



Frequently Asked Questions

What is a Living Wage?

A Living Wage is the level of pay which will help workers to be lifted out of poverty. Everybody's circumstances are different, but the living wage is the minimum amount needed to provide an adequate living standard for a worker and their family. The campaign in Scotland has set the Living Wage in Scotland at £7 an hour for the year beginning in April 2009, based on calculations by the Minimum Income Standard project, funded by the Joseph Rowntree Foundation. The Living Wage is something that employers should pay, but it is not a legal minimum like the National Minimum Wage. Encouraging employers to pay the Living Wage is therefore the job of low paid workers, community groups, trade unions, faith groups and others, working together to make real change

Why is a Living Wage important?

Low pay is closely associated with poverty. Many workers who are paid the National Minimum Wage, or just above it, are struggling to make ends meet. Without decent pay many people are unable to heat their homes properly, they are unable to pay for healthy fresh fruit and vegetable for their children, people are forced into debt. Surviving on low pay means working longer hours than necessary, or working two jobs, which has an obvious impact on family life. The living wage is a powerful tool to address this troubling state of poverty amid plenty in Scotland. It allows us to get

serious about reducing child poverty, and ensures that families who are working hard get what they deserve - a life that's about more than a constant struggle to get by.

How is the Living Wage calculated?

The Scottish Living Wage Campaign has drawn on a wide range of evidence to calculate the level for the Living Wage. We have commissioned our own research and drawn on the Minimum Income Standards provided by the Joseph Rowntree Foundation. This work has highlighted the income required to access the goods and services which people believe are essential for a decent life. This income is different for different family types, but evidence shows that £7 an hour will provide an adequate income for most families – and a floor that no worker should fall below.

Why is the Scottish Living Wage lower than the London Living Wage?

London is one of the most expensive cities in the world to live in. The Living Wage Unit in the Greater London Authority has used its own calculation, based on a similar methodology to the one used by the Joseph Rowntree Foundation, to arrive at its current figure. Higher housing childcare and transport costs all mean that the Living Wage figure is higher in London .

Won't raising wages result in job loss for the very workers you are trying to help?

The relationship between pay and employment levels is not as straightforward as some people believe. Many people argued that millions of people would lose their jobs after the introduction of the National Minimum Wage in 1999. It didn't happen – in fact employment continued to grow, even in those sectors that were most affected.

Thousands of workers across Scotland have lost their jobs recently which have had nothing to do with the level of pay they receive. We believe that many employers, particularly in low paying sectors, are capable of paying their lowest paid staff a decent wage. We believe that employers who can pay, should pay

Surely the type of jobs done by low-wage workers aren't worth higher pay?

The jobs that low paid workers do are essential, and are job that we all rely on. Care workers look after our parents and grandparents. Nursery nurses take care of our children when we can't. Workers in the hospitality industry are at the frontline of one of our most important industries, which contributes billions to our economy every year. These are all valuable jobs and should be paid accordingly.

Doesn't the Minimum Wage already look after low paid workers?

There is little doubt that the National Minimum Wage protects many thousands of workers from outright exploitation. Before its introduction it was not uncommon for workers to be paid as little as £1 an hour. The Minimum Wage was an important step forward but it has addressed extreme low pay and left untouched the bulk of low wage workers. In addition the level of the National Minimum Wage is lower than the official low pay threshold. The national minimum wage therefore does not provide a decent standard of living for enough families. More needs to be done – which is why the Living Wage is important.

There is a recession – can employers afford higher for wages?

Many employers are continuing to make massive profits during the recession – Morrison's and Tesco supermarkets have both posted huge profits recently. We believe that many employers can afford to pay their

workers a decent rate even during a recession and should be encouraged to do so. Many good employers in low wage sectors such as retail and hospitality already pay their workers above the living wage level – other employers should be encouraged to follow their lead.

Will increasing pay in the public sector lead to cuts in frontline services?

There is little doubt that public spending is now under pressure. However it is unacceptable that many essential workers in the public sector are still paid less than £7 an hour. When public sector employers are protecting frontline services they need to also ensure that they are protecting frontline workers by paying a decent living wage. Decent frontline services require decently paid workers.

Won't as tax credits be affected by pay being increased?

Tax credits only exist because of low paying employers. We believe that it is the responsibility of employers to ensure that they pay their workers a decent wage, not the state. Some workers who currently receive tax credits will be affected if their pay is increased because their employer starts to pay the increased wages. However, this would be the case whether or not there was a living wage campaign. Many low paid workers are either not entitled to tax credits or do not claim them – the best way to boost the incomes of low paid workers is to make sure their employers act responsibly and pay the Scottish Living Wage.

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