

the right thing to do

Michael Fitzsimons talks to John Ryall about the Living Wage Movement and why it is moral argument rather than legislative force that is critical to its long-term success.

Michael Fitzsimons

John Ryall, National Secretary of the Service and Food Workers Union, is a champion of the Living Wage movement and is impressed with how it has evolved.

"I think what is different about the history of this movement from other progressive movements is that it doesn't just complain about injustice, it doesn't just say, 'inequality is bad, the government should do something about it'. It is a way of working positively with employers, introducing a concept and working towards implementation. It's saying that inequality is bad for everyone, not just the poor but the rich too, in terms of the society we want.

"Let's start with the concept that the wage you get for work should be enough to give you a standard of living by which you can participate in society. Participation means not having to work 70 hours a week, being able to attend school functions, or your church on Sunday. These are values we've shared a long time in this country, but like the rest of the world we lost them in the 80s."

living wage needed

The Living Wage is currently set at \$19.25 per hour, significantly more than the minimum rate of \$14.75 per hour. The amount has been calculated by researchers from the Family Centre Social Policy Research Unit, and is based on the needs (food, transportation, housing, childcare etc) of a symbolic "average" family with two children and two adults, one adult working full-time and the other half-time. It is the income necessary for real people to lead decent and modest lives and is broadly applicable to all workers.

Being paid the Living Wage would be a big step up for hundreds of thousands of New Zealanders who are currently in the workforce. Figures from 2013 show that 47 per cent of Maori workers and 55 per cent of Pacific Island workers are on less than the Living Wage. Nearly 230,000 young workers are paid below the minimum wage of \$14.75 per hour.

In New Zealand it is accepted that the wages hundreds of thousands of Kiwis earn are insufficient to live on. To varying degrees, successive

governments of different political hues have subsidised low-income wages through tax and benefits transfers. It's an arrangement we have grown accustomed to, despite its not working very well. Even with the top-ups, one in four children in New Zealand deemed to be living in poverty has a fulltime wage-earner in their household.

The Living Wage movement is about changing that depressing reality. The very simple idea that people should be able to live on what they earn is striking a chord, here and internationally.

uptake in UK

In Britain, Citizens UK have mobilised a large amount of support for the Living Wage movement.

Says John: "Citizens UK got thousands and thousands of people active, and the London City Council to adopt it. They got the backing of quite conservative politicians — the current mayor Boris Johnson is a big supporter. He goes out every 12 months to announce the Living Wage increase, surrounded by both corporates and community organisations. Even Prime Minister David Cameron commented that the Living Wage was an idea whose time had come.

"Another big breakthrough in the UK was the London Olympics. Citizens UK has been active for a long time and around half of UK city councils are Living Wage employers. When the Olympics arrived people said they wouldn't support the rebuild of East London unless the Olympic Committee agreed that everyone who is contracted to the Olympics was a Living Wage employer. So they agreed, and you had the Hilton Hotel chain, Holiday Inn, McDonalds, everyone who wanted the London Olympics sticker in their window, all sign up to



A delegation of Wellington faith, community and union leaders in 2013, preparing to present to the Wellington City Council on the need for the Council to become a living wage employer.

it. It's been a struggle to keep some of them maintaining it since, like McDonalds, but it gave the movement a shot in the arm."

movement active in NZ

It's less than three years since the movement began in New Zealand and progress has been encouraging, says John Ryall. "Overseas movements have taken a long time to get where we are at."

Living Wage Aotearoa New Zealand has groups in Auckland, Hamilton, Palmerston North, Wellington, Christchurch and Dunedin. It has a board, with representation from the unions, faith-based groups and community organisations. The Wellington City Council decided last year to pay its directly-employed staff the Living Wage, the Christchurch City Council has asked for a report on the cost of implementing it for their city and the majority of the Auckland city council boards have endorsed it.

Surprisingly perhaps, small businesses are leading the way in becoming Living Wage employers, says John.

"Maybe it's because smaller businesses are closer to the ground, or less corporately driven, with more family involvement. We have groups like Thames publishers in Wellington, a family printing business, and the Mexican restaurant La Boca Loca in Miramar, which I think does it because they like the concept associated with their business. There are a number of other small businesses on the road to it — it's the larger ones we have more difficulties with."

Cereal manufacturer Hubbards has agreed to become a Living Wage employer within three years and the Warehouse, while not an accredited living wage employer, can see the benefits in adopting part of it.

Generally, though, businesses don't want to be leaders, says John. And neither do the politicians who, though they can't argue with the concept, don't see it as their priority.

"Phil O'Reilly, the head of Business NZ, has said that the only responsibility



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of business is to pay the market rate and create jobs where possible," says John. "That's their only moral obligation. We think that's a pretty low bar. Overall it has been the church people and faith-based groups that have been the most active around this issue, with the Anglicans being particularly active.

living wage a just wage

"The key concept of a Living Wage corresponds with Catholic ideas about the 'just wage', which has been Catholic social teaching since the *Rerum Novarum* encyclical in 1891. We'd be pretty happy if the Pope and the Bishops Conference here in New Zealand supported it."

Of course churches can feel challenged by the idea of a Living Wage because they operate as business organisations too, and in many cases are not Living Wage employers.

"The Catholic Church runs a whole lot of schools, for example, which are not Living Wage employers. We've

Stages of Involvement

1. Organisations sign up to say they agree with the concept of the Living Wage
2. Organisations become an official member of the Living Wage movement. This includes a small fee and allows you to receive news, notice of meetings and upcoming campaigns.
3. Employers go through a process to become accredited Living Wage employers. They receive a registered logo that can be used in company promotions.

had boards of trustees interested, but only a couple of them have picked up the living wage. We ask all boards to explore the concept. A lot of retirement homes are Catholic, Presbyterian, or Anglican-run, too, and they struggle to pay the Living Wage because of their government funding.

"But becoming part of the movement allows them to work closely with other organisations to build up momentum with funders. If you can't do it now, make it your goal. Get into a moral and ethical discussion with your funders. Churches should be leaders on this issue, and they shouldn't just be quiet because there's a Catholic school that doesn't pay the Living Wage. This issue is a part of Catholic social teaching, and even if not all Catholic organisations are doing it, the idea is out there that it's the right thing to do."

sharing the value

Right now the big drive is to mobilise a lot of people around the moral argument that people should be able to earn a wage that they can live on. The question is whether you want to be a good citizen and a good employer, or not.

"The Living Wage movement is not going to be an industrial arm-wrestle because the people mainly affected by it have no industrial power at all. The purpose of this movement is to create a climate where the concept of the Living Wage and its philosophy can become a shared value.

"We are patient. We'll keep putting it on the agenda and get more and more people involved. Our model here in New Zealand is the anti-nuclear movement. Everyone is proud that we're nuclear-free, but we forget that that started off as active groups of people persuading councils to become nuclear-free cities and towns. People might have thought that Nuclear Free Wellington sign by the airport was pretty stupid, but it got people thinking, and its time came pretty quickly." ■

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