

# Living Wage

## Aotearoa New Zealand



## A Living Wage: Where it All Began

It is no surprise that churches and unions are among the voices calling for a Living Wage. In the nineteenth century churches and unions were vocal in their call for a Living Wage. Even business owners in England argued that efficiency depended on a Living Wage so workers could be active citizens.

In 1891 Pope Leo X11 said the State should guarantee a Living Wage; and, in 1931 Pius XI said wages had to be sufficient to support both workers and their families.

In the 1870s Sidney and Beatrice Webb argued for trade unions to push for a Living Wage that would provide food, shelter and clothing for the family. The union movement's fight for a family wage in the early 20th century was to ensure the needs of workers and their families were met.

In 1894 British politician and industrialist Mark Oldroyd argued that a Living Wage had to be "sufficient to maintain the worker in the highest state of industrial efficiency, with decent surroundings and sufficient leisure."

The first legislation on a minimum wage covering

all employees in New Zealand was enacted in 1945. The Government conducts a review of the statutory minimum wage annually. The object of this review is to "balance the protection of the lowest paid with employment impacts." What does this mean? In 1946 the minimum wage was 83% of the average wage but in 2012 it was only 53%.

The statutory minimum wage is not a living wage. Living Wage campaigns share common features. They:

- Aim to reduce poverty
- Target groups of low paid workers
- Work best when communities and unions work together
- Say wages should be based on need and not left to the market
- Win wages that are higher than the statutory minimum wage
- Influence the use of public money to support living wages
- Also call for employers to voluntarily pay a Living Wage

## THE ROOTS OF OUR MOVEMENT

The use of the term "Movement" is very deliberate. At present, the Living Wage Movement Aotearoa New Zealand is campaigning for a Living Wage but that is only its initial task - once the campaign for a

Living Wage is concluded, the movement will go on to work on other issues that impact working family incomes.

The Movement has drawn heavily on the experience of the Industrial Areas Foundation in the United States, which is widely regarded as doing the best grassroots organising in the United States. Former Industrial Areas Foundation Executive Director, Edward T. Chambers, in *The Power of Relational Action* says:

***Power in our society does not just come from the concentration of wealth on Wall Street, the dictates of great governmental agencies, the barrel of a gun, or the fanaticism of a terrorist in the cockpit of a plane. Power can come from the habit of building new public relationships... The best and most effective organizing – in schools, in corporations, in unions, in congregations, in politics, anywhere – still starts when people rediscover the habit of doing individual meetings well and then consistently doing them. The right public relationship...is everything.***

The Movement has worked closely with the Industrial Areas Foundation to learn from its experience and ensure that the Movement is as effective as possible from its inception and so it can progress implementation of the Living Wage in New Zealand as speedily as possible.

Annual residential training increases capability; it makes leaders more confident; and develops the organisation's ability to participate in public and political life. It unites diverse organisations around a Living Wage through the kinds of practices that

build a sustainable, broad-based organisation. The skills people learn in the Living Wage Movement are taken back to their communities and used in other campaigns, thereby building political power and effectiveness in those communities.

The strength of this approach and its immense impact on people's lives is clearly illustrated by the feedback provided each year about the Living Wage residential training programme. See research by Catriona MacLennan at [www.livingwage.org.nz](http://www.livingwage.org.nz)

Comments from participants included:

***The training changed my life. It had a massive impact on me, not only for my organisation but in my personal life as well.***

***The most valuable part was hearing the stories of people from other organisations because it opened my eyes to how we are all going through the same things but on different levels. It made me appreciate community more.***

***I came away with so much information that I am now using both in my work and my personal life. In both my work and my personal life I now plan and timetable. The training removed everything I had known and I've since restructured the way I live my life.***



The Living Wage Movement's leadership training programme and the ongoing participation in events and actions is nurturing leaders all over New Zealand – and these are frequently people who would not otherwise have the opportunity to be leaders. In turn, this empowers the people's communities – which consist of some of the most marginalised and underrepresented sectors in the country.