

# Living Wage Benchmarks support collective bargaining

Since its founding, the Global Living Wage Coalition (GLWC) has recognized industry and sector-wide bargaining as the most effective wage setting mechanism in combination with adequate minimum wages. GLWC members acknowledge that offering support to collective bargaining is especially important in light of the diminishing rights of workers globally—in 2024, the International Trade Union Confederation [reported](#) that the right to collective bargaining is curtailed or non-existent in 80% of countries.<sup>1</sup>

Workers are best positioned to improve their livelihoods when they can collectively bargain for better terms and conditions of their employment—including wages. Collective bargaining is predicated on the right of workers to organize in unions entitled to enter into collective agreements, a right suppressed in many places around the world. The GLWC and its members support unions and employers by providing relevant data to inform their wage negotiations, involving them in producing that data, and raising awareness for living wages around the world.

## How do the Anker living wage estimates incorporate and support unions and workers?

GLWC members and the Anker Research Institute (ARI) consider rightsholder engagement vital to the process of estimating living wages. Throughout an Anker benchmark study, ARI researchers seek to involve rightsholders, like trade unions and workers, and relevant stakeholders in the region and industry, like employers, government, and academia. Normally, this involves briefing and consultation before the research starts and soliciting comments on findings and conclusions after a draft report has been produced. Trade unions operating in the research area are briefed and given opportunity to comment on objectives, principles, process, and results of the research. Engagement with unions and employers during GLWC projects is a flexible process that can be adapted and extended as needed.

When trade unions take active part in this process it allows them to gain better understanding of the Anker Methodology for Living Wage and use that knowledge to their benefit during collective bargaining. This rightsholder and stakeholder engagement and the rigorous nature of ARI research ensure that the Anker Methodology is well aligned with the International Labour Organization (ILO) principles for living wage estimation—making Anker estimates credible evidence for use in collective wage negotiations.

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<sup>1</sup> 2025 edition of the ITUC Global Rights Index.

## How has the GLWC supported freedom of association and collective bargaining?

The GLWC, its members, and the Anker Research Institute have supported trade unions on various occasions, for example:

- CNV Internationaal, the international department of the Dutch trade union CNV, collaborated with ARI to develop the survey that measures wage gaps as part of their [Fair Work Monitor](#) tool, which empowers unions and workers with data to inform their collective voice. CNV Internationaal uses Fair Work Monitor to successfully monitor the sugarcane sector in Latin America and it is now being rolled out in the palm oil sector in Indonesia. The tool was also used in minimum wage negotiations in Cambodia in 2023. CNV Internationaal encourages unions to use living wage gaps measured against the Anker estimates and GLWC living wage definition as evidence in their negotiations.
- In 2023, Bangladesh updated its [minimum wage](#) to 12,500 BDT through a process that bypassed unions, who [demanded](#) 23,000 BDT (a number supported by the GLWC's 2022 living wage [estimate](#) for Dhaka of 23,254 BDT). Widespread protests by workers followed, resulting in [further advocacy](#) from brands and trade associations and by the U.S. government following the political revolution in 2024. Workers and their representatives continue to advocate for minimum wages that will enable a decent standard of living. GLWC member, the Fair Labor Association, supported the advocacy of Somnilito Garments Sramik Federation (SGSF) and other Bangladesh unions by engaging company members to support global advocacy efforts on minimum wage progress. Furthermore, FLA continues to educate its members on the living wage gap in Bangladesh and the need for improving purchasing practices. FLA [reports](#) its members' progress towards the GLWC estimate for Dhaka. In 2023, FLA company members had a living wage gap of 45.86% off the GLWC estimate – recognizing the need for more collective bargaining efforts to support wage progress.
- In 2024, Costa Rica made meaningful progress by exploring the use of the Anker Methodology to inform national wage policy. The National Wage Council (CNS), a tripartite body composed of government, employers, and workers' representatives, engaged in technical deliberations on integrating living wage estimates into the process of setting national minimum wages. In August 2024, the CNS agreed to seek technical support from the ILO to strengthen its approach to wage policy, explicitly including the concept of living wage. In October 2024, the CNS further debated the use of the Anker Methodology during the 2025 minimum wage negotiations, following a specific proposal submitted by worker representatives. While the 2025 wage adjustment did not adopt the Anker Methodology, the CNS signaled openness to continued analysis and consideration of this concept in future wage setting processes.

Worker organizations, including the National Association of Public and Private Employees (ANEP) and the Union of Agricultural Plantation Workers (SITRAP), have been central in promoting the relevance of living wage benchmarks and methodologies, arguing that existing inflation and GDP-based approaches fail to account for the real cost of living faced by workers.

- Several times, local trade unions have requested updates of Anker Living Wage estimates prior to their annual publication to inform and support their position in collective bargaining. Besides Living Wage updates, ARI has also provided inflation forecasts to trade unions and employers during their negotiations upon request. A good example, is the first collective bargaining agreement concluded between the Tea

Association of Malawi and the Plantation and Agriculture Workers Association of Malawi in 2016, after Martha and Richard Anker (pre-dating the ARI) provided them with cost of living data. In the agreement, the union and employers agreed to a wage increase above double-digit inflation figures, allowing purchasing power of tea workers to grow for the first time in many years.

## Future-looking on the living wage movement

The GLWC is proud of the progress that has been made in raising awareness about living wages among businesses and society at large over the past decade. A major step forward occurred in 2024 when the ILO held tripartite negotiations with representatives from national governments, employers, and workers, [resulting](#) in an agreement on the concept (definition) of living wage and principles for estimating living wage benchmarks. The definition agreed through these tripartite discussions aligns with the [GLWC's definition](#), and their principles for estimating living wages are largely upheld in the [Anker Methodology](#). Following the ILO's commitment to living wage, the OECD [published](#) its *Handbook on due diligence for enabling living income and living wages in agriculture, garment, and footwear supply chains*, providing a guide for businesses committed to making progress on wages in their supply chains. Many governments around the world are also beginning to consider due diligence legislation that requires payment of living wages throughout global supply chains. This momentum shows the growing importance of recognizing living wage as a human right and the growing need for tools and resources to support workers and businesses in their efforts to improve wages.

At the same time, further work is needed to solidify living wage as a human right in national minimum wage-setting mechanisms, embed living wage as an expectation of doing business, and to make proposed regulations and enforcement mechanisms a reality. Unions and workers' organizations play an important role in securing this progress, promoting workers' voices to negotiate and advocate for crucial protections and recognition of rights at the workplace, sector, national, and international level. The GLWC is proud to support this important work of unions and other worker organizations through our living wage research and action across our global networks and supply chains.

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*The Global Living Wage Coalition is a voluntary coalition of organizations working together to deliver knowledge and information to drive effective action toward a decent standard of living for working people and their families worldwide. GLWC members include the Anker Research Institute (ARI) and eight voluntary sustainability schemes, namely Fairtrade International, Rainforest Alliance, Social Accountability International (SAI), Aquaculture Stewardship Council, Bonsucro, Fair Labor Association, Fair Trade USA, and Union for Ethical BioTrade – in partnership with ISEAL.*

*The GLWC and ARI have published robust, independently measured living wage and living income estimates for more than 100 locations in over 50 countries using the Anker Methodology. These estimates are being used by companies, trade unions, standard setting voluntary schemes, auditing companies, and others to help raise wages for workers.*

Learn more at: <https://www.globallivingwage.org/> and <https://www.ankerresearchinstitute.org/>.