Reducing Unpaid Labor Through Living Tariff Tool

Presenter

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Presented at

No Such Thing as a Free Coffee: On Unpaid Work in the Gig Economy and Possible Solutions (29 October 2024)

Implemented by:



Living Tariff: Empowering Fair Wages

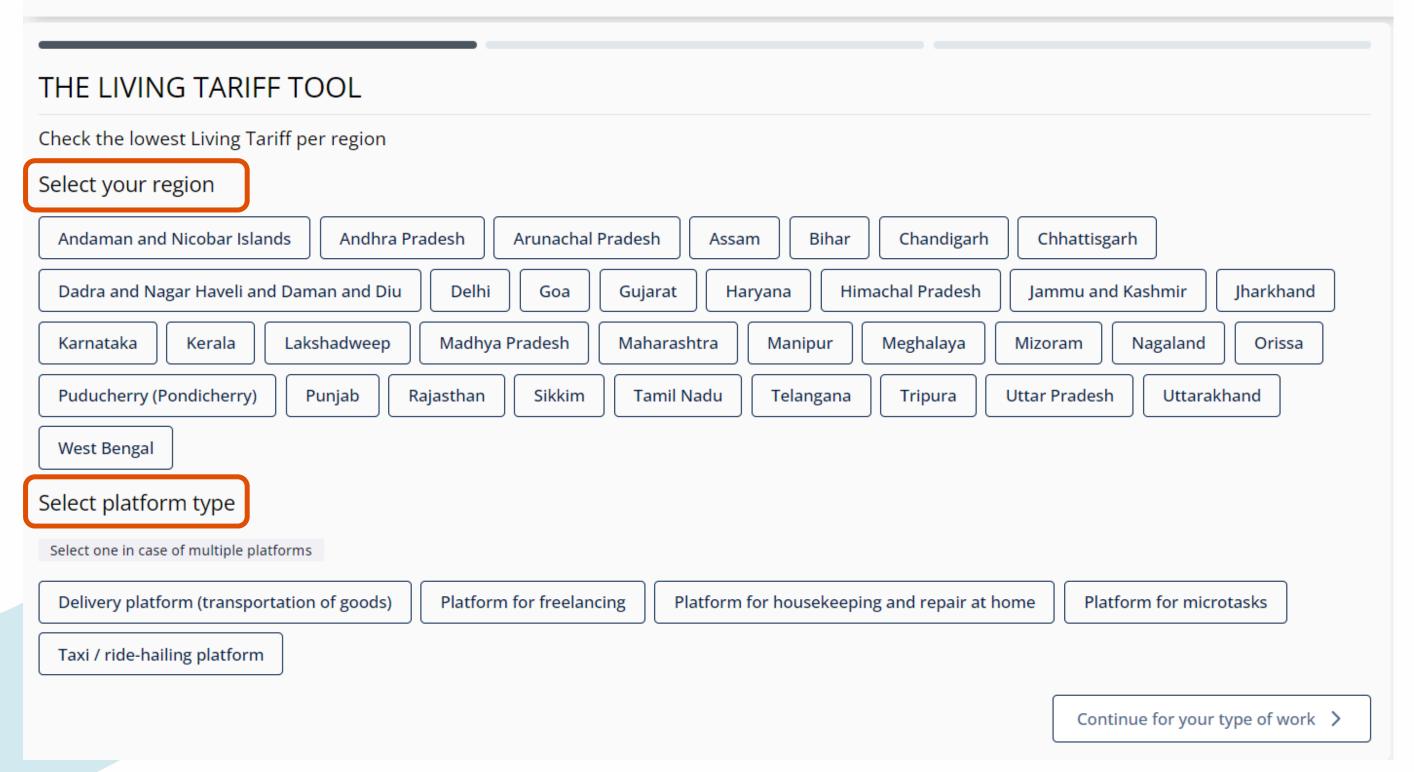
Challenges

- Rapid growth of the gig economy
- Unclear legal status and lack of protections
- Outdated and inadequate regulations
- Challenges in fair wages and financial stability
- Resistance from platform companies for higher wage

What is Living Tariff Tool?

- Living Tariff is a free accessible tool designed for gig workers to calculate how much they need to earn to achieve a sustainable income that covers their living expenses.
- It considers all the costs associated with their work, including resources, waiting time, and savings for things like sickness and retirement.

Living Tariff Tool



THE LIVING TARIFF TOOL Check the lowest Living Tariff per region Select your region Selected region Maharashtra X A self-employed worker in Maharashtra, India in 2024 should earn a minimum Living Tariff of at least: • ₹133.25 per hour • ₹25,741.92 per month full-time • ₹3,08,903.00 per year. Note: This tariff includes social security and taxes, but it does not include work-related equipment or overhead. Select platform type Selected platform Platform for freelancing X Select type of work

Select one in case of multiple types of work

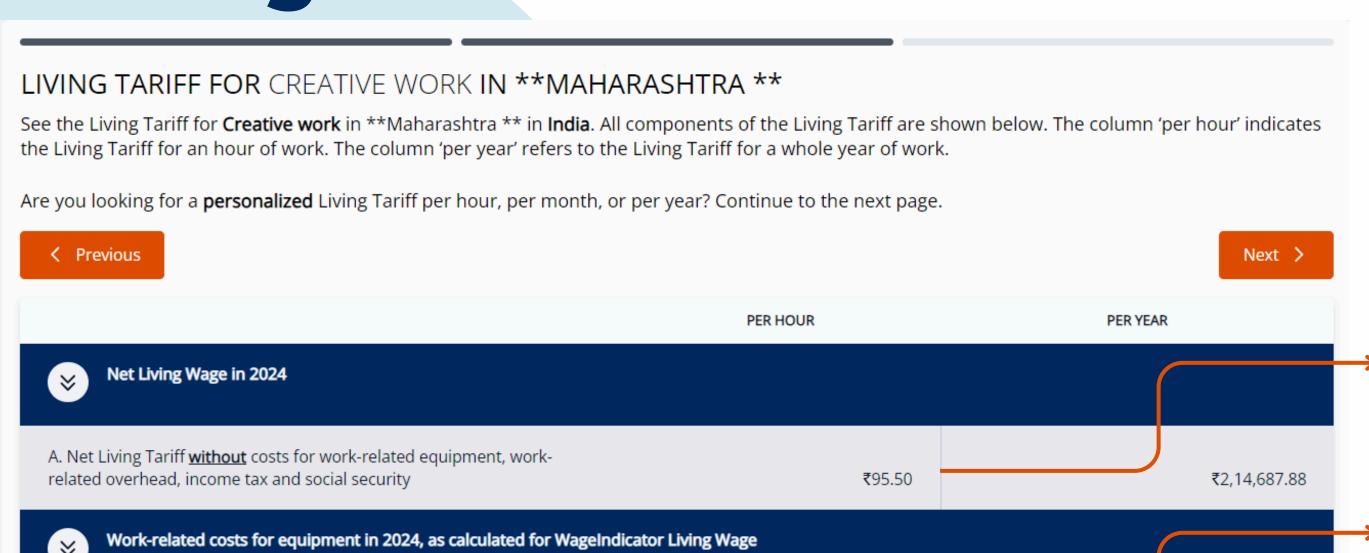
Selected type of work

Creative work X

WageIndicator Living Wage

- Living Wage refers to the income required by a worker for his/her family to meet a decent standard of living in a specific location.
- The WageIndicator Living Wage data is obtained from the WageIndicator cost of living survey

Continue for your type of work >



A. WageIndicator Living Wage in selected region

B. Work related equipment example: smartphone, laptop, vehicle, gas and maintenance

C. Work related overhead time example: administration, training, waiting time, acquisition and communication

- B. Sum of total work-related costs ₹14,291.27
 - Work-related overhead time needed in 2024, as calculated for WageIndicator Living Tariff Tool. It is estimated that a platform worker has to spend time on work-related activities, that cannot be declared.

C. Sum of work-related overhead costs

WageIndicator Living Tariff <u>with</u> job related costs and overhead (A + B + C), but <u>without</u> income tax and social security in 2024

₹110.61

₹8.75



D. Income tax and social security including pension, health insurance and reservation

(A) + (B) + (C) + (D) = Minimum Living Tariff

A. WageIndicator Living Wage

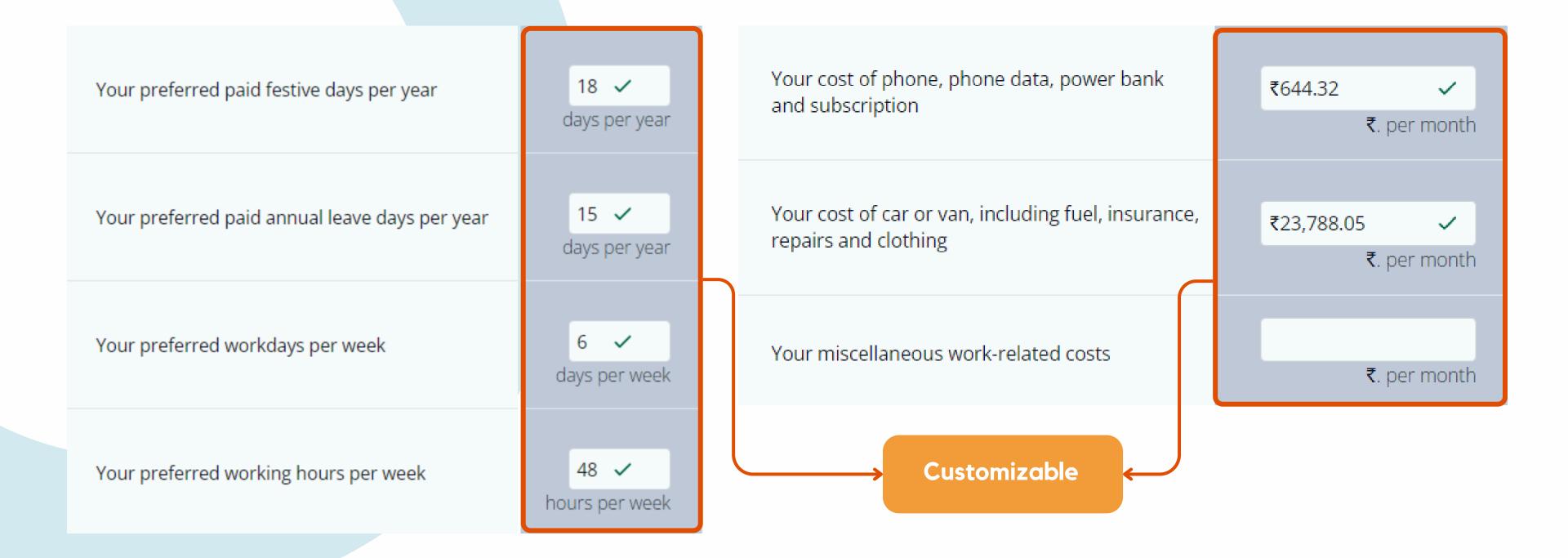
C. Overhead Cost

B. Work related equipment cost

D. Income tax and social security

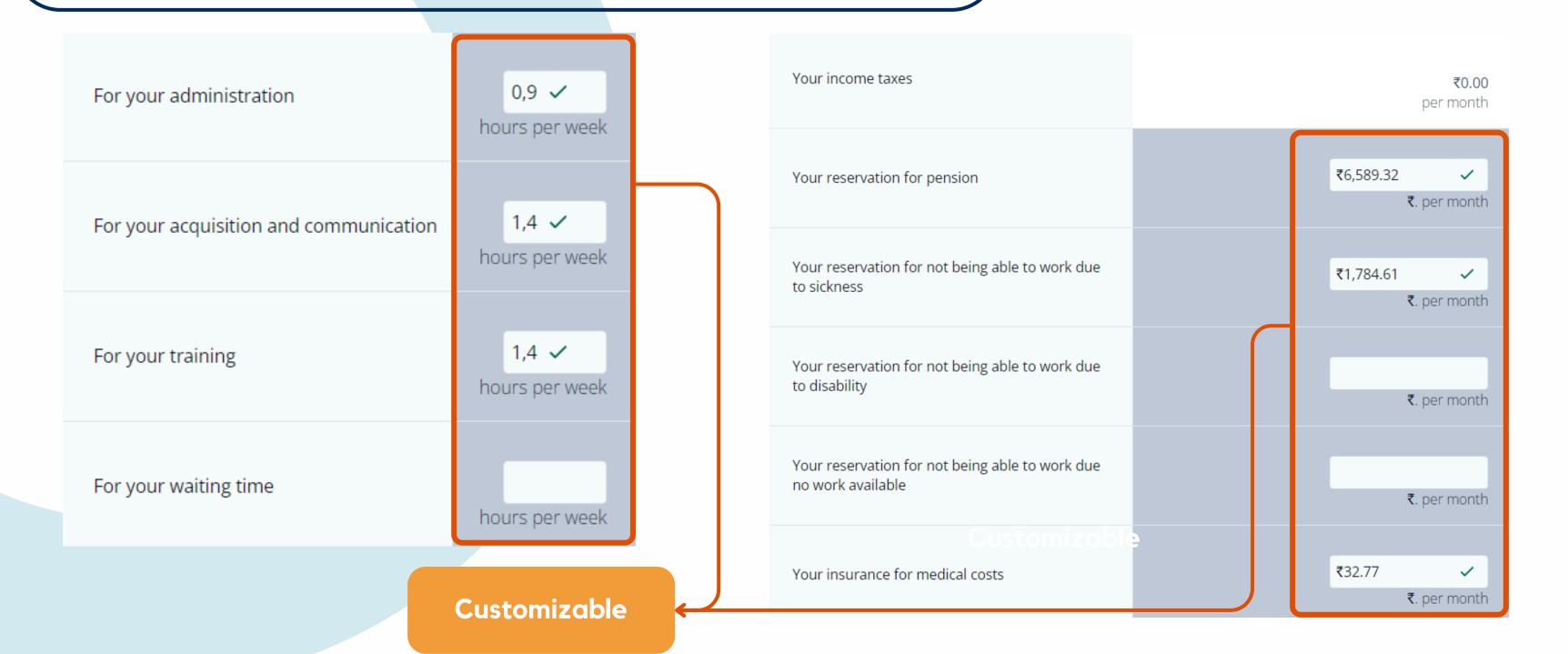
Living Tariff Tool Customization

- Every gig worker or freelancer has different needs and situations
- Customize each component variables to suit your situation!



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Stakeholder's View on How Living Tariff Tool Could Reduce Unpaid Labour

"For companies, incorporating this tool can align their wage systems to better reflect the nature of gig work, creating avenues for collaborative mechanisms to improve the well-being of gig worker"

• Syed Nazar Ali, Secretary General, Employers Federation of Pakistan



"The Living Tariff tool strengthens our push for fair wages. It helps us argue for pricing mechanisms that reflect the true cost of labor"

• Dan Mihadi, General Secretary, Transport Workers Union Kenya

"The tools has saved lots of time for me researching on the standard rate per hours for tutors"

• Ime Esther, Private piano lesson tutor





"Knowing the living tariff is good, but then what? The platform always set up the tariff and we can't do anything about it, even we can't have a proper legal regulations for us"

• Abdul - registered partner of Grab, Gojek, Maxim and Indriver in Indonesia

The Role of Living Tariff Tool for Gig Workers

Check and access fair tariff and working hours information Awareness raised

Gig Workers, non platform

Negotiate for better pay

Platform workers

Make informed career decisions by comparing ideal tariff with platform tariff

Join gig trade unions for collective negotiation on pay and rights

State and Policy

Policy Brief, Position Paper, Rally for Decent tariff

Employers

Collective Bargaining
Agreement, Cases Advocacy

Workers

Strengthening the bargaining position, Guidelines for Advocacy

Ongoing Advocacy Efforts in Indonesia



- Conducting research on gig economy issues.
- Digital campaigns to raise awareness about unfair working conditions and the need to form alliances
- Emerging grassroots groups:
 Indonesian Online Driver Alliance,
 Serdadu, SINDIKASI.
- Partnering with traditional trade union for stronger negotiation power



Worker's Movement and Protest

 Organizing large-scale protests of ride-hailing drivers against platform companies.

Demands: More transparent tariff policies, higher tariffs, and government regulation of employment status



In relations with Living Tariff Tool

- Assisting ride-hailing communities with pricing mechanisms and calculation references based on living tariffs
- Providing a salary guide for freelancers based on living tariffs per region, enabling freelancers to set fairer pricing.

Thank you!

You can access the Living Tariff Tool and find more information here:

Webpage: https://wageindicator.org/salary/living-wage/living-tariff-7

Questions?

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