A QUAKER LIVING WAGE CAMPAIGN



Questions we may be asked by the public

- 1. Who calculates the level of The Living Wage each year? The UK rate outside London is set annually by the Living Wage Foundation and calculated for them by the Resolution Foundation
- 2. How is it calculated? The calculation is based on the Minimum Income Standard for the United Kingdom, the product of research funded by the Joseph Rowntree Foundation. The research looks in detail at what households need in order to have a minimum acceptable standard of living. Decisions about what to include in this standard are made by groups comprising members of the public. The Living Wage is therefore rooted in social consensus about what people need to make ends meet. The uprating of The Living Wage figure each year takes account of rises in living costs and any changes in what people define as a 'minimum'. It takes account of regional variations in items such as rents and some account of what is happening to wages generally, to prevent a situation where Living Wage employers are required to give pay rises that are too far out of line with general pay trends.
- 3. How much a year does the voluntary Living Wage pay before tax? In 2016/17 outside London £17,576.00 per annum (£8.45 an hour), in London £20,280 per annum (£9.75 an hour) based on a forty hour week.
- **4.** How much do the government living and minimum wages pay? In 2017 The government's living wage pays £7.50 an hour to those over 25 years of age (£15.600 per annum.) The minimum wage paid to those over 18 and not yet 25 is £6.95 and hour (£14,456 per annum.) No allowance is made for London weighting.
- 5. To what ages and to which employees does the voluntary Living Wage apply? All employees over 18 who work 2 or more hours in any given day for 8 or more consecutive weeks of the year.
- **6. Why is it a good idea for a business?** An independent study examining the business benefits of implementing **The Living Wage** in London found that more than 80% of employers believe that it had enhanced the quality of the work of staff, while absenteeism had fallen by approximately 25%.
 - Two thirds of employers reported a significant impact on recruitment and retention within their organisation.
 - 75% of employees reported increases in work quality as a result of receiving The Living Wage.
 - 50% of employees felt that The Living Wage had made them more willing to implement changes in their working practices; enabled them to require fewer concessions to effect change; and made them more likely to adopt changes more quickly.
 - 70% of employers felt that **The Living Wage** had increased consumer awareness of their organisation's commitment to be an ethical employer.

- 7. How will it help families? The Living Wage affords people the opportunity to provide for themselves and their families; it reduces stress and supports wellbeing.
- **8. Will the Living Wage get rid of poverty?** The causes of poverty are many and complex. **The Living Wage** is just part of the solution. But:

Over 10,000 London families have been lifted out of working poverty as a direct result of The Living Wage

Professor Jane Wills, Queen Mary University of London

- **9. Is it compulsory?** The Living Wage is a voluntary higher rate of base pay. It provides a benchmark for responsible employers who choose to pay more than the government's 'national living or minimum wages.'
- **10.** How does a company get accredited? Register interest with The Living Wage Foundation who will help with a phased implementation. Pay employees The Living Wage and ask contractors to pay it to their employees. eg. Cleaning, catering, security companies. If they won't/can't pay accreditation is still possible.
- 11. What about small businesses who say they cannot afford to pay this? Some do and can. Ask what would need to change in a business operation to enable this to be paid without putting up overall costs.

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