



Cerrar la brecha - Salario digno

Global	Regional	National
ITUC, ETUC, TUAC	TUCA	Argentina, El Salvador, Guatemala, Honduras, Panama

Concept

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Despite the tripling of global GDP in just a few decades, the current model of globalisation has failed working people with this growth relying on low-wage, insecure and often unsafe work. This must change.

We must end corporate greed and exploitation if we are to reduce inequality, boost demand, and if working people are to again trust that global trade and democracy will benefit all working people, not just the one per cent richest.

Minimum wages must be living wages. We demand a minimum living wage on which people can live, based on evidence. They should be based on more than just food baskets, as these are not adequate for a dignified life. The evidence-based process must take into account the costs of living.

Minimum wages in Latin America are not living wages. This is holding people in poverty and constraining development.

“Cerrar la brecha – Salario digno” will establish a **wage floor** in Latin America that takes minimum wages out of competition between governments and ensures a living wage.

An end to hunger wages requires for many people an increase of at least USD 10 a day. In many cases, it may require more.

This is **wage justice** and it is affordable. It is a **minimum living wage**.

Standing in solidarity, across Latin America, unions will:

1. Expose the model of exploitation that is underpinning global supply chains and holding back domestic demand and growth.

The largest multinational corporations operate with up to 95 per cent of the workforce as a hidden workforce. Companies have simply outsourced responsibility as they seek to maximise profits that are not shared in wages or benefits with the workers on whom they depend. (ITUC Scandal Report, Latin America 2017).

It is essential to take human rights and labour rights out of competition – a concept just endorsed by the G20 Labour Ministers in Germany.

Violations of decent work and fundamental principles and rights at work cannot be part of the competition. (G20 Labour Ministers Declaration, May 2017)

We need governments to hold corporations to account.

2. Counter the argument that minimum living wages would make a country uncompetitive.

An increase in the minimum wage in order to ensure a living wage would represent a fraction of the profits made by the major corporations, where the profits for every worker in their supply chain can be as high as USD 17,000. There can be no more exploitation.

Minimum living wages are a foundation for decent work, and they must be set at a level that guarantees decent standards of living for workers and their families.

Wages should take into account the needs of workers and their families, the cost of living and economic factors. In this respect, minimum wage legislation and collective bargaining in particular can set income floors to reduce income inequality, eliminate poverty wages and achieve sustainable wage growth. (G20 Labour Ministers Declaration, May 2017)

The evidence base for a minimum living wage claim

The level of a minimum living wage is guided by evidence on the costs of living, and should consider the following elements to ensure that wages allow for decent living standards:

Minimum Living Wage	
Food	Education expenses
Accommodation and basic furnishing	Household bills
Transport	Essential care costs
Clothing	Contingency for emergencies
Medical expenses	

The fight is to end corporate greed – the first step is a wage rise for Latin America

3. Expand universal social protection with the foundation of the social protection floor.

Social protection is a fundamental human right, yet access for workers in both the formal and informal economy remains grossly inadequate.

A social protection floor is a globally agreed ambition from the UN and the ILO, as enshrined in ILO Convention 102 and Recommendation 202, and endorsed by G20 countries.

Global ambition for a social protection floor		
UN Global Goals for Sustainable Development Goal 1 – No poverty Goal 5 – Gender equality Goal 8 – Decent work and economic growth Goal 10 – Reduce Inequality	ILO Decent Work Agenda Social Justice Declaration	G20 Policy recommendations for promoting more equitable and sustainable social protection systems

Realising the foundations of a social protection floor will protect working families and help to build a fair and sustainable economy.

Lobby

Ratify ILO Convention 131

In the first instance, governments must ratify ILO Convention 131 and ensure effective laws and wage fixing systems that ensure and uphold minimum living wages and collective bargaining.

A minimum wage must be a living wage.

Minimum wages must:

- take into account the needs of workers and their families;
- apply to all workers with no exception;
- serve as a floor, allowing workers to bargain for higher wage levels to share productivity and profits;
- be set by an evidence-based process that takes into account the costs of living;
- be regularly reviewed and updated;
- be as simple and easy to understand as possible; and
- be enforced with an effective compliance system including well-resourced labour inspectorates and dissuasive penalties/sanctions.

Unions will lobby governments, campaign for political support and target corporations to see an increase of minimum wages and ensure reform of minimum wage systems that do not comply with these principles.

Collective responsibility from governments for minimum living wages

Unions will target their national governments to set minimum wages that ensure adequate livelihoods for all workers. They will also push governments to ensure that minimum wage laws are properly enforced.

Unions will also target regional government bodies, including the Caribbean Community (Caricom), the Central American Parliament (Parlacen) and the Southern Common Market (Mercosur), to ensure that regional coordination efforts do not neglect workers' basic rights.

Work will also be undertaken to hold governments and businesses accountable to international standards on wages, including ILO Convention 131 and the OECD Guidelines for Multinational Enterprises.

And finally, unions will press G20 leaders to deliver on their commitment to take human rights and labour rights out of competition by guaranteeing a minimum living wage.

Governments to guarantee universal social protection

Unions across Latin America will expose government policies that do not guarantee the elements of universal social protection enshrined in ILO Convention 102 and Recommendation 202.

In addition, it is essential that governments invest in childcare and elderly care in recognition of women's right to work and the jobs' dividend from such investments.

Governments must ensure access to quality education at all levels, in order to safeguard equal opportunities.

Social Protection Floor	
Medical care Sickness benefit Unemployment/ out-of-work benefits Old-age pension Employment injury benefit	Family benefit Maternity benefit Disability benefit Survivors' benefit Child and elderly care

Governments must look at the expenditure gaps in social protection coverage detailed in the ILO's World Social Protection Report. They must ensure that people are the first beneficiaries of taxation expenditure. Equally, governments must ensure a sustainable revenue base for the delivery of social protection systems, taking measures to end tax evasion from corporations and punish offenders.

According to the OECD, USD 240 billion is lost every year in tax revenue as a result of tax avoidance by multinational companies. This could go a long way to fund universal social protection floors.

Action

“Cerrar la brecha – Salario digno” will become a national and regional demand in the quest to end corporate greed and ensure all workers have at least a minimum living wage!

The heart of the campaign will be working people and their families. The plan is to tell the stories of workers struggling to survive on low wages and to build the hope of the possibility of improving their lives with a minimum living wage.

September: A national icon will be born with one worker's story from each country. We need a photo and the answer to three questions: (1) What essentials can't you pay for on your current wage?; (2) How much extra would you need to pay for these?; and (3) If you had a wage increase, what's the first thing you would spend the money on?

Additional worker questions: What is your name? What is your age? For whom do you work/what is your job? What could you do with a wage increase? Please take a head and shoulders photo and send it with the information to diana.maggiore@ituc-csi.org

7 October, World Day for Decent Work: Send the government your demands and back it with public events under the banner of End Corporate Greed – The Americas Need a Pay Rise; share your photos and actions.

5 and 6 October: Organiser training in Costa Rica

December: Corporate day of action

January/February: Campaign meeting to consider an action plan for 2018

End Corporate Greed: Cerrar la brecha – Salario digno