





# Remuneration in domestic work

Earning an income to secure a livelihood for themselves and their families is the central concern and motivation of workers when offering their labour. This also holds true for domestic workers who represent considerable portions of the labour force and are predominantly women (ILO, 2009). What distinguishes domestic workers from many other workers, however, is that they work in private households, their remuneration tends to be among the lowest in the labour market, and they tend to be informally engaged.

The first of a series of briefs on issues and approaches to promoting decent work for domestic workers, this policy brief:

- reviews factors behind domestic workers' low levels of remuneration (Part 1);
- presents examples illustrating how countries have used minimum wage setting to protect domestic workers' remuneration (Part 2);
- explores domestic workers' vulnerability to abusive practices in relation to payment of remuneration, and possible measures to address them (Part 3); and
- concludes by proposing points for consideration by concerned policy-makers (Part 4).

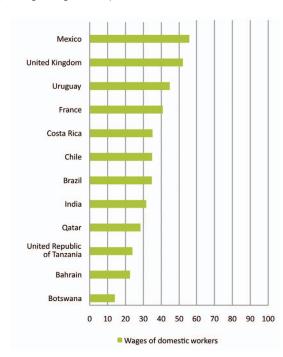
Rather than addressing remuneration in domestic work in a definite or exhaustive manner, the brief seeks to stimulate and inform national policy debates and social dialogue on decent work for domestic workers.

# Low pay in domestic work: A global phenomenon

Statistical data on domestic workers' remuneration indicates that domestic work is among the lowest paid

occupations in any labour market. In fact, estimates based on available data suggest that domestic workers typically earn less than half of average wages – and sometimes no more than about 20 per cent of average wages.

Table 1: Domestic workers' wages (average wages=100)



Note: These estimates are not always strictly speaking comparable because National Statistical Offices do not always report wages at the same level of disaggregation. For Latin American countries, the estimates are compiled by the ILO SIALC for "Private households with employed persons" based on the International Standard Industrial Classification of all Economic Activities (ISIC). The same definition is used in India and the United Republic of Tanzania. Qatar and Bahrain report wages of "domestic workers". France reports wages for "Aides à domicile et aides ménagères", while the United Kingdom reports weekly pay for "caring personal service occupations". Data for all countries are for the latest available year.



When it comes to explaining low levels of remuneration among domestic workers a range of factors can be considered, which tend to be interlinked. One major factor is the generally low level of education of domestic workers (ILO, 2010, pp. 41 and 54). Other factors are the phenomenon of undervaluation of domestic work, pay discrimination and low bargaining power of domestic workers, which are discussed below.

## Undervaluation and pay discrimination

Historical attitudes about the role of women in society, along with stereotypical assumptions as to their preferences and capabilities, are recognized as the principal causes of occupational segregation based on sex (European Commission, 2009). The case of domestic work is particularly illustrative in this regard, as it is a sector with a predominantly female labour force.

To a large extent, domestic work involves tasks that women have traditionally shouldered in the home without pay, such as cleaning, cooking, shopping, laundry, as well as caring for children, the elderly, disabled and other household members in need of care. In addition. perceptions about the innate nature, as opposed to the formal acquisition, of skills and competencies required to perform domestic work persist. Such attitudes and perceptions tend to result in the undervaluation of domestic work in comparison with jobs predominately performed by men when wages are determined (ILO, 2007, 2009). For example, in Switzerland, before the introduction of a minimum wage, domestic workers, more than 90 per cent of whom are women, earned 8.8% less for "unexplained" reasons when compared to the earnings of workers with similar characteristics and qualifications in other sectors. At the same time, domestic workers earned 10.3% less for "unexplained" reasons than workers who perform the same tasks in a workplace other than a private household (Flückiger et al., 2009).1

It is thus crucial to understand and analyse low pay in the domestic work sector from a gender perspective, while paying particular attention to the principle of equal remuneration for men and women for work of equal value as set out in the Equal Remuneration Convention, 1951 (No. 100).<sup>2</sup> This principle implies that remuneration should be determined on the basis of the content of the work performed, taking duly into account the skills, effort, responsibility and working conditions (ILO, 2007, p. 271).

Gender-based pay discrimination in domestic work may be compounded with other forms of discrimination. For example, the worker's ethnic or social origin, or nationality may determine the level of remuneration as opposed to legitimate criteria, such as the type of work performed or actual hours of work.

Low pay in the domestic work sector is also linked to the perception of domestic work as being "unproductive" because it does not directly generate economic gains or profits for the households employing them. Paid household work is thus perceived as devoid of value and exogenous to the labour market (Tomei, forthcoming). However, a number of facts illustrate its economic and social value to individual households and society alike, which are often not sufficiently taken into account.

- Domestic work plays an essential role in securing the maintenance and functioning of households and the well-being of its members.
- The availability of domestic work enables household members to enter and remain in the labour market.
- It stimulates consumption and consequently contributes to economic growth by generating income for the domestic worker and her or his family.

Efforts to make domestic work more visible through collection of statistical data, research exploring the social and economic importance of domestic work, and public awareness-raising campaigns can positively influence policies and practices regarding remuneration for domestic workers. For instance, in *India*, the campaign "Your Work is Important!", supported by the ILO, has generated public awareness about the value of work undertaken by domestic workers.<sup>3</sup>

# Domestic workers' weak bargaining power

Many domestic workers have a low level of individual and collective bargaining power, which leaves them disempowered to extract remuneration that allows them to enjoy a decent standard of living.

<sup>&</sup>lt;sup>1</sup> The difference between the compared groups of workers is considered to be «unexplained» as the methodology used by Flückiger et al controlled for a series of observable characteristics (i.e. age, education, etc.) when the difference in the earnings between the two groups of workers was estimated. This implies that the difference in earnings between the two groups of workers cannot be explained by the observable characteristics included in the estimation.

<sup>&</sup>lt;sup>2</sup> Ratified by 168 ILO member States (1 April 2011).

<sup>&</sup>lt;sup>3</sup> See the ILO website at http://www.ilo.org/newdelhi/areasofwork/lang--en/WCMS\_141187/index.htm

Because their workplace is a private household, domestic workers perform their duties to a large extent, in relative isolation from other workers. This particularly holds true for domestic workers who reside in the household for which they work ("live-in workers"). Domestic workers usually have no co-workers, and long and unpredictable hours of work may make it exceptionally difficult for them to meet up with fellow workers to exchange experiences and information and to organize collectively.

Domestic workers who are migrants, recruited through intermediaries in one country for employment in another country, generally have little or no opportunity to engage in direct negotiations with the employing household, and thus have no possibility to make their skills and motivation part of the equation.

Socio-cultural factors, such as language barriers, may prevent domestic workers, particularly migrant domestic workers and those belonging to ethnic minority groups or indigenous peoples, from engaging and negotiating with their employers. Such factors also increase their vulnerability to abusive treatment, discrimination and unfair working conditions.

Downward pressure on wages is further accentuated by the fact that domestic workers tend to belong to socially disadvantaged groups who face serious difficulties in finding alternative jobs due to their lower-than-average levels of formal education or the absence of economic opportunities in their communities. Professionalizing domestic work through training and formal recognition of skills and qualifications is therefore a means of strengthening the bargaining power of domestic workers within the employment relationship.

# 2. Minimum wage coverage for domestic workers

International labour standards on minimum wage fixing have initially been introduced to bring about protection for groups of wage-earners affected by exceptionally low pay, and for whom no other effective arrangements for wage setting exist (ILO, 2002). Domestic workers are recognized as one of the groups in need of such protection.

While such focus on particularly vulnerable groups continues to be valid, minimum wage setting is increasingly seen as an instrument of social protection aimed at poverty reduction and as an element of strategies for economic and social development.<sup>5</sup> From this perspective, minimum wage setting is a valid approach with respect to domestic workers, in view of the fact that these workers tend to come from the poorest segments of society, and represent substantive and increasing portions of the workforce in many countries (ILO, 2009).

The case of *South Africa* shows that establishing a legal minimum wage for domestic workers has made a difference for these workers. Despite existing enforcement challenges, there are clear indications that average wages for domestic workers have risen without any significant employment loss since the minimum wage came into effect in 2002 (Hertz, 2005; Budlender, 2010).

Where countries have chosen to provide for minimum wage coverage for domestic workers, they have done so either by including them in the generally applicable national minimum wage, or by fixing one minimum rate for the domestic work sector or various minimum rates by occupational sub-groups. The given approach tends to be linked to the overall characteristics of the minimum wage system established in a given country.

Table 2: Minimum wage and domestic workers (selected countries)

# Coverage by national minimum wage

Bolivia, Brazil, Bulgaria, Burkina Faso, Chile, Colombia, Czech Republic, Ecuador, Estonia, France, Ireland, Kazakhstan, Latvia, Moldova, Netherlands, Paraguay, Portugal, Russian Federation, Romania, Spain, Trinidad and Tobago, Turkey, United Kingdom, United States, Venezuela

# Coverage by sector/occupational rates

Argentina, Austria, Barbados, Botswana, Costa Rica, Jordan, Kenya, Mali, Nicaragua, Niger, Philippines, Senegal, South Africa, Switzerland, United Republic of Tanzania, Uruguay, Zambia, Zimbabwe

Notes: The United States law excludes occasional babysitters and companions for the sick and elderly from the minimum wage. Source: ILO research

<sup>&</sup>lt;sup>4</sup>Live-in workers may be subjected to restrictions of their freedom of movement outside working hours, which is problematic from a human rights' point of view (Esim and Smith, 2004; UN, 2010).

<sup>&</sup>lt;sup>5</sup> This approach is embodied in the Minimum Wage Fixing Convention, 1970 (No. 131), and its accompanying Recommendation (No. 135).

# Coverage by a national minimum wage

A considerable number of countries include domestic workers in the coverage of their national minimum wage rates of general application. Such an approach ensures that domestic workers benefit from the same rates as workers generally, which is desirable from an equality perspective. Including domestic workers in generally applicable national minimum wage rates also avoids the need for separate procedures or mechanisms to determine and update specific rates for domestic workers.

More recently, some countries have taken measures to move away from sector/occupational rates for domestic workers by harmonizing or merging such rates with the national minimum wage, or establishing new national rates inclusive of domestic workers.

# Moving towards inclusive national minimum wages: Examples

In **Chile**, domestic workers are entitled to the national minimum wage as of 1 March 2011. This was achieved through progressively increasing the domestic worker's rate, which was previously set at 75 per cent of the general rate.

Similarly, in **Portugal**, the minimum wage rate applicable to domestic workers had been gradually increased and, in 2004, a single national minimum wage was established for the first time, thus aligning the rate for domestic workers with that for other occupations.

The Minimum Wages Order, 2005, of **Trinidad and Tobago** provides for a single national minimum wage applicable to the five sectors to which different rates were previously set by separate orders (including for "household assistants").

## Coverage by sector/occupational rates

Where a system of sector or occupational minimum wages is in operation, resorting to such coverage for domestic workers is another option. In this case, special attention is necessary to avoid undervaluation of domestic work.<sup>6</sup> Choosing appropriate criteria and social partner involvement in the process play an important role here (see below). A number of examples show that specific rates for domestic work may be advantageous; for instance, *Argentina* sets minimum rates for five categories of domestic work in parallel to a national minimum wage, with qualified workers benefiting from rates above the level of the general national minimum wage.

Occupational minimum wage rates for domestic work are sometimes set by region or by urban/non-urban (*Austria, South Africa*). Frequently, they are computed on an hourly, weekly and monthly basis, with specifications as to the hours of work involved for daily or monthly rates. Linking levels of remuneration to hours worked is indeed a key element in addressing inappropriately low pay of domestic workers.<sup>7</sup> Minimum wage orders for domestic workers are also being used to regulate other terms and conditions of employment (e.g. standards regarding permissible payments in kind or leave).

# What mechanisms and procedures to set minimum wages?

A majority of countries providing for minimum wage coverage for domestic workers do so through a machinery set up in accordance with the prevailing minimum wage legislation applicable to workers generally. Such legislation designates the actors involved in the preparation and making of minimum wage decisions, the criteria to be applied, mechanisms for adjustments as well as the legal procedures and instruments to be used.

<sup>&</sup>lt;sup>6</sup> Occupational minimum rates applicable to domestic workers are often among the lowest minimum (ILO, 2008).

<sup>&</sup>lt;sup>7</sup> For instance, Argentina sets lower minimum wage rates for live-out workers than for live-in workers, due to the former's shorter working hours. In Zambia, recently adopted domestic work legislation provides for a monthly minimum wage rate and normal weekly working hours not exceeding 48 hours.

National legislation frequently delegates the decision to fix a minimum wage rate or rates to a specific government authority, often upon recommendation by a tripartite body or after consultation with workers' and employers' organizations. For instance, in *South Africa*, the Minister of Labour – under the Basic Conditions of Employment Act, 1997 – issued Sectorial Determination 7 of 2002 regarding the conditions of employment and minimum wages for employees in the domestic work sector, upon recommendation of the tripartite Employment Conditions Commission.

Sometimes workers' and employers' organizations participate directly in the decision-making, e.g. when the decision-making is delegated to a tripartite body. For example, in *Colombia*, an inclusive national minimum wage is set by the tripartite Permanent Commission on the Harmonization of Wage and Labour Policies. In *Austria*, the Federal Conciliation Office fixes minimum rates for domestic workers through decisions by tripartite panels. In other cases, the rate is established in the statute itself (e.g. Minimum Wages Act, 2002, of the *Bahamas*).8

From the above cases, one can distinguish minimum wage systems that feature dedicated minimum wage-setting machinery for domestic workers functioning in parallel to the machinery setting minimum rates for other workers. An example is *Argentina*, where the national minimum wage does not cover domestic workers, while the fixing of minimum rates for these workers by the competent Ministry is provided for under the Domestic Work Law.

Some countries that have no minimum wage-fixing machinery of general coverage (e.g. because wages are generally determined by collective agreements) have nevertheless established a mechanism to set minimum rates for particularly vulnerable groups of workers, including domestic workers. For instance, in *Switzerland*, the Code of Obligations provides for the possibility for the cantonal and federal authorities to fix minimum wages for occupations subject to abusive low pay, and the Federal Government made use of this possibility with regard to domestic workers in October 2010.

# A role for social partners and collective bargaining

Giving the force of law to the provisions of collective agreements is also a means to set minimum wages. In practice, this method is unsurprisingly less common with respect to domestic work, given the current low level of collective organization of workers and employers in this sector. Where organizations of domestic workers and employers exist, they may not be recognized as bargaining agents under the prevailing industrial relations system; however, in some countries, mainstream unions have taken on to negotiate on behalf of domestic workers (e.g. *Italy*). In *France*, a well-established organization of employers of domestic workers (the Fédération des Particuliers Employeurs – FEPEM) exists and represents these employers in collective bargaining, including on wages.

While collective agreements on domestic workers' wages remain an exception globally, it is clear that workers' and employers' organizations can play an important role in the preparation and/or making of minimum wage decisions in favour of domestic workers, particularly in systems where tripartite bodies for this purpose have been put in place. Social partner involvement is a basic principle embraced by ILO standards on minimum wage setting.<sup>10</sup>

The example of *Uruguay* shows that, by providing an institutional framework for negotiations, the State can actually encourage the collective organization of domestic workers and employers and wage negotiations between them. Following years of minimum wage fixing for domestic workers by decision of the Ministry of Labour, the domestic work sector was included in the country's wage councils system. Once representatives of domestic workers and employers had been identified, a collective agreement was concluded within the wage council's Group 21 and extended to the entire sector by a governmental decree in 2008. A second agreement was reached in December 2010. Similarly, the process of minimum wage setting by the Federal Conciliation Office in Austria involves negotiations between representatives of workers and employers within government-chaired tripartite panels. The panel's decisions are published in the Official Gazette and acquire the force of law.11

<sup>&</sup>lt;sup>6</sup> Where rates are determined by statute, effective mechanisms to ensure regular adjustments based on objective criteria are particularly important, given that parliamentary proceedings may be lengthy and/or unfeasible in practice.

<sup>&</sup>lt;sup>9</sup> See Recommendation No. 135, paragraph 8(e).

<sup>&</sup>lt;sup>10</sup> See Convention No. 131, Article 4, and Recommendation No. 135, Part IV.

<sup>&</sup>lt;sup>11</sup>In the case of Austria, the worker and employer representatives involved are designated by the most representative workers' and employers' organizations.

# Criteria for setting minimum rates: Examples

In **Argentina**, a country where a mechanism for domestic workers operates in parallel to a national minimum wage, both the national rate and the domestic workers' rates pursue the same objective of income redistribution and maintaining purchasing power. In this case, adjustments of the domestic workers' rates have followed the increases in the national minimum wage rate.

In **South Africa**, a country pursuing a sectoral approach, the Department of Labour has looked at the following factors when considering the feasibility and level of minimum wages for domestic workers: the needs of domestic workers and employers; the impact of minimum wages on poverty alleviation; the impact on employment creation; and the actual wage levels of domestic workers (Department of Labour of South Africa, 2001, p. 50). Sectoral Determination 7 provides for a yearly increase by at least 8 per cent. Higher minimum wage increases are triggered by increases in the Consumer Price Index of more than 10 per cent.

In **Austria**, there is a legal requirement to use the wage rates applicable to comparable sectors of the economy as a point of reference (Work Constitution Act, section 23).

# What criteria for fixing and adjusting of minimum wages?

The ILO Minimum Wage Fixing Convention,1970 (No. 131) and Recommendation (No. 135) list a number of generic criteria that should be considered, amongst others, which are also relevant with respect to domestic workers. These include the needs of the workers and their families; the general wage levels in the country, the cost of living and changes therein; the relative living standards of other social groups; and economic factors, such as levels of productivity and the desirability of attaining high levels of employment. Among these, the specific criteria to be used need to be selected and defined according to the objectives of minimum wage setting in a given country-specific context.

In doing so, particular attention should be paid to the need for addressing the undervaluation of domestic work as discussed earlier. Indeed, Convention No. 100 identifies the setting of minimum wages as one of the methods of applying the principle of equal remuneration for men and women for work of equal value. This is particularly pertinent where a minimum wage rate or rates for domestic workers are established along with sectors and occupations.

# 3. Protecting domestic workers' remuneration

Irrespective of the level of remuneration, domestic workers are particularly vulnerable to abusive practices with regard to the payment of wages. They are frequently engaged informally, without terms and conditions regarding hours of work and remuneration being clearly established and agreed upon, and without a written contract or statement of contract particulars. As a result, it may be altogether unclear how much the worker is entitled to be paid and what the pay intervals are. Language barriers and illiteracy among domestic workers may aggravate this problem. Such conditions are a hotbed for abuse, even where employers are well intentioned. Various reports and studies on working conditions of domestic workers found that abusive practices affecting domestic workers' pay may include the following (see, for instance, Esim and Smith 2004; ILO, 2010; Human Rights Watch, 2010):

- overtime requirements without compensation;
- inappropriately high portions of the remuneration that are paid in kind, and excessive cash value attributed to in-kind payments;
- imposition of in-kind payments or deductions without the workers' prior knowledge and agreement;
- · non-payment or late payment of wages.

# Formalizing the employment relationship

As an important step towards protecting domestic workers' remuneration, a number of countries have established requirements for written contracts of employment or a written statement of particulars, including normal hours of work; overtime requirements; remuneration, including payments in kind, if any; agreed deductions;

<sup>&</sup>lt;sup>12</sup> Convention No. 131, Article 3; Recommendation No. 135, paragraph 8.

and pay intervals and the method of payment (see, e.g. South Africa's Sectoral Determination 7). Making model contracts available to employers and workers is one method of facilitating compliance with such a requirement (for example, the model contract attached to the French collective agreement on domestic work). Formalizing the employment relationship in such a way assists in clarifying the employers' obligations, informs the worker of her or his entitlements with regards to remuneration, and may serve as evidence in the case of a dispute.

# Strictly limiting payments in kind and deductions

Payment in kind continues to be customary in the domestic work sector in many parts of the world, particularly in the form of accommodation and food. While partial payment in kind may be acceptable if certain safeguards against abuse are respected, wages paid in money are crucial for the workers in order to maintain a decent standard of living for themselves and their families. Further, residence in the household may be an employer-required term of the employment, principally serving the employers' interest.

The legislation in *Brazil* prohibits deductions from domestic workers' wages for meals, accommodation, clothing and hygienic products. Similarly, in *Canada (Quebec)*, an employer may not deduct an amount for room and board from a domestic worker who is housed or takes meals in the employers' residence. In *France*, the applicable collective agreement provides that no deductions for accommodation can be made where the worker is hired to be present during night hours. In *Bolivia*, the law generally does not allow for payments in kind for domestic work.

Strictly limiting the proportion of the remuneration that may be paid through allowances in kind or establishing maximum amounts that can be deducted for accommodation or meals are other means to prevent abusive practices (e.g. *Uruguay* limits in-kind payments to 25 per cent of the remuneration; *Switzerland* established a maximum amount per day for meals and lodging). Further, the laws may prohibit certain types of deductions (e.g. for uniforms or work tools).

## Preventing non-payment or late payment

In addition to establishing fixed pay intervals and methods of payment (e.g. payment in cash or bank transfer), keeping records of hours worked and payments made is considered, in a number of countries as a requirement that employers of domestic workers can reasonably be expected to comply with. For instance, the legislation in *Jordan* requires the employer to keep evidence of monthly payments. In *Mali*, the employer is required to issue pay slips to domestic workers, indicating, *inter alia*, overtime hours. Records of payment should be equally accessible by the worker and the employer. In *Austria*, employers have a legal obligation to inform their domestic employees of applicable legal minimum rates.

# How to bring about compliance?

Extending legal protection against wages paid below the legal minimum, non-payment of wages and other abusive practices to domestic workers is crucial. Domestic workers should enjoy protection of labour law in these areas, as other workers do. The prospect of being subject to legal enforcement measures and adequate sanctions is an important factor in ensuring compliance with standards protecting domestic workers' remuneration, as is broad dissemination of information on applicable laws to domestic workers and their employers.

When it comes to designing and establishing appropriate mechanisms and procedures for the supervision and enforcement of applicable laws with respect to domestic work, there is no "one-size fits all" approach. However, systems combining various approaches are more likely to take the specific characteristics of the domestic work employment relationship into account and hence are more likely to offer satisfactory responses in dealing with situations of dispute and non-compliance. Particular attention needs to be given to the fact that domestic workers and their employers may not be familiar with applicable laws and may lack the ability of engaging with complex procedures. Pursuing formal litigation may not be desired by, or feasible for, the parties in most cases.

Approaches to monitoring and enforcing labour laws in the domestic work sector may include the following:

- Conciliation and mediation. Uncertainty about the respective rights and obligations of the parties to the employment relationship are frequent in the context of domestic work. Mechanisms providing information, advice and recommendations on how to address disagreements, which can be approached by workers and employers in a non-formal manner and which work in an expedient manner, offer an opportunity to settle disputes in a consensual manner while preserving the employment relationship.
- On-going supervision. A specific public authority, such as the labour inspection service, is designated as responsible for supervising and monitoring applicable laws and regulations. Registration of domestic work contracts with the labour administration or the social

- security institutions, including through internet-based facilities, allows for on-going supervision of working conditions, including remuneration. Routine supervision can be based on records kept by households, as may be required under the law. Where visits by labour inspectors in private homes are envisaged, an appropriate legal framework should be in place to ensure respect for privacy rights.<sup>13</sup>
- Complaints-based approaches. Judicial and administrative complaints mechanisms, as a matter of last resort, to ensure the right to access to justice and to obtain enforceable decisions.

# Ensuring compliance with labour law: Recent innovative approaches

In **Argentina**, the Domestic Work Tribunal of Buenos Aires functions as a court of first instance for employers and domestic workers. Its procedures are clear and simple, favouring verbal accounts and conciliation. The Tribunal has a specific mandate providing advice and raising awareness.

In **Jordan**, contracts of employment of domestic workers must be placed on record with the Ministry of Labour. When the Ministry receives information or complaints regarding violations of worker's rights, it may summon the employer and worker with a view to reaching a settlement. Home inspections regarding the domestic worker's accommodation can be made with the consent of the householder. However, where the consent is not given, the Ministry of Labour may take "other appropriate measures".

In **Uruguay**, a specialized section of the labour inspection services is charged with monitoring compliance with domestic workers' legislation. Home inspections may be done when there is a "presumed violation" of labour or social laws and with the authorization of a competent judicial authority.

The Domestic Workers Bill of Rights, 2010, enacted in the **United States** (New York State) requires the Commissioner of Labour to report on measures to provide easily accessible education and informational material on legislation governing domestic work (New York State Department of Labour, 2010).

<sup>&</sup>lt;sup>13</sup> Respect for privacy, though crucial, need not result in an absolute bar on inspection visits. Requiring the consent of the employer or householder or judicial authorization are possible ways to reconcile worker's rights with the right to privacy of household members (ILO, 2006, p. 85).

# 4. Conclusions: Points for consideration

# Pay for domestic work should be discussed in the context of national minimum wage policies

Domestic workers belong to the lowest paid groups of workers and they tend to come from population groups often affected by poverty. Extending minimum wage coverage to domestic workers can serve as an instrument for the social protection of domestic workers. Given the very high proportion of women, predominantly from disadvantaged groups (indigenous peoples, ethnic minorities or other socially disadvantaged groups), minimum wages for domestic workers can contribute to closing remuneration gaps based on gender, ethnicity or other social characteristics. Hensuring just and fair remuneration is not merely an issue of social and economic policies, but a matter of human rights.

# Just and fair remuneration for domestic workers: A human right

The Universal Declaration of Human Rights proclaimed the right of everyone who works to just and favourable remuneration ensuring an existence worthy of human dignity (Article 23). The 160 States Parties to the International Covenant on Economic, Social and Cultural Rights have committed to take measures to promote and protect the right of everyone to the enjoyment of favourable conditions of work, in particular fair remuneration that provides workers and their families with a decent living (Article 7). Extending minimum wage coverage to domestic workers is a key regulatory tool for the realization of this human right. The Minimum Wage Fixing Convention, 1970 (No. 131), and Recommendation (No. 135) provide guidance in this regard.

# Minimum wage coverage for domestic workers

Including domestic workers in minimum wage rates of general application ensures that these workers enjoy a minimum protection floor on an equal footing with other workers. This promotes social justice and enhances domestic workers' recognition as a part of the labour force. Inclusion of domestic workers in national minimum wage rates may be achieved progressively, where appropriate. When setting sector/occupational rates for domestic work, determining the appropriate wage level is a challenge. Caution is required to avoid that rates reinforce existing undervaluation of domestic work and to ensure that the full range of skills and qualifications it requires are taken into account. Overly complex occupational classifications that are difficult to implement should be avoided.

# Gender equality as an explicit objective

Given the gendered nature of domestic work, gender equality should be articulated as an explicit objective of minimum wage setting for domestic workers. Where differentiated rates for various occupations within the domestic work sector are fixed, it needs to be ascertained that such rates are established in a manner free from gender-bias. When considering wage levels in other sectors as a reference point for setting minimum rates for domestic work, relying on female-dominated sectors may imply the risk of replicating undervaluation existing in these sectors.

# Specific minimum wage machinery for domestic work

Operating stand-alone minimum wage machinery dedicated to domestic workers could be considered where no other machinery is available to provide for coverage in an appropriate manner. However, in cases where dedicated machinery for domestic workers exists in parallel to general machinery, ensuring consistency and coherence with the country's overall minimum wage policies is of importance. If well coordinated, dedicated machinery for domestic workers may provide an opportunity to take into account the specific characteristics of domestic work and the situation of the workers and employers concerned.

<sup>14</sup> See ILO, 2008, on the gender dimension of wage inequality and use of minimum wage setting as a means to address the gender pay gap.

# The role of workers' and employers' organizations

The importance of promoting freedom of association and the right to collective bargaining of the workers and employers concerned should be recognized. The case of *Uruguay* is an interesting example of successful involvement of organizations of domestic workers and employers of domestic workers in national minimum wage-setting machinery, while the experience in *France* shows that collective bargaining agreements in the domestic work sector have the potential of making a difference when it comes to determining remuneration in this sector.

# Protection of wages and compliance

Where this is not yet the case, consideration may be given to extending protection of wages legislation to domestic workers (e.g. periodicity of payments, pay slips, rules on payment in kind, etc.), along with measures encouraging the formalization of the domestic work employment relationship. Responsibility for supervision and enforcement of the wages legislation should be clearly assigned to a public authority. A number of innovative examples exist where the labour administration authorities take the lead with regards to monitoring of compliance of labour laws in the domestic work sector. Dispute settlement procedures need to be adapted to the specific nature of the domestic work employment relationship.

# **Empowerment of domestic workers**

Promoting decent work for domestic workers through laws and policies regarding remuneration should go hand-in-hand with other measures for their empowerment. Enhancing their access to training and professional development, formal recognition of skills and qualifications, and other measures to professionalize domestic work, would contribute to strengthening their position in the employment relationship. Action may also include campaigns raising awareness of domestic workers' rights, supporting collective organization, or legal assistance in case of disputes.

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The Domestic Work Policy Brief series aims to stimulate and inform policy debates on advancing decent work for domestic workers. It provides information on terms and conditions of employment in domestic work, policy issues and different views on these issues, and varied approaches to addressing them around the world.

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