

ILO reaches historic agreement on living wages.

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Earlier this month, an agreement was reached in an ILO meeting of experts, made up of representatives of governments, employers, and trade unions. The agreement defines living wages and proposes a methodology for setting and applying it worldwide.

The ILO will be responsible for providing information on the subject, publishing guidelines on wage setting, developing a framework for evaluation and promoting technical assistance to governments, employers, and trade unions in wage determination processes.

The main principles for wage-setting practices should be the following:

- (a) Collective bargaining and/or statutory minimum wage fixing through tripartite social dialogue should be the proper modality for setting and adjusting wages.
- (b) Collective bargaining, underpinned by freedom of association, is an important mechanism for determining wages. Good faith collective bargaining aimed at reaching mutually acceptable agreements can result in a more equitable distribution of economic growth. A strong and well-informed collective bargaining process requires that all social partners have access to the same information.
- (c) Both the needs of workers and their families as well as economic factors should be considered in setting wages.
- (d) Wage policies and wage-setting mechanisms should promote gender equality, equity, and non-discrimination.
- (e) Adequate wage policies require representative data, timely and reliable statistics.
- (f) National circumstances and root causes of low pay should be taken into account.

ILO's Governing Body has authorised the Director-General to publish and disseminate the agreement.

ITUC General Secretary Luc Triangle welcomes the agreement of the ILO as a major victory for working people after 80 years of neglecting the importance of living wages. - For too many workers, wages are insufficient to lift themselves and their families out of poverty, let alone secure a dignified livelihood. The new agreement marks an important step towards international action to deliver living wages and marks a leap forward in social justice.

Edited by industriAll Europe.