



The advantage of paying a Living Wage

*A presentation by Paulien Osse, Co Founder and Global Lead Living Wages,
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Collect, Share, Compare. Aware.

About WageIndicator

A timeline of our evolution



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 the baskets of 10 basic goods and services *

Food



Water



Transport



Clothing



Healthcare



Housing and energy



Education



Phone and internet



Taxes



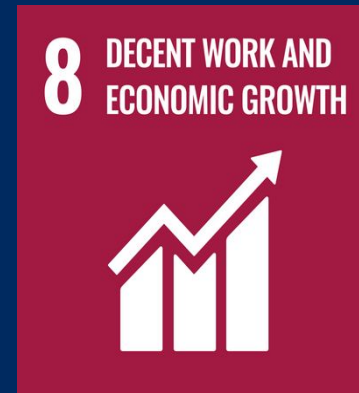
Emergency expenses

* Single income earner is an other option

* From October 2024 Child care and private car cost are added as new components, not included in the basic basket of goods but on top, as ad-on.

How Living Wages is central to social and economic development

Living Wage payments are the linking pin to multiple SDGs



How do Living Wages help workers *and* companies

It creates a virtuous circle of improvement, benefitting workers and ultimately the companies they work for



Therefore, paying a uniform Living Wage across operations and whole industries creates a stable and reliable supply chain, boosting efficiency and productivity.

Some tips for a smart Living Wage process

Experience from the field

Get leadership, Finance, Compensation & Benefits on board. Only the Human Rights Department is not enough

Team up with colleagues and competition in the sector.

Do the gap analyses in house.

Vital knowledge needs to be close to the core. Grip on pay-structure means grip on compliance and communications.

A Living Wage policy can lead to:
Higher wages, more compliance, more fairness, more structure, less chaos.

The more **structured salary data** is, the easier a quarterly check becomes.
→ Compliance with Minimum Wage / Living Wage.

And: **more fairness** around which bonuses, allowances or in-kind benefit for which worker in which region

Keep asking local teams to collect local examples of cost of living information, such as from Bureau of Statistics or other data providers
It keeps you all sharp.

In many countries Living Wage is already paid. To get a Living Wage paid should not be seen as a problem.
It is an update of your payroll, like Minimum Wage updates. For some countries it can take a few years.

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 173+ 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 for reporting on EU CSRD

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**



Want to know more?

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