

# Towards Fair Compensation: Exploring Decent Wage Models within the Framework of EU Directives, SDGs and UN Guiding Principles

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# About WageIndicator

A timeline of our evolution



# Adequate Wages - Minimum Wages - Living Wages: what are we talking about?

Means to measure and set pay at covering basic needs to lead a decent, dignified life

- **Minimum Wages:** statutory, or collectively bargained. Legally binding
- **Adequate Wages:** more focus on reducing inequality, but 'political' construct → e.g. what is adequate?
- **Living Wages:** cost of living approach, focus on reducing poverty

# EU Directives that cover either 'Adequate Wage' or 'Living Wages'

- **EU Directive on Adequate Minimum Wages:** Governments in EU27, improving statutory MWs
- **EU Directive on Corporate Sustainability Reporting (CSRD):** Focus on reporting on 'Adequate Wage'
- **EU Directive on Corporate Sustainability Due Diligence (CSDDD):** mFocus on transparency and action, mention 'Living Wages' (not operationalised yet)

# How do Living Wage payments benefit workers, employers, and the economy ?

It enables labour market transparency, allowing employers and workers to make informed decisions



**Living Wages are also central to the achievement of multiple SDGs**



# WageIndicator's Living Wage Database



Collect, Share, Compare. Aware.

# WageIndicator's Method

How do we calculate Living Wage estimates?

**WageIndicator calculates  
Living Wages for**

**Standard  
Families**

2 earning adults  
2 children

One works 100%  
of permissible  
hours, the other  
other works 80%  
of permissible  
hours

**Typical \*  
Families**

2 earning adults  
No. of children is  
determined by  
national  
fertility rate

One works 100% of  
permissible hours,  
while the other's  
hours are based  
on national  
employment rate

**Estimates are based on 10 baskets  
of goods and services**

**Food**



**Water**



**Transport**



**Clothing**



**Healthcare**



**Housing  
and energy**



**Education**



**Phone and  
internet**



**Taxes**



**Emergency  
expenses**

\* Single income earner is an other option

# What makes our Living Wage database unique?

WageIndicator has continuously improved the calculations, coverage, and scope of its Living Wage database to ensure easy access to up-to-date estimates

We calculate our estimates based on cost-of-living data collected by ~300 data collectors worldwide on a **quarterly** basis for 2700+ regions across 170+ countries

Our database is recognised by IDH and by B-Lab's B-Corp Certification process. The European Sustainability Reporting Standards also recommend using our Living Wage estimates

We can recommend certifiers. But will never certify our own data!

We respond to client queries  
On priority

We help companies developing Living Wage implementation plans, including gap analyses

We take an academic approach to Living Wages, connecting it with our databases on

Labour  
Laws



Actual  
Wages



Collective  
Agreements



Minimum  
Wages





## Adequate Wage Guide

WageIndicator assists you with the **Adequate Wage Guide** to define the most adequate wage for your desired country and region.

### The idea behind the tool:

To find the **most adequate wage level** in a country or region, the tool compares the Living Wage with the lowest statutory Minimum Wages in a country or region within a country.

That Minimum Wage level will be compared with

1. Living Wage Typical Family Lowerbound (Guidance 2023 and Latest Release);
2. Living Wage Typical Family Higherbound (Guidance 2023 and Latest Release);
3. Single-Earner Lowerbound (Latest Release);
4. Single-Earner Higherbound (Latest Release)

For the definitions, see below.

Each time the Minimum Wage in the country or region is **lower than one of the four** Living Wage types, the Guide picks the relevant Living Wage just above the Minimum Wage.

Each time the Minimum Wage in the country or region is **higher than one of the four** Living Wage types, the Guide picks the next relevant Living Wage that is above the Minimum Wage.

If the Minimum Wage in the country or region is **higher than the highest** Living Wage, or if a Living is not available for a country or region, the Guide picks the Minimum Wage.

The Adequate Wage Guide can be used with the open access Living Wage data from WageIndicator, see page.

<https://wageindicator.org/salary/living-wage/workers-trade-unions>

The Adequate Wage Guide can be used with a more complex data sheet bought via the WageIndicator website. See page:

<https://wageindicator.org/salary/living-wage/database-access>

**Why Adequate Wages?** As a company you might need to report about how adequate your wage levels are. The Adequate Wage Guide helps to go smoothly through the process.

More on Adequate Wage: See link <https://wageindicator.org/salary/living-wage/faq-living-wage/adequate-minimum-wages-eu-directive-eu-wage-data>

# Adequate Wage Guide

## (Country Level)

Choose a Continent:

Oceania

Choose a Country:

Australia

### Recommended Wage:

**Living Wages  
Single-Earner  
Higherbound**

### Technical Explanation:

The Living Wage - Single-Earner is the highest standard for Living Wage estimates, where a single earner covers all the costs for the family.

A single earner typical family comprises of two adults, and the number of children is determined by the country-specific fertility rate, representing the average number of children in a family. ONLY One adult is engaged in 100% of normal working hours.

The wage for the working adult is designed to meet the requirements for achieving a decent standard of living for the family.

<https://wageindicator.org/salary/living-wage/faq-living-wage/adequate-wages-recommender>

# Adequate Wage Guide

## (Region Level)

Choose a Continent:

Asia

Choose a Country:

Laos

*Hover on the recommended wage to see notes and technical explanation.*

| Region            | Recommended Wage                         |
|-------------------|--|
| LAO Attapeu       | Living Wage July 2024 Release Lowerbound |
| LAO Bokeo         | Living Wage July 2024 Release Lowerbound |
| LAO Bolikhamxay   | Living Wage Guidance 2023 Lowerbound     |
| LAO Champasak     | Living Wage Guidance 2023 Lowerbound     |
| LAO Houaphanh     | Living Wage Guidance 2023 Lowerbound     |
| LAO Khammouane    | Living Wage Guidance 2023 Lowerbound     |
| LAO Luang Namtha  | Living Wage July 2024 Release Lowerbound |
| LAO Luang Prabang | Living Wage Guidance 2023 Lowerbound     |
| LAO Oudomxay      | Living Wage Guidance 2023 Lowerbound     |
| LAO Phongsaly     | Living Wage July 2024 Release Lowerbound |
| LAO Sainyabuli    | Living Wage July 2024 Release Lowerbound |
| LAO Salavan       | Living Wage July 2024 Release Lowerbound |
| LAO Savannakhet   | Living Wage Guidance 2023 Lowerbound     |

**Want to know more?**

**Get in touch:**

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