

COMMITTEE: ILO-Labour rights.

ISSUE: How can we guarantee all workers a living wage to ensure a dignified existence and reduce economic disparities?

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PRESENTATION OF THE CHAIR

Hello delegates! My name is Laurent KOGEJ, I am 16 years old and I am in my junior year at the Ferney-Voltaire International High School. I enjoy playing sports with my friends, especially basketball and soccer, as well as skiing and snowboarding. I also like reading and building different types of models. I started MUN last year as an office administrator. For this edition of FerMUN 2026, I will serve as one of the three co-chairs of our Committee, on wages and leave in the face of discrimination.



This year, our committee will address two issues, including the following: “How can we guarantee a living wage for all workers in order to ensure a dignified existence and reduce economic disparities?” Without a living wage, workers and their families cannot have a dignified existence. Indeed, earning a living wage is vital. This has long been recognized as a fundamental. In his 1891 encyclical on the condition of workers, Pope Leo XIII wrote: "The wage must not be insufficient to support a sober and honest worker. If, compelled by necessity or driven by fear of greater evil, the worker accepts harsh conditions, which he cannot refuse because they are imposed on him by his employer or by the person offering him the job, he suffers an injustice against which justice protests" (quoted in Ryan, 1906).

We will meet again in January to discuss labour rights, hopefully with joy, good humour, and seriousness.

KEY WORDS

Basic needs: according to the UN, the most important element of basic needs is the recommended food ration to cover energy requirements, supplemented by essential non-food items.

Dignified existence: to live with sufficient resources to meet one's basic needs and be respected as a person.

Economic disparities: significant differences in income and living conditions between individuals or groups.

Tripartite committee: according to the ILO, refers to a structure for dialogue and consultation between governments, employers, and workers. (ILO Convention No. 144)

Cost of living: all expenses necessary to cover the essential needs of a person or family, including food, housing, health, education, and other necessities in a given context.

Median salary: according to the ILO, this corresponds to the amount that divides the working population into two equal groups, where half earn a wage less than or equal to this amount, and the other half earn a wage greater than or equal to this amount.

Living wage: a wage that allows workers and their families to cover their basic needs and live in dignity. Synonyms include decent wage or living wage.

Legal minimum wage: according to the ILO, the legal minimum wage is a threshold set by national law below which no employer may pay their employees.

! \ living wage ≠ legal minimum wage

OVERVIEW

Around the world, minimum wages aim to protect the most vulnerable workers by setting a legal basic income. They exist in most developed countries, as well as in developing countries, but in most cases, the amount is rarely updated. However, this wage is sometimes insufficient to cover basic needs. Finally, it is not applied everywhere: some countries do not have one or only apply it to certain sectors.

This reality raises the question of a living wage, designed to enable a truly dignified life, beyond the mere legal minimum.

The goal of establishing a living wage is to enable workers to live with dignity. A living wage not only allows them to access decent housing but also to eat properly, receive healthcare, get an education, and be able to cope with unexpected events. However, beyond official definitions, research into people's real lives and poverty indicators also reveals whether workers can meet their basic needs. It is by observing and analyzing the difficulties and successes of families that we will be able to understand where the line between a decent life and precariousness lies. Ultimately, ensuring that everyone can truly live – not merely survive – is the essence of a dignified existence.

A. What is the cost of these needs?

1. The cost of adequate nutrition: a normative approach

To calculate the price of a proper diet, we first look at basic nutritional needs, such as the amount of calories, protein, vitamins, and minerals needed to stay healthy. Next, we put together a basket of local products that meet the needs and eating habits of the population. Only essential foods are kept, and the rest is discarded. This method allows us to define a minimum price for proper nutrition, which serves as a basis for determining how much a salary should cover.

2. The cost of decent housing: a normative approach

Decent housing must meet certain criteria: sufficient size for a family, access to drinking water, electricity, sanitation facilities, and a suitable location (safety and proximity to basic services). To calculate its cost, we use rents or the expenses necessary to live in housing that meets these conditions. Related expenses, such as

maintenance, water, and electricity, are also added. This makes it possible to determine the minimum income required to access decent housing.

3. The cost of healthcare and education: a relative approach

Healthcare and education costs vary depending on the country and whether the system is public or private. It is therefore impossible to set an “exact” price, as one might for food or housing. Instead, we base our calculations on what families already spend, or what they would need to pay to access basic services: essential medical care, medication, preventive care, as well as compulsory schooling and school supplies. This allows us to include in the minimum income calculation the expenses that are essential for living with dignity and preparing for the future.

4. The cost of other essential goods and services: a relative approach

In addition to food, housing, health, and education, there are other necessary expenses such as clothing, transportation, communication, hygiene, and certain public services. These costs are assessed based on the average consumption of families in a country. This method ensures that income covers not only basic needs, but also the minimum requirements for normal participation in social life.

B. How can we calculate the salary based on these requirements?

Estimating the living wage means calculating the amount a worker needs to earn to cover not only their basic needs, but also those of their family, in order to live with dignity, not just survival. This estimate is based on a rigorous methodology: first, essential expenses (food, housing, health, education, transportation, communication, clothing, savings for unforeseen events, etc.) are identified in the local context. Reliable data on prices and consumption habits are collected, and then a basket of goods and services corresponding to a decent standard of living is constructed. The size of the household, whether there is one or more wage earners, and the number of normal working hours are taken into account. Finally, for the living wage to be fair and applicable, it must be developed through social dialogue: workers, employers, and the government must contribute—this ensures that the definition of the living wage is accepted locally. This calculation must be transparent, regularly updated, and take into account differences between regions or between rural and urban areas.

Major international organizations, such as the International Labour Organization (ILO) and the United Nations (UN), have therefore established benchmarks: a dignified existence means having the ability to meet one's basic needs without having to go without. But it also means having access to decent housing, adequate food, healthcare, education, and the ability to cope with unforeseen circumstances. However, beyond official definitions, it is research into people's real lives and poverty indicators that show us whether workers are able to live with dignity.

C. Various stakeholders are working to implement living wages at different levels:

In March 2024, the International Labour Organization (ILO) adopted a landmark agreement clearly defining a living wage as the income that allows workers and their families to live decently, taking into account local conditions and normal work. This agreement emphasizes the importance of social dialogue and collective bargaining, as well as the use of reliable data and regular adjustments to reflect the cost of living.

This living wage already exists locally, particularly in the United Kingdom, where small businesses such as Adept Corporate Services and Carrs Pasties have found that paying wages above the legal minimum significantly improves productivity, reduces absenteeism, facilitates employee retention, and creates a better working environment. Employees feel recognized and motivated, which is beneficial for both employees and employers.

Internationally, companies such as Michelin apply a living wage policy tailored to each country in which they operate, thereby guaranteeing a sufficient income based on local conditions. This adaptation is essential because needs and the cost of living vary greatly from one country to another.

Some countries are also trying to gradually introduce a living wage. The legal minimum wage in Germany has certain aspects of a living wage. It is set every two years by a commission called the <<Mindestlohnkommission>>. To determine this amount, the commission takes several important criteria into account: changes in wages negotiated in collective agreements, the general economic situation, and the impact on employment and business competitiveness. Since 2025, it has also used as a benchmark the fact that the minimum wage must reach at least 60% of the median wage of full-time employees, which guarantees a decent standard of living for the lowest-paid workers. This system makes it possible to adapt the minimum wage to economic realities while protecting employees from excessively low wages.

In addition, several NGOs such as Fair Wage Network and Global Living Wage Coalition support companies by providing reliable benchmarks and certifications to enable the practical implementation of these living wages.

ILO TREATIES AND MAJOR EVENTS

28/06/1919

Adoption of the ILO Constitution

The creation of the ILO during the Treaty of Versailles laid the foundations for international labour law, whose objective is to ensure social justice.

10/12/1948

Universal Declaration of Human Rights

Adopted by the UN, this declaration affirms the right of all to a fair and adequate income to ensure a life consistent with human dignity for themselves and their families.

12/06 (every year)

World Day Against Child Labour

This day, promoted by the ILO, highlights the importance of guaranteeing families a decent wage to prevent children from having to work.

07/10 (every year)

World Day for Decent Work

Initiated by the International Trade Union Confederation, this day highlights the importance of a living wage for all workers around the world.

29/06/1970

ILO Convention n°131 concerning Minimum Wage Fixing

This convention requires States to establish mechanisms for setting minimum wages, taking into account the needs of workers and their families, as well as national economic factors. It is central to ensuring a living wage and reducing income disparities (Entry into force: April 29, 1972).

POSSIBLE SOLUTIONS

•→ Define a “living wage,” incorporating essential expenses such as housing, food, health care, and education. This calculation must be updated regularly to remain effective despite economic changes.

- ↔ Establish and enforce a realistic legal minimum wage. Controls must also be strengthened to ensure that this minimum is applied everywhere. Effective sanctions should also be put in place.
- ↔ Encourage discussion between employers, employees, and authorities that will enable wages to be adjusted to the economy while ensuring a decent standard of living.
- ↔ For workers in precarious situations, implementing additional measures (social assistance, targeted benefits) can increase their purchasing power.
- ↔ Promoting wage transparency within companies can help eliminate unjustified disparities and foster trust between employers and employees.
- ↔ Finally, it is important to develop territorial policies aimed at reducing regional disparities by supporting disadvantaged areas and low-income sectors.

GUIDING QUESTIONS

1. How can you define the living wage and adjust it in your region?
2. How can you ensure that living wages are respected in your sector?
3. How can workers assert their rights in the event of non-compliance with the minimum wage?
4. What assistance is already available to improve workers' unstable wages?
5. What solutions have been put in place to support economically fragile regions or sectors?
6. How can variations in the cost of living be incorporated into the living wage?

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- [The Universal Declaration of Human Rights](#)

Documents:

- [reports comparing living wages internationally](#)
- [Report of the Expert Meeting on Wage Policies, including Living Wage](#)

Vidéos:

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