

GLWC welcomes ILO's milestone agreement on living wages

The recent agreement reached by the ILO is a landmark moment for the living wage movement by bringing in governments as key drivers going forward.

On 19-23 February 2024, the International Labour Organization (ILO) held in Geneva a 'Meeting of Experts' around the issue of living wage, composed of eight experts nominated by Governments, eight experts nominated by the Employers' group, and eight experts nominated by the Workers' group. Conclusions reached during the meeting were endorsed by the ILO's Governing Body on 13 March 2024.

The ILO meeting led to: "identify key institutions and ILO principles of wage setting; outline the concept of the living wage; identify principles that estimations of living wages should follow and general considerations regarding methodologies to estimate living wages; review current living wages initiatives; give guidance for the operationalization of living wages; and provide recommendations for future action by the Office." The full ILO report can be found on their website.

The Global Living Wage Coalition (GLWC) commends the ILO's recognition of the importance of living wage and its efforts to advance discussion and action towards the provision of an adequate living wage for all workers. Decent wages are essential in reducing poverty and inequality, as well as in ensuring a decent and dignified life and in advancing social justice for all workers globally. We welcome the conclusions and recommendations reached by the ILO's expert meeting, following its tripartite discussions on wage policies and living wage, and its efforts to support future action on these topics.

In particular, we welcome the following conclusions, endorsed by the ILO Governing Body:

- The call for an evidenced-based approach to the estimation of living wage based on robust data and statistics, strong local consultation, socio-economic factors and public availability
- The strengthening of collective bargaining and social dialogue as the proper modality for setting and adjusting wages over time towards the achievement of a living wage
- The operationalization of living wage policies considering both needs of workers and economic factors to ensure sustainable rise in wages without adverse impacts
- The call to ensure that wage policies and wage-setting processes promote gender equality, equity and nondiscrimination

As a thought leader and influencer in the global living wage movement for over a decade, the GLWC's work has upheld these principles and supported wage advancement in many sectors across the globe, especially supporting vulnerable workers in developing countries. The GLWC will continue its work on living wage, upholding the Anker methodology and its evidenced-based approach. We would add that it is also important that living wage estimation efforts maintain the independence of researchers involved and ensure the use of a methodology that allows for cross-country comparison.

We look forward to working with the ILO on the development of its wage-policies and on the operationalization of living wages to support millions of workers across the globe.

The Global Living Wage Coalition is a voluntary coalition of organizations working together to deliver knowledge and information to drive effective action toward a decent standard of living for working people and their families worldwide. GLWC members include the Anker Research Institute (ARI) and eight voluntary sustainability schemes, namely Fairtrade International, Rainforest Alliance, Social Accountability International, Aquaculture Stewardship Council, Bonsucro, Fair Labor Association, Fair Trade USA, and Union for Ethical BioTrade – in partnership with ISEAL.

The GLWC and ARI have published robust, independently measured living wage and living income estimates for more than 100 locations in over 50 countries using the Anker Methodology. These estimates are being used by companies, trade unions, standard setting voluntary schemes, auditing companies and others to help raise wages for workers. In addition to our living wage estimates meeting all ILO principles for living wage estimates, they are also internationally comparable – we believe this is important to prevent unfair competition between sourcing origins in global supply chains based on low wages.

Learn more at: https://www.globallivingwage.org/ and https://www.globallivingwage.org/ and https://www.ankerresearchinstitute.org/.

Read some of the latest work from the ARI: <u>Gender Pay Gaps in Global Supply Chains: Findings from Workplaces in Bangladesh, Colombia, Morocco, Thailand, and Turkey</u> (February 2024)