



EAPN TASK FORCE ON DECENT WORK

Living Wage Campaign Guide

Overview

The purpose of this Campaign Guide is to support EAPN members in constructing and developing campaigns within Member States to promote payment of the Living Wage in all sectors of the economy. It uses, for guidance, the methods adopted in Scotland which has achieved some success in promoting a Living Wage campaign, but is capable of being adapted to the specific economic, political and social circumstances within different Member States.

There are number of milestones achievable in the progress towards a Living Wage campaign which can, of themselves, be identified as successes irrespective of the timescales of, or indeed, the ultimate success of a Living Wage campaign.

This Campaign Guide will outline a number of steps which can be taken by EAPN members. In a number of cases, the steps taken might be in a different order outlined depending on the circumstances in each Member State. This Guide distinguishes between two main parts:

- A preparatory or awareness-raising phase, to take place in 2015.
- The actual Living Wage Campaign, to take place in 2016.

The Living Wage in Scotland

The Living Wage in Scotland is set by the Scottish Living Wage Campaign, an alliance of the Scottish Poverty Alliance, Scottish trade unions, NGOs, voluntary sector umbrella groups and religious organisations. The current rate of £7.65 per hour is the same as that set by the UK Living Wage campaign. Employers may be accredited as Living Wage employers if they pay the £7.65 and assuming that certain other basic criteria in the treatment of their workers and permitting trade union activity are not breached.

PART ONE: STEPS OF THE PREPARATORY PHASE

1. Mapping of similar initiatives in one's country and identifying potential partners in the process

The political and social landscape in each Member State will differ. Particular differences will include:

- The extent to which the state/region currently intervenes in setting statutory minimum wage levels, and the basis upon which these levels are calculated.
- The extent of trade union bargaining coverage.
- Existing partnerships and dialogue between NGOs, politicians, trade unions, gender pay campaigns etc.

Other NGOs. Reinforce contacts with organisations already working on decent work or quality employment, such as social NGOs or faith-based groups. Some of them may already be running similar or complementary initiatives – if not for a Living Wage per se, at least aimed at raising levels of pay or promoting quality and sustainable jobs and employment, in both policy and practice. It is particularly important to reach out to thematic organisations and networks (such as those working with women, or migrant workers, or young people), as they represent groups which would particularly benefit from the introduction of a Living Wage.

Social partners. Dialogue with trade unions on the subject is essential. While most trade unions would be natural allies for such an endeavour, some might perceive a Living Wage campaign as direct competition to their work, a substitute of collective bargaining. It is important to understand where the main trade unions in your country position themselves, and if they can be counted upon as allies. If you have contacts with employers' organisations, it is also very useful to approach them and gauge their views on such a campaign.

Governmental institutions. Get in touch, in a first instance, with Members of Parliament who are well known to be supportive of decent work overall, or who sit in relevant parliamentary committees. As a Living Wage campaign is aimed primarily at individual employers, it becomes easier to breach the topic with politicians, as they do not feel put on the spot, or pressured to enact change. They can thus be powerful allies. As a next step, request meetings with Government officials to talk about Living Wage, or integrate the topic in regular meetings you might already have with your Government, on other topics. This will allow you to assess the level of political will and engagement, and whether the political environment is favourable to the launch of a Living Wage campaign.

Address public queries. Using civil society platforms that you might be a part of, as well as thematic mailing lists or social media forums and blogs dedicated to related topics, you can launch open questions to identify what other decent work initiatives might be happening in your country, and how you can link up to them. You can even initiate a mailing list for organisations and other partners you have identified, who might be interested in exchanging on broader topics of quality work and employment, including wage levels. Initial briefing meetings and online discussions can be organised to outline the Living Wage concept and establish a loose network of groups who committed to continuing the discussion, without necessarily committing at that stage to being a member of a formal Living Wage campaign.

Contact academics. Researchers and professors working specifically on issues of income, low pay and labour economics are likely to be particularly interested in such an initiative. Even before (or without) establishing a formal campaign, they can be encouraged to engage in early discussions about the Living Wage concept. This can take place at meetings or events organised by the network. Their research also provides a wealth of information that may prove very useful in running the campaign, especially when it comes to methodology for calculating the rate, or defining the accreditation criteria.

Mapping in Scotland

Initial contact was made by the Scottish Poverty Alliance (EAPN member) with the Scottish TUC (trade union umbrella group), NGOs and voluntary sector organisations, religious organisations with an anti-poverty profile, academics with an interest in low pay and minimum income standards. The purpose of the initial contact was to:

- * Identify current initiatives being undertaken to tackle low pay or to campaign on minimum income related issues
- * Promote the concept of Living Wage campaigning
- * Agree with potential partners (particularly trade unions) a basis for promoting the Living Wage alongside collective bargaining and other income maximisation strategies
- * Achieve agreement for ongoing discussions and (in time) the creation of a Living Wage campaign group.

The Poverty Alliance also made early contact with the Scottish Government and some local councils, in order to engage them in discussion about the Living Wage. It is important to note that the Scottish Living Wage campaign was able to draw on the existence of the London Living Wage campaign.

Achieving the situation in which a range of partner organisations understood and broadly supported the idea of a Living Wage took the Scottish Poverty Alliance over two years. During this period it came into closer into dialogue with a range of partners outlined above and the concept of the Living Wage was better understood within policy and campaign circles. To achieve this would be a significant milestone for any organisation. After this period, the Scottish Poverty Alliance was successful in achieving a small amount of funding from Government, as a consequence of its discussions.

2. Putting the concept out there – visibility

Common logo and slogan. The Secretariat will provide a common logo for the campaign (see below), with an easily translatable slogan: LIVING WAGE – DECENT LIFE. While “Living Wage” might not be a concept that translated literally into most languages, the Task Force recommends that “decent wage” is used instead. As it was pointed out that “decent life” bears a different connotation in Latin languages (as the opposite of “indecent, obscene”), it was agreed that the term “dignified” could be used in other languages. Each country will come up with their own translation, and there is flexibility around the terms used, as long as the main idea is kept the same – wages at a decent level are the pre-requisite of a life in dignity. The logo will be featured on EAPN’s webpage and on the Facebook page. Additionally, EAPN members are encouraged to use the logo at the national level, on their websites (it is recommended they include at least a section on the Living Wage campaign, if not a full page), in their social media presence, on materials from events relating to decent income and quality employment.

Common webpage. The EAPN website will contain a static page, with general information about the campaign / awareness-raising action. This will link to a dedicated Facebook page, which will be coordinated by the Secretariat, while all EAPN members will be able to post content, without having to go through an administrator. While Facebook holds the disadvantage that not everyone has an account, this approach was chosen because a Facebook page is very dynamic, allowing for more interaction than a typical blog or forum. On a Facebook page, any visitor can contribute in an interactive manner, by posting “likes”, comments, or own posts. Also, private employers, as well as most organisations, trade unions, politicians etc, are already active on Facebook and can be more easily reached than by promoting a dedicated website, which people won’t automatically stumble upon. Although primarily in English, the page will feature updates in all languages, from all EAPN members in different Member States. The page will include news from the national level, and it will significantly help raise the visibility and awareness of the concept of Living Wages.

Other social media. It was thought by the Task Force that a Twitter account is not needed at this stage. However, the hashtag #livingwage is already in use, and it is suggested that all tweeted activity uses it too, thus linking up to existing initiatives. National members can consider creating an own language hashtag, to be used in addition to the English language one. Regarding LinkedIn, it was again considered that it is not worth investing in creating a separate account, at least not in the preparatory phase. EAPN’s company pages, as well as members’ profiles, can be used to publicise updates, including those taken from the Facebook page. An additional hashtag to be used is #EAPNWage.

2-page briefing. The Secretariat will provide a short, two-page briefing template, detailing what is understood by Living Wage, why is EAPN raising awareness of the issue, what are our main activities etc. This will be translated and adapted by each national network to fit own realities, and it will be updated as the year progresses – to include more activities, supporters, champions etc. This briefing will be publicised through social media and on organisations’ websites, as well as published and distributed, if enough funds are available, on a case by case basis. It will feature the common logo and slogan, to confer the actions a common, coordinated, European-wide character.

Finding champions. Discussions with key policy makers, as well as important academics, business leader, or other celebrities, allow the identification public figure champions, who can help popularise the cause. These champions can be used in different ways: by being key note speakers or guest speakers at relevant thematic events, organised by EAPN members or others; by signing a pledge or offering a quote, which can be publicised on websites and social media; by promoting the cause and concept on their own webpage and social media outlets. It is important to try to attract different types of champions from different sectors, but who can also appeal to different demographics. Young people, migrants, and women are some of the categories most affected by wage inequalities and low pay, so champions that appeal to these groups, or could speak on their behalf, could be considered.

UK Living Wage Campaign Champions

Within the UK, [Boris Johnston, Mayor of London](#) and the [Accountancy Group KPMG](#) () are examples of where a politician and a corporate group have become Living Wage champions, despite expectations to the contrary.

Targeted events. Ideally, EAPN members will organise events dedicated specifically dealing with the concept of Living Wage, and exploring the issue of a campaign in the country. However, as this may not be possible because of financial constraints, a good opportunity is to mainstream the concept in own or third-party events on related topics, such as decent income throughout the lifecycle, or decent work and quality employment, or in-work poverty. EAPN can suggest making thematic presentations in third party project events or conferences, or academic seminars, where EAPN would anyway be present, and where the Living Wage campaign could be introduced and explained. Another option it to mainstream the concept of Living Wage in presentations on broader, but related topics, or even to raise the issue from the floor in a public event. Any kind of visibility, even small gestures, helps put the idea in people's minds and create recognition for the concept.

Working with the media. While it is usually hard to get mainstream media interested in topics related to employment and social policy, it could be possible, in cooperation with academics, or with a key political figure, sympathetic to the cause, to write short contributions or research pieces on the topic of Living Wage, thus contributing to keeping the debate alive. Teaming up with the champions identified in the previous step is also a good way to tap media which is typically outside the remit of EAPN's work, such as, for instance, publications targeting youth. Inserting short opinion pieces in newsletters, including online, of other organisations is also a good possibility.

Sharing ideas and best practice. Convincing potential partners of the value of Living Wage campaigning may be assisted by providing positive examples of success. Much of this will be drawn initially from Scotland and the UK, but there will be other examples, too. Examples will include how joint trade union and community campaigning achieved success in a number of workplaces; how policy makers were convinced to become Living Wage champions; how the Living Wage is being progressed through legislation; what success have been registered with the media, including online; how the concept was raised and popularised in an event.

3. Developing own national campaign model

Feasibility assessment. Towards mid-2015, after the first two steps of the preparatory phase have been initiated, as described above, the campaign coordinator in each country should carry out an assessment of progress. The knowledge previously gathered about the level of support and the political climate, as well as about what other initiatives are present, and what were the difficulties encountered in the first two steps should inform decisions about next steps. Discussions should be held with the wider organisation / network, to present results and findings so far, and to decide what kind of campaign would be possible to contemplate in a particular country. Such an assessment should also include what kind of resources the organisation/network is able to provide, including financial, staff-wise etc. These discussions and stock-taking should lead to a first draft action plan of next steps for a real campaign in 2016 – even if a fully-fledged one is not possible.

Methodology for setting the rate. The first questions to be decided is what constitutes a Living Wage, in other words, what is the exact number that you would be taking to employers. A number of choices are to be made here. If your country has a statutory minimum wage, you can use it as a starting point. In countries without a statutory minimum wage, a starting point could be the “basic basket of goods and services PLUS”. It is not advised to choose the corresponding of the basic basket as such, since this is the methodology used for minimum income schemes, and EAPN maintains that there needs to be a positive hierarchy between social benefits (set at the level of human dignity) and wages (set higher, to preserve incentives to work). The Living Wage figure will need to have a sufficient level of support and be sufficiently robust in its calculation to stand up to public and political scrutiny.

The Living Wage calculation should be:

- based on data produced by recognised Minimum Income Standard and Participatory Budgeting process. This will ensure the figure is robust in relation to need and *rooted in people’s real experience*.
- designed to ensure that a majority of individuals receiving a Living Wage would be able to live to a low cost but acceptable standard without recourse to state benefits.
- not an attempt to achieve the above for all household types. There is a limit to the extent that employers should be expected to pay wages covering all household make-ups. i.e. the Scottish Living Wage is not a sufficient level to covers all the costs of a single person with child dependents, or a two adult family with four or more dependents
- above the current Minimum Wage.

As is clear from the above, a number of compromises are necessary in the setting of a Living Wage level. It will not lift some people out of poverty without continuing reliance on state benefits. For a substantial proportion of those whose pay increases to Living Wage levels, pay will substitute state payments, and there will be a limited increase in absolute income. Regional disparities in certain costs (housing, transport etc) will dictate that the wage level is only a rough approximation of actual need.

In addition to calculating a Living Wage, it is important to be able to outline how and when the Living Wage will be updated. If a robust mechanism has been adopted, it will be possible to update the wage with reference to the range of goods and services which are used to make up the Living Wage. It will also be necessary to examine on an annual basis, whether any additional items should be added to the goods and services included in the 'shopping basket'. Organisations will also need to decide whether they wish to pursue a Living Wage allowing one person, or one person and their dependent children, to live in dignity.

This might be the most difficult and controversial part of a Living Wage campaign, so be prepared for it. Please refer to the **Concept and Feasibility Note**, equally prepared by EAPN's Decent Work Task Force to accompany this Guide, for more suggestions on how to calculate the Living Wage you will be campaigning for. Discussions with and involvement of academics who have researched the subject can be very useful at this stage. Cooperation with partners, such as trade unions or other organisations, who would be involved in the future campaign can also prove instrumental when calculating the rate.

The Scottish Living Wage calculation

[The Joseph Rowntree Foundation \(JRF\)'s Minimum Income Standard \(MIS\)*](#) defines the minimum income needed by a family or individual to ensure an acceptable standard of living. The MIS is the basis for the calculation of the Living Wage in the UK.

The level is based on methodology developed by the Living Wage Foundation and the Centre for Research in Social Policy at Loughborough University, who produce the Minimum Income Standard. Minimum Income Standard identifies minimum costs for each of nine household types, excluding rent, council tax and childcare.

Members of the public have identified what items people need for a minimum acceptable standard of living, and these have been costed at national chain stores.

The nine non-pensioner households used in MIS are single-unit households (i.e. single adults or couples living with or without dependent children, but nobody else), with up to three children for lone parents and up to four children for couples. In each case we assume certain ages of children, which makes a difference to cost (see table below). By using a range of ages, balanced across the age range, we produce a balance between figures that would be higher or lower than average compared to different age combinations.

When an average figure is reached, this is translated into the annual figure which would be required pre-tax and national insurance to enable the individual to earn the required figure. This is then divided by the typical number of hours worked in a year to derive an hourly figure. This figure is then rounded up to the nearest 5p.

For further details go to: www.jrf.org.uk/publications/minimum-income-standard-2010

Accreditation criteria for the “Living Wage label / badge”. Employers who pay a Living Wage, as identified by campaigners, receive an accreditation in the form of a “badge” or “label”, which they can display on their website or other materials. It is a symbol of pride, making an employer attractive to jobseekers, and raising the employer’s profile overall. It is also a way of rewarding commitment made to paying wages that ensure decent lives for all workers. Criteria for such a badge include, but are not confined to, the hourly wage rate, and may additionally contain provisions related to other aspects of decent work, such as, for instance, employment rights, equality and the freedom to join a trade. In addition to partners in the campaign, it would be useful to also consult employers when designing these criteria. The label or badge can be the same as the campaign logo.

Accreditation in the UK

In the UK, the bodies which set the Living Wages are various. The London Living Wage is set by the London [Living Wage Unit](#), which is created by London government, whereas in the rest of the UK and separately in Scotland, the wage is set by a group of organisations. It was, therefore, important to establish which body sets, and therefore provides accreditation for Living Wage employers. To become an accredited Living Wage employer on the UK and/or Scotland, the company in question is asked to pay a modest fee based upon the size of its workforce. This provides a modest level of funding for the Living Wage campaign to undertake further campaigning and promotional activities.

Badges in use:



A few of the over 200 companies which are Living Wage accredited in the UK:



4. Identify existing employers which already satisfy the criteria

Once a Living Wage has been set, it should be possible to begin to accumulate information on which employers pay the Living Wage. This can be undertaken in a number of ways:

- Through direct approaches to employers (public, private, and third sector)
- Through discussion with trade unions represented in particular workplaces
- Through exchanges with employers' organisations
- Through requests to national and local government

Contact a range of organisations, offering them the opportunity to apply for Living Wage accreditation. This could include organisations which already pay above the Living Wage, or who might wish to make changes in order to become Living Wage employers. It is important if there is a trade union active in the workplace to contact them too in order to be clear that the company in question is accurately describing its pay policy.

Building a picture of which companies pay the Living Wage and which do not will allow your organisation to identify campaigning priorities.

Of particular interest might be:

- Public institutions, such as universities and state employers, which pay above the Living Wage to most, but not all, of their staff
- Companies within a sector which do not pay the Living Wage, even though some of their competitors do
- Companies with a high emphasis on ethical trading, or which strongly promote Corporate Social Responsibility
- Companies which pay the Living Wage in the UK or other countries, but do not do so in your Member State.
- Companies which offer high end products or services in one Member State, but outsource work more cheaply to other Member States.

By rewarding employers who already meet the criteria you identified in point 3, you raise the visibility and make it easier to approach other employers. They also represent success stories, and should be publicised through websites, social media, and press releases. These employers can become, at their turn, involved in persuading others to follow their example, and can become useful and visible champions of the Living Wage cause, especially in business and employers' circles and fora, where NGOs have typically less access.

Identifying such employers can be a lengthy process. In order to support it, it was suggested that all employers identified by EAPN members in a particular country be communicated to the Secretariat. A centralised table of these will be made available to all networks, so that they can compare information across countries, use examples from one Member State to persuade employers in their own, and can also help get on board multinational countries, which may pay a Living Wage in one Member State, but not the other. Once you get employers on board, use their input to adapt the accreditation criteria, before approaching new employers, to make sure that your proposal is feasible from an employers' perspective.

SUCCESS STORY:**Scottish Energy Company becomes biggest officially-accredited Living Wage employer**

SSE plc has today become the UK's biggest officially-accredited Living Wage employer – guaranteeing all employees at least £7.45 an hour. Nearly 20,000 staff across the UK will receive at least the Living Wage rate, set at a level which ensures people can cover their basic cost of living including housing, bills, food and work travel. SSE is the biggest British company by market capitalisation to introduce The Living Wage and one of only three in the FTSE 100. It is also the first major energy company to sign up to the Living Wage. SSE Chief Executive Alistair Phillips-Davies said: "SSE is proud to become one of the first big companies to pay its employees the Living Wage. "With a workforce of over 20,000, this demonstrates that we value the people who work for SSE very highly and we're willing to pay them at a level which shows them we mean it. "It also shows that SSE is a company which is serious about doing the right thing. It is a matter of basic fairness that people should get a wage which is enough to cover their living expenses and SSE believes in being fair."

See more details here: <http://www.sse.co.uk/AboutUs/News/2013/September/LivingWage/>

PART TWO: DEVELOPING A FORMAL CAMPAIGN

The basis of a formal campaign and the number and nature of the partner organisations will depend on the particular circumstances in each Member State.

Publicising the Living Wage. Having calculated the Living Wage, it should be possible to publicise it through launching it in media and political circles. If positive prior contact has been made with policy makers, particular employers, trade union and other partners, it may be possible to launch the Living Wage with support from one or more of the groups. For example, a particular employer or arm of Government might have been convinced to announce its support for a Living Wage, this could therefore be combined with the launch to provide additional publicity.

The Scottish Living Wage Launch

The Scottish Living Wage was launched in a community centre in a deprived area of Glasgow in 2010. The venue was picked because it was in an area which would see major upheaval, as a consequence of the Commonwealth Games. The message was that the regeneration of this area of the city should include Fair Pay.

Glasgow City Council had been convinced to agree to be a Living Wage employer, and was therefore able to support the launch. The Living Wage figure was announced, and the methodology for calculating the wage was published.

A local youth project made a short film to show why the Living Wage mattered to young people in that area.

Formalising a campaign coalition. The work carried out in the previous year should have equipped you with solid knowledge about the organisations and partners interested in getting involved in a Living Wage campaign. Before you commit to a fully-fledged campaign, set up a campaign coalition comprising several partners. This will ensure credibility of representing several sectors and beneficiaries, it will help gain access to contacts and circles of each of the partners, and will ensure that resources are contributed in an equal way among coalition members. This is also the moment to invite friendly politicians and champions to join a more concerted effort to address individual employers and attempt to change their pay practices.

Approaching employers to change pay patterns. The calculation of the living wage figure in a particular country or region is essential, as it allows the campaign coalition to address an employer with a concrete figure and concrete demand. Through trade unions and workers' committees, it is possible to obtain relevant information about how much staff in a particular workplace makes less than the identified Living Wage, and then present employers with a concrete estimate of the costs involved to pay all workers on a Living Wage. When negotiating with employers, the visibility of the topic, previously achieved, as well as a list of other employers who are already accredited, are powerful arguments.

Educating employers. Many employers may already be interested in implementing a Living Wage, but may not be sure how to. It is important to reach out to such employers and offer support, through informational materials, as well as events and trainings on what Living Wage means, how it has been calculated, how it can be introduced, and what are the accreditation criteria to receive the Living Wage badge. This is another opportunity to publicise the campaign through media, and to invite champions and especially decision-makers to be involved.

Getting the public sector on board. Because it is not profit-driven, but seeks to promote the common good, public sector employers are key to be approached and persuaded to become living wage employers. They would thus set a powerful model to private sector employers. The argument should be made that all public sector employment should feature a Living Wage. A further step is trying to ensure that the public procurement chain also respects the Living Wage rule – i.e., argue that all publicly funded contracts should ensure that workers involved receive a Living Wage.

Educating consumers. One other option that has been suggested to both raise awareness on the concept, as well as modify employers' behaviour is through involving the consumers. On the fair trade campaigns model, consumers can be motivated to choose products and services of employers who are accredited as paying a Living Wage to all their employees. Social media campaigns to that effect are low-cost, but very effective. Public pressure, consumer behaviour and a decline in demand are important factors that employers pay attention to.

Winning legislative change. The Living Wage campaign, as it was developed in the UK/Scotland, is targeted at individual employers, rather than politicians, and seeks to change practice, rather than policy. This approach has the advantage of politicians being more prepared to join and support the campaign, as they do not feel directly targeted by it. However, structural change is legislation never ceases to be a medium- and long-term objective of the Living Wage campaign. Getting politicians and decision-makers involved is already a first step for putting the issue on the political agenda. Additionally, the more concrete success (accredited employers) and visibility Living Wage gain in practice, the easier it will be to lobby for legislative change. Seize policy opportunities in parallel with running the campaign on the ground.

Funding the campaign. In the early stages, such a campaign necessarily relies on the commitment and voluntary involvement of individuals and organisations. These are also the stages where a lot can be achieved at a low cost. However, as the campaign grows wider and more ambitious, so do the resources needed. It is important that all members of the campaign coalition contribute financially or in-kind (such as staff time), to share the initial burden. Progressively, other financing sources can be used, from crowdfunding and donations, to charging a fee to employers for the awarding of the Living Wage badge, or, later on, and capitalizing on first successes, applying for funding grants to continue the campaign.

An ever-changing approach. Such a campaign cannot be prescriptive in its approach, in a rapidly-changing political and economic environment. Regular assessments should be performed by the campaign committee, and decisions made to revise and update parameters such as the Living Wage figure, the accreditation criteria, potential partners, strategic approach.

POTENTIAL BARRIERS TO OVERCOME

In trying to argue for a Living Wage to be implemented by employers, and, ultimately, be codified into law, you might be confronted with sceptical questions about different stages of your process. Below, we review a few of the most common barriers encountered, and offer some solutions to respond to them.

Why is the demand so modest?

Living Wages are, by definition, less than we would wish to see afforded to each citizen. Whilst the figure will be above the Minimum Wage, it may fall below the Minimum Income Standard for certain types of households, and may even be below agreed 60% median poverty thresholds. It is important to agree that a Living Wage campaign is a reaction to specific prevailing economic circumstances, in which the immediate introduction of much higher Minimum Wages or Citizen Income style state payments is very unlikely. It is not necessary that any partner should abandon its longer term commitment to higher pay levels by joining the campaign.

Won't employers begin to use the Living Wage as a standard, possibly limiting the potential for higher wage rises in particular workplaces?

There is fear, particularly in trade union circles, that Living Wage might become the norm, a ceiling, rather than a floor, for decent pay. There is certainly evidence that this has occurred with the minimum wage in some cases. However, the fact that Living Wages are higher than minimum wages, and rise along with the cost of living, are significant advantages which should not be overlooked. Still, the risks associated with this underlines the importance of promoting trade union organisation and collective bargaining.

Can't increased pay be better be achieved by collective bargaining and sectoral pay agreements?

This is very often true, especially in areas where collective bargaining is prevalent. Trade unions should be encouraged to recognise that the Living Wage can be used as part of the bargaining process, or ignored where irrelevant (i.e, in cases where sectoral arrangements exceed the Living Wage for all workers). In areas where trade unions do not have bargaining coverage, the Living Wage can be used as a tool for organising and recruiting, or to limit the extent to which pay in the organised sector is undermined by the non-unionised sector. In cases where employers decide to introduce a Living Wage, trade unions will require to establish that this not at the expense of other terms and conditions. The Scottish Living Wage campaign would not accredit an employer without the express agreement of the trade union.