

Ikea refuses to pay workers real living wage – but flaunts the living wage badge



Ikea must either pay workers what it says on the Real Living Wage tin, or own up to being a cheapskate – it can't have it both ways

Ikea is refusing to pay workers the Real Living Wage (RLW) – but wants to keep its status as a living wage employer, says GMB Union.



The home furnishings giant is proudly displaying a plaque in the reception of its sites and still being listed on the Living Wage Foundation website.

Ikea refuses to honour the 20 pence per hour increase announced by the [Living Wage Foundation](#) (LWF) in November 2020.

Employers have six months to implement the change – but Ikea has indicated it will not meet this deadline and has asked the LWF foundation for its accreditation to be ‘paused’.

Yet despite this, the Swedish company still proudly displays a living wage employer plaque in its sites.

When GMB officials asked for it to be removed, they were told by Ikea bosses the plaque would be staying.

The union has now written to the Living Wage Foundation to report the breach and raise its concerns about the foundation allowing IKEA to remain on its website and display the accreditation plaque in its workplaces.

Ikea today posted financial results showing total sales of £1.9 billion in the UK for the financial year ending 31 August 2020, with online sales surging 31% through the pandemic.

David Shamma, GMB regional organiser said:

“Ikea took in almost £2 billion in sales last year, yet refuses to pay the workers who prop up its empire a paltry 20 extra pence an hour.

“This company masquerades as an ethical business, but is clearly putting profits before its loyal workforce.

“It’s a repugnant way to operate a business – but to then go crying to the Living Wage Foundation that they still want to keep the badge whilst flouting the rules is childlike at best, utterly cynical at worst.



“Ikea needs to be honest about what kind of employer it is and either pay workers what they deserve or take the flak for being a charlatan and a cheapskate.

“Meanwhile the LWF needs to take action or risk undermining its integrity and other companies accredited who stick to the rules.”

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