



WORKING TOGETHER TO COMBAT POVERTY

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David Stewart MSP
Convener
Public Petitions Committee
T3.40
Scottish Parliament
Edinburgh
EH99 1SP

8 August 2013

Dear Mr Stewart MSP

CONSIDERATION OF PETITION PE1467: Scottish Living Wage Recognition Scheme

I am writing on behalf of the Scottish Living Wage Campaign (SLWC) in response to the above petition. The Scottish Living Wage Campaign was established in 2007 and brings together key organisations from civil society including the Church of Scotland, trade unions including Unison, Unite, the GMB, PCS as well as the STUC, alongside voluntary organisations including the Poverty Alliance, Oxfam Scotland and CPAG. Since being established the SLWC has made considerable progress in establishing the principle of the living wage and ensuring there is widespread public and political support for the idea. We estimate that around 20,000 Scottish workers, many in the public sector, have benefited from the living wage in Scotland. Part of the success of recent years in Scotland, and indeed across the UK, has been the increasing coherence amongst those advocating a living wage. This is most evident around the level of the living wage, now set in reference to the independently calculated Minimum Income Standard, and set for the UK as a whole. This has been critical in presenting a strong argument for the living wage whether in Glasgow, Manchester or London.

Alongside the coherence provided by having a single rate (outside London) that campaigners, employers and policy makers can all refer, the development of a single recognition scheme has also been a positive step forward. The Living Wage Employer award, administered by the Living Wage Foundation (the SLWC is represented on the Advisory Council of the Foundation), has provided an incentive and recognition for employers across the UK that pay the living wage. As noted by the petitioner, this voluntary and independent scheme has brought benefits to the employers involved and provided a real focus for those advocating for a living wage. Around 280 employers have now been recognised by the Foundation's scheme, including a number in Scotland.

We have welcomed the Scottish Youth Parliament's One Fair Wage campaign. The petition that has been lodged by Andrew McGowan MSYP on behalf of Scottish Youth Parliament raises a number of important issues in relation to the recognition given to employers, and we agree wholeheartedly about the need for a recognition scheme. We are cautious, however, about the need for a separate scheme from that currently operated by the Living Wage Foundation. This scheme, which is largely

self-funded, has become the main scheme for recognition for the living wage. Prior to its establishment there were a number of separate recognition schemes in operation, as noted by the petitioner and the SPICE briefing paper. This undoubtedly led to some confusion and reluctance to commit on the part of some employers. By having one very clear and robust system this problem is now being overcome, as can be seen in the increasing number of employers committing to the living wage through the scheme. Whilst we understand the motivation of the petitioner, we believe that rather than establishing a new scheme in Scotland, greater effort should be put into promoting the current independent scheme that already exists. The independence of the current scheme is one of its main benefits, ensuring that the accreditation criteria are not subject to the changing priorities of any governing party.

There is much to do to ensure that more workers benefit from the living wage. Promoting the living wage amongst employers in Scotland and across the UK is greatly assisted by having a robust and independent accreditation scheme for employers. Whilst we sympathise with the call to have the Scottish Government establish its own recognition system, we believe that at the moment efforts would be better placed in ensuring that more employers in Scotland seek recognition through the current scheme. This is a role that the Scottish Government could take an active role, particularly given that support for the living wage has become a key part of Scottish Government pay policy.

We will be happy to discuss any aspect of this response

Sincerely

Peter Kelly

Chairperson
Scottish Living Wage Campaign