

THREE INSIGHTS THE BUSINESS AND SOCIETAL CASE FOR LIVING WAGES

DATE: **WEDNESDAY 23/06**

THEME: **LIVELIHOODS**

FORMAT: **WEBINAR**

SPEAKERS

■ **Rachel Cowburn-Walden**, Global Director
Human Rights Stewardship, Unilever

■ **Mari-Lou Dupont**, Senior Manager, Decent Work
and Social Sustainability, UN Global Compact

■ **Shaheen Hashmat**, Senior Project Manager -
Global Living Wage, Living Wage Foundation

■ **Jordy van Honk**, Global Director Agri Commodities -
Cocoa/Tea/Coffee, IDH, The Sustainable Trade Initiative

Moderator:

Zahid Torres-Rahman, Founder and CEO,
Business Fights Poverty

IN THIS WEBINAR, OUR PANELLISTS DISCUSSED WHY PAYING LIVING WAGES IS CRITICAL FOR BOTH EMPLOYEES AND EMPLOYERS, HOW LIVING WAGES ARE LINKED TO REBUILDING BETTER, AND THE IMPORTANCE OF COLLECTIVE ACTION TO GUARANTEE LIVING WAGES ARE PAID.

OUR SPEAKERS TOUCHED ON TOPICS RELATED TO THE MULTIPLE BENEFICIAL EFFECTS OF PAYING LIVING WAGES, HOW LOW PAY IS CONNECTED TO HUMAN RIGHTS VIOLATIONS, AND WHY CROSS-SECTOR PARTNERSHIPS CAN BE EXTREMELY USEFUL TO ENSURE THE IMPLEMENTATION OF LIVING WAGES.

KEY INSIGHTS

1 PAYING LIVING WAGES MUST BE HIGH UP IN THE BUSINESS AGENDA

Our panellists started the conversation by explaining why companies must pay living wages across their operations and work with partners to guarantee the same policy throughout their supply chains. Shaheen Hashmat pointed out that living wages not only increase the ability of workers to consume, they also improve perceptions of organisational justice, contribute to making offices and plants respectful places, and diminish the stress level of employees. In addition, research has shown that living wages are conducive to faster economic growth and that they can help with the achievement of eight SDGs. Therefore, Jordy van Honk argued, as the connection between living wages

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and inclusive economic growth becomes clearer, many CEOs, policy experts, and investors are working to elevate living wages to the top of business agendas.

2 TO REBUILD BETTER, COMPANIES MUST COMMIT TO PAYING LIVING WAGES

Mari-Lou Dupont reminded us that paying living wages is an extremely effective action against poverty and is fully in line with promoting sustainable practices across business operations. Private and public actors must recognise that the links between low pay and human rights violations are real. Workers that lack decent work are more likely to have their children enter the labour force, and their entire families are more likely to experience conditions of forced labour. Besides, Rachel Cowburn-Walden stressed that situations of working poverty, when an employee is not paid a fair wage, make no business sense. Companies that do not pay living wages incur reputational costs with workers, customers, and suppliers. Moreover, multinational corporations cannot contribute to tackling the climate crisis and the rise in inequality if they are unable to promote social justice within their own businesses.

3 COLLECTIVE ACTION IS VITAL TO ENSURE THE IMPLEMENTATION OF LIVING WAGES

Our panellists agreed that companies face many challenges to guarantee that living wages are paid throughout their supply chains. For instance, there is no legislation in some countries (and therefore no enforcement) about minimum wages, and in some sectors the possibility of paying low wages is still understood as a competitive advantage. Our speakers remarked that it is a promising first step to see companies making commitments

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about the importance of pushing for living-wage policies to reach the whole economy, and to see senior executives openly acknowledging the same. Companies can be powerful policy advocates, can start collecting and publishing data on wage gaps, and can support partnerships with governments, unions, and international organisations to ensure living wages are implemented and monitored around the world and across all sectors.

RESOURCES

- [OHCHR and Business and Human Rights](#)
- [Become a Living Wage Employer](#)
- [Decent Work in Global Supply Chains](#)
- [Unilever Commits to Help Build a More Inclusive Society](#)