

# POVERTY BRIEFING: THE LIVING WAGE AND THE ROLE OF THE CHURCH

**What is a Christian perspective on the Living Wage? And what can or should churches and individual Christians be doing to promote it? These are some of the questions that were discussed at a special workshop jointly organised by Church Urban Fund and Church Action on Poverty, hosted by London Diocese. Four leading proponents of the Living Wage from the UK and the US shared their views and experiences: Professor Jerold Waltman of Baylor University, Texas and author of several books on the Living Wage; Deborah Littman, Vice-Chair of the London Living Wage Campaign; The Revd Dr Angus Ritchie, Director of the Contextual Theology Centre in East London; and Dr Paul Morrison, Policy Advisor in the Joint Public Issues Team for the Methodists, Baptists and URC.**

## BACKGROUND

*"We have got hospital workers on private contracts who put on one uniform in the morning; they do a full shift, then put another uniform for their evening job, and then they work in the local superstore at weekends. And they do this simply because they earn too little to do it all in one job."* Deborah Littman

The Living Wage Campaign originated out of a concern for family life and the time and financial pressures caused by low pay. As Deborah Littman explains, "People from faith, community and labour organisations came together to ask what was happening to their families... they had less time to spend with their families, churches and community centres were empty, and people were struggling to make ends meet. Low pay was identified as the cause for all these different problems." A common misconception is that people in poverty are either homeless or out of work when in fact, the majority of the 3.8 million children in poverty are in working households.

Ten years on, the Living Wage has moved from the margins to "an idea whose time has come" (in the words of David Cameron). There is an official Living Wage rate – currently at £8.30 per hour in London and £7.60<sup>1</sup> elsewhere (substantially above the National Minimum Wage of £5.93) – and an accreditation scheme for Living Wage Employers. All employees of the Greater London Authority are now paid the Living Wage and at least 12 London councils have committed to it, as well as 12 universities, four hospitals, four central government contracts and more than 100 churches and private and voluntary organisations, including Barclays, KPMG and Lush. Outside London, Oxford council has been paying the Living Wage since 2009 and Preston, Manchester and Norwich councils are working towards it. As a result it is estimated that low paid workers have received an extra £70 million in their pockets.

<sup>1</sup>The Living Wage Foundation has re-calculated the rate outside London at £7.20

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### CASE FOR THE LIVING WAGE

*“The Living Wage is a spiritual issue as well as an economic one, shown forth in the way we treat one another materially.”* The Revd Dr Angus Ritchie

As **Jerold Waltman** explains, there is a long tradition in Christianity of exploring the link between the economic and the spiritual. Thomas Aquinas, writing in the 13th century, argued that for the market to produce a ‘just price’ there has to be relatively equal bargaining power between buyers and sellers, which simply isn’t the case at the moment for low paid workers.

Waltman also says that the Living Wage is part of the Christian duty to help the poor. Arguably, this means advocating for government policies that aid the poor, as well as engaging in private charitable activities. The Living Wage is a practical policy for fighting poverty that values work and does not increase public spending; nor can it be accused of fostering dependency.

However, in Waltman’s view, the most persuasive argument for the Living Wage from a Christian perspective is that all people are created in the image of God and, therefore, people and their work have a dignity that makes the labour ‘market’ substantively different to buying or selling other goods and services. It follows that the price of a person’s labour should not be determined solely by the market.

*“It’s a strange paradox that with Fair Trade, it’s now possible to buy coffee and bananas that help to ensure a fair wage for people overseas but it’s not possible to buy goods that guarantee a living wage for anyone in the UK.”* Niall Cooper, National Coordinator, Church Action on Poverty

From a campaigner’s perspective, **Deborah Littman** says that the most effective argument for the Living Wage is that low pay is a problem for the whole community, not just about a small group of people at the bottom. When people are stressed by working two or three jobs they simply don’t have the time or resources to socialise or participate in community activities, so the whole community is impoverished. There is also a very high social and economic cost to poverty as a result of poor health, high crime and educational failure. At the same time, the main critique of the Living Wage – that it reduces employment – has been shown to be largely unfounded, Littman explains: *“All the evidence shows that low pay doesn’t pay, that it leads to low productivity, high turnover of staff, high absenteeism, and industrial relations problems.”*

### MAKING IT HAPPEN

*“One of the most exciting things about the Living Wage campaign is the way that it has flowed from relationship, not done by one group on behalf of another. It’s something that the whole community does together.”* The Revd Dr Angus Ritchie

The key reason for the success of the London Living Wage Campaign, **Littman** says, is that it has brought together diverse groups including schools, GPs, churches, mosques and voluntary groups, enabling smaller organisations, which would not otherwise have a voice in their community, to get involved. The whole community pays for low pay and therefore the whole community has a stake in promoting the Living Wage.

Also important is the need to start with small, concrete and achievable goals. For example, a group might start with a campaign to improve the signposting in the local hospital before campaigning for a Living Wage for its cleaners. That way, people are given an experience of working together and seeing change happen, and then they have the confidence to address bigger issues.

### TATE MODERN: EXAMPLE OF SUCCESSFUL CAMPAIGN

In December 2007, London Citizens (LC) mounted a successful campaign to persuade Tate Modern to pay the Living Wage to all its cleaners and catering staff. At the time, Tate Modern was exhibiting *Shibboleth* – a large crack in the floor of the Turbine Hall – symbolising the gap between rich and poor. A group linked to London Citizens pointed out the discrepancy between the message of the exhibit and the way Tate Modern were treating their own staff. When the initial requests for a meeting were turned down, LC organised a public action involving 200 people holding hands over the crack, to which the media were invited. Within hours, the management at Tate Modern agreed to a meeting – and shortly afterwards, both Tate Modern and Tate Britain granted their staff the Living Wage.

### ROLE OF THE CHURCH

*“The Living Wage Campaign is a powerful example of Christian mission. There are all kinds of people who are surprised to find the Church at the heart of this.”* The Revd Dr Angus Ritchie

Churches have been closely involved in the Living Wage Campaign since its launch in 2001 as part of a broad-based coalition of community and labour organisations. But, as **Angus Ritchie** argues, “*You can’t be part of a wider campaign for the Living Wage with integrity if you’re not doing it yourself.*” Here, the Church’s record is variable, according to Church Action on Poverty. The Methodists now require all of their churches and related bodies to pay the Living Wage (see box), and the General Assemblies of the Church of Scotland, Baptists and URC have each passed resolutions in support of the Living Wage. The Church of England and the Roman Catholic Church in the UK do not currently have a public position on the Living Wage, although many individual churches and leaders actively support the campaign.

### CASE STUDY: METHODISTS LEAD THE WAY ON THE LIVING WAGE

In 2010 the Methodist Conference required their churches, districts, circuits and linked charities to pay the Living Wage to their employees by the end of the financial year. A year on, the process is almost complete.

Whilst the majority of Methodist church members were supportive, there was opposition from a small minority. Some of the objections were implausible (‘my staff don’t want a pay rise’), but others needed to be taken seriously (‘we can’t afford it’). Churches delivering services in the poorest communities often struggle financially, conflicting with their wish to pay the Living Wage. However, research within the Church showed that the overall cost of introducing the Living Wage would be relatively small, affecting only around one in six churches. These churches tended to be small and the jobs involved were typically the 3-hour a week cleaner or the person doing occasional maintenance or gardening work; often these were people who were already doing other low paid jobs and needed the extra cash. So what has the Methodist Conference learnt from this experience? According to **Paul Morrison**, the key is to build relationships, convincing people rather than threatening them: “*[Giving] people pride and ownership is a much better way than rules and regulations, though these are needed, too.*” And what would they do differently next time? Tell more stories and laugh more often.

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Some people suggest that churches are different because they rely heavily on volunteers, and that the Living Wage might create divisions between paid and unpaid staff. **Angus Ritchie** argues to the contrary: the Living Wage helps to clarify the difference between people whose work for the church is their livelihood and those for whom it is not, making these boundaries less inappropriately blurred and less prone to forms of exploitation.

*“It would be great to see more churches at the front and not at the back of the Living Wage campaign”, says Ritchie. “Spending money on becoming a Living Wage employer is worthwhile because it enables the Church to be more effective in making this happen in the whole of society.”*

### FIVE THINGS YOU CAN DO

***“Churches that pay the Living Wage should be really pleased about it; they should be shouting it out loud. They should be really happy that they’re part of a Church that is contributing to their community in that way, and they should be encouraging their church members to go and ask their employer: do they pay their cleaners the Living Wage and if not, why not?”*** Paul Morrison

What can churches and individual Christians do to support the Living Wage? These are a few suggestions that were made during the workshop:

- **Find out if your church is paying the Living Wage to all its staff, including cleaners and maintenance staff:** your denomination may have a national policy recommending the Living Wage, in which case you can use this to persuade others in your church that the Living Wage is important
- **Write to your Bishop:** if your denomination is not yet committed to the Living Wage, then write to your church leadership asking them to support the Campaign. For more information on helping churches to understand and implement the Living Wage, see [www.church-poverty.org.uk/livingwage](http://www.church-poverty.org.uk/livingwage)
- **Ask your employer if it is paying the Living Wage to all staff, including contracted workers:** if your church does not employ any staff (and even if it does), find an institution that you or your church members are connected to and ask the question
- **Sign up as an official Living Wage Employer:** if you are interested in learning more about the new Living Wage mark, or would like to become an accredited Living Wage Employer, contact Rhys Moore at [rhys.moore@citizensuk.org.uk](mailto:rhys.moore@citizensuk.org.uk) or call 020 7043 9881
- **Encourage your church or voluntary organisation to get involved in ‘Community Organising’:** join ChangeMakers (currently in Manchester, Teesside, Bradford, Durham, and Glasgow; [www.church-poverty.org.uk](http://www.church-poverty.org.uk)), Citizens UK (London, Milton Keynes; [www.citizensuk.org](http://www.citizensuk.org)), TCC Wales (North Wales; [www.tcc-wales.org.uk](http://www.tcc-wales.org.uk)) or Locality (nationwide; [www.locality.org.uk](http://www.locality.org.uk)). Find out what issues are affecting people in your congregation and your community and work with other local groups to tackle these issues.

For more information about the Living Wage event, including recordings and videos of the workshop, please contact Tom Sefton at the Church Urban Fund ([tom.sefton@cuf.org.uk](mailto:tom.sefton@cuf.org.uk)).