

Closing the Divide: from Minimum to Living Wages

Following up from ILO Expert Meeting on Wage Policies, including Living Wages

European Transport Federation Headquarters Rue Du Marche Aux Herbes 105, Brussels and **Online**

29 May 2024

Background

Wages remain inadequate across the world, and in-work poverty remains rife. The ILO's 2023 World Employment and Social Outlook presents alarming figures: 214 million workers are currently estimated to be living in extreme poverty¹. The ITUC is committed to promoting adequate wages, as part of its call for a New Social Contract, and is calling on governments to ensure living wages through both raising statutory minimum wages as well as strengthening collective bargaining.

At the international level, there has recently been increased momentum to support the achievement of living wages. A number of initiatives have been developed to estimate living wage levels, as well as secure commitments from governments and multinational companies to deliver a living wage². However, until recently, there had been no coherent, internationally-agreed definition of what constitutes a 'living wage', nor consensus on how to achieve them. A major breakthrough took place this year following the agreement that was reached at the *ILO Expert Meeting on Wage Policies, including Living Wages* that took place in February, which was subsequently endorsed by the ILO Governing Body in March. As a result of this agreement, there is now a tripartite-agreed ILO definition on the concept of a living wage, as well as an agreed set of basic principles to guide the setting of methodologies for living wages. This agreement moreover mandates the ILO to provide greater support to governments and social partners for evidence-based wage setting.

The purpose of this hybrid meeting is for unions to take stock of the recent ILO agreement and its implications for defining living wages and achieving them at national level. The meeting will also provide an opportunity to reflect on the implications of the ILO agreement for existing international initiatives to measure and set living wages, as well as the potential for greater trade union involvement in these initiatives.

¹ These figures are based on World Bank poverty lines of 1.90 USD PPP, and are considered to be highly conservative estimates

² Such initiatives include, but are not limited to: commitments from business associations to promote living wages within the UN Global Compact and B4IG initiative; commitments set out in the IDH Living Wage Roadmap and multi-stakeholder initiatives such as the Ethical Trading Initiative; and estimations on living wages through Wage Indicator and the Global Living Wage Coalition.

Agenda

9.00-9.30	Registration and welcome breakfast
9.30-9.45	Opening
	Eric Manzi, Deputy GS, ITUC
9.45-11.00	 ILO Wage Expert meeting: analysis of conclusions and implications for unions Plamen Dimitrov, CITUB Bulgaria and ILO Workers Group Spokesperson for the Living Wage Discussion: The significance of an ILO definition on Living Wages Patrick Belser, ILO Key aspects of the ILO agreement Charlotte Bernhard, Dutch Ministry of Foreign Affairs and Government Group Spokesperson for the Living Wage Discussion: Reflections on the relevance of the Expert Meeting from the perspective of governments
11.00-11.15	Open discussion Moderated by Evelyn Astor, ITUC Coffee break
11.15 – 12.30	Living wages in focus – experiences and challenges:
	Interventions from:
	Kwabena Otoo, TUC Ghana
	Čedanka Andrić, UGS NEZAVISNOST Serbia
	Marcelo Carvalho Lavigne, UGT Brazil
	Gwyniver Mathay, TUCP Philippines
	Giovanni Casale, ETUC
	Followed by open discussion
	Moderated by Beatrice di Padua, ITUC
12.30 – 14.00	Lunch Break

14.00 – 15.00	Living wage initiatives internationally and unions' involvement
	Roundtable discussion with:
	Marcel Vernooij, IDH
	Fiona Dragstra, WageIndicator
	Dorothy Lovell, OECD RBC Centre
	Griet Cattaert, UN Global Compact
	Followed by reactions from ILO and trade unions
	Moderated by Evelyn Astor, ITUC
15.00-15.15	Coffee break
15.15-16.30	Identifying next steps: Breakout discussions with participants
	Breakout 1: Negotiation strategies for higher wages (session limited to trade unions)
	Presentation by:
	• Daniel Kostzer, ITUC Contextual and economic factors for wage setting and the relevance of the ILO conclusions
	Followed by open discussion
	Breakout 2: Improving coherence of international-level living wage initiatives (for ILO/participants from international living wage initiatives)
16.30-17.00	Feedback from roundtables and conclusions
	Eric Manzi, Deputy GS, ITUC