

The Living Wage Campaign: Collaboration in Practice

Paper to the Public Health Association Conference 2013



Introduction:

Participants at last year's 2012 PHA Conference supported the adoption of a Living Wage as a measure to improve equity for children. The implementation of a Living Wage requires partnership as faith-based communities, community organisations and trade unions come together to work collaboratively to influence employers and business to address poverty and eliminate low wages through practical and non-statutory means.

This presentation examines the history of the Living Wage, its establishment in New Zealand; presents through personal stories the driving force behind the Living Wage and looks at how collaboration work in practice in the Living Wage alliance and campaign .

1) History, research, reasons

History

Following its strong establishment in the United Kingdom, Canada and the United States, the Living Wage campaign was launched in New Zealand in 2012. The Living Wage (LW) movement promotes the concept of a wage that is fair and is an adequate level of income that meets basic needs to be met and enables a dignified life. Living Wage Aotearoa is an alliance of 200 community organisations; faith based religious groups and trade unions. What is a LW and why is it necessary?

The Living Wage Aotearoa New Zealand uses the following definition:

A living wage is the income necessary to provide workers and their families with the basic necessities of life. A living wage will enable workers to live with dignity and to participate as active citizens in society.

Establishing a Living Wage figure

In February 2013, following a research process undertaken by the Family Centre Social Policy Research Unit, a LW figure of \$18.40 was announced. A LW is distinguished from a poverty or income hardship threshold.

To calculate the LW the researchers took a householder of 2 adults and 2 children (the most common NZ family size). The household was assumed to have 2 income earners; one working full time and the other half time. The researchers undertook focus groups and secondary research to establish the LW. The process calculated that a total gross income of 1.5 incomes of \$57,432 was required to meet the estimated household income for the family. This in turn produced an hourly rate of \$18.41. Two caveats were recognised: that regional variation exists and secondly that the calculation of the hourly rate is set on existing

support entitlements and if any of these changes this would affect the calculation – either up or down.

Why a Living Wage?

A LW movement has been established because the statutory minimum wage of \$13.75 is insufficient to provide for meeting basic needs. The LW movement was initiated by the Service and Food Workers Union (SFWU) – a union representing low paid workers because the employment law does not provide low paid workers an adequate income. This is both because of the lack of power among this workforce, which is precarious in every sense, and also because of funding contracts which are at arm’s length from the workers, who are contracted out or employed in organisations that are essentially funded by government, such as aged care workers.

Context

The context for the LW is:

- 270,000 New Zealand children live in poverty – one in six of those is Pakeha, one in four Pasifika and one in three Māori
- 90, 000 plus workers are currently on the minimum wage of \$13.75 and more than a 31% of all waged workers earn less than \$18.40 an hour (573,100 people)
- 40 percent of children living in poverty come from families where at least one person is in full time workers or self-employed.
- New Zealand is now one of the least equitable countries in the OECD with high inequality levels. The wealth of the richest 150 people in New Zealand grew by 20% in 2010 while wages moved less than 2%.
- People are concerned about the destructive effect from inequality in New Zealand
- The compelling evidence of the cost of inequality (see The Spirit Level) that a more equal society is better and has fewer social problems and better quality of life for all.

The cost of low pay to society

As Deborah Littman¹, UK and Canadian Living Wage campaigner says, “ Low wages and uncertain incomes also have hidden costs:

“You have your low-paid cleaner, she has children – because of the low pay she receives she can't feed them adequately; those kids go to school without breakfast; they have less of an attention span, they get sick more often ... people are doing two or three jobs and they're not around for their kids and [so] they get ill”.

Society pays for this in the form of increased child poverty, reduced participation from people in their communities, greater levels of debt, poorer health and educational outcomes because of family instability, and weaker local economies.

¹ Littman, D. (2013). *Battle for a living wage: Campaigner says mind-set shift needed to accompany monetary leap*, New Zealand Herald, 14 February, 2013.

2) Case studies of people on low wages

The following section profiles workers living in New Zealand on poverty wages and are typical of the many stories that have been told to Living Wage Aotearoa as the movement has gathered force and achieved public impact. These stories are a powerful way to inform the LW movement and the broader society of the reality of people's lives who live on low incomes and their struggles. Enabling workers to tell their stories can also be empowering for them.

Peniata

Peniata is 17 yrs old and in his final year at college. He gets paid \$13.85 an hour and works 20 hours a week, cleaning from Monday to Friday with his mother Emma, who works 35 hours a week on the same rate. He does his homework when he gets home at 10pm and gets up early the next day to go to school.

Peniata says he has no choice about working long hours because he has to help his mother look after the family and still they struggle to get by. His money helps pay school fees, school uniforms, and stationary for the two younger children. He says if they had a living wage they wouldn't miss out on school trips and he could take up music lessons and study at university.

Palutea Tafolo

Palu is employed by Spotless cleaners at Owens-Illinois (O-I) New Zealand, which manufactures glass bottles. However, she has been off work since December when she tore a muscle in her forearm while cleaning. She has not been compensated for her injury and times are getting tough. "I have nothing and I'm struggling."

Before she was injured, Palu worked 30 hours a week and earned \$14.05 an hour. Her partner, Filipe, also works 30 hours a week for O-I and makes the same wage. Both of them want more hours, but have not been able to get them.

Palu liked her work but found it very physically demanding. "I think the job is too much. The specifications they gave us are too much for the hours allowed." What made her work especially difficult was that she was dealing with oil, a by-product of the glass-making process. "The oil is mostly from those who process the glass bottles. When they come out, they are all dirty from hair to boots. They touch everything – tables, computers, walls, doors, and it's my job to clean it. It's just a mess!" And cleaning oil is totally different from cleaning dirt. "It's like mud," Palu says. "If you reach out with a cloth to wipe it away, all you do is move it around. You have to dig in to clean it. I sometimes told my supervisor that when I go home and lie down to go to sleep, I feel like I'm not alive because of how tired I am from the job."

Palu and Filipe live with their four adult children who do factory work and make \$13.50 an hour. None of them can move into their own flats because of the high costs of rents and utilities. The family's rent is \$390 a week. Palu receives \$5 per week subsidy from WINZ. She does the family grocery shopping and usually spends \$200 a week. Recently, the family went to the bank to see if they could afford to buy a house together. "I could tell from the eyes of the loan officer that even with all of our incomes, it was not enough."

Tamara

Tamara is a community support worker who provides home help. She is also a solo mum. She's been working in the sector for over 11 years. Tamara has a teenage daughter. and two cats. Tamara's work requires skills and patience. "These are the kinds of difficulties I face in my everyday work: People still asleep, not wanting help, wanting more done than I am allowed, the office ringing me about cover or new clients... People have heart attacks, need to call an ambulance, notify the office - and it's happened to me. It's all in day's work! "At the same time I have family demands; and all this for \$14.80 an hour. I haven't had a pay review, let alone a pay increase for five years. We are really struggling to get by."

Maliki

Maliki Rahman cleans at Wellington City Council. He is paid \$13.85 an hours. Maliki came to New Zealand with his wife Arifatul Ariff from Malaysia two years ago with their two children who are seven and nine. Now they have a little girl, one year old Amni Maisarah.

Maliki enjoys living in New Zealand. Arifatul is a student and she receives an allowance from the Malaysia government but the high price of living in Wellington has been a shock especially on a cleaner's wage. Money is tight and with power and other household concerns costs always going up, bill are always a concern. With winter there is heating and hot water to pay for. We need to make sure the children are warm. Arifatul and Maliki try to give their children health food but money is stretched. Arifatul agreed they are happy in New Zealand but no one could deny that cleaners' wages are too low. "We're not complaining. We just want what's fair" she said.

Moli Fataua

SFWU member Moli struggles to make ends meet every day. Moli is raising six children on a cleaner's wage. For the last year she has been on \$13.85 an hour, but was recently promoted to supervisor and earns \$14.50. She says this is not enough to support her four children – aged from 4 to 17.

"I work full time but I am broke," she said. "Every day is a struggle to provide anything for my children." Moli said the family can only afford to eat vegetables once a week on pay day. "Otherwise all I can afford is bread and noodles and I have to ration how much I give my growing children."

The family sleeps together in the lounge at night – the only time she uses the heat pump.

"It is heart-breaking when your child tells you they are sick or hungry or cold but you can't do anything about it," she said.

3) Building a broad-based alliance for a Living Wage

A survey of civil society groups

*“Democracy is revitalised through an organised voice in civil society”.*²

The Living Wage campaign in New Zealand has brought over 200 faith-based, community groups, unions and employers together in cities and towns in New Zealand to work and implement a Living Wage in New Zealand workplaces, businesses and communities.

Working in coalition:

The LW campaign strategy was adopted by the SFWU after looking at the international experience of building a broad based coalition and developing principles from that experience and the union’s own values. These included:

- the importance of a non-party political stance by the coalition
- the joining of groups or organisations rather than individuals
- the need to build local organisation around local relationships and issues
- the importance of a community organising model that builds sustainable relationships across civil society rather than rallying groups around an issue
- equal ownership of the Living Wage concept by community, faith and union groups
- the creation of a separate identity for the Living Wage campaign so it was firmly grounded in a broad-based community alliance.

The new movement, Living Wage Aotearoa New Zealand, is a broad-based alliance of union, community and faith groups. Working across civil society toward a common goal is not usual in this country and so the reasons why diverse and often financially-stretched organisations have embraced a new approach to reducing poverty and inequality are worthy of exploring. Fourteen organisations responded to a survey consisting of five questions:

1. Why was your (Union/ faith based group/ or NGO) prepared to work together in this campaign to work in this way?
2. What are the considerations if you join in a broad based community based campaign requiring partnership?
3. What are the benefits from working in this way?
4. What are the risks
5. What are the challenges?

There are four themes drawn from these responses that provide some insight into the organisation’s participation in the alliance. These themes can contribute to a debate about the factors that might support a successful broad-based alliance. Firstly, respondents presented the interests of their organisation as a driver in engagement with the alliance; secondly, the values of each organisation were aligned with the values of the Movement; thirdly, the development of trusting relationships was fundamental to their perception of a successful alliance; and fourthly, working collectively

² Union respondent

provided opportunities for building power within and across the organisations as well as the possibility of achieving goals of social change.

1) Attending to interests

The principle of equal ownership by community, faith and union groups depends on each organisation being able to serve its own interests through the new relationships and activity generated in coalition. All participants in the survey talked about their interests as organisations and the relevance of these interests to the Living Wage Movement. It could be expressed as commitment to the public service, fairness at work, reducing income inequality or delivering better health outcomes. From a faith perspective one respondent said:

“Theologically, we believe that God is already present in the world, calling us to join with other people of good will to work for social justice”.

The different but relevant interest of unions was expressed in the following way:

“With the LW [Living Wage] campaign, unions have the opportunity to significantly augment their efforts to raise living standards and build relevancy with broad tracts of the (un-organised) community as a force for fairness and justice at work and beyond”.

A community representative articulated their interests as:

“Our members see health in the broadest sense. This means taking a holistic approach to primary health care. We view pushing income and employment [concerns] as integral parts of a person's overall well-being”.

While each organisation is secure in its own purpose they were also confident of the alignment with the interests of others. In fact, involvement was predicted on this alignment for one group:

“We tend to make decisions about issues and involvement depending on an emerging common mind of the nature of a form of oppression, a desired outcome, and with whom we can therefore form any degree of partnership. Faith group respondent”.

The next section explores the importance of the theme of shared values in the development of the broad-based alliance.

2) Aligning values

“We tend to make decisions about issues and involvement depending on an emerging common mind of the nature of a form of oppression, a desired outcome, and with whom we can therefore form any degree of partnership.” Faith group respondent

The alignment of values is a strong driver of engagement in the broad-based alliance emerging to campaign for a Living Wage. For each organisation there were strong links between the respondent's organisation's values and the values of the alliance.

One Union respondent said: “The aims and objectives of the Living Wage movement align perfectly with those of the union movement.” A Faith group comment was that this was “consistent with our Church teachings” and a community organisation said: “Addressing health equity for our vulnerable

communities remains our key focus. This vision resonates with the LW [Living Wage] and LW [Living Wage] partners.”

Participating organisations are not profit-making businesses, they are often stretched for resources and most of those surveyed identified the importance of adequate resourcing for success, or the risk of failure because of inadequate resourcing. In the light of this, the shared values between the organisations is likely to be more than just a consideration in the decision to be involved in the broad-based alliance but the glue that holds the network together. That glue is likely to be ineffective without strong functioning relationships. The importance of relationships to a successful alliance is the theme of the next section.

3) Investing in relationships

“Broad-based campaigns bring together diverse organisations and therefore there is a period in which groups must invest in building relationships and not making assumptions about common values delivering a commitment... Community respondent

Relationships are central to the success of the alliance for most respondents. Relationships were seen as so fundamental that in some cases the ability to resource the development of the relationships would be a determinant in participation. One group asked itself: “Are there people within this parish who can ‘carry’ this campaign forward? With whom will the parish be allied in the campaign?” Others commented:

“Working in partnership takes time, and some investment of resources into building the relationships that hold the coalition together. A decision needs to be made whether we have the time, money or personnel to work in this way”. Faith group respondent

“You need to build up trust, you need to understand and listen to the issues the other groups bring with them, you need to be in the campaign for the long-haul and you need to make an investment in money and resources that is not going to deliver immediate financial return to your organisation”.. Union respondent

The challenges of building relationships across diverse groups were commonly articulated in the survey. On the one hand there is an acknowledgment that this requires building on values that groups share and not those that divide: as a union respondent said we must “leave our ‘baggage’ at the front door and sit at the table with our community partner’s intent on genuine dialogue”. On the other hand, it requires an acceptance of the value of divergent views, or particular beliefs and a faith group respondent noted this acceptance within the campaign:

“We were amazed that faith communities were considered to be a vital part of the Living Wage campaign. We are used to working in alliances but the particular contribution of faith communities in terms of both the people in the communities and the theological/justice basis of faith communities are not usually appreciated. So usually you join and “check your faith perspective at the door.” Faith group respondent

Building successful relationships across civil society can also have ripples through participant organisations, as this faith group respondent says:

“Because of our theology, we expect to find God's presence in others, and to learn new insights from them. We find that many of our assumptions about people who are 'different' to us theologically, politically and socio-economically need re-examining”.

The benefit of effective relationship development to participant organisations was a strong theme in the survey. Communities referred to the benefits of exchanging knowledge, skills and expertise. One community organisation listed “working with others who also share passion for [addressing] inequalities” and “access to inspirational people.”

“The Unions are amazingly generous, hardworking and effective in the ways they are supporting the campaign. It's been wonderful to have their experience in organising”.. Faith group respondent

The benefits to the movement as a whole were equally clearly articulated. One union noted that the ability of the alliance to generate “high trust relationships” would protect it against losing focus and a faith group respondent linked the effective relationships to the transformational goals of the movement:

“ The relationships among people working together are great. It's not a charity model because the people who benefit directly are part of the movement rather than recipients, and the rest of us benefit indirectly by living in a more just society”.

The goal of the Living Wage Movement is “to facilitate the organisation of communities in New Zealand to secure the income necessary to provide workers and their families with the basic necessities of life.” The last section focuses directly on the question of why organisations might choose to work together to achieve societal change.

4) A collective approach

“It is a no brainer. By ourselves we are nowhere near as strong and powerful as in coalition with diverse groups linked in their pursuit of an agreed goal”. Union respondent

The benefits of diverse groups working together in coalition are celebrated by the faith, community and union respondents to the survey. Despite the risks and the challenges, the respondents talked of benefits in both the process of working in coalition and the enhanced ability to deliver societal change. Challenges focused on lack of resources, such as time and money, but also the potential risk for diverse groups to experience philosophical tensions and a loss of direction. Nevertheless all respondents identified advantages in working collectively as partners in an alliance.

Faith, community and union group respondents expressed a commitment to the purpose of the broad-based alliance - to deliver a Living Wage – but also to a collective approach to achieving their purpose. For one community group the notion of working in coalition aligned with their kaupapa (expressed as “Collective knowledge - empowers communities to create change”). One faith group respondent said the broad-based alliance aligned with their tradition of “collaboration” and for another it aligned with their “experience in processes of partnership.”

Working collectively, collaboratively, in “partnership” assumes shared power and respondents did not shy away from expressing their views about this:

“We need to be prepared to work hard with our partners to build new strategies that involve working together to beat poverty wages. Unions will not have all the power in control in this process, it must be share”. Union respondent

Researcher Jane Wills³ refers to “identity-linking” as a key element in the success of the London Citizens broad-based alliance, in which the values of individuals and organisations that link up are reinforced in the alliance-building process. This notion of “identity-linking” was captured in a comment by one of the faith group respondents:

“For a potentially narrow-focussed community (i.e., a religious grouping in this case) it can widen our focus and actually (in this case) remind us of some of our core values and teachings”.

While organisations identified that they are strengthened in the process of working together in coalition, the combined power of the participant organisations also increased their hope of achieving their goals. One union group respondent says:

“What’s revealing to date is the very significant amount of ‘common ground’ between the participating groups and organisations. It is clear that there is much we can work together on – and therefore build real synergies and power – to drive consciousness and action around the realisation of the Living Wage agenda”.

All respondents are part of groups that aspire to societal change and see the opportunity to work collectively as a way of overcoming isolation and powerlessness. This includes among the largest organised voice in the alliance - the unions.

“Very often union voices are isolated off from others who may actually share similar values or concerns. By building the strongest possible base of community support, we maximise the leverage and potential for success of the campaign”. Union respondent 1

“We cannot do this by our union alone or just with a group of unions. This needs to be a cross-society campaign if it is going to be successful and lead to long-term change. That is why we have enthusiastically been part of the wider coalition”. Union respondent 2

Working in coalition was also viewed by respondents as a practical way to achieve the goal of a Living Wage, even if the risks of losing the prize at the end of the day seemed high to some. For instance, one faith group respondent said the coalition “gives greater reach to the message and a breadth to the message”, another said that “working together sustains momentum” and a community respondent noted that the diversity of the alliance was able to “unleash creativity and energy that is rare in any single organisation.” It was a faith group respondent that captured the experience of many of these respondents in their engagement with the Living Wage movement:

[The] “only real way to make progress is thru broad based alliances. This has been a wonderful movement to be involved with”.

³ Wills, Jane. *Work, identity and new forms of political mobilisation: An assessment of broad-based organising and London’s living wage campaign.* www.geog.qmul.ac.uk/livingwage/pdf/Wills.pdf

Conclusion

The broad based alliance that is forming under the banner of the Living Wage Aotearoa New Zealand comprises unions, faith-based religious groups and secular/community organisations. They have diverse constituencies but they share a common aspiration which is to reduce poverty and inequality in New Zealand. More importantly they link the aspirations of their organisation with the goals of the broad-based alliance and its participant organisations. In the words of one respondent they have become “a functional group which has the ability to make effective change.”

However, it is the investment in relationships that provides the greatest challenge and the greatest rewards for members of the alliance. The relationships between organisations that share divergent ideological, philosophical and religious perspectives can easily fracture or the alliance can lose focus but participants identified significant benefits from the investment of time and resource in building solid relationships. The experience of some was clear: “It's effective. We can see that already. It's inspiring. The relationships among people working together are great.”⁴

Working in coalition has raised the expectations of many respondents that they can grow in strength and they can achieve societal change but they also express realism about the challenges and the risks. As one union respondent said:

“This is a huge struggle. The Living Wage presents a real threat to the (neo-liberal, market-driven) establishment. They are not stupid. They know that the campaign potentially has huge ramifications for their agenda of small government, low taxes, weak labour law / weak unions, low wages, community atomisation, free-markets, etc. They will bite back hard and will not give up without a fight”.

The notion of working collectively can be interpreted as “partnership”, or “collaboration” but all respondents valued the potential for greater influence through a united voice across civil society. For one faith group it opened a door to a new way of working: “When we found out about the Living Wage Campaign we realised we could make a difference by collaborating with others.” It was the reflections of a union respondent that captured the essence of why this alliance is important to their organisation:

“Only a broad coalition of community, faith and union organisations will be able to win the campaign for a living wage”.

Annabel Newman, Service and Food Workers Union Nga Ringa Tota,

Muriel Tunoho, Health Care Aotearoa

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⁴ Community respondent