## Lesley Griffiths AC / AM Y Gweinidog Llywodraeth Leol a Busnes y Llywodraeth Minister for Local Government and Government Business

Llywodraeth Cymru Welsh Government

Eich cyf/Your ref P-04-397 Ein cyf/Our ref LG/01609/13

William Powell AM Chair Petitions committee

committeebusiness@Wales.gsi.gov.uk

6 August 2013

Dear Bul

Thank you for your letter to Jeff Cuthbert AM, Minister for Communities and Tackling Poverty dated 10 July regarding the Living Wage. I am responding as this matter falls within my portfolio.

The Living Wage is a voluntary, non-statutory hourly rate of pay set by the Centre for Social Research Policy. Due to the fact it is a non-statutory rate, it is not within the powers of the Welsh Government to enforce this hourly rate, without a change in UK legislation.

Work has been going on in relation to the Welsh Government's stance on the Living Wage and a Cabinet Statement was published in November 2012 with regards to this. (A copy is enclosed)

Following a recent Cabinet discussion, the First Minister has now placed the subject of the Living Wage within the remit of the Workforce Partnership Council, the commitment within the Programme for Government is as follows,

Work with Trades Unions, employers and other stakeholders to explore ways of ensuring a Living Wage for every worker in Wales, given that low pay is a significant problem for many families and the challenges of in-work poverty remain.

I trust the Committee will now consider this petition with regard to the on-going and longerterm nature of the work involved.

Lesley Griffiths AC / AM

Y Gweinidog Llywodraeth Leol a Busnes y Llywodraeth Minister for Local Government and Government Business

## WRITTEN STATEMENT BY THE WELSH GOVERNMENT

TITLE The UK Living Wage in Wales

DATE 8 November 2012

BY Carl Sargeant AM, Minister for Local Government and Communities

Jobs and growth are the over-riding priorities of the Welsh Government as set out in our Programme for Government. The Welsh Government believes a strong Welsh economy is best built on fair, just and sustainable jobs, recognising the importance of work to income, health and wellbeing. This is the Wales we want our children to inherit.

The Welsh Government recognises the Living Wage as one of a range of positive actions to help alleviate the problems caused by low wages and in-work poverty in Wales, major causes of child poverty which result in long-term damaging effects on children's outcomes.

This reflects the Welsh Government's aspiration to remain a Living Wage employer and its commitment to leading and encouraging other employers in the public, third and private sectors to consider becoming a Living Wage employer.

Benefits of Living Wage can include bearing down on in-work poverty, reinforcing positive messages about work as a route out of poverty, promoting dignity and fairness in work and boosting local economies. The Welsh Government sees its own role as a major Welsh employer as strategically important in demonstrating the potential of a Living Wage for Wales and will continue to work to guide, support and inform debate on this issue whilst respecting existing employment packages and the role of Trade Union partners in free collective bargaining.

The Welsh Government acknowledges that the Living Wage is not an antidote to the challenges of poverty by itself and notes concerns about the costs and implications of implementation, particularly against the backdrop of current economic challenges. The Welsh Government also recognises the significance of the total employment package in this agenda.

The Welsh Government has established an advisory group for this purpose and will be bringing the sum of social partners' advice to an event on The Living Wage in Wales. This will be held in early 2013.