**EAPN TASK FORCE ON DECENT WORK**

***Towards an EAPN Living Wage Campaign***

Feasibility Questionnaire

What is EAPN’s Decent Work Task Force?

The objective of the Task Force is to elaborate a Concept and Feasibility Note regarding the implementation of an EAPN-wide Living Wage Campaign, and to prepare a Campaign Guide and other ancillary campaign materials to support members in implementing such an initiative. [The Scottish Living Wage Campaign](http://slw.povertyalliance.org/) will be used as a model, and the role of the Task Force is to see to what extent it can be transposed, as well as improved, for use across the EAPN membership. You can find all information about the Task Force, its mandate, its members, and its work [here](http://www.eapn.eu/en/members-room/task-forces/task-force-on-decent-work) (username: eapn; password: 1515).

What is the Scottish Living Wage Campaign?

As low pay still is a very real problem in Scotland, the Living Wage campaigns decided to take demands directly to employers and try to make a difference, building on the earlier success of such campaigns in London and elsewhere. The campaigns are based on a dual approach, combining lobbying employers, with the help of trade unions, with supporting grassroots organisations to put pressure on local employers to take ownership of the campaign. The campaign has proved remarkably successful: important institutions have become Living Wage employers, such as The Glasgow City Council, Scottish Enterprise (the agency responsible for business development in Scotland) and Employers in Voluntary Housing. The Glasgow City Council also started their own Glasgow Living Wage Campaign, signing up more than 130 employers as ‘living wage’ employers. The Living Wage has also been debated twice in the Scottish Parliament. As the target were employers and not the State, thus placing on the former the responsibility to fight poverty, it was easier to garner political support. The campaigns also helped forge new links between local community organisations, trade unions, faith-based organisations and other civil-society organisations.

What we need to know from you

For the elaboration of the Concept and Feasibility Note, the Task Force needs to collect some baseline information, regarding the current capacity of EAPN networks to develop and implement such a campaign, so that it can make pertinent recommendations regarding the adoption and adaptation of the Scottish model.

**Please take a moment to answer briefly the questions below:**

Questions:

1. **What level of support exists in your country for a decent/living wage approach?** Please refer to political context, but also employers’ attitudes.

Politically

There is limited focus in mainstream debate on this issue with the main focus on reducing the live-register and job creation with little focus on job quality of a decent living-wage. There may be an underlying fear that concentration on quality of work and wages will deter investment. However, the Minister for Social Protection has mentioned the need for a living wage on a number of occasions and the concept has been referred to by the Tainiste (Deputy Prime-Minister), Eamon Gilmore, at two recent national conferences of the Labour Party (coalition partner in government) but so far this has been relatively marginal to public debate.

Trade Unions have focused on protecting the National Minimum Wage and reinstating the Joint Labour Committee (JLC) process of collective bargaining/sectoral wage setting which used to function in areas know for poor conditions and precarious work which was dismantled recently after a legal challenge. It now has a legislative basis but the sectoral wage levels still have to be negotiated. While some unions have highlighted the issue of precarious work, in-work poverty there is no major focus on a living wage approach similar to Scotland. However, SIPTU, the largest trade union in the country representing workers in all sectors, has commenced a public campaign to increase wages across the economy as a key requirement to stimulate aggregate demand. In the initial phase, this involves firm-level bargaining and a focus on the restoration of pay rate in the low-pay sectors covered by Joint Labour Committees as part of an overall strategy to reach a Living Wage[[1]](#footnote-1).

Employers: Employers would immediately mobilise against a living wage campaign such as in Scotland. They will have to engage in sectoral negotiations based on the JLC process.

Community and Voluntary Sector (social NGOs): There are concerns among anti-poverty organsations at the issue of decent work and in-work poverty, including from organisations representing the interests of women and migrants and on setting decent income standards. Many would be supportive of a living wage campaign, but not necessarily one similar to Scotland focusing on a living wage amount targeting employers. A strong campaign by trade unions and social NGOs and the election of a new Government successfully reversed cuts to the minimum wage in the early years of the crisis and the Troika programme. The main issue for NGOs, therefore, is not so much low wage levels as the prevalence of precarious work, ‘zero hours contracts’ and involuntary part-time work, leading to poverty and an extra burden on welfare services to ‘top up’ low income among working families.

**2. What is the state of collective bargaining in your country** – what is the coverage? Are agreements binding or optional? Are they at sector or company level? Do they cover workers in traditionally low-paid sectors?

Social Partnership – Collective Bargaining

Since 1987 Ireland has had a tradition of centralized wage bargaining through national Social Partnership agreements. This involved agreement between the major employer organisations, most large Trade Unions and Government (a significant employer). This covered wages in all sectors and was to create labour market stability. It usually presented a timeframe for wage increases. Social Partnership agreements also addressed other workplace reforms. In 1999 the Community and Voluntary Pillar became part of Social Partnership but played no role in centralised wage bargaining.

The latest social partnership agreement Towards 2016 (2006-2016) still exists but social partnership effectively ended in 2009 with the beginning of the crisis as pay fell across most sectors and the Government cut public sector salaries. Since then two specific agreements for public sector pay and conditions have been put in place.

National Minimum Wage

Ireland has a National Minimum Wage currently set at €8.65 for those 18 years and over and a separate rate for those under 18.

Joint Labour Committee - Collective Bargaining

Ireland also has a mechanism for collective bargaining for wages and conditions for categories of workers on low paid sectors. These wage levels, which are all above the National Minimum Wage, are set by Joint Labour Committees (JLCs) following negotiations between the relevant employers and trade unions. The agreements on wages and conditions set by the JLCs are called Employment Regulation Orders (EROs) or Registered Employment Agreements (REAs) and once agreed by the employer and workers representatives are legally binding and enforceable through the Labour court.

However, in 2011 employers successfully challenged the legal basis for the JLCs and new legislation had to be introduced in 2012 for them to be re-established. The new legislation introduced some changes to the older system and will cover workers in the following sectors:

* Agricultural Workers
* Catering
* Contract Cleaning
* Hairdressing
* Hotels
* Retail, Grocery and Allied Trades
* Security Industry Negotiations

The Joint Labour Committees have still not concluded negotiations on the actual wages and conditions (EROs and REAs) for any of the sectors. it is expected that there will be resistance from employers to even come to the table to negotiate enhanced rates. For instance, the Hotels Federation is particularly reluctant. In the meantime only the National Minimum Wage sets the floor for wage setting while some workers are on the legacy sectoral rates because employers are bound by the terms of individual contracts of employment or because of negotiation at company level or by virtue of accepting the need to do so in order to retain experienced/motivated staff

The new legislation makes it easier from employers to claim inability to pay the wage rates set by the JLCs for their sector.

Other

There is also an increasing trend towards non-unionised workplaces and sectors, particularly in low-paid casual sectors.

**3. What are your ideas about how to come up with a concrete figure for a living wage?** Has work in this sense already been done in your network/country that you could build on?

There is not agreed position on the setting of a living wage figure higher than that set through the existing National Minimum Wage or Joint Labour Committee collective bargaining mechanism.

However, work done by the Vincentian Partnership for Social Justice (VPSJ) which develops Minimum Income Standards of Living (Consensual Budgets) for Ireland has shown that for most household types the current National Minimum Wage level is not sufficient to meet expenditure needs. This varies depending on many factors such as whether there are children in the family and their age, whether they live in an urban or rural area, the cost of their housing etc.

The Vincentian Partnership for Social Justice (VPSJ) has recently produced a concrete living wage hourly figure. It presents an hourly figure well above the National Minimum Wage level. Similar to the UK it is based on the averaging of hourly needs of different family types. A key element of the living wage needs of households is related to childcare and housing costs. They are clear that this is to stimulate discussion on the issue. There are a number of concerns to address and the debate on this approach is too new to have achieved any consensus.

However, a key issue in Ireland is not just about the adequacy of the current hourly wage level but how this interacts with other issues such working hours over a week (including precarious work) and also access to social protection where the weekly amount is inadequate to provide a decent weekly income for the worker and their dependents etc.

**4. Who do you think could be useful allies in such a campaign?**

* Trade Unions are an obvious ally.
* NGOs representing those who are often in unpaid work including migrants and women.
* Socially conscious employers
* Academics and friendly economists
* Political parties and politicians committed to workers’ rights and social inclusion
* Employers in the better paid and more responsible businesses worried by undercutting by low wage employers
* An outside chance might be Social Protection Ministers where low paid workers, or workers in low income families, are accessing social welfare supports to supplement their wages.

**5. What obstacles can you already foresee** – in terms of your networks’ capacity to implement such a campaign, or other?

* A challenge will be getting an alliance which would be committed to a common approach i.e. a campaign for a higher living wage hourly rate or/and a campaign on precarious work and interaction with social welfare supports. The second of these would be easier to develop an alliance around than the first. There would be much more opposition from employer organizations and politically to a higher hourly living wage rate.
* A high level of resources is needed to progress a voluntary campaign with employers and currently NGOs are very under resourced.

**6. Does your network have a track record in implementing campaigns, including EAPN ones?** What resources (time, staff, connections, alliances, other) does your network have?

* EAPN Ireland has not participated in a campaign similar in size to that in Scotland. The main campaigns we have engaged in are shorter term campaigns that required low levels of resources e.g. The Poor Can’t Pay Campaign.
* The network has good links with Trade Unions and other potential allies but has limited resources to contribute to a campaign.

**7. Anything else to add?**

Please return this fiche, filled-in, to [amana.ferro@eapn.eu](mailto:amana.ferro@eapn.eu), by **Friday, 21 February 2014.**

*Thank you in advance for your cooperation!*

1. See news articles in Liberty Newspaper and other press items. [↑](#footnote-ref-1)