

Key intervention: Initiative on living wages

Thematic Area of the Coalition	<i>Providing protection and building resilience</i> Partners contributing to this thematic area seek to improve standards of living, strengthen the resilience of individuals, communities, workers and enterprises to crises and enable them to cope better with fast-paced transformation. It entails, notably, bringing about universal social protection through the development of social protection systems, including floors, with special attention being paid to universal health coverage. It also aims to advance protection at work for all, through adequate wages, improved working conditions and protection against work-related injuries.
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1. Background and context

In recent years, there has been a sharp increase in the number of living wage initiatives, including the UN Global Compact Forward Faster initiative as well as many other initiatives. This intervention will provide a platform for the ILO to interact with partners, with a view to exchanging information and promote the alignment with ILO living wages principles agreed in the Conclusions of the meeting of experts on wage policies, including living wages, held in February 2024. In doing so, the intervention will seek to promote convergence of living wage estimations with the agreed ILO principles to estimate living wages, and the operationalization of living wages within the broader wage-setting process based on ILO principles of wage-setting, including the role of collective bargaining and tripartite social dialogue, consideration of both the needs of workers and their families as well as economic factors, and taking into account the root causes of low pay. The intervention is directly related to the Article 15b of the Conclusions of the meeting of experts (“engaging with living wage initiative to promote alignment with ILO living wage principles”) and Art 15g of the Conclusions (“promoting the outcome from the tripartite meeting of experts in the multilateral system, and through partnerships with other UN bodies, including through the Global Coalition for Social Justice”).

2. Collective ambition and rationale

Considering the heterogeneity of living wage initiatives, their growing number worldwide, and the fact that many initiatives do not fully take into account ILO principles, ensuring convergence with ILO principles is necessary to ensure that these initiatives reinforce ILO principles rather than undermine them. The overall ambition is thus to promote convergence of living wage initiatives with ILO principles. By aligning with ILO Conclusions and principles, living wage initiatives can contribute to and inform an evidence-based social dialogue for wage-setting. Decent wages are central to economic and social development, and essential in reducing poverty (SDG 1) and inequality (SDG 8), as well as in ensuring decent work and economic growth (SDG 10) and in ensuring a decent and dignified life and advancing social justice.

3. Actions and expected results

- Disseminating ILO Conclusions of the meeting of experts on wage policies, including living wages and raising awareness of ILO guidance on wage policies

- Promoting the ILO Conclusions in the multilateral system and through partnerships with other UN bodies
- Learning from the experiences of governments, social partners and living wage initiatives in estimating and operationalizing living wages in line with ILO Conclusions
- Exchanging information on existing living wage initiatives and activities, including ILO work.

4. Partners' contributions

- Sharing information about their living wage initiatives, engaging in activities to seek alignment with the ILO principles, and sharing their views on opportunities, needs and challenges in estimating and operationalizing living wages in line with ILO Conclusions