

Bargaining for the real living wage Paul Sellers – Pay Policy Officer

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What this webinar will cover

Aim – to equip stewards to bargain and campaign for the real living wage

- What is the real living wage and where did it come from?
- Why is the real living wage needed?
- We are winning. The real living wage is paid by more and more employers
- How does this fit into TUC/ trade union campaigning?
- How to bargain/ campaign for the real living wage a brief introduction
 - The union case
 - Employer reasons for adopting the real living wage
 - The nuts and bolts of building a campaign
 - Celebrating victory



The real living wage rates February 2018

Real Living Wage and NMW rates



What is the real living wage and where has it come from?

- The real living wage is a voluntary minimum standard for hourly pay rates
- The living wage principle work should pay enough to meet basic needs
- The living wage dates from 18th century, but our campaign began in 21st
- 2001 first campaign in Canary Wharf coordinated by Citizens UK bringing together community and faith groups and trade unions. Some early wins.
- 2005 living wage for London set by Mayor. Some other cities set their own rates
- 2010 living wage for UK agreed. Living Wage Foundation set up to accredit employers the TUC and many unions are also accredited as employers
- 2017 3,000th employer adopts the real living wage



Why is the real Living Wage needed?

Work should pay enough to meet basis needs – but it fails for 1 in 5 employees

- 6.2 million employees earn less than the current living wage rates
- 3.2 million adults in work are also in poverty
- 55% of adults in poverty just over half are also in work
- Moving up from the national minimum wage to the real living wage makes a real difference for working people

<u>Quotes</u> "being paid the living wage means that I don't have to choose between buying a winter coat and buying birthday presents for my children".

"I had to work two jobs just to put food on the table and pay the rent. When I got the Living Wage I was able to drop one job. Now I have more time for my family."



We are winning

We are making progress with the real living wage

- 3,200 employers have now been accredited as paying the real living wage
- Benefits around 200,000 employers
- One third of the largest FTSE-100 UK companies are real living wage employers
- All types of employers: from Afghan Rug Shop Itd to Welsh Government
- 1,850 private sector employers
- 350 public sector employers despite the pay cap!
- 1,000 voluntary sector employers large and small.



Bargain – the planning stage

First step is to marshal some of the arguments for the real living wage:

- Contact your union for advice. Many already have campaign materials.
- See the Living Wage Foundation Website: <u>https://www.livingwage.org.uk/</u>
- Who pays the living wage and why?
- For workers and trade unions it about fairness
- For employers its also about:
 - building their reputation.
 - personnel benefits e.g. wider recruitment and better retention
 - increasing productivity and quality of work workers think better of their employers
- Build a team what roles are needed? Organiser, spokesperson, secretary?



Bargaining – deciding on your strategy

- Make sure that your members know about the real living wage and build support
- Add the real living wage to your pay claim, if unions are recognised
- Plan how you will pitch the claim to your employer
- Stress fairness and doing the right thing
- Add arguments about reputation especially for "customer-facing" employers
- And recruitment/ retention/ quality/ productivity arguments
- Can you get to the real living wage rates in one year? If not, think about a short phase-in period.
- What if they say "no"? Have a plan B. Keep up the pressure!



Campaigning – deciding on your strategy

- If the employer doesn't recognise trade unions then campaign approach is needed
- Make sure that your members know about the real living wage and build support
- Build a coalition of support with other unions and civil society groups
- Worth talking to the target employer first maybe a delegation that includes civil, society voices and perhaps some customers.
- The ideal "pitch" to an employer includes fairness, reputation, and personnel advantages
- If the employer is negative, then a demonstration can help persuade them
- Plan to use local media to get your point of views across.
- Set a campaign timetable keep up the pressure!



Celebrating victory

- When employers agree to pay the real living wage, they want to take the credit.
- Employers want to burnish their brand. Politicians want to be progressive
- Part of our roles is to ensure that the union gets a fair share of the credit
- Your members will know that you have been campaigning, but make sure that you agree the timing of any announcement. They shouldn't hear the good news form the boss.
- Will there be a press announcement? If so, the unions should be mentioned in it.
- When we win we want people to know, so that more will join the union.



Trade union campaigns on the real Living Wage

Many trade unions are bargaining and campaigning for real living wage – a few examples:

- Victories HSBC, Barclays, Scottish local authorities, Heathrow Airport
- Bigger pay rises won for low paid workers Ritzy Cinema/ Picture house/ Cineworld chain (BECTU)/ some local authorities.
- Current campaigns local government, hospitals, universities, hotel and retail chains, cleaners in all sectors, including the contractor ABM on the railway network
- A few more examples of unionised private sector companies paying the real living wage:
 - Arriva Rail, Ikea, ITV...and football clubs Chelsea, West Ham, Everton and Liverpool



Unions are winning on the real living wage – now let's take the campaign to every unionised employer.



Brexit

2:30pm, Wednesday, March 7th

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