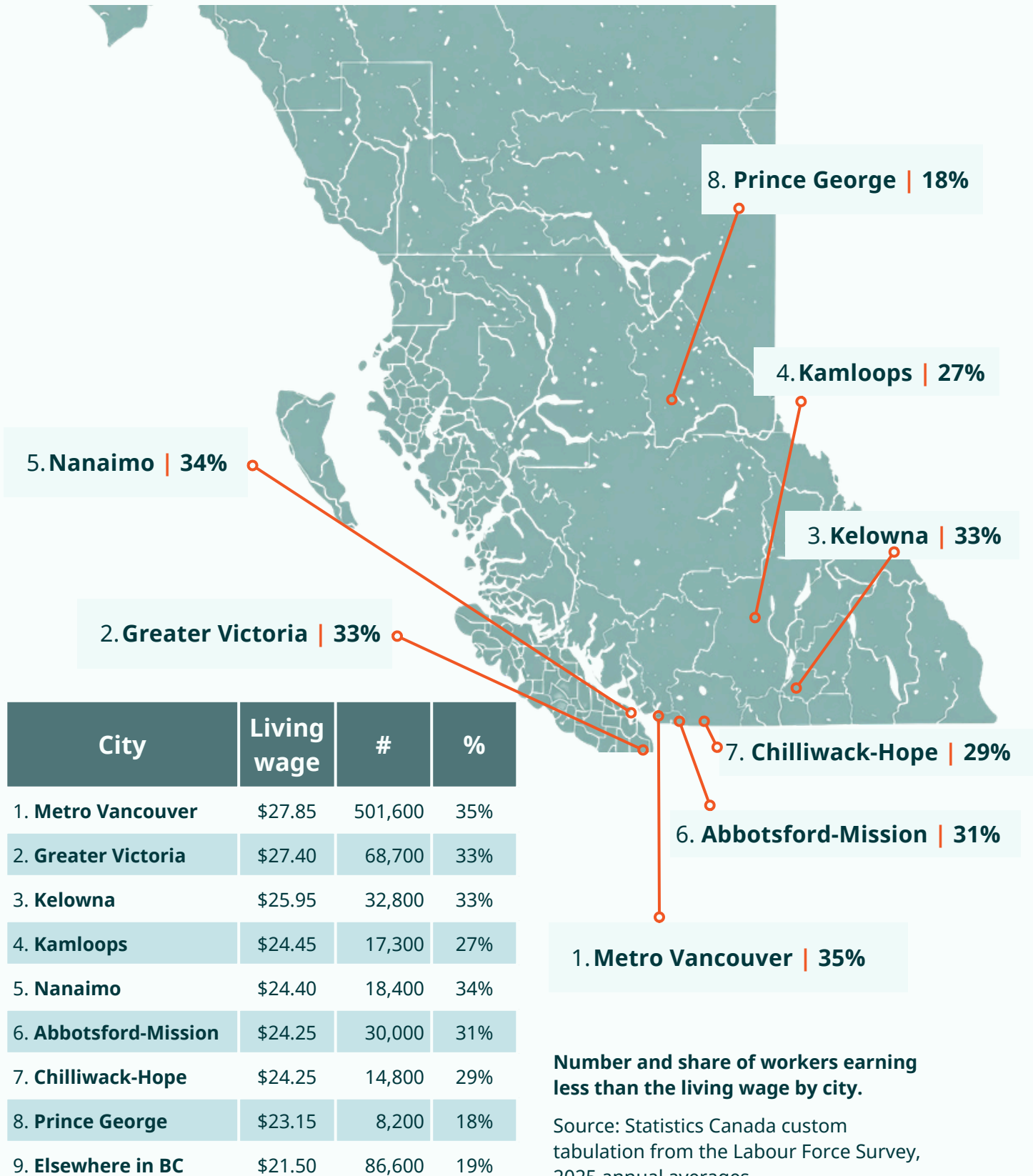
Our research examines who gets paid less than the hourly living wage in BC's eight largest cities, using data obtained through a custom tabulation from Statistics Canada's Labour Force Survey.² We found that one in three workers (34%) earn less than the living wage in BC's eight largest cities.

Our analysis reveals substantial wage inequalities based on gender and race in BC. Women and racialized workers are more likely to earn less than the living wage than men and workers who are white. Shockingly, nearly half of racialized women working in Metro Vancouver earn less than the region's living wage.

1. <https://www.foodbanksbc.com/hunger-report-2025>

2. We compared the 2025 hourly living wage rates for each of BC's eight largest cities to the hourly wages of employees (i.e., excluding self-employed individuals) in these jurisdictions (defined by Census Metropolitan Areas (CMAs))

Figure 1: Share and number of workers earning less than the living wage by city



Number and share of workers earning less than the living wage by city.

Source: Statistics Canada custom tabulation from the Labour Force Survey, 2025 annual averages.

Who earns less than the living wage in Metro Vancouver?



Over half a million people in Metro Vancouver (501,600 or 35% of all employees in the region) earn less than the region's living wage of \$27.85 per hour.



The majority of people earning less than \$27.85 per hour in Metro Vancouver are women.

271,100 people earning less than \$27.85 per hour are women (54%).

Women are more likely than men to be paid less than \$27.85 per hour.



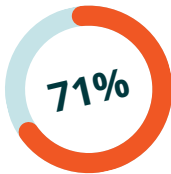
40% of all women earn less than the living wage compared to only 31% of men.

And while it's often assumed that young workers earn low wages, the vast majority of people earning less than \$27.85 per hour in Metro Vancouver are 25 or older.

144,300 people earning less than \$27.85 per hour are between 15 and 24 years old (29%).



118,600 people earning less than \$27.85 per hour are between 45 and 64 years old (24%). 25,600 people earning less than \$27.85 per hour are 65 or older (5%).



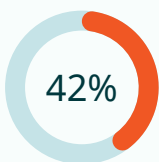
357,300 people earning less than \$27.85 per hour are 25 or older (71%). 213,000 people earning less than \$27.85 per hour are between 25 and 44 years old (42%).



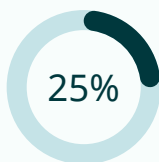
Three quarters (74%) of Metro Vancouver workers earning less than \$27.85 per hour are racialized although only 62% of employees are racialized.

377,000 people earning less than \$27.85 per hour in Metro Vancouver are racialized (74%).

Racialized workers are more likely to be paid less than \$27.85 per hour than their counterparts



42% of all racialized workers earn less than the living wage...



...compared to only 25% of non-racialized workers.



Nearly half (47% or 207,800) of all racialized women working in Metro Vancouver earn less than the living wage of \$27.85 per hour.

In contrast, 38% of racialized men earn less than the living wage, as do 27% of non-racialized women and 22% of non-racialized men.

BC can and should close the gap between the minimum and living wages. Here's how:

Despite the June 1, 2026 minimum wage increase to \$18.25 per hour, a **strikingly large gap remains between the minimum wage and living wages in communities across BC**. This gap has grown significantly in the last few years, leaving hundreds of thousands of workers struggling to make ends meet in every part of the province. Closing this gap is key to address the affordability crisis that BC workers face.



Role of the employers



Over 500 BC employers—from small businesses to municipalities, First Nation Councils, school boards, non-profit organizations and airports—have stepped up to be living wage employers, paying both direct and contract employees a living wage. We commend these employers for doing their part to reduce working poverty and encourage others to follow their lead.

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

Role of the government

For too many people across BC, wages do not cover the cost of living. Coordinated action from all levels of government is needed to raise wages and lower cost pressures so that all workers can thrive.

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



A more equitable minimum wage



Stronger worker protections



Addressing the rising cost of essentials



More equitable government benefits



Government as a living wage employer

Role of the government



1. A more equitable minimum wage

Although BC's minimum wage increases annually, it remains lower than what full-time workers need to cover a modest, decent standard of living anywhere in the province.

The provincial Consumer Price Index to which the BC minimum wage increases are tied has increased by 22.4% since January 2020. Over the same period, the price of food purchased from stores has grown by 31.4% and rent has increased by 33.0%. With the cost of basics like food and rent rising so much faster than general inflation, it is no wonder that the gap between the living wage and the minimum wage has grown.

A minimum wage increase to \$20 per hour would help narrow the gap between the minimum wage and living wages, benefitting over 300,000 people.

In addition to reducing BC's large gender and racial pay inequities, boosting the earnings of low-wage workers will stimulate the local economy. That is because lower-income households tend to spend almost all of their extra earnings in their own neighbourhoods, supporting local small businesses and community services, for example by eating out once in a while and participating more actively in community activities.



2. Stronger worker protections

In addition to a minimum wage that better reflects the cost of living, stronger worker protections are essential to address systemic inequities in the labour market. Many low-wage workers continue to experience wage theft, unpaid hours, and barriers to fair treatment and advancement.

BC's low-wage workers need pay equity legislation, stronger protections against wage theft and other workplace violations and meaningful access to collective bargaining so they can exercise the right to come together to negotiate better wages and benefits if they so choose.



3. Addressing the rising cost of essentials

While a minimum wage that better reflects the cost of living is essential, wages alone are not enough to address the current affordability crisis. Our standard of living depends not only on the wages we earn but also on the available public services that can reduce the cost of living. Quality, accessible public services are key to affordability.

Rent is the largest expense in most household budgets.

Although asking rents for vacant units have fallen from their stratospheric highs, they remain very high. Recently, both the federal and provincial governments have made welcome

efforts to address the shortage of affordable homes such as investments in rental housing, short-term-rental restrictions and zoning reform. These are important 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. Although asking rents have fallen somewhat from their peak, tenants continue to face high rent increases when they need to move.

Additionally, governments at all levels need to work together to bring down the cost of food and address growing food insecurity.

BC needs an affordable food strategy. 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, school food programs and equitable access to food across communities. And, it is essential to include the voices of those most affected by food insecurity and unaffordability in the development and implementation of solutions.

An expansion of BC's transit network to provide publicly operated, low-cost transit options in rural areas, an intercommunity express bus service and free transit to youth 18 and under would significantly reduce transportation costs for many households. Recent public investments in low-cost child care, a public dental care plan and pharmacare should be expanded as these are services that directly reduce out-of-pocket costs.



4. More equitable government benefits

Government benefits provide a crucial income supplement to low- and modest-income households. Currently, many government benefits are clawed back or completely eliminated at income levels well below the Metro Vancouver living wage. Increasing income eligibility thresholds and benefit amounts could help insulate households from high food prices. 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, the hardest-hit households are those headed by earners who are already marginalized and tend to do poorly in the labour market. Single mothers, Indigenous people, recent immigrants and workers with disabilities tend to have lower earnings and face higher unemployment rates, which puts them at a disproportionately higher risk of poverty.



5. Government as a living wage employer

The BC government should follow the example of over [500 private sector and municipal employers](#) and become a living wage employer and encourage public institutions such as universities, hospitals and school boards to follow suit.

Embedding living wage standards into government procurement processes would be another powerful step toward economic security for workers across BC while strengthening our economy.

Conclusion

The living wage is a transparent benchmark for what it truly costs to live with dignity in communities across BC.

Our study shows that a third of BC workers earn less than their community's living wage. These people struggle to afford basic necessities and women and racialized workers are disproportionately represented among them. In Metro Vancouver, nearly half of all racialized women earn below the living wage, a disparity that reflects deep structural inequalities in our labour market.

The living wage is a call to employers to ensure all workers, including contracted staff, receive compensation sufficient to support a modest but adequate standard of living. Over 500 BC employers have answered the call, adopting living wage policies.

But employers can't do this alone. Coordinated action from all levels of government is needed to raise wages and lower cost pressures so that all workers can thrive.

Some argue that now is not the time to expand public services, citing the slow economy and high uncertainty resulting from trade and geopolitical tensions. However, delaying action on affordability will only widen the gap between the wages many people earn and the cost of living, leaving hundreds of thousands of workers struggling to make ends meet.

In contrast, strategic investments in public services will not only improve affordability but also create much-needed jobs, stimulate local economies and help the province weather the economic challenges ahead.

Find regional summaries and a web version alongside a downloadable PDF of this document at: bcpolicy.ca/wage-gap and livingwagebc.ca.





Find out more about Living Wage BC, including information on how to become a Living Wage Employer at livingwagebc.ca



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