

# **Wage Policy Group**

## **Minimum Wage Research Project**

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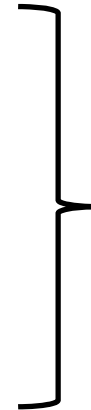
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# Proposed Project Framework

- **Chapter 1: Introduction**

- **Macroeconomic indicators:**

- GDP growth;
    - GDP per capita;
    - Inflation rate,
    - Budget deficit % of GDP,
    - Current account % of GDP



**For the past 10 years**

- **Social Indicators:**

- Population
    - Labour force
    - Poverty line
    - Number of poor people in % of population
    - Size of informal sector
    - Employment rate

# Chapter 2: Minimum Wages

## ➤ 2.1 Qualitative dimensions

- Minimum wage setting process – who sets the minimum wage?
- Criteria of minimum wage –basket of goods vs. % of average wage?
- Size of the minimum wage –composition (basic tariff, incentives, compensations etc)
- Structure of minimum wage – national, regional, profession etc
- Frequency – How often is the minimum wage updated?
- How many people in a family are covered by minimum wage?
- Link to social security benefits
- How minimum wage affects informal sector

# Chapter 2 cont..

## ➤ 2.2 Quantitative dimensions:

- Ratio of minimum wage to average wage or median wage or living wage for the last 5 - 10 years
- Wage dispersion – what causes it? What is the percentage of highest wage earners to the ratio of lowest wage earners?
- Beneficiaries of minimum wage – percentage of public sector vs. private sector workers

# Chapter 3: Wage Bargaining

## ➤ 3.1 Trade Union Structure

- What is the structure of trade unions in your country? Is it at the National level; Regional level; or Firm level?
- legal framework and the right to strike
- How does the density look like?

## ➤ 3.2 Employers associations

- Is there a functioning employers association in your country?
- What role does it play in collective bargaining? (including wage bargaining)
- What role does the government play in collective bargaining (including wage bargaining)?

## ➤ 3.3 Wage bargaining level

- At what level is wage bargaining taking place? (National, regional, sectoral, or firm level)
- How is it structured and practiced?

# Chapter 3 cont..

## ➤ 3.4 Coordination mechanism

- How are wage negotiations coordinated?
- What are the functions of minimum wage when it comes to wage bargaining? Does it replace the wage bargaining coordination?
- Are there pattern bargaining? How does it work?
- Is there an automatic extension of bargained wage in one sector/ industry to another?

# Chapter 4: Debates around minimum wage and collective bargaining

- Are there ongoing debates/ discussions among politicians, academicians, trade unionists and other activists on minimum wage and collective bargaining?
- Is there ongoing debate on minimum wage and collective bargaining?

# Chapter 5: Conclusions and Recommendations

- Conclusions drawn from the research findings
- Unions position on minimum wages and collective bargaining, and
- Recommendations on how to build and operationalize effective wage policies.



# Time Frame

- Total number of pages per case study 20 – 30 pages
- First draft to be submitted latest by the end of January 2013
- Review process: latest by end of March 2013
- Final drafts: latest by May 2013
- Consolidated draft paper: Mid August 2013 – 60 pgs (Zacharia & Anna)
- Presentation of the consolidated paper: September, 2013 Mumbai India
- Publication: end of 2013

# Stakeholders to be consulted

- Trade union officials
- Employers associations
- Responsible government officials (ministers, labour inspectors etc)
- Local ILO offices
- Other activists (NGOs, CSOs, CBOs etc)
- Others