INTERNATIONAL LABOUR OFFICE

Governing Body

315th Session, Geneva, 15 June 2012



GB.315/INS/6/4

Institutional Section INS

Date: 12 June 2012 Original: English

SIXTH ITEM ON THE AGENDA

Report form for preparing the General Survey on Convention No. 131 and Recommendation No. 135

Purpose of the document

In the present document, the Governing Body is invited to approve the report form concerning minimum wage fixing instruments for the preparation of the General Survey to be submitted to the 2014 session of the International Labour Conference (see the point for decision in paragraph 4).

Relevant strategic objective: Standards and fundamental principles and rights at work, and social protection.

Policy implications: None.

Legal implications: Reporting obligations under article 19 of the ILO Constitution.

Financial implications: The budgetary implications related to the preparation of a General Survey.

Follow-up action required: Approved report form sent to member States.

Author unit: International Labour Standards Department (NORMES).

Related documents: GB.313/LILS/6.

I. Introduction

- 1. It will be recalled that at its 313th Session (March 2012), the Governing Body had before it a paper on the choice of Conventions and Recommendations on which reports should be requested under article 19 of the ILO Constitution in 2013. The Governing Body decided that the General Survey to be submitted to the 2014 Session of the International Labour Conference should be devoted to the Minimum Wage Fixing Convention, 1970 (No. 131) and the Minimum Wage Fixing Recommendation, 1970 (No. 135), but considered that further consultations were needed with regard to the content of the report form which should be used by member States for preparing the reports under article 19 of the ILO Constitution. 1
- 2. The Office undertook those consultations on a revised draft taking into account the views expressed during the abovementioned Governing Body session.
- 3. The attached revised draft report form reflects the views expressed during the Governing Body discussions as well as the outcome of the further informal consultations.

II. Point for decision

4. The Governing Body is invited to approve the report form concerning minimum wage fixing instruments contained in the appendix.

¹ GB.313/LILS/6, para. 12, as amended.

Appendix

Appl. 19 C. 131, R. 135

INTERNATIONAL LABOUR OFFICE

REPORTS ON

UNRATIFIED CONVENTIONS AND RECOMMENDATIONS

(article 19 of the Constitution of the International Labour Organisation)

REPORT FORM FOR THE FOLLOWING INSTRUMENTS:

MINIMUM WAGE FIXING CONVENTION, 1970 (No. 131)

MINIMUM WAGE FIXING RECOMMENDATION, 1970 (No. 135)

Geneva 2012

INTERNATIONAL LABOUR OFFICE

Article 19 of the Constitution of the International Labour Organisation relates to the adoption of Conventions and Recommendations by the Conference, as well as to the obligations resulting therefrom for the Members of the Organization. The relevant provisions of paragraphs 5, 6 and 7 of this article read as follows:

5. In the case of a Convention:

..

(e) if the Member does not obtain the consent of the authority or authorities within whose competence the matter lies, no further obligation shall rest upon the Member except that it shall report to the Director-General of the International Labour Office, at appropriate intervals as requested by the Governing Body, the position of its law and practice in regard to the matters dealt with in the Convention, showing the extent to which effect has been given, or is proposed to be given, to any of the provisions of the Convention by legislation, administrative action, collective agreement or otherwise and stating the difficulties which prevent or delay the ratification of such Convention.

. . .

6. In the case of a Recommendation:

. . .

- (d) apart from bringing the Recommendation before the said competent authority or authorities, no further obligation shall rest upon the Members, except that they shall report to the Director-General of the International Labour Office, at appropriate intervals as requested by the Governing Body, the position of the law and practice in their country in regard to the matters dealt with in the Recommendation, showing the extent to which effect has been given, or is proposed to be given, to the provisions of the Recommendation and such modifications of these provisions as it has been found or may be found necessary to make in adopting or applying them.
 - 7. In the case of a federal State, the following provisions shall apply:
- (a) in respect of Conventions and Recommendations which the federal Government regards as appropriate under its constitutional system for federal action, the obligations of the federal State shall be the same as those of Members which are not federal States;
- (b) in respect of Conventions and Recommendations which the federal Government regards as appropriate under its constitutional system, in whole or in part, for action by the constituent states, provinces or cantons rather than for federal action, the federal Government shall:

. . .

- (iv) in respect of each such Convention which it has not ratified, report to the Director-General of the International Labour Office, at appropriate intervals as requested by the Governing Body, the position of the law and practice of the federation and its constituent states, provinces or cantons in regard to the Convention, showing the extent to which effect has been given, or is proposed to be given, to any of the provisions of the Convention by legislation, administrative action, collective agreement, or otherwise;
- (v) in respect of each such Recommendation, report to the Director-General of the International Labour Office, at appropriate intervals as requested by the Governing Body, the position of the law and practice of the federation and its constituent states, provinces or cantons in regard to the Recommendation, showing the extent to which effect has been given, or is proposed to be given, to the provisions of the Recommendation and such modifications of these provisions as have been found or may be found necessary in adopting or applying them.

. . .

In accordance with the above provisions, the Governing Body of the International Labour Office examined and approved the present report form. This has been drawn up in such a manner as to facilitate the supply of the required information on uniform lines.

REPORT

to be made no later than 28 February 2013, in accordance with article 19 of the Constitution of the International Labour Organisation by the Government of, on the position of national law and practice in regard to matters dealt with in the following instruments:

MINIMUM WAGE FIXING CONVENTION, 1970 (No. 131) ¹

MINIMUM WAGE FIXING RECOMMENDATION, 1970 (No. 135)

adopted by the International Labour Conference at its 54th Session (Geneva), 1970. ²

This questionnaire contains four parts, Part II is optional

	Part I. Minimum wage fixing machinery				
(1)	Please indicate whether and, if so, the manner in which effect is given to the Convention and to the Recommendation in your country in law and in practice. As appropriate, please give a precise reference (if available, web links) to provisions of the relevant legislation.				
(2)	Please indicate whether and how a system of minimum wages has been established in your country. If so, please specify whether this system applies to all economic sectors, types of establishments and categories of workers. Where this is not the case, please indicate which economic sectors, types of establishment and/or categories of workers are excluded from its scope, explaining the reasons for such exclusion. Please specify whether the decision on this matter was taken in agreement or after full consultation with the representative organizations of employers and workers concerned, and whether the extension of the coverage of the minimum wage system to any excluded economic sector, type of establishment or group of workers is envisaged.	Art. 1 of C.131			
Q	uestions 3 to 13 below are addressed to those member States which have established a system of				
(3)	<u>minimum wages</u> Please indicate whether and how the term "minimum wage" is defined in national laws or regulations. As appropriate, please also indicate whether the relevant legislation makes reference to the concept of "minimum living wage".				
(4)	Please describe the method and form of machinery for minimum wage fixing, for instance by means of statute, decision of wages boards or councils, court ruling, arbitration award, collective bargaining agreements. In the latter case, please indicate if and under which mechanism public authorities make minimum wages binding.	Art. 4(1) of C.131 and Para. 6 of R.135			
(5)	Please indicate whether the minimum wage system currently in force entails a single minimum wage of general application or whether different minimum wage rates are fixed <u>by reference to by geographical</u> -regions, <u>zones</u> , economic sectors, or other criteria, such as the size of the enterprise, occupational category, apprenticeship status, age <u>erand</u> disability. Please explain the reasons for such differentiated minimum wage rates.	Para. 5 of R.135			
(6)	Please indicate whether representative organizations of employers and workers concerned or, where no such organizations exist, representatives of employers and workers concerned are fully consulted at all stages of the minimum wage fixing process, including the determination of the groups of workers to be covered, the selection of the criteria for fixing the minimum wages level, the rate of minimum wages and its periodic readjustment. Please specify whether such	Art. 1(2) and 4(2) of C.131 and Paras 7, 8 and 11 of R.135			

¹ Governments of countries which have ratified the Convention and from which a report is due under article 22 of the Constitution will use the present form only with regard to the Recommendation. It will not be necessary to repeat information already provided in connection with the Convention. Parts II, III (questions 4–6) and IV of the report form contain questions that are addressed to all member States.

² The texts of the Convention and Recommendation are appended.

(11) Ple per constant of the c	onsultations are held occasionally or within an institutionalized framework, such as a standing ipartite consultative body. As appropriate, please provide details on the composition and mandate of such consultative body. Please indicate whether any surveys or studies have been undertaken to better understand the otheraction between minimum wage fixing and policies for employment promotion and poverty radication. Please indicate how these surveys or studies have influenced minimum wage policies. Please indicate whether and how, in your country, minimum wage rates are usedtaken into consideration as a basis for the calculation of social security benefits, and explain any difficulties experienced in the operation of the minimum wage system as a result. Please also explain the nechanism through which minimum wage policy is coordinated with other policies aimed at roviding income security for low-income groups. Please indicate whether the minimum wage fixing machinery operates with the direct participation of (i) representatives of organizations of employers and workers concerned or, where no such rganizations exist, representatives of employers and workers concerned, on a basis of equality, and (ii) persons having recognized competence for representing the general interests of the country. Where appropriate, please indicate whether these persons are appointed upon prior onsultations with the representative organizations of employers and workers concerned. Please specify the criteria that are used for the determination of minimum wage levels (e.g. the edds of workers and their families, changes in the cost of living and other economic conditions, he relative living standards of other social groups, the requirements of economic development, evels of productivity and the desirability of attaining and maintaining a high level of employment	Art. 3 of C.131 and Paras 1 and 13 of R.135 Art. 3(a) of C.131 Art. 4(3) of C.131 and Para. 9 of R.135 Arts 3, 4(1) of C.131 and Paras 3, 11-12 of R.135
(8) Ple core expression of core core core core expression of core expr	Interaction between minimum wage fixing and policies for employment promotion and poverty radication. Please indicate how these surveys or studies have influenced minimum wage policies. Please indicate whether and how, in your country, minimum wage rates are usedtaken into consideration as a basis for the calculation of social security benefits, and explain any difficulties experienced in the operation of the minimum wage system as a result. Please also explain the nechanism through which minimum wage policy is coordinated with other policies aimed at roviding income security for low-income groups. Please indicate whether the minimum wage fixing machinery operates with the direct participation of (i) representatives of organizations of employers and workers concerned or, where no such reganizations exist, representatives of employers and workers concerned, on a basis of equality, and (ii) persons having recognized competence for representing the general interests of the country. Where appropriate, please indicate whether these persons are appointed upon prior consultations with the representative organizations of employers and workers concerned. Please specify the criteria that are used for the determination of minimum wage levels (e.g. the eeds of workers and their families, changes in the cost of living and other economic conditions, the relative living standards of other social groups, the requirements of economic development, evels of productivity and the desirability of attaining and maintaining a high level of employment.	Paras 1 and 13 of R.135 Art. 3(a) of C.131 Art. 4(3) of C.131 and Para. 9 of R.135 Arts 3, 4(1) of C.131 and Paras 3, 11-12
(9) Ple of organicocorcocorcocorcocorcocorcocorcocorcoc	onsideration as a basis for the calculation of social security benefits, and explain any difficulties experienced in the operation of the minimum wage system as a result. Please also explain the nechanism through which minimum wage policy is coordinated with other policies aimed at roviding income security for low-income groups. Please indicate whether the minimum wage fixing machinery operates with the direct participation of (i) representatives of organizations of employers and workers concerned or, where no such reganizations exist, representatives of employers and workers concerned, on a basis of equality, and (ii) persons having recognized competence for representing the general interests of the country. Where appropriate, please indicate whether these persons are appointed upon prior consultations with the representative organizations of employers and workers concerned. Please specify the criteria that are used for the determination of minimum wage levels (e.g. the eeds of workers and their families, changes in the cost of living and other economic conditions, the relative living standards of other social groups, the requirements of economic development, evels of productivity and the desirability of attaining and maintaining a high level of employment	Art. 4(3) of C.131 and Para. 9 of R.135 Arts 3, 4(1) of C.131 and Paras 3, 11-12
of orce and cool cool (10) Plet the lev eer Plet wh pa infliction in section water (11) Plet pe	f (i) representatives of organizations of employers and workers concerned or, where no such rganizations exist, representatives of employers and workers concerned, on a basis of equality, nd (ii) persons having recognized competence for representing the general interests of the ountry. Where appropriate, please indicate whether these persons are appointed upon prior onsultations with the representative organizations of employers and workers concerned. Please specify the criteria that are used for the determination of minimum wage levels (e.g. the eeds of workers and their families, changes in the cost of living and other economic conditions, he relative living standards of other social groups, the requirements of economic development, evels of productivity and the desirability of attaining and maintaining a high level of employment	and Para. 9 of R.135 Arts 3, 4(1) of C.131 and Paras 3, 11-12
ne the lev eet wh pa infl ind set wa	eeds of workers and their families, changes in the cost of living and other economic conditions, ne relative living standards of other social groups, the requirements of economic development, evels of productivity and the desirability of attaining and maintaining a high level of employment	and Paras 3, 11-12
pe	est of living, productivity level, employment rate, proportion of workers at the minimum, etc.). Please also indicate whether minimum wage rates are adjusted from time to time, and, if so, at which frequency, on a regular or on ad hoc basis and using which criteria. Please indicate in articular whether minimum wages are indexed to a specific economic indicator such as the inflation rate, the rate of growth of GDP per capita, or value-added growth in particular sector or industry, and – if it exists – please provide the adjustment formula. Please also specify whether in etting and adjusting minimum wage rates, the ratio between the minimum wage and the mean wage or the median wage is taken into account.	
	Please provide information on the collection of statistical and other relevant data, as well as on any eriodical surveys of national economic conditions that are undertaken with a view to facilitating the xing and adjustment of minimum wage rates. Please explain how often such data are collected, by whom and how they are analysed and shared with the social partners.	Para. 12 of R.135
to of other leg	Please indicate whether minimum wage rates are legally binding and describe the measures taken of ensure the effective application of the provisions on minimum wages, including the dissemination of relevant information; labour inspection; adequately dissuasive penaltiesappropriate penal or the sanctions for non-compliance with the provisions on minimum wages minimum wage or or ecovering any amounts by which workers may have been not provided also specify whether employers' and workers' organizations are associated in forts to protect workers against abuses.	Arts 2(1), 5 of C.131 and Para. 14 of R.135
suc ga	Please explain whether and how the effects of minimum wages on economic and social variables, uch as the aggregate demand, wage inequality, the share of workers with low pay, the gender pay ap, or the level of unemployment, are monitored. Please also specify whether any periodical urveys or studies are carried out in this area, and if so, please provide details.	Art. 3 of C.131 and Paras 3, 12–13 of R.135
	Part II. Minimum wage fixing – The Decent Work Agenda and the global economic	crisis ³
an eff lab	Please provide information on the relationship between minimum wage fixing and the promotion and implementation of fundamental principles and rights at work in your country, in particular the	
(2) Ple as	ffective recognition of the right to collective bargaining, the eradication of forced labour and child abour, and the application of the principle of equal remuneration for men and women for work of qual value.	

 $^{^3}$ Questions added following Section I(B) of the Annex on Follow-up to the ILO Declaration on Social Justice for a Fair Globalization, 2008.

<u>(3)</u>	As appropriate, please indicate whether the relevant legislation makes reference to the concept of "minimum living wage".	
<u>(4)</u>	Please specify whether in setting and adjusting minimum wage rates, the ratio between the minimum wage and the mean wage or the median wage is taken into account.	
(3)	In the same context, please describe any other wages related measures taken or envisaged, such as measures to prevent abusive pay practices, address problems of non-payment or delayed payment of wages, or ensure the protection of wage claims in the event of employer's bankruptcy or insolvency. Please disaggregate information between private and public sector enterprises.	
	Part III. Impact of ILO instruments	
(1)	Please indicate whether any modifications have been made in the national legislation or practice with a view to giving effect to all or some of the provisions of the Convention or of the Recommendation. Please state also whether it is intended to adopt measures to give further effect to the provisions of the Convention or of the Recommendation including ratification.	
(2)	Please state any difficulties due to the Convention, to the national law or practice, or to any other reason, which may prevent or delay the ratification of the Convention. Please indicate any measures taken or envisaged to overcome these obstacles.	
(3)	Please state, where appropriate, if the possible ratification of the Convention has been discussed on a tripartite basis, as provided by the Tripartite Consultation (International Labour Standards) Convention, 1976 (No. 144), and, if so, when.	
(4)	Please indicate the representative organizations of employers and workers to which copies of the present report have been communicated in accordance with article 23, paragraph 2, of the Constitution of the International Labour Organization.	
(5)	Please indicate whether you have received from organizations of employers or workers concerned any observations concerning the effect given, or to be given, to the instruments to which the present report relates. If so, please communicate a copy of the observations received together with any comments that you may consider useful.	
(6)	 In case your country is a federal State: (a) Please indicate whether the provisions of the Convention or of the Recommendation are regarded by the federal government as appropriate, under the constitutional system, for federal action or as appropriate, in whole or in part, for action by the constituent states, provinces or cantons, rather than for federal action. (b) Where federal action is appropriate, please give the information specified in points I, II, and III ((1) to (5)) of this form. (c) Where action by the constituent units is regarded as appropriate, please supply general information corresponding to points I, II, and III ((1) to (5)) of the form. Please indicate also any arrangements it has been possible to make within the federal State, with a view to promoting coordinated action to give effect to all or some of the provisions of the Convention and of the Recommendation, giving a general indication of any results achieved through such action. 	
	Part IV. Possible needs for standard-related action and for technical cooperation	n
(1)	What suggestions would your country wish to make concerning possible standard-related action to be taken by the ILO in the area of minimum wage fixing? (e.g. revision of existing instruments, adoption of new instruments, etc.).	
(2)	Has there been any request for policy support or technical cooperation support provided by the ILO to give effect to the instruments in question? If this is the case, what has been the effect of this support? If not, how could the ILO best provide appropriate assistance within its mandate to support country efforts in the area of minimum wage setting?	
(3)	What are the future policy advisory support and technical cooperation needs of your country to give effect to the objectives of the instruments in question?	

MINIMUM WAGE FIXING CONVENTION, 1970 (No. 131)

The General Conference of the International Labour Organisation,

- Having been convened at Geneva by the Governing Body of the International Labour Office, and having met in its Fifty fourth Session on 3 June 1970, and
- Noting the terms of the Minimum Wage Fixing Machinery Convention, 1928, and the Equal Remuneration Convention, 1951, which have been widely ratified, as well as of the Minimum Wage Fixing Machinery (Agriculture) Convention, 1951, and
- Considering that these Convention have played a valuable part in protecting disadvantaged groups of wage earners, and
- Considering that the time has come to adopt a further instrument complementing these Conventions and providing protection for wage earners against unduly low wages, which, while of general application, pays special regard to the needs of developing countries, and
- Having decided upon the adoption of certain proposals with regard to minimum wage fixing machinery and related problems, with special reference to developing countries, which is the fifth item on the agenda of the session, and
- Having determined that these proposals shall take the form of an international Convention; adopts this twenty second day of June of the year one thousand nine hundred and seventy the following Convention, which may be cited as the Minimum Wage Fixing Convention, 1970:

Article 1

- 1. Each Member of the International Labour Organisation which ratifies this Convention undertakes to establish a system of minimum wages which covers all groups of wage earners whose terms of employment are such that coverage would be appropriate.
- 2. The competent authority in each country shall, in agreement or after full consultation with the representative organisations of employers and workers concerned, where such exist, determine the groups of wage earners to be covered.
- 3. Each Member which ratifies this Convention shall list in the first report on the application of the Convention submitted under article 22 of the Constitution of the International Labour Organisation any groups of wage earners which may not have been covered in pursuance of this Article, giving the reasons for not covering them, and shall state in subsequent reports the positions of its law and practice in respect of the groups not covered, and the extent to which effect has been given or is proposed to be given to the Convention in respect of such groups.

Article 2

- 1. Minimum wages shall have the force of law and shall not be subject to abatement, and failure to apply them shall make the person or persons concerned liable to appropriate penal or other sanctions.
- 2. Subject to the provisions of paragraph 1 of this Article, the freedom of collective bargaining shall be fully respected.

Article 3

The elements to be taken into consideration in determining the level of minimum wages shall, so far as possible and appropriate in relation to national practice and conditions, include:

- (a) the needs of workers and their families, taking into account the general level of wages in the country, the cost of living, social security benefits, and the relative living standards of other social groups;
- (b) economic factors, including the requirements of economic development, levels of productivity and the desirability of attaining and maintaining a high level of employment.

Article 4

- 1. Each Member which ratifies this Convention shall create and/or maintain machinery adapted to national conditions and requirements whereby minimum wages for groups of wage earners covered in pursuance of Article 1 thereof can be fixed and adjusted from time to time.
- 2. Provision shall be made, in connection with the establishment, operation and modification of such machinery, for full consultation with representative organisations of employers and workers concerned or, where no such organisations exist, representatives of employers and workers concerned.
- 3. Wherever it is appropriate to the nature of the minimum wage fixing machinery, provision shall also be made for the direct participation in its operation of:
- representatives of organisations of employers and workers concerned or, where no such organisations exist, representatives of employers and workers concerned, on a basis of equality;
- (b) persons having recognised competence for representing the general interests of the country and appointed after full consultation with representative organisations of employers and workers concerned, where such organisations exist and such consultation is in accordance with national law or practice.

Article 5

Appropriate measures, such as adequate inspection reinforced by other necessary measures, shall be taken to ensure the effective application of all provisions relating to minimum wages.

Article 6

This Convention shall not be regarded as revising any existing Convention.

Article 7

The formal ratifications of this Convention shall be communicated to the Director General of the International Labour Office for registration.

Article 8

- 1. This Convention shall be binding only upon those Members of the International Labour Organisation whose ratifications have been registered with the Director General.
- 2. It shall come into force twelve months after the date on which the ratifications of two Members have been registered with the Director General.
- 3. Thereafter, this Convention shall come into force for any Member twelve months after the date on which its ratification has been registered.

Article 9

- 1. A Member which has ratified this Convention may denounce it after the expiration of ten years from the date on which the Convention first comes into force, by an act communicated to the Director General of the International Labour Office for registration. Such denunciation shall not take effect until one year after the date on which it is registered.
- 2. Each Member which has ratified this Convention and which does not, within the year following the expiration of the period of ten years mentioned in the preceding paragraph, exercise the right of denunciation provided for in this Article, will be bound for another period of ten years and, thereafter, may denounce this Convention at the expiration of each period of ten years under the terms provided for in this Article.

Article 10

- 1. The Director General of the International Labour Office shall notify all Members of the International Labour Organisation of the registration of all ratifications and denunciations communicated to him by the Members of the Organisation.
- 2. When notifying the Members of the Organisation of the registration of the second ratification communicated to him, the Director General shall draw the attention of the Members of the Organisation to the date upon which the Convention will come into force.

Article 11

The Director General of the International Labour Office shall communicate to the Secretary General of the United Nations for registration in accordance with Article 102 of the Charter of the United Nations full particulars of all ratifications and acts of denunciation registered by him in accordance with the provisions of the preceding Articles.

Article 12

At such times as it may consider necessary the Governing Body of the International Labour Office shall present to the General Conference a report on the working of this Convention and shall examine the desirability of placing on the agenda of the Conference the question of its revision in whole or in part.

Article 13

1. Should the Conference adopt a new Convention revising this Convention in whole or in part, then, unless the new Convention otherwise provides:

- (a) the ratification by a Member of the new revising Convention shall ipso jure involve the immediate denunciation of this Convention, notwithstanding the provisions of Article 9 above, if and when the new revising Convention shall have come into force;
- (b) as from the date when the new revising Convention comes into force this Convention shall cease to be open to ratification by the Members.
- 2. This Convention shall in any case remain in force in its actual form and content for those Members which have ratified it but have not ratified the revising Convention.

Article 14

The English and French versions of the text of this Convention are equally authoritative.

MINIMUM WAGE FIXING RECOMMENDATION, 1970 (No. 135)

The General Conference of the International Labour Organisation,

- Having been convened at Geneva by the Governing Body of the International Labour Office, and having met in its Fifty fourth Session on 3 June 1970, and
- Noting the terms of the Minimum Wage Fixing Machinery Recommendation, 1928, the Minimum Wage Fixing Machinery (Agriculture) Recommendation, 1951, and the Equal Remuneration Recommendation, 1951, which contain valuable guidelines for minimum wage fixing bodies, and
- Considering that experience in more recent years has emphasised the importance of certain additional considerations relating to minimum wage fixing, including that of adopting criteria which will make systems of minimum wages both an effective instrument of social protection and an element in the strategy of economic and social development, and
- Considering that minimum wage fixing should in no way operate to the prejudice of the exercise and growth of free collective bargaining as a means of fixing wages higher than the minimum, and
- Having decided upon the adoption of certain proposals with regard to minimum wage fixing machinery and related problems, with special reference to developing countries, which is the fifth item on the agenda of the session, and
- Having determined that these proposals shall take the form of a Recommendation, adopts this twenty second day of June of the year one thousand nine hundred and seventy the following Recommendation, which may be cited as the Minimum Wage Fixing Recommendation, 1970:

I. PURPOSE OF MINIMUM WAGE FIXING

- 1. Minimum wage fixing should constitute one element in a policy designed to overcome poverty and to ensure the satisfaction of the needs of all workers and their families.
- 2. The fundamental purpose of minimum wage fixing should be to give wage earners necessary social protection as regards minimum permissible levels of wages.

II. CRITERIA FOR DETERMINING THE LEVEL OF MINIMUM WAGES

- 3. In determining the level of minimum wages, account should be taken of the following criteria, amongst others:
- (a) the needs of workers and their families;
- (b) the general level of wages in the country;
- (c) the cost of living and changes therein;
- (d) social security benefits;
- (e) the relative living standards of other social groups;

(f) economic factors, including the requirements of economic development, levels of productivity and the desirability of attaining and maintaining a high level of employment.

III. COVERAGE OF THE MINIMUM WAGE FIXING SYSTEM

- 4. The number and groups of wage earners who are not covered in pursuance of Article 1 of the Minimum Wage Fixing Convention, 1970, should be kept to a minimum.
- 5(1). The system of minimum wages may be applied to the wage earners covered in pursuance of Article 1 of the Convention either by fixing a single minimum wage of general application or by fixing a series of minimum wages applying to particular groups of workers.
 - (2). A system based on a single minimum wage:
- (a) need not be incompatible with the fixing of different rates of minimum wages in different regions or zones with a view to allowing for differences in costs of living;
- (b) should not impair the effects of decisions, past or future, fixing minimum wages higher than the general minimum for particular groups of workers.

IV. MINIMUM WAGE FIXING MACHINERY

- 6. The minimum wage fixing machinery provided for in Article 4 of the Convention may take a variety of forms, such as the fixing of minimum wages by:
- (a) statute;
- (b) decisions of the competent authority, with or without formal provision for taking account of recommendations from other bodies;
- (c) decisions of wages boards or councils;
- (d) industrial or labour courts or tribunals; or
- (e) giving the force of law to provisions of collective agreements.
- 7. The consultation provided for in paragraph 2 of Article 4 of the Convention should include, in particular, consultation in regard to the following matters:
- (a) the selection and application of the criteria for determining the level of minimum wages;
- (b) the rate or rates of minimum wages to be fixed;
- (c) the adjustment from time to time of the rate or rates of minimum wages;
- (d) problems encountered in the enforcement of minimum wage legislation;
- (e) the collection of data and the carrying out of studies for the information of minimum wage fixing authorities.
- 8. In countries in which bodies have been set up which advise the competent authority on minimum wage questions, or to which the government has delegated

responsibility for minimum wage decisions, the participation in the operation of minimum wage fixing machinery referred to in paragraph 3 of Article 4 of the Convention should include membership of such bodies.

- 9. The persons representing the general interests of the country whose participation in the operation of minimum wage fixing machinery is provided for in Article 4, paragraph 3, subparagraph (b), of the Convention should be suitably qualified independent persons who may, where appropriate, be public officials with responsibilities in the areas of industrial relations or economic and social planning or policy making.
- 10. To the extent possible in national circumstances, sufficient resources should be devoted to the collection of statistics and other data needed for analytical studies of the relevant economic factors, particularly those mentioned in Paragraph 3 of this Recommendation, and their probable evolution.

V. ADJUSTMENT OF MINIMUM WAGES

- 11. Minimum wage rates should be adjusted from time to time to take account of changes in the cost of living and other economic conditions.
- 12. To this end a review might be carried out of minimum wage rates in relation to the cost of living and other economic conditions either at regular intervals or whenever such a review is considered appropriate in the light of variations in a cost of living index.
- 13(1). In order to assist in the application of Paragraph 11 of this Recommendation, periodical surveys of national economic conditions, including trends in income per head, in productivity and in employment, unemployment and underemployment, should be made to the extent that national resources permit.
- (2). The frequency of such surveys should be determined in the light of national conditions.

VI. ENFORCEMENT

- 14. Measures to ensure the effective application of all provisions relating to minimum wages, as provided for in Article 5 of the Convention, should include the following:
- (a) arrangements for giving publicity to minimum wage provisions in languages or dialects understood by workers who need protection, adapted where necessary to the needs of illiterate persons;
- (b) the employment of a sufficient number of adequately trained inspectors equipped with the powers and facilities necessary to carry out their duties;
- (c) adequate penalties for infringement of the provisions relating to minimum wages;
- (d) simplification of legal provisions and procedures, and other appropriate means of enabling workers effectively to exercise their rights under minimum wage provisions, including the right to recover amounts by which they may have been underpaid;
- (e) the association of employers' and workers' organisations in efforts to protect workers against abuses;
- (f) adequate protection of workers against victimisation.