

## **Notice of Motion on the Wellington Regional Council becoming a Living Wage employer**

### **Purpose**

To commit the Wellington Regional Council to becoming a Living Wage employer, and to develop a phased implementation plan for implementing this commitment.

### **Background**

The Living Wage movement is gathering momentum around the world. There are more than 2500 Living Wage employers in the United Kingdom, where 50% of Local Councils have committed to become Living Wage employers, and over 30% have become fully accredited Living Wage employers.

In New Zealand nearly sixty employers are accredited Living Wage employers. The Wellington City Council made a commitment in principle to becoming a Living Wage employer in 2013, and commenced implementation of the Living Wage in January 2014 when directly-employed staff were moved to the Living Wage. Further steps include bringing parking officers in-house; funding Council Controlled Organisations to pay the Living Wage, and lifting the pay rates of staff working in security, noise control and core cleaning. Porirua City Council has taken the first step by including an additional \$200,000 in its 2016 Annual Plan to lift the lowest wages of directly-employed staff, and the Hutt City Council has asked its Chief Executive to report on the implications of becoming a Living Wage employer.

The New Zealand Living Wage is \$19.80 an hour, and is the minimum rate accredited Living Wage Employers must pay workers for every hour worked.

A Living Wage is defined as the income required not just to survive but to participate in society. The New Zealand rate has been established based on a determination of what a family (most commonly two adults & two children) needs to live, earned by two people working 60 hours a week between them.

It is part of a strategy to reduce inequality. It also brings considerable benefits, not only to workers and their families but also to employers and local economies.

## **Motion**

That the Wellington Regional Council

1. *Notes* that the Living Wage movement is gaining momentum around the world and in New Zealand, where there are nearly sixty accredited Living Wage employers in New Zealand.
2. *Notes* that international research has demonstrated that employers who pay the Living Wage reduce costs associated with high turnover and absenteeism, and have higher morale and productivity in their workforce
3. *Agrees* that Greater Wellington Regional Council has a responsibility to be a good employer
4. *Agrees in principle* to become a Living Wage Council that pays its directly-employed staff a Living Wage, and adopts a phased implementation of the Living Wage for employees employed via contractors who deliver Council services, or work in Council Controlled Organisations
5. *Agrees in principle* that contracting should not be used to reduce pay and conditions of employees employed by contractors who are contracted to deliver services to Council on a routine basis
6. *Requests* officers to develop a framework for implementing a Living Wage by March 2017 that:
  - 1/Identifies what is involved in becoming a Living Wage employer
  - 2/ Provides a timeline for the phased implementation of a Living Wage for directly employed Council staff, staff employed by Council Controlled Organisations and contractors who deliver Council services on a routine basis
  - 3/ Provides advice on the impact of a Living Wage on Council's procurement policy and tendering arrangements, and any changes that would be needed to existing contracting policy so as to ensure that tender processes protect employment security and pay and conditions for contractor employees.

**Communication**

This matter is considered to be a matter of low significance in terms of the Council's decision-making guidelines.

Moved by Sue Kedgley

Seconded by Daran Ponter

A handwritten signature in blue ink, appearing to read "Sue Kedgley", is written over the text "Moved by Sue Kedgley".