

Why Paying a Living Wages?



January, 2026

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THE WAGEINDICATOR JOURNEY



A TIMELINE OF OUR DATABASES

Salary Check

Started in The Netherlands, now in 75 countries.



1999

2006

2008

2011

2014

2024

2026



Labour Law

Started in Mozambique now in 145 countries; + Labour Rights Index.



Collective Agreements

Started in Sub Saharan Africa, now in 76 countries.



Minimum Wages

Started in Paraguay, India and now in 208 countries.



Living Wages

Started with a model in 100 countries. Now 400 on-the-ground data collectors do the job in 184 countries.



2024

Living Wages Publication

Supported by a group of big firms, costly Living Wage data can be shared with trade unions, employees, small firms; especially in complex

Pensions around the world

Insights in pension structures for all.



OUR LIVING WAGE DATABASE



WagelIndicator improves the collection of prices, coverage, calculations, and scope of its Living Wage database to ensure easy access for all companies, people and trade unions.



WagelIndicator calculates its estimates based on the cost-of-living data collected by roughly 400 data collectors worldwide. Each quarter fresh data!



Currently there are Living Wage estimates for 184 countries, covering 4,000 regions. Available for sale, as well as partly publicly available on our websites.

Living Wages are connected with other databases on:



Labour Laws, contracts, working time and pension



Prevailing Wages



Collective agreements



Minimum Wages

LIVING WAGES VS MINIMUM WAGES



Legally Mandated

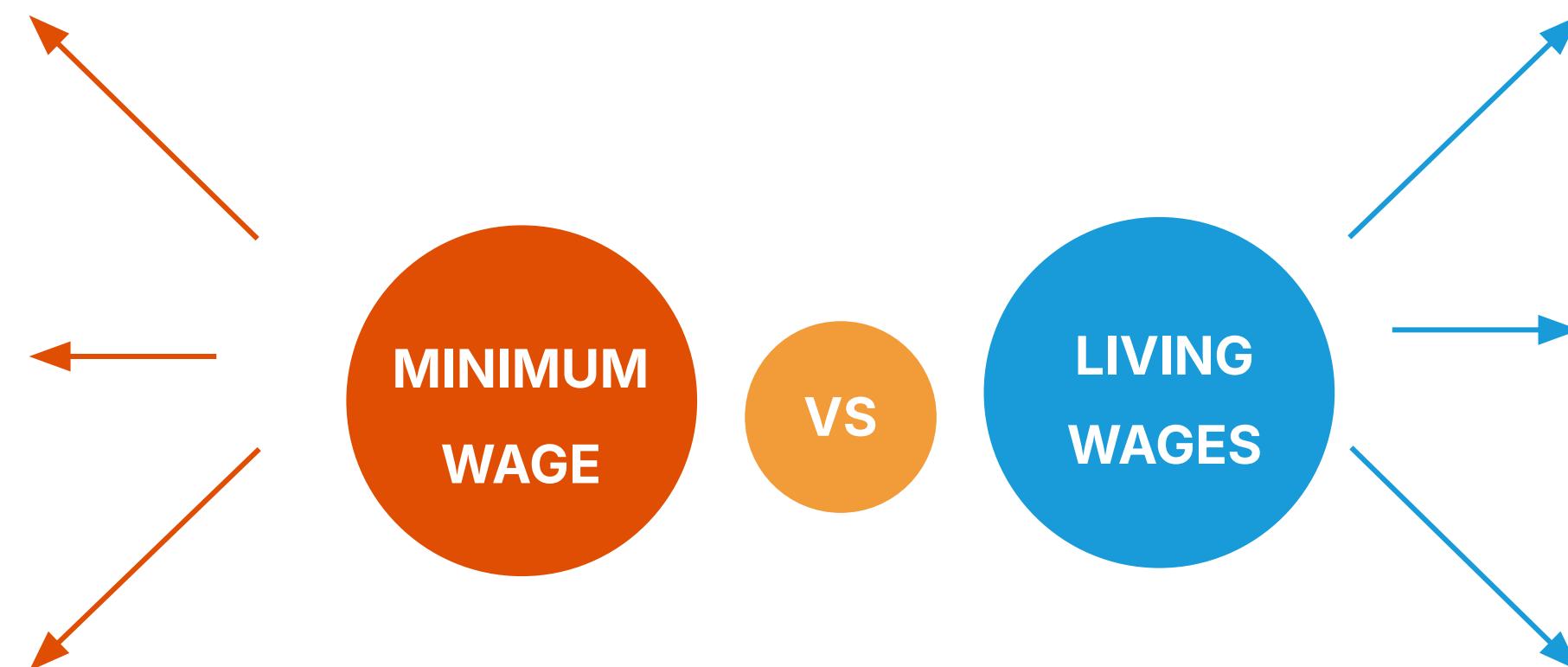
Minimum wages are a.o. decided upon by the government or wage boards .

For a Single Worker

Minimum wages are applicable to the worker

Basic needs are not always covered

Minimum wages serve as the legally mandated lowest benchmark and may not cover all basic needs.



Calculated

Living wages are calculated on the basis of region-specific cost of living.

For a Family

Living wages are catered to the worker and their family.

Covers basic needs

Living wages are intended to cover all the basic necessities of people and their families.

WAGEINDICATOR METHOD



**How do we calculate Living Wage estimates?
And why do we also have: Living Income, Living Tariff, Living Pension**

WAGEINDICATOR CALCULATES LIVING WAGES FOR

Typical* Families in a range (low/high)

- 2 earning adults, number of children is determined by national fertility rate;
- Lower Bound is seen as the global baseline;
- One person works 100% of permissible hours, other person hours are based on the national labour participation rate, unemployment rate and part-time work rate.

*We also calculate for standard families.

Single Income Earner for a Family in a Range (low/high)

- 1 earning adult. Number of children is determined by national fertility rate;
- Lower Bound is seen as the best from a Human Rights perspective.

Employees are a minority compared to those who are make their living on another way

If they're small holders, then a Living Income works! For all self-employed, a Living Tariff works! And then pensioners? WageIndicator opts for a Living Pension!

WAGEINDICATOR BASKET OF GOODS

This basket is the basic.
We have private car
costs and child care
available as an add-on.



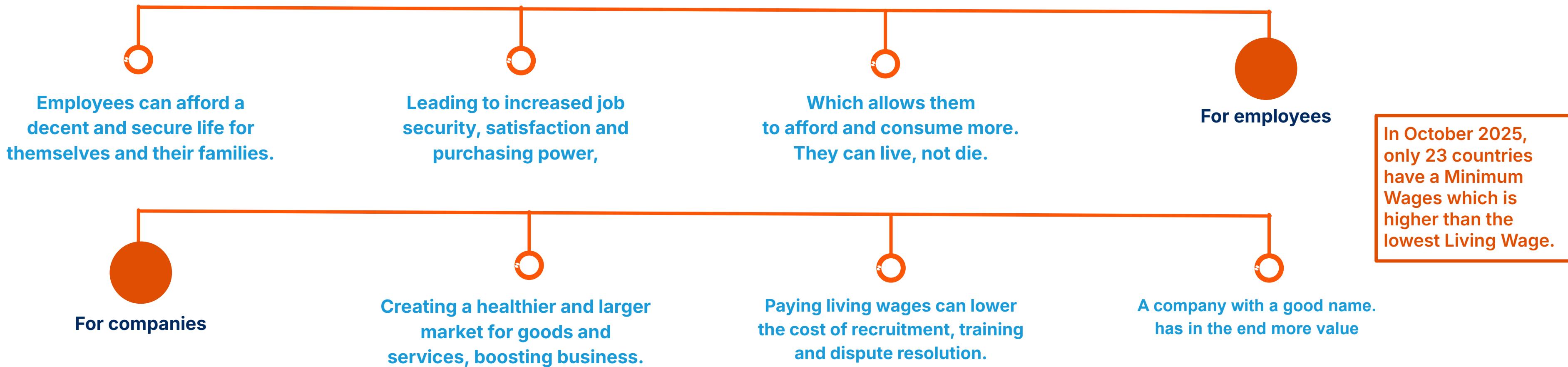
- WagIndicator aligns with ILO principles.
- WagIndicator is recommended by a.o. IDH, B-Corp, European Sustainability Reporting Standards.
- WagIndicator worked with WageMap on a Living Wage Reference Standard

BENEFITS OF LIVING WAGES

FOR EMPLOYERS AND ECONOMY PAYMENTS



Living Wages payments enables labour market transparency, allowing employers and employees to make informed decisions.



LIVING WAGE PAYMENT IS ALSO CENTRAL TO THE ACHIEVEMENT OF MULTIPLE SDGS



RESILIENT REPORTING

INTERNAL & EXTERNAL



Step 1. Prepare the basic wage data set

Use 2025 data. July or October. This basic wage data set comes without bonuses and allowances. Only those bonuses or allowances which all employees get may stay. Like a holiday bonus. Everything related to performance needs to be excluded. In-kind? Try to avoid food and transport. If relevant include housing, education and/or healthcare whether it is allocated in cash or kind. This cash or in kind should never be more than 25% of the Living Wage.

Step 2. Compare the Basic Wage with the correct Minimum Wage

Use the latest available data. In some countries Minimum Wages are different per region, or city, per sector and sometimes occupation. The perfect Minimum Wage data set is GPS coded. The codes are linked to the company locations. Mark these regions where Basic Wage is below the Minimum Wage and repair. And share the distance.

Step 3. Compare the Basic Wage with the Typical Family lower bound/ higher bound

Use October guidance 2025 data. Check in which regions the Minimum Wage is higher than Typical Family lower and or bound. Mark these regions. And share the distance. Do the same for Single Income earner lower and higher bound.

Step 4. Decide if you want to focus on just paying the Minimum Wage or above

Minimum Wage = Living Wage = Adequate Wage.

Step 5. Do the same every year

This way, you know if the company is still Minimum Wage and Living Wage compliant (or on its way towards it).

Step 6. Decide what to report externally

Ideally precise, as investors prefer this, with the data set which is used.

Companies who report step by step and are transparent in which Living Wage estimates they use are for example:

Pandora and Electrolux

Example:

- Basic Wage, October 2025.
- WageIndicator Living Wage estimates October Guidance 2025. Latest available Minimum Wage.
- Living Wage Gaps for example: 10% of personnel in country x.
- This gap will be closed in October 2027.

WANT TO KNOW MORE?



Get in touch: helpdesk@wageindicator.org

- **FAQ-method:**

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

- **Available data around the world:**

<https://wageindicator.org/salary/living-wage/list-of-country-region-living-wages-data-availability>

- **Publicly available estimates:**

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

- **Minimum wage/Living Wage:**

<https://wageindicator.org/salary/minimum-wage/minimum-wages-higher-than-living-wages-by-country-and-by-region>

- **Adequate Wages:**

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

- **Company experiences:**

<https://wageindicator.org/salary/living-wage/faq-living-wage/living-wage-experience-wthin-companies-cases>

- **Expert interviews:**

<https://wageindicator.org/about/overview-wageindicator-newsletters/expert-interviews>

- **Alignment with ILO principles:**

<https://wageindicator.org/salary/living-wage/faq-living-wage/ilo-principle-and-wageindicator-alignment>