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# Living Wages and Living Income Worldwide

**Update October 2024** 

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Living Wages and Living Income Worldwide. Update October 2024

WageIndicator Foundation Amsterdam, October 2024

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## WageIndicator Foundation - www.wageindicator.org

WageIndicator Foundation is a global, non-profit organisation operating in 208 countries. WageIndicator started in 2000 to contribute to a more transparent labour market by publishing easily accessible labour market related information online. We collect, analyse, and share data on minimum wages, salaries, living wages, living income, living tariffs, labour laws, collective agreements, and gig and platform work. Our aim is to enhance labour market transparency for workers, employers, academics, trade unions, and policymakers worldwide. Through its 220 websites, available in 70+ languages, events, newsletters and social media, WageIndicator reaches millions of people yearly.



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## Updates to the report based on earlier editions

This report and its previous versions build on the original report by Guzi and Kahanec (2019) on measuring Living Wages globally. Since 2019, this report has been updated often, sometimes multiple times a year. Below you find the specific changes that have been made at each update.

#### 2022

In 2022, this report was updated in February and May:

- Guzi, M., Amanquarnor, N., Ceccon, D., Kahanec, M., & Tijdens, K. (2022). Living Wages worldwide, update 2022. Amsterdam, WageIndicator Foundation, February
- Guzi, M., Amanquarnor, N., Ceccon, D., Kahanec, M. & Tijdens, K. (2022). *Living Wages worldwide*, *update 2022*. Amsterdam, WageIndicator Foundation, May.

#### 2023 - February

Guzi, M., Amanquarnor, N.A., Ceccon, D., Kahanec, M., Osse, P., & Tijdens, K.G. (2023) *Living Wages Worldwide, update February 2023.* Amsterdam, WageIndicator Foundation.

In February 2023 the following topics were included:

- Living Income and Living Wage Plus.
- Insight into the role of data collectors
- Latest quarterly data.

#### 2023 - November

Guzi, M., Amanquarnor, N.A., Ceccon, D., Kahanec, M., Osse, P., & Tijdens, K.G. (2023). *Living Wages and Living Income Worldwide, update November 2023*. Amsterdam, WageIndicator Foundation.

In November 2023 the following topics were included:

- Single income earner as an option in the Family types
- Next to Region Urban/Rural now also Peri Urban / Peri Rural
- Ethical Principles Implementation Living Wages Guidance
- Latest quarterly data, yearly average data, Guidance data

#### 2024 - October

In October 2024 the following topics are included:

- Role of ILO in the Living Wage concept
- Minimum Wage database linked to GPS codes of relevant parts of cities, regions, countries and optional to company locations.
- WageIndicator introduces the 'Living Tariff' as a concept
- Additionals on top of the basic basket of goods: (child) care, private car cost
- Inclusion of 'Adequate Wages'
- Publication of publicly accessible Living Wage estimates in May 2024



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# 1 | Introduction

## 1.1 Introducing Living Wages

Article 23 of the United Nations Universal Declaration of Human Rights affirms that every individual who works has the right to just and favourable remuneration, ensuring a dignified existence for themselves and their families. The 17 United Nations Sustainable Development Goals (SDGs) set for 2030 and adopted by all UN member states in 2015 add urgency to Living Wage implementation, since paying a Living Wage furthers at least eight out of the 17 SDGs (Van Tulder & Van Mil, 2022; Kingo, n.d.). In addition to these global goals, recent regulatory frameworks, including the European Commission's 2020 Adequate Minimum Wages Directive, the 2022 Corporate Sustainability Reporting Directive (CSRD) and the 2024 Corporate Sustainability Due Diligence (CSDDD) further highlight the importance of fair wage practices and ensuring wages are adequate to at least meet workers' basic needs. Living wage commitments are an important piece of corporate Human Rights policies, as also recognised by the OECD Due Diligence Guidelines (Balestra, Hirsch & Vaughan-Whitehead, 2023). Along with UN Global Compact's Forward Faster, where Living Wage is one of the pillars, there is increasing pressure for businesses from investors, consumers, ESG agencies and external bodies, to commit to paying your employees a Living Wage; some have even been cooperating with their suppliers to achieve Living Wages in their supply chains (Mapp, 2020).

A critical step in the global progression of living wage occurred with the International Labour Organization's (ILO) Meeting of Experts on Wage Policies, including living wages, in February 2024, which reached a consensus in March 2024. The conclusions of this meeting reinforced the importance of transparent wage-setting mechanisms grounded in tripartite dialogue and collective bargaining, ensuring that employers, workers, and governments collaboratively establish fair wages. These practices not only secure fair outcomes but also contribute to workplace stability and social equity. Collective bargaining processes play a significant role in reducing wage inequality by establishing negotiated wage floors that prevent wages from falling below essential living standards (Zwysen, 2024). Research suggests that minimum wages supported by social dialogue and bargaining can help wages keep pace with living costs, thus avoiding stagnation and preventing deepening inequality (Zwysen, 2024; Müller 2024).

One of the first studies that aimed to understand the income necessary for basic living standards comes from Benjamin Seebohm Rowntree's 1901 study, 'Poverty: A Study of Town Life'. Rowntree's study was groundbreaking for its methodology, as he developed a "poverty line" based on the cost of a "basket of goods" that included essential items for a working-class family to sustain health and basic living conditions. His research sought to identify what level of income was required for a family to afford essential needs, which he categorised as food, shelter, clothing, and other basic necessities. Today, this approach has evolved into a framework that helps determine the minimum income necessary for a decent living standard, guiding most living wage calculations.

Living wage estimates typically cover essential costs such as food, housing, clothing, childcare, transportation, and healthcare, along with a modest allowance for leisure and emergency



expenses. Mankiw (2020) observes that living wage calculations generally exclude significant savings for property ownership, debt repayment, retirement, or education, focusing instead on immediate living costs. Though definitions of a living wage vary in wording, they converge on a shared principle: a wage adequate to meet workers' basic needs without requiring government assistance (Gerber, 2017). The list below shows a selection of definitions of a living wage.

#### • ILO Constitution (1919) and Declarations:

The preamble of the ILO Constitution (1919) called for an urgent improvement in conditions of labour including "the provision of an adequate living wage." This objective was reinforced in the 1944 Declaration of Philadelphia, which supported policies ensuring "a minimum living wage to all employed and in need of such protection." Although these early statements did not specify criteria for defining a living wage, they described it as a wage "adequate to maintain a reasonable standard of life as understood in the worker's time and country." Following the ILO Meeting of Experts on Wage policies, including living wages, in February 2024, the ILO defines the concept of a living wage as "the wage level that is necessary to afford a decent standard of living for workers and their families, taking into account the country circumstances and calculated for the work performed during the normal hours of work." This estimate is to be calculated in accordance with the ILO's principles of estimating the living wage, and to be achieved through the wage-setting process in line with ILO principles on wage setting, such as the need for tripartite dialogue and collective bargaining". (ILO, 2024)

#### Mexican Constitution (1917):

The Mexican Constitution of 1917 states that "the general Minimum Wage must be sufficient to satisfy the normal necessities of a head of family in the material, social, and cultural order and to provide for the mandatory education of his children."

#### Brazilian Constitution (1988):

The Brazilian Constitution (1988) stipulates that the national Minimum Wage must be "capable of satisfying their basic living needs and those of their families with housing, food, education, health, leisure, clothing, hygiene, transportation and social security, with periodical adjustments to maintain its purchasing power".

#### Global Living Wage Coalition:

The Global Living Wage Coalition defines the Living Wage as "a remuneration received for a standard workweek by a worker in a particular place sufficient to afford a decent standard of living for the worker and her or his family. Elements of a decent standard of living include food, water, housing, education, health care, transport, clothing, and other essential needs, including provision for unexpected events".

#### • The Asia Floor Wage Alliance

The Asia Floor Wage Alliance proposes a wage for garment workers across Asia that would be enough for workers to "be able to provide for themselves and their families' basic needs – including housing, food, education and healthcare".

#### <u>Living Wage Aotearoa New Zealand</u>

Living Wage Aotearoa New Zealand defines a Living Wage as "the income necessary to provide workers and their families with the basic necessities of life".

#### Living Wage Foundation UK



The Living Wage Foundation UK calculates their Living Wage rates on the basis of the Minimum Income Standard (MIS) methodology which focuses on understanding the "income that people need to reach a minimum socially acceptable standard of living in the UK today, based on what members of the public think is needed for an acceptable minimum standard of living. It is calculated by specifying baskets of goods and services required by different types of households to meet these needs and to participate in society".

A comparative analysis of these definitions reveals a shared foundational principle: a Living Wage universally encompasses the income required to meet the basic needs of workers and their families, thus enabling a dignified standard of living. Notably, the Brazilian Constitution introduces a distinctive approach by mandating periodic adjustments to maintain the purchasing power of the minimum wage, effectively countering inflation and safeguarding the wage's real value over time. Importantly, the living wage is not (yet) enshrined in legislation as the minimum wage or as social welfare payment. Instead, it should be seen as one of the elements that may inform wage negotiations and improve minimum wages. Or as the ILO Meeting of Experts report notes "promoting incremental progression from minimum wages to living wages", (ILO, 2024).

WageIndicator welcomes the conceptualisation of living wages and its adjacent principles resulting from the ILO Meeting of Experts in 2024, and follows ILO's definition and principles in its work on Living Wages: "the wage level that is necessary to afford a decent standard of living for workers and their families, taking into account the country circumstances and calculated for the work performed during the normal hours of work".

This 2024 report deals with the constituting elements in WageIndicator's Cost-of-Living data collection, the calculation of WageIndicator's Living Wages and Living Income, and introduces the concept of 'Living Tariff'. This report also highlights the newest additions to WageIndicator's work on Living Wages. For the updates in this report in comparison to previous versions, see Chapter 1.4.

## 1.2 Why promote the concept of a Living Wage?

The term Living Wage differs from the terms Minimum Wage and subsistence wage. A Minimum Wage is mandatory, determined through legislation. It should meet an individual's basic requirements but may imply that a worker relies on government subsidies for additional income. The (statutory) minimum wage may result from social dialogue, collective bargaining, or a governmental or parliamentary decision, but by itself, it does not establish a benchmark that ensures a decent living for its recipients. A subsistence wage is a minimum income that only provides for the bare necessities of life. In contrast, a Living Wage is not mandatory, but paid voluntarily. Whatever the differences, all these concepts attempt to establish a price floor for labour (Mateer, Coppock & O'Roark, 2020).

The importance of a Living Wage lies in that it establishes broader universal standards for a decent living. Besides the standard for Living Income, this includes a 'normal' working week (ILO Convention 1, 1919). This concept implies avoiding excessive overtime hours, taking on more than one job, avoiding the risk of becoming a bonded labourer, or to put one's children to work while forsaking education, for not to be denied basic human rights such as food, clothing, shelter, suffer social depravities, or be able to withstand crises. That being said, paying workers a Living Wage



might motivate them to stay with the company, thus reducing recruitment and training costs, and resulting in healthier employees, thus reducing the loss of working hours due to sickness (Gerber, 2017).

The minimum wage, while essential for wage regulation, often falls short of securing a decent living standard for workers due to its limited scope and reliance on baseline subsistence costs rather than actual living expenses (Müller, 2024). The challenge is that statutory minimum wages are typically based on governmental or legislative decisions and may not consider the cost of living in each region. A living wage considers local cost-of-living variations and other basic necessities required for stability, such as housing and healthcare. Studies consistently show that minimum wages tend to lag behind inflation, particularly in high-cost regions, creating a gap between earnings and the income needed to avoid poverty and dependence on public assistance programs (Di Marco, 2023).

Most Living Wage models include the costs of food, rent, transportation, childcare, healthcare, and taxes. Despite the general understanding that a Living Wage makes for ethical and economic contributions, a worldwide standard for calculating Living Wages has still to be set. The present report of October 2024, and its versions of November 2023 (Guzi et al. 2023b), February 2023 (Guzi et al. 2023a), May 2022 (Guzi et al. 2022b) and February 2022 (Guzi et al., 2022a), aim to contribute to a solid foundation for such a global methodological framework. These reports follow a design, already outlined in 2014 to calculate country-level Living Wages for a large number of countries based on these characteristics (Guzi & Kahanec, 2014; Guzi & Kahanec, 2019). Living Wage estimates should be:

- 1. Normatively based;
- 2. Sensitive to national conditions;
- 3. Based on transparent principles and assumptions;
- 4. Easy to update regularly;
- 5. Published online and accessible for everyone. .

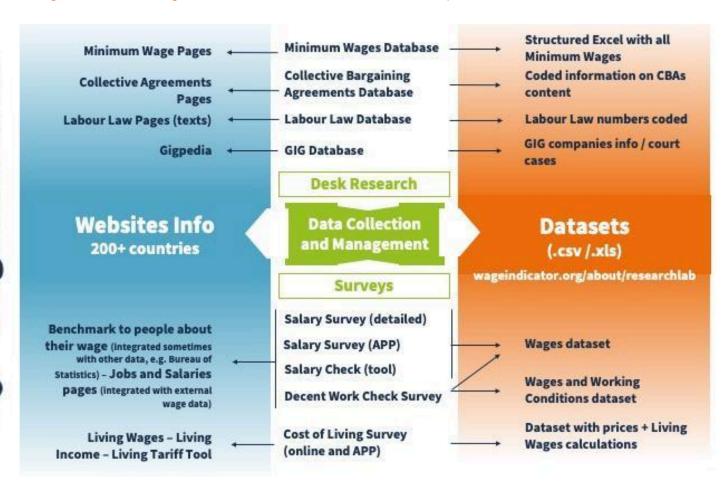
## 1.3 Introducing WageIndicator Foundation

WageIndicator Foundation is a global, independent, non-profit organisation operating in 208 countries across the world that collects, analyses and shares information on Minimum Wages, Salaries, Living Wages, Living Income and Living Tariff, Labour Laws, Collective Agreements and Gig and Platform Work. It aims to improve labour market transparency for workers, employers and policy makers worldwide by providing accessible labour market information worldwide through 220 websites in 70+ national languages (Image 2). In partnership with leading universities and academic institutes across the world, WageIndicator undertakes research on wages, working conditions, labour law compliance, the gig economy, and collective bargaining.

In 2000, WageIndicator launched its first website in the Netherlands. The European websites followed in 2004, and from 2006 onwards began launching websites for countries across the world. As of 2024, WageIndicator hosts websites for 208 countries and territories, as well as a few thematic ones. These websites, along with WageIndicator's social media channels and events receive millions of visitors annually. The publicly available Living Wage estimates of WageIndicator pages have been downloaded 34,936 times between 1 May - 1 October 2024.

Databases have been central to WageIndicator's work since its inception. It operates a Living Wage database, a Salary database, a GPS-coded Minimum Wage database, a Labour Law database, and a Collective Agreements database. Data for these is collected through opt-in surveys online, local data collectors, desk research, price monitoring, and national labour law analysis. WageIndicators databases are interlinked through APIs, where useful and possible.

Image 1. The Flow of WageIndicator databases from data collection to publication and datasets



Source: WageIndicator Foundation 2024

#### **WageIndicator team**

WageIndicator has offices in Amsterdam (HQ), Bratislava, Brussels, Buenos Aires, Cairo, Dhaka, Cape Town, Guatemala City, Harare, Islamabad, Jakarta, Kinshasa, Maputo, Mexico City, Pune, Sarajevo and Venice. The foundation has a core team of 75 people and some 150 associates - specialists in wages, labour law, industrial relations, data science, statistics - from all over the world. In addition, WageIndicator works with a global network of over 400 data collectors worldwide in addition. On a yearly basis, WageIndicator Foundation offers around 150 internships to students from various universities across the world, including FLAME University, Central European University, Global Labour University, Bucharest University of Economic Studies, University of Namibia and the Eduardo Mondlane University. In 2023 WageIndicator had a total of 185 interns.



Image 2. Map of WageIndicator countries

Source: WageIndicator Foundation 2024

## 1.4 History of WageIndicator's Living Wage data collection

In October 2013, WageIndicator developed a plan to collect data about the prices of food items. Given the huge numbers of web visitors, it seemed "easy" to post a daily rotating teaser on all web pages asking web visitors for the actual price of a single food item. Once they had entered a price, they were asked to key in the prices of other items in the <a href="Cost-of-Living survey">Cost-of-Living survey</a>. Items asked about the prices of food, housing, drinking water, transport, and clothing and footwear.

It became clear that the online data collection had to be supplemented with 'on the ground' data collection, observing prices in shops and markets as well as asking individuals about their expenditure for certain items. For this purpose WageIndicator established data collection teams in almost all countries, consisting of professional data collectors, complemented by trained interns.



The methodology of the Living Wage data collection and calculation has been described in Guzi and Kahanec (2014, 2017, 2019) and Guzi et al. (2016, 2022a, 2022b, 2023a, 2023b, 2024). This methodology comprises three elements, notably the methodology to identify the basket of goods, the methodology to collect the prices of the goods in the basket, and the methodology of calculating living wage estimates. This is complemented by guidance for implementing Living Wages. The available estimates allow users and stakeholders to share and compare Living Wages across countries and regions based on a harmonised methodology. This methodology facilitates quarterly updating of the database (see chapter 3.1 for further details of the history of the data collection).

**Good to know:** Less than 5% of overall data in October 2024 was collected from web users. Almost all was collected by professional data collectors and trained interns, improving its quality.

Since 2013, the data collection has advanced significantly, evoking the interest of stakeholders in the field of Living Wages. Demands for detailed information about Living Wages beyond country-level arose, challenging the business model underlying the Living Wage data collection. Initially, the data collection was funded from development aid projects and did not include delivery of data to multinational enterprises.

The first multinational client was welcomed in 2018. Since then, WageIndicator has sold its regional Living Wages to a growing number of global clients and multinational enterprises like Unilever and Maersk, many smaller companies with just a few locations, and NGOs like FairWear Foundation, MSF (Médecins Sans Frontières) or SOS Children's Villages International. Globally, trade union partners and researchers also make use of WageIndicator's living wages, free of charge.

Since 2014, WageIndicator has taken part in the global discussion on Living Wages (see Annex 4). A few recent examples:

- 26 January 2023, WageIndicator presented during a side-session of the World Economic Forum.
- In spring and summer 2023 WageIndicator presented during UN Global Compact meetings in The Netherlands, Switzerland, Brazil, New York and Stockholm.
- WageIndicator joined the panel "Brand due diligence strategies for living wages: Adapting action to context", during the OECD Garment and Footwear Forum in Paris in February 2024,
- WageIndicator and FLAME University co-hosted the <u>International Conference on Decent</u>
   Work and Corporate Social Responsibility in the Era of the SDGs from 21 23 March, 2024 in
   Pune, India.
- In 2024 WageIndicator and FLAME University organised together with UN Global Compact India an academic conference titled <u>Moving from Minimum Wages towards Living Wages</u>

#### 1.4.1. Changes and additions in the Cost-of-Living survey in 2023 and 2024

The Cost-of-Living survey has been updated and improved for the October 2023 and October 2024 release with both newly added questions and improvements to the wording of existing ones. For precise updates, check Annex 2.



#### 1.4.2. Changes in Family types, yearly Guidance estimate, and introducing the Living Tariff

The WageIndicator Living Wage database includes the following since October 2024:

- Next to Standard and Typical Family, WageIndicator also calculates for the 'Single Income earner' Family-type. A standard family assumes: two adults, two kids. One of the adults earns 100%. The 100% is seen as the "Living Wage" paid by one employer. The other adult earns 80% by working 4 days. This Living Wage should be paid by another employer. The Typical Family Living Wage assumes two adults, but takes fertility rate in a country and employment rate into account. The Single Income Earner version assumes one adult earns enough for two adults and children according to fertility rate in the country. Lear more about this in Chapter 4.6.
- Beyond regional data, our dataset offers more granularity by providing different estimates for rural, peri-rural, urban and peri-urban areas. A region is seen as an administrative area like a province or county. Learn more in Chapter 6.5.
- The dataset with quarterly updates and yearly averages gets an extra feature: the Living Wage Guidance. On the basis of a set of ethical principles, some countries and some regions are capped to avoid too high spikes over time. The Guidance data can be used for implementation and WageIndicator only publishes the Guidance data. See more about this in Chapter 6.4.
- From July 2024, the delivered dataset includes the Adequate (Minimum) Wages for Europe, calculated using the 60% of the median and the 50% of the average paid wages in the country on the basis of EU SILC data. However, to maintain a global approach, WageIndicator recommends looking at the comparison between Minimum Wages and Living Wages, and to rather use Living Wages that are above the legal Minimum Wages. To assist in this, WageIndicator provides an extra column and a tool to identify the recommended Living Wage per country and region.
- In addition to Living Wage estimates for wage-workers and Living Income estimates for self-employed workers, WageIndicator has released a Living Tariff Tool. The tool is active in Indonesia, India, Kenya, Netherlands and Pakistan. The tool gives insight into the basic tariff for a self-employed person. On top of that the tool allows you to select an occupation popular in the platform industry, like a taxi-driver, rider or translator. The idea behind this is to make clear which items are required to arrive at a basic decent tariff per hour. The Living Tariff includes items like: food, housing, transport, clothes, water, similar to the components from the Living Wage and Living Income. On top of these items cost related items are included for specific occupations. Like a car and petrol for the taxi driver, a bike and helmet for the rider, a laptop and extra internet cost for the online worker. Moreover, the Living Tariff includes components like social security, insurance, pension, and time for administration and training. For some jobs, average waiting time will be included. More about this can be found in Chapter 4 and 6.1.5.

#### 1.5 Organisation of the Living Wage data collection

Below, we present an outline of the process resulting in quarterly updated releases of Living Wage data on a global scale. Table 1 gives a summary of this recurring operation. The ensuing chapters elaborate each of the steps, with the choices behind their design and performance. The reader should be aware that this regards work in progress.



Table 1. WageIndicator Living Wage data collection process

Recruit	Recruit & train data collectors from all over the world for data-collection tasks (see Chapter 3)
Collect	Assign collection of prices for countries & regions per quarter; manage feedback from data collectors to improve data (see Chapter 3)
Maintain	WageIndicator's IT team maintains and improves the survey
Clean and calculate	Clean the data, control for outliers, create scripts and calculate; enrich the data with input from other relevant sources, like Freedom House, IMF. Create by October yearly averages and a Guidance dataset (see Chapter 4)
Check and present	Quality check and presentation unit; create visuals and sheets for WageIndicator clients (see Chapter 4, 5)
Present and provide data	Present the data to clients, calculate salary gaps, do projections, assist in implementation. Run a back office with Question & Answer within 48 hours for the users about the data, and what and how to implement. (see Chapter 5,6,7)
Coordinate	Ensure that each quarter, there is enough and timely data. Make sure that the data quality is improved continuously and engage in the global discussion on Living Wages.

**Good to know:** WageIndicator applies the principle that the data collection in the Cost-of-Living survey and thus the Living Wage calculations take place independently of employers or their organisations, workers or trade unions, or any other stakeholder.

**Good to know:** All data collectors are trained on ethics and adhere to WageIndicator's <u>Code of Conduct</u> and <u>Safeguarding policies</u>.



# 2 | Components in the Living Wage data collection

This chapter details the ten expenditure categories included in the Living Wage, Living Income and Living Tariff data collection, reflecting the requirements needed for an individual and their family to meet their basic needs. Chapter 3 explains how data about the prices of the items in these categories are collected in the WageIndicator Cost-of-Living survey.

#### The ten components are:

- 1. Food
- 2. Housing and utilities (water, electricity, heating, garbage collection, routine maintenance, cooking fuel)
- 3. Transport
- 4. Drinking water
- 5. Phone plus internet
- 6. Clothing
- 7. Health (health insurance, personal health, some essential cleaning items)
- 8. Education
- 9. Five percent provision for unexpected events
- 10. Mandatory contributions and taxes on employee's side (Living Wage), or employees and employers side (Living Income and Living Tariff)

Food, housing and utilities, transport, health, and education are considered essential expenses and are included in all living wage campaigns. Within WageIndicator's basket of goods, drinking water is treated as a separate category and not included in the food basket, because in some countries it constitutes a significant household expense. Expenses related to clothing and phones are relatively smaller but equally important for maintaining a decent standard of living. The selection of expenditure categories can be influenced by other living wage campaigns and data availability.

In recent years, WageIndicator has established a regular process for calculating changes within these expenditure categories. However, there are many expenses that are difficult to calculate but do enable family members to participate in social and cultural activities. These expenditures are accounted for in the provision for unexpected events. WageIndicator, just as many other Living Wage methodologies, also adds a 5 percent to the final estimate of the cost of living. Finally, taxes and contributions to social security are considered part of the basic essential needs. The final estimate of the living wage is expressed in gross terms, making it comparable to the actual wages paid to employees. For more on Living Income/Tariff, see Chapter 4.

**Good to know:** When we calculate the Living Wage, we account for mandatory contributions and taxes on the employee's side only. When we calculate a Living Income or Living Tariff, we account for mandatory contributions and taxes on the employee's and on the employer's side.

**Good to know:** Living Wage and Living Income/Tariff are based on the categories 1 till 9. Category 10 shows the difference between Living Wage and Living Income/Tariff.



#### **2.1** Food

For the 'Food' component, we look at the nutritional requirement for good health as proposed by the World Bank (2020) which equals 2,100 calories per person per day (Haughton & Khandker, 2009). The food consumption patterns largely vary across countries, and hence it is important that these differences are addressed in the food basket. The food balance sheets published by the UN Food and Agriculture Organisation (FAO, 2023) include the supply of food commodities available for every country and reflect the potential food consumption basket of an average individual. WageIndicator takes care that an average food basket in a country meets the demand of 2,100 calories and that the food items are sufficiently balanced between the basic food groups, namely vegetables, grains, fruits, dairy, meat, beans, oils, and sweets.

Table 2 shows the 71 items in the food category, for which prices are collected in the Cost-of-Living survey. These items constitute a nutritious food base. As explained in detail in section 4.4, a model diet for each country has been developed on the basis of the <u>FAO food balance sheets</u> and reflecting the varying food consumption patterns and habits of each country. The food items listed in the survey include all food items from the FAO database. WageIndicator groups food items into food groups depending on the major food nutrient category they fall under. Even though prices vary, WageIndicator is interested in the cheapest price in each group. You can view the most recent list changes to the survey in Annex 2.

Table 2: List of food items in the Living Wage Food basket

Apples	Clams, mussels and other molluscs	Melon	Regular cooking oil	
Aquatic plants Cocoa beans or chocolate (seaweed, lotus, etc.)		Milk (regular)	Rice (of standard quality)	
Bananas Coconuts - including copra		Milk powder	Salt	
Barley flour Coffee - whole bean, ground, instant		Mutton, lamb and goat meat	Soybeans	
Beans - dry	Cream - fresh	Olives	Spinach or other leafy green vegetables	
Bell pepper or sweet pepper	Dried Fish	Onions	Squid, octopus, cuttlefish	
Berries	Eggs	Oranges or other citrus	Starchy roots (beet, celeriac, radish)	
Bottle of water	Freshwater fish - fresh, frozen or canned	Other fish (marine) - fresh, frozen or canned	Sugar (Raw Equivalent)	

# • WageIndicator

Bovine Meat (beef)	Groundnuts (Shelled Equivalent)	Other poultry meat (duck, goose, turkey)	Sunflower Seed oil
Breakfast cereals	Honey	Pasta	Sunflower Seed
Bulgur or couscous	Kale	Peach	Sweet Potatoes
Butter, Ghee	Lemons, Limes	Peas - dry	Теа
Cabbage	Lentils - dry	Pineapples	Tofu
Carrot	Local fresh bread - white/brown	Plantains	Tomato
Cassava	Local Cheese	Pork meat	Watermelon
Cereal flour	Maize (corn) flour	Potato	Yams
Chicken	Mango	Prawns, shrimp, crayfish, crabs, lobsters, krill and similar - fresh, frozen or canned	Yogurt
Chickpeas or other pulses - dry	Margarine		

Source: WageIndicator Foundation 2024



Image 3. Fish market San Salvador, El Salvador Source: WageIndicator Foundation, © Paulien Osse



## 2.2 Housing Costs and Utilities

Housing costs are very often the largest regular family expenditure. The standards of adequate housing depend on local conditions and therefore WageIndicator takes the cost of privately rented housing as the most realistic available option that is also acceptable in terms of decency. Data collectors are asked to record prices of housing that is not located in a very poor or very rich neighbourhood. The housing should have permanent walls, solid roofs and adequate ventilation. It should have electricity, water, heating - if needed in that area - and sanitary toilet facilities. Individuals (without children) are assumed to rent a studio/ one-bedroom home and households with children are assumed to live in a rented two-bedroom home. Since most of our data collectors are locals, they are aware which areas might be classified under this category. Table 3 shows how participants in the Cost-of-Living survey report the monthly rent, the number of bedrooms and location of their apartments. The collected housing prices are checked for outliers. A typical rent in the lower part of the price distribution (at 25th percentile) and in the middle of the price distribution (50th percentile or median price) is included in the Living Wage calculation. The apartment should be in an average urban area, outside the city centre and not centrally located or up-market.

Table 3: List of housing items in the Living Wage data collection

How much is the monthly housing cost for a standard apartment suitable for one person (studio or one-bedroom) in your city/region?

How much is the monthly housing cost of a standard 2-bedroom apartment in your city/region?

How much is the monthly housing cost for a single room in the shared apartment in your city/region?

Are these costs included in the rent?

Rent (applies to tenants only)

Mortgage payments (applies to owners only)

Energy - for heating/cooling, cooking, lights, etc.

Water

Garbage collection

Routine maintenance and repairs

Taxes on the dwelling

Internet connection

Source: WageIndicator Cost-of-Living survey 2024

If the housing in a region consists of predominantly rural dwellings, the housing costs reflect the prices of such houses. If the region is predominantly characterised by urban apartments, the housing costs reflect the prices of such apartments. This allows comparability of rent both across different countries and across different regions within countries as well.



Utilities are an essential part of the items in the Living Wage data collection. For each housing type, it is defined what is included and what is not included in the cost of housing, as seen in table 4. To view the latest updates regarding utilities in the survey, view Annex 2.

Table 4. List of utilities in the Living Wage data collection

Monthly energy cost, including: electricity, gas (heating and cooking), heating and/or cooling, and other utilities used at home

Water cost per month

Garbage collection cost per month

Other monthly costs associated with your house, such as: service/maintenance costs, taxes for dwelling, or city/region specific costs

Source: WageIndicator Cost-of-Living survey 2024

## 2.3 Transport Costs

Transportation is an important cost for households as most people commute for work and daily activities. The Living Wage assumes the use of public passenger transportation (bus, tram, train, shared taxi or local form of transport) provided in most areas. Transportation expenses thus consist of the expenses for a monthly pass (for a full time workweek) for the use of public passenger transportation in most places, thereby assuming that each household member must be able to buy such a card. In areas where monthly passes do not exist, the price of a one-way ticket to the nearest town in local transport is converted to a monthly amount. WageIndicator does not include transport cost for children in the Living Wage If transportation for the children is relevant, for example for the costs of the school bus, it is included in the education cost.

Since 2014, WageIndicator has assumed that families use public transport (bus, tram, train, shared taxi or local form of transport). Over time, WageIndicator realised that in some areas of the world people need a car or a motorbike to move around. Therefore, we included in the Cost-of-Living survey a question to understand the situation in each region.

The question is: "When you go to work, you primarily use:

a. public transport, b. taxi (car), c. mototaxi/rickshaw, d. own car, e. own motorbike/moped/scooter, f. own bicycle, g. I go by foot".

Transport costs related to the job, for example for a taxi driver or rider, are collected within a special section of the Cost-of-Living survey, called "Work-related items". These prices are used to calculate Living Tariffs for platform workers in specific occupations.

**Good to know:** From October 2024 onwards, WageIndicator has started calculating the cost of a private car as an add-on component in its data (not included in the basic Living Wage) for all countries and regions.

## 2.4 Drinking water

The monthly expenditure on drinking water for a family is collected in the Cost-of-Living survey. This is the cost for bottled water in areas where drinking water from the tap is not possible. This



cost is then scaled as per the needs of a family and added as a separate component to the Living Wage. The water cost that is collected in the *Utilities* section only includes water from the tap, which can be used for washing, cooking, showering and - where possible - drinking.

### 2.5 Phone, internet

Having a mobile phone and having data to call and use the internet is nowadays the norm across the world, and hence it is important to include phone and internet expenses in the calculation. The WageIndicator Living Wage includes the cost of a monthly mobile data plan providing at least 120 minutes calls and 10GB internet. Although the price of a phone is collected in the survey, it is for now only used to calculate work related costs for platform workers.

## 2.6 Clothing

Clothing is part of the essential basic needs. The Living Wage data collection therefore collects information about monthly expenditure for a family of four on clothing and shoes. These expenses are proportionally adjusted for family size. Thus, clothing expenses for an individual are assumed to be one quarter of the expenses reported for a standard family with two adults and two children. In this case, WageIndicator realises that baby clothes might be slightly cheaper, but clothes for teenagers are the same price as for adults (or sometimes even more expensive). These differences are not controlled for in the Living Wage calculation.

#### 2.7 Personal and Healthcare Costs

The Living Wage data collection includes the basic personal and health care expenses (personal care products and small pharmaceuticals) for a family of four. These expenses are proportionally adjusted for family size. Thus, health expenses for an individual are assumed to be one quarter of the expenses reported for a standard family with two adults and two children.

Next to that, the survey also collects data more specifically on the presence of some form of free or universal public healthcare system in the country and on the cost for a basic health insurance, covering one person and/or one person and the family, and the cost of out-of-pocket expenses. The monthly expenditure for period products and birth-control products, and the prices of personal care products and household cleaning products are also collected. The latest updates to data collection for personal and healthcare items can be found in Annex 2.

Table 5. Personal and healthcare items in the Living Wage data collection

Is there some form of free or universal healthcare system in your country?

Please provide the monthly cost of the average healthcare costs covering one person, this may include: insurance costs and out of pocket expenses

Please provide the monthly cost of the average healthcare costs covering a family, this may include: insurance costs and out of pocket expenses

Period products (pads, sanitary napkins, tampons, period panties, etc), per month

Birth-control products (condom, pill, patch, etc.), per month

**Toothpaste** 



Total Land
Toothbrush
Soap
Shampoo
Moisturizer
Toilet paper
Hand wash
Body wash
Cotton swabs
Shaving cream/foam
Razor
Laundry detergent
Household cleaning product
Dishwashing detergent
Sweeper
Sponge

Source: WageIndicator Cost-of-Living survey 2024

Good to know: At the 2024 release of Living Wages, the following countries have some form of Free or Universal Healthcare system. This means that either everyone, or specific groups within society (such as babies and pregnant women) are covered universally. These countries include: Armenia, Bangladesh, Belgium, Benin, Botswana, Burkina Faso, Burundi, Cameroon, Central African Republic, Chad, China, Colombia, Congo, Dem. Rep., Congo, Rep., Costa Rica, Côte d'Ivoire, Eswatini, Ethiopia, Fiji, France, Gambia, Georgia, Germany, Ghana, Guinea, Honduras, India, Japan, Kenya, Lebanon, Liberia, Mali, Nepal, Netherlands, Niger, Nigeria, Panama, Paraguay, Romania, Rwanda, Senegal, Sierra Leone, Singapore, Somalia, South Africa, South Sudan, Suriname, Switzerland, Tanzania, Togo, Vietnam, Yemen and Zimbabwe.

#### 2.8 Education Costs

In most countries education is provided in public schools at a relatively low cost. However, there are often additional costs related to supplementary expenses like transport to and from schools, meals, books, stationery, etc. The Living Wage data collection therefore includes the minimal monthly expenses on children's education, assuming children attend public schools. Based on the reported minimal expenses on education, the monthly expenditure on education is included in the Living Wage calculation, controlled for family size. The cost of education for adults is not included. Updates to data collection for education costs can be found in Annex 2.

## 2.9 Unexpected expenditure, 5 %

Because the goods and services vary between countries according to the habits and culture but also over time, it is difficult to exhaustively cover personal needs in all countries. One solution to this problem is to provide for spending on non-specified discretionary purchases.

Many Living Wage data providers make provisions for unexpected events in their calculations. The Living Wage Foundation in the UK includes a 15% margin for unforeseen events. Earlier works by



Anker and Anker (2013) maintained a 10% margin. Living Wage for Families Campaign in Canada assumes two weeks income from labour on a yearly basis (i.e. approximately 4% of monthly household expenditure). WageIndicator follows Anker and Anker (2017) and adds 5% margin to the final estimate of the cost of living. This 5% margin is also used for the calculation of the Living Income / Tariff,

## 2.10 Mandatory contributions and taxes

WageIndicator's Living Wage data collection assumes that taxes and contributions to social security are part of the essential basic needs. Therefore, one question addresses the monthly taxes on housing. Additional information about monthly income taxes and contributions to social security are derived from country-level tables of taxes by income brackets and social security brackets (PWC Tax Summaries, last accessed in 2024).



# 3 | Data collection of Prices

This chapter details how prices are collected for the categories in the Living Wage calculations, as outlined in the previous chapter. It explains the development of the collection since 2014 as well as an explanation of the geographical granularity of the Living Wage data. It also discusses the data collection methods, details about the data collectors and the quality controls during the data collection.

## 3.1 The development of the Living Wage data collection

In October 2013, WageIndicator started collecting prices of goods and services. Initially it started with posting teaser on all web pages, asking web visitors for the actual price of a single item. Every day the items in the teaser changed so that after some time all items had been posted (as shown in Image 4, an example from the Paycheck website in India). Web visitors who entered a price were then asked if they were willing to key in the prices of other food items. This was the start of the Cost-of-Living data collection and survey. Items asking about the prices of housing, drinking water, transport, and clothing were added (Guzi, Kahanec, & Kabina, 2016). In 2024, such data comprises less than 5% of all data collected. The primary mode of data collection happens through trained data collectors.

Image 4. Daily changing question in the online Cost-of-Living survey



An example of the Indian WageIndicator website Paycheck.in. The green banner is dedicated to the price of butter/ghee in "your area", followed by a question in which area the web visitor resides.

Source: WageIndicator website PayCheck.in in India 2023

The Cost-of-Living survey is translated into the different languages of the national WageIndicator websites, and then posted on these websites. By 2015, the Cost-of-Living survey was offered in 84 countries. As of 2024, this now extends to 194 countries and 54 languages in 2024 (see Annex 1).

Since its start, the number of items in the Cost-of-Living survey has been stable in terms of items related to Food, Transport, and Housing. In 2021 an extra section 'Work-related items' was added for workers in the Gig- and platform industry. In 2023 a section related to Social Participation was added. Additionally, the Personal and Health care section has been improved over time. You can see the latest items updated in the survey in Annex 2.



Over the years the dataset has grown. Table 5 shows that the number of countries with a Living Wages data collection increased from 45 in 2014 to 173 in 2024. In 2019, WageIndicator started quarterly releases. The table below shows the number of countries for the October releases. Image 5 and Annex 6 show these countries.

Good to know: WageIndicator's Living Wage Data collection increased from 45 countries in 2014 to 173 countries in 2024.

Table 6. The number of countries for whom WageIndicator has collected Living Wage data

Year	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Countries	48	57	64	48	75	114	130	142	164	173

Source: WageIndicator Living Wages data collection 2024

Image 5. A map showing countries where data collection takes place as of 2024



Source: WageIndicator Living Wages data collection 2024

**Good to know:** As of 2024, the data collection for only a few countries is financed by projects. The majority of financing comes from data sales (organisations paying for access to WageIndicator's detailed Living Wage datasets) as well as from certain companies (like IKEA, Kering,



L'Oreal, Schneider Electric and Unilever) with a keen eye on making Living payments in their supply chain a reality, who have sponsored public access to WageIndicator's Living Wage estimates.

The very first project which covered cost was the Living Wage Eastern Africa project, which ran from 2012 till 2016. WageIndicator trained 70 shop stewards in price data collection and in a meeting in Ethiopia participants were asked about the costs of living, using a print version of the Cost-of-Living survey (Van Norel, Veldkamp, & Shayo, 2016). For the project Wages in Context in the Garment Industry in Asia (2015-2016) price data was collected using the print survey for nine Asian countries (van Klaveren, 2016). In a project studying the global cut flower industry in the floriculture and agricultural sectors of Kenya, Ethiopia, Uganda, Colombia, and Ecuador, the gaps existing between statutory minimum wages and/or average wages and living wages turn out to be wide (van Klaveren 2022). Within current projects, we and (trade union) partners we work with, now still use our Living Wage estimates in our work. Yet we are not dependent on project money anymore for the estimation of Living Wages.

Good to know: Overall and based on recent data calculated for 2020-2022, gaps between statutory minimum wages and living wages vary between 43 and 493 per cent (van Klaveren & Tijdens, 2022). But there are also countries where the Minimum wages is higher than the Living Wage (typical family lower bound). See our quarterly updated visual for more on this.

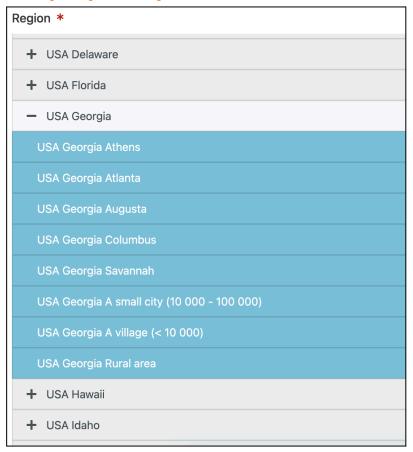
## 3.2 Geographical granularity of the data

It is observed that the prices of consumer goods vary not only across countries but within countries as well. This necessitated greater geographical granulation of Living Wage data collection. Since the early 2000s WageIndicator had developed a database with geographical entries for its Salary Survey and then for other apps and web-tools, such as the Cost-of-Living survey. This so-called 'Region API' requires the Cost-of-Living survey respondents to identify their region before reporting prices of goods and services as shown in Image 6.

**Good to know:** API is an abbreviation for Application Programming Interface and is a piece of software that makes a database accessible, in this case a database with the names of regions and cities for countries worldwide.



Image 6. Screenshot of the region question in the Cost-of-Living survey, showing for the USA the list of states, and after selecting Georgia, showing the choice of cities in this state



Source: WageIndicator Cost-of-Living survey 2024

The WageIndicator Region API allows data collectors and other users to easily identify where they live or collect data. As of 2024, the Region API covers 236 countries and territories, and specifies provinces/states/counties within these countries, the so-called level 1 regional entities, shown in grey in Image 6. Once a province/state/county is selected, a second level option allows for selecting cities, villages, or rural areas, shown in blue. In some provinces/states/counties the second level does not include all cities, since the list of cities would be too long in a survey. In these cases, only the large cities are listed and for the small cities or villages the choice is offered for selecting 'A small city (10,000 - 100,000)' or 'A village (less than 10,000)'. The label set of the Region API is downloadable (see Annex 1).

In 2021, WageIndicator started a process to make sure that all names of all provinces/states/counties in the Region API reflect the most recent administrative divisions and could be mapped in common data visualisation programs like Google Data Studio and Tableau. As of October 2024 this process is about 70% complete.

The Region API allows for a high degree of geographical granularity. Calculating Living Wages assumes enough price observations in each area. Therefore, the most applied granularity is at the first level of the Region API, hence for provinces/states/counties. If the number of price observations at this level are not sufficient, the provinces/states/counties are clustered into four



groups, the so-called "Region" cluster groups 1 to 4. A cluster is a group of provinces which are aggregated according to the size of the population of the largest city in the province.

The geographical granularity of the Living Wage data of course depends on the resources to collect the data of prices as discussed in Chapter 2. Over the years, WageIndicator succeeded in collecting more price data and therefore could provide Living Wages for more provinces/states/counties. In case of small countries or in case of insufficient data points, the Living Wages are presented for the entire country only.

**Good to know:** As of 2024, WageIndicator provides national and regional Living wages for 173 countries and 2,738 regions. For 252 regions, WageIndicator can present urban data, peri-urban data for 1,141 regions, rural data for 1,530 regions, and super-rural data for 287 regions.

Since October 2023, WageIndicator has also aimed to differentiate Living Wage estimates along urban and rural lines, by identifying four levels: urban, peri urban, rural and super rural. Nevertheless, the urban / rural data and of city level data is not yet meant for guaranteed implementation year-on-year, since this type of granularity cannot be guaranteed each quarter and each year for all regions - for financial reasons. It does help to understand the estimate better. City level and super rural estimates can be provided on demand.

## 3.3 Decentralised data collection, centralised data storage

As detailed in Chapter 1, a Living Wage must be an income necessary to provide workers and their families with the basic necessities of life. For the Cost-of-Living survey this implies that prices are collected from shops and markets in low to lower-middle income areas, including housing prices and utilities of these areas. Data collectors are trained in how to collect prices at the cheapest supermarkets or open day markets.

When collecting prices from webshops they are told to avoid webshops where prices are in US Dollars (unless it is in countries where the USD is the national currency). Webshops in US Dollars generally target expats, who usually can spend more. Some food items in the Cost-of-Living survey explicitly refer to a basic quality, thereby excluding luxurious items.

Regarding housing prices, prices given by Airbnb, Booking.com or any other hotel site are not acceptable. Data collectors are trained to research and understand to what extent the housing market is online or offline in the country and adapt the data collection accordingly. They are trained to avoid expensive rental websites in regions where houses are rented through local house brokers or available through housing subsidy schemes (for poorer regions). If the rent is given on a weekly basis, data collectors will convert it for a month as required in the survey. In case of face-to-face surveys (through which data is collected in half of the countries in our database) they collect data and interview people in low- and low-middle class areas where workers live.

The Cost-of-Living data collection takes place through the following five means:

1. The Cost-of-Living survey app, used for face-to-face data collection through interviews



- 2. The Cost-of-Living survey app, used to note prices in markets and shops either online or offline
- 3. The Cost-of-Living paper and pencil survey, used when the survey app cannot be used for any reason
- 4. The Cost-of-Living web survey, accessible on national WageIndicator websites
- 5. Data from external sources

Cost-of-Living data collection has been a web-based operation since its inception, with centralised data storage. An app was developed in the late 2010s that allowed data collectors to work offline and archive the data once they have internet access. Data can be entered into the app from any place in the world.

By October 2024, in 90 out of 173 countries Cost-of-Living data was collected face-to-face. Online data collection took place in 30 countries, with hybrid data collection in others. Part of the face-to-face data collection is done through paper surveys, while the rest happens directly through the app on cell phones or tablets. The survey questions are identical across all mediums. Survey data can use the app even when offline and upload the data later, which is important in areas where the internet is not always available or is expensive. The app also allows for data collection in all countries and languages in one place.

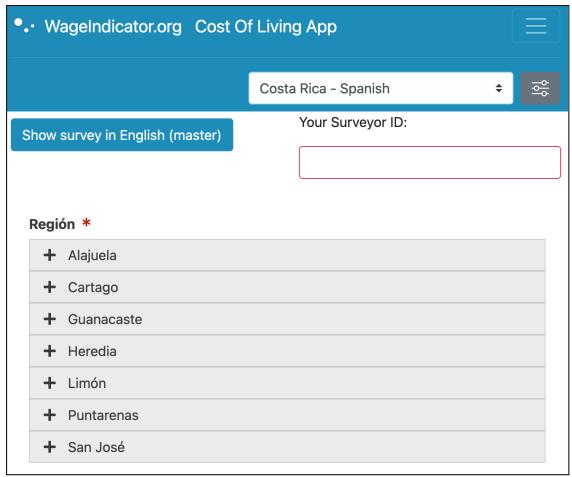
Good to know: The Cost-of-Living survey app can be answered in local languages and English [master]. Such as for example in Costa Rica where the survey is shown in Spanish and English, as Image 7 shows. The app has options for 194 countries and 54 languages. The app requires data collectors to identify the country for which the data is collected. By doing so, the currency and the regions are aligned for this country. However, some countries use multiple currencies and in these countries the app allows users to select the relevant currency of the prices. In Zimbabwe, US Dollar, South African Rand and the Zimbabwean Dollar are the options. In Lebanon, Lebanese Pound and US Dollar are the options.

Good to know: To make sure that only trained WageIndicator data collectors can access the app, the app requires a 15-digit code called the 'Surveyor ID'. Every quarter, all data collectors get a new code. The code and the data collectors are linked as such that it becomes visible in the dataset which data collector entered which data and when. This is good both for the data collector as the WageIndicator team can directly support in case of any issues, and fit can be used for quality and assurance checks.



#### *Image 7. Selection of country and region*

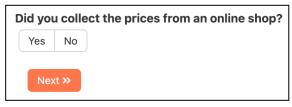
This screenshot from the WageIndicator Cost-of-Living app shows how a country and language can be selected. In the case of Costa Rica the survey can be done in Spanish and English. Data is always collected country / region specific.



Source: WageIndicator Cost-of-Living survey 2023

Good to know: Webshops - simple and complex - have become commonly used by many people for their daily needs, offering a new avenue for data collection. To accommodate this, the Cost-of-Living survey app now asks data collectors whether they accessed a webshop to collect price data, as Image 8 shows.

Image 8. Extra question at the in the Cost-of-Living survey



Source: WageIndicator Cost-of-Living survey 2023

**Good to know:** During the COVID-19 pandemic, face-to-face surveys proved challenging, so price data was collected partly based through the cheapest webshops. If no suitable webshops



were found, face-to-face data collection was done where possible after double-checking with local contacts (Korde et al., 2021).

Whereas shops and markets provide price data for just one locality, webshops can typically set prices for larger areas, ranging from a city to a province or even an entire country. Webshops are classified according to all provinces they serve, and the prices collected from the webshop apply to these regions.

In recent years, some data collectors have found it easier to use printed versions of the surveys, as shown in Image 9. This however does require the results to be entered into the app afterwards, and increases the risk of data entry errors. Some data collectors find it useful to collect data by means of photos of food prices they take at markets or shops, keying in the prices later.



Image 9. Data collection in Richard Toll, Senegal

Source: WageIndicator Foundation, © Paulien Osse 2023

The Cost-of-Living web survey is posted on all national WageIndicator websites, as shown in section 3.1. Every day, a different question is posted to each web page of a national WageIndicator website, requesting web visitors to enter the price of one food item. Though this is how data collection began, now only 5% of the data comes in through the websites.

WageIndicator complements its Living Wage data collection with data from external sources. External data sources are:

 World Food Programme's Global Food Prices Database (WFP Vulnerability Analysis and Mapping (VAM), 2023) for <u>data on food prices</u>



- Numbeo data for prices regarding housing (1 country), as well as some food data.
- Data from national statistical agencies for information regarding health cost, phone cost, and education cost.

All data from various sources are properly checked and outliers are removed. Prices are then incorporated into a comprehensive price database, comprising over 9 million of price points, that is used for living wage calculation.

## 3.4 The data collection process for the Cost-of-Living survey

#### 3.4.1 The data collectors for the Cost-of-Living survey

Data collectors are critical for the success of the collection of prices. WageIndicator employs data collectors with a background in survey research, data collection and statistics. As the number of countries for whom Living Wage calculations has grown over time, so have the number of data collectors. They are organised in teams covering regions within countries, regions, language groups, parts of continents, with one or more team managers. Across the world and on most continents, data collection is done face-to-face. For a few countries in Europe and North America, data collection is hybrid or online.

Managers oversee the data collection processes, train the data collectors, and provide feedback. Groups are trained together in webinars and special sessions are organised to answer any queries they may have. The data collectors collect price data from local citizens, open markets, supermarkets. Some data collectors work directly under global managers of data collection, others work under supervision of regional operating agencies.

The efforts of all local data collectors are complemented by interns. All interns are screened before selection. The interns work for a minimum of two months full-time, but usually it is 6-9 months part-time. Interns always work under supervision of global data collection managers.

Table 7. Characteristics of the data collectors in 2024

		Persons*	Regions	Training	Experience
1	Interns during one year	approx. 120 interns	Usually countries where English is the main language	2 hours training, and weekly update of 20 minutes	Minimum 2 months
2	WageIndicator team members during one year	approx 220 team members; they are specialised data collectors, work on year contracts *	Most countries in the world. Especially in countries where online supermarkets or other data is not always available or up to date.	Written instructions, instruction videos, and quarterly feedback quality updates	From 2 till 6 years
3	Web users WageIndicator	9,726 users in 2021, 4,752 users in 2022 and 2,665 users in	Medium/high income countries	No training	Unknown



		Persons*	Regions	Training	Experience
	national websites	2023 ( 1 price per user)			

Source:

WageIndicator Foundation 2024

In 2024, interns came from FLAME University, University of Kassel, Berlin University, University of Amsterdam, Bucharest University, Shiv Nadar University, St. Xaviers College, New York University Abu Dhabi, University of the Witwatersrand, University of Cape Town, University of Queensland, Eduardo Mondlane University and University of Ahmedabad.

#### 3.4.2 Instructions and training for the data collectors and quality controls

WageIndicator provides online training via Zoom, WhatsApp or their preferred (and safest) means of communication, in written instructions, instruction videos, and quarterly feedback quality updates. Trainers are global and regional WageIndicator managers. Global managers oversee the whole process of recruiting data collectors, assigning jobs to data collectors, calculation, and use of the data by companies, NGOs and trade unions. Regional data managers oversee the process of assigning jobs to data collectors and have insight in the quality of the work done by data collectors.

The data collectors correspond regularly with their team managers or directly with their global managers, confirming that the information they are collecting is valid. Table 6 provides an overview of the training provided.

Good to know: All data collectors and their team managers get the same instructions and training, whether it is for collecting data from webshops, or face-to-face and then keying in the data in the Cost-of-Living survey app. The training usually takes 90-120 minutes. Data collectors take a refresher training every year, where feedback on data collection and on the survey is also taken into account.

Trainings for data collectors focus on the following issues:

- To use the survey
- To upload stored data
- How to select appropriate areas for data collection, in terms of costs
- To avoid the poorest and richest areas, where possible
- To go to areas where workers live, not the tourist or expat area
- Select respondents randomly
- To take time to talk to respondents while following the survey
- To collect food prices at the market/shops randomly
- To collect housing prices regarding decent housing (safe, solid roof, water, electricity, heating, sanitary toilet facilities)

#### Data collectors should be:

Accurate and precise



- Good with numbers
- Able to communicate with people on equal level
- Multilingual
- Able to use a smartphone or digital device

WageIndicator has learned some useful practices through years of data collection:

- Sometimes it is better not to use a smartphone, but a printed survey
- Interviewing in pairs is sometimes more efficient, faster and safer than doing it alone.
- Some countries report that women are better trained to talk about prices with women, men
  are better at talking about prices with men. Nevertheless mixed-gender teams seem to be
  the best
- Data collectors usually know that the price is collected to calculate Living Wages, yet data collectors are trained not to tell their respondents that the prices are collected to calculate Living Wages
- Data collectors never know which companies might use the Living Wage estimates
- If extra data is needed for a client of WageIndicator, the name of the client is not shared with neither the trainer, the data collector nor the respondent.
- If needed for authorities or safety purposes, data collectors are provided with a WageIndicator introduction letter or other safety measures are taken.

On a daily basis the WageIndicator team managers check the data collected. Specifically, the housing prices are cross checked across the different surveyor groups operating simultaneously (Korde et al., 2021).

All data collectors have a unique code related to their name and email address which they must use to collect their data. Each price in the database can be traced back to an individual data collector. However, the code is not required for web users who key in data on the basis of a request as shown in Image 4. In general, web users key in one price only.

Global data managers, regional data managers and data collectors in the countries are in touch with each other on a daily basis through various instant messaging applications.

All data collectors have undergone WageIndicator's annual <u>safeguarding training</u> and adhere to <u>WageIndicator's Code of Conduct</u>.

## 3.5 Quality controls

WageIndicator updates its Living Wage estimates every quarter to keep up with changing price levels. The quality of national and regional Living Wage estimates are rated internally by assigning a Stability and Data Quality Code to each country and region, based on a comparison with the data for the same country/region from the previous quarter. Data fluctuations have been tracked since January 2019.

When a >10% change is observed, a thorough check is conducted to assess whether there is an issue with any of the input components. If such an issue is found, it is corrected in the script and the estimates are recalculated. If no issue is found, the data collector is contacted for an explanation. If



even this does not suffice, the estimate is retracted from the database and in the following quarter an additional team is assigned to collect data independently from the existing team. If their results differ, estimates are adjusted as needed and in some cases the team of data collectors might be replaced. Table 8 shows the levels and frequency of quality checks.

Living Wages are checked for consistency over time. In case structural discrepancies are detected, WageIndicator consults national experts to analyse and correct the source(s) of bias. These experts are mainly academics from the WageIndicator network. Next to that WageIndicator gains expertise from multinational clients by talking to their local HR teams. In case of issues, WageIndicator brings HR experts from different clients together and discusses the topic. Thanks to these efforts, the data also becomes more accurate over time.

Feedback on methodological questions and the quality of Living Wages is also obtained through discussions in webinars (see Annex 4) involving academics, employers, trade unions and data collectors. All relevant feedback can be integrated in the survey over several quarters. One example of this is a change of wording because of a "wrong" translation, but also the integration of extra questions in the Cost-of-Living survey related to social participation. This specific component of social participation has not been finalised yet. Decisions on this will be made in Q1 2025.

Table 8. Levels and frequency of quality checks

Quality checks	Yearly	Quarterly	Daily
Survey			
Survey correct - does it produce the correct data from the correct country / region		х	
Survey correct - new countries / item language / translation checks	Х	х	
Survey - region / city - correct	Х	х	
Survey items still relevant	Х		
Data collection			
Data collectors - recruiting / screening		х	
Interns - recruiting / screening		х	
Data collectors training		х	
Interns training		х	х
Offer option to data collectors to report in case they included mistakes		х	х
Assign extra data collectors - they don't know each other - in one country. (f.e. face to face and online)	Х	х	
Data process			
Check for outliers (not above or below a defined number)		х	
Check for currency mistakes		х	
Check for currency mistakes in case of more currency options (Lebanon, Venezuela, Zimbabwe)		х	
Check for consistency between quarters		х	



Check for relation with World Food Programme database		Х	
Check for relation with Numbeo housing data		х	
Check for the consistency between the components		х	
Check the relation between housing and Minimum Wages		х	
Check for tax and social security updates	х	х	
Update for inflation twice a year	Х		
Feedback			
Feedback during data collections process		х	Х
Feedback on the basis of estimates by all data collectors		х	
Feedback from clients on the basis of estimates		х	
Double check			
Calculations of family-types		х	
Year averages	Х		
Comparison quarters / stability over quarters		х	
Include Living Wage/Income Guidance data set	Х		
Minimum Wages		х	
Check requests from clients (MNE / NGO / Trade Union / web users)		х	Х
	_	_	_

Source: WageIndicator Living Wage Data Collection 2024

# 3.6 Sampling bias in the data collection

This section details WageIndicator's data collection strategies to avoid bias in the samples:

- For the data collection of prices from shops/markets, the sampling frame consists of shops/markets located in low-income areas, because the Living Wage data collection aims at the lowest prices for the defined food basket. The shops/markets are sampled by random walks in these areas. WageIndicator data collectors go to these shops/markets and register the prices, similar to what mystery shoppers in retail establishments do. This data is collected by WageIndicator data collectors using the Cost-of-Living app.
- For the data collection of prices from webshops, the sampling frame consists of all webshops that can be found online in the selected region/city, and the sample consists of the webshops with the lowest prices for the selected food basket; this data is collected by WageIndicator data collectors using the Cost-of-Living app.
- For the data collection of housing prices from the respondents responding on behalf of their households, respondents' locations are selected in low, low-middle income areas, and real estate agents may also be consulted.
- For the data collection of housing prices from real estate agents, the low, low-middle-income areas are selected and various real estate agents are visited;



- For the data collection of prices from web visitors of the more than 200 national WageIndicator websites on work and wages, the Cost-of-Living web survey in their national languages is used. Here no sampling frame exists as the data collection is based on a non-probability web survey.
- For the data collection of food and housing prices, data from external sources are added, when available and when assessed to be reliable.

An alternative strategy of collecting price data is by means of household expenditure surveys. These surveys primarily aim to measure expenditures, but they are also used to generate data on prices. However, the price data from expenditure surveys are often less granular compared to the price data collected from shops, markets and other outlets, and they most likely rely on respondents' memory, hence less reliable. Whereas WageIndicator's Living Wage data collection targets low-income strata of cities and villages, expenditure surveys mostly aim to sample the full population of households. To meet the demands of data collection of prices in low-income areas, usually a subsection of the sample, large sample sizes are needed. Instead, WageIndicator prefers to focus on data collection in shops and other outlets.

Measurement errors are likely to be small as the prices are directly observed by the data collectors. When prices are collected from volunteer web visitors, they are not urged to report the lowest prices but to report the prices they paid today or yesterday. The latter price data collection can be prone to selection bias. WageIndicator assesses the possible bias of this data in the total sample as small, because the large majority of data is collected by trained data collectors.

**Good to know:** What happens if data collectors key in wrong numbers? WageIndicator applies a strict regime to control for data-entry errors. Statistical methods are applied to identify data-collector related outliers, as well as outliers when comparing to previously collected data.

# 3.7 When there is not enough data, or when it's not reliable

There are clear thresholds on the minimum number of prices collected per region/country per component.

- For **food** there should be between 2000 and 6000 prices per region; if less data is available, there will not be a Living Wage estimate for that quarter.
- For **housing** between 50 and 200 observations are needed to calculate housing for a country-level and 20 and 200 observations for a region-level Living Wage.
- For **transport** a minimum of 20 observations are needed for country-level estimates and 20 observations for region-level estimates.
- 20 observations are needed to calculate on national and regional level for **health**, **education**, **clothing/footwear**, **phone and drinking water expenses**.

Good to know: If there are not enough observations at the regional level, the national data is used also for the region-level Living Wages, as these are smaller expenses and usually don't vary too much per region. If there are not enough observations at the national level (for health, education, clothing/footwear, phone and drinking water expenses), data from countries within the



same income group (as per the World Bank country income grouping) are used by comparing the ratio of the components to a set of minimum wage levels set by the ILO and from WageIndicator's Minimum Wage database.



# 4 | Calculation of Living Wages, Living Income and Living Tariff

This chapter focuses on the calculation of the Living Wage, and the related estimates for a Living Income and Living Tariff. It details the data streams in the Living Wage data, the assumptions underlying the Living Wage calculations, the components of the Living Wage calculations, and the features of the Living Wage dataset.

The Living Wage is applicable to employees (workers that perform specific tasks for a business in exchange for regular pay and typically receive benefits, overtime pay and vacation). The Living Income applies to farmers, smallholders and family businesses. The difference between the Living Wage and the Living Income resides in social security percentages: while the Living Wage includes the social security contributions that have to be paid by the employee, the Living Income includes both the employee's and the employer's parts. Also, while the Living Wage assumes that there is another family member who is contributing to the family budget, the Living Income is one income for the business and covers all the family costs (assuming that both parents are working for the same business).

Additionally, WageIndicator also calculates a Living Tariff, which applies to platform workers and in general to self-employed professionals, who usually set their tariff and are paid by the hour or per task. The Living Tariff includes taxes and social security in the same way as the Living Income, but also occupational items (laptop, motorbike, car, depending on the job) and extra time for training, administration and other activities, as well as any job-specific costs. The differences between a Living Wage, Income and Tariff are explained in Table 9.

The Living Tariff is calculated for different professions. After all, a taxi driver incurs different expenses than a freelance designer. The Living Tariff makes it clear to those who are not in paid employment what they must earn per hour to arrive at a Living Wage, after deducting costs and covering risks. Because the variables may vary per worker, WageIndicator has developed an interactive tool for the countries India, Indonesia, Kenya, the Netherlands and Pakistan where workers can adjust the variables to the situation that applies to them.:

Table 9. The differences among Living Wage, Living Income and Living Tariff

	Living Wage	Living Income	Living Tariff
Applies to:	Employees	Farmers, small holders and family businesses	Platform workers and self-employed professionals
Pay period it is calculated for:	Month / year	Month / year	Hour
Social security included:	Contributions to be paid by the employee	Contributions to be paid by the employee and the employer	Contributions to be paid by the employee and the employer
Number of earners per family:	Varies per country, depending on the labour	One	Varies per country, depending on the labour participation rate.



	participation rate. It assumes that the other earner gets a portion of the Living Wage.		It assumes that the other earner gets a portion of the Living Wage.
Additional occupational items and extra time for training, administration and other activities:	No	No	Yes

Source: WageIndicator Living Wage, Living Income, Living Tariff database, 2024

# 4.1 The Cost-of-Living database

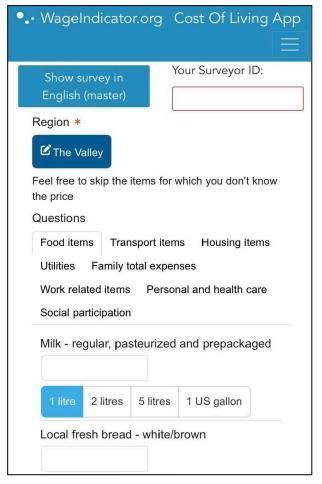
#### 4.1.1 The Cost-of-Living database

The price data in the Living Wage database are collected through the Cost-of-Living survey. The screenshot of the survey in Image 10 shows that the data collectors can select a category for which they want to enter prices, be it food, transport, housing, expenses, or occupational cost-related items. The survey is always presented in a national language and a language switch to English is facilitated. The region is selected based on the locality of the interviewer, but can be changed depending on the region where the data is collected. For each item, a price can be keyed in and its pre-set unit appears automatically e.g. kilo, litre or other units of measurement. Data collectors can opt for keying in just one or few items if they have not (yet) collected the prices for other items.

The data collected in the Cost-of-Living survey include millions of prices that are all checked. A codebook is available regarding the variables in the dataset. The codebook consists of:

- value labels of the item ids in the Cost-of-Living survey (see Annex 5)
- value label of the unit ids in the Cost-of-Living dataset. The unit id's have been stable over the years; the units are presented both in the app and in the online Cost-of-Living survey (see Annex 6)
- variable labels in the Cost-of-Living dataset, see (Annex 7).

Image 10. Cost-of-Living survey structure



Source: WageIndicator Cost-of-Living survey 2024

#### 4.1.2 WageIndicator data streams and data generating devices/sources.

WageIndicator's Living Wage database has been created through over nine million price recordings from several sources since 2014.

Good to know: In 2024, 1,200,728 prices (primary data) were collected using the WageIndicator Cost-of-Living web survey and app with 99.55 percent of that being collected by trained data collectors.

As described in Chapter 3.3, the prices in the Living Wage database stem from five sources, namely, from the Cost-of-Living web survey, the Cost-of-Living survey app, the Cost-of-Living survey print,



and external sources. Table 10 and 11 depict how the data is distributed over the first three categories used in the October 2024 release of living wages.

Table 10. Tracking data streams from different WageIndicator platforms - October 2024

	Platform used		% of total collected prices used for latest calculation	Source traceable in dataset
1	Data via WageIndicator website - online Cost-of-Living survey	Mainly generated by web users, rarely by trained data collectors	1.78%	yes
2	Data via Cost-of-Living survey app	Collected by trained data collectors who use a mix of face-to- face, interviews and data generated from webshops	98.22%	yes

Source: WageIndicator Foundation 2023

Table 11. Tracking data streams from different sources

	Source			Source traceable in dataset
1	Data from webshops*	Collected by trained data collectors only	47.43%	yes
2	Data from regular shops /face to face surveys	Generated by trained data collectors and web users (less than 2 %)	52.57%	yes

\*those who selected the "internet shop" question as shown in Image 8

Source: WageIndicator Foundation 2023

Data from 'external sources' are predominantly sourced from the World Food Program and Numbeo.

The Living Wage data collection is based on a sound IT system for centralised data collection that ensures stable data collection over time and across countries. Well-developed scripts are used to call for the data from external sources. These scripts are invaluable tools for efficiently accessing and managing data from external sources, such as the International Labor Organization (ILO) and International Monetary Fund (IMF). These scripts are designed to automate the process of retrieving, checking for updates, and downloading the latest available data from these organisations, ensuring that the information is always current and readily accessible.

# 4.2 Assumptions underlying the calculation of a Living Wage

The Living Wage calculation includes a set of assumptions, namely:

- a Living Wage is calculated for adults who are of economically active age (18 65) and competent to manage their family budget efficiently;
- individuals without children rent a one-bedroom home and households with children rent a two-bedroom home;



- individuals and families for whom the Living Wage estimates are most relevant are
  assumed not to own a motorbike or car and therefore need to rely on other means of
  transportation (though we have an extra question in the Cost-of-Living survey that checks
  whether this assumption is accurate in all countries), usually public transport; children of
  such families commuting to schools can travel for free or with a substantial discount;
- all family members are in a condition which allows them to work at full potential;
- meals are prepared at home and ingredients are purchased from supermarkets or at markets in the lower price range;
- expenses on clothes and footwear are accounted for;
- it includes a phone tariff of a monthly mobile plan (at least 120 minutes calls and 10GB internet);
- housing expenses refer to houses or apartments that are not centrally or up-market located and not located in a slum or an unsafe area;
- adequate housing is assumed to have permanent walls, solid roofs, adequate ventilation, and has electricity, water, heating - if needed in that area - and sanitary toilet facilities.
   Costs related to heating, electricity, water consumption, routine maintenance and repair and garbage collection are included in housing costs;
- a standard or 'normal' working week is assumed. This 'normal' working week, which differs per country, should not be more than 48 hours maximum (ILO Convention 1, 1919);
- a Living Wage is the monetary equivalent of the regular income, including any regular in-kind provisions;
- a Living Wage is the regular monthly income from labour; irregular or incidental income is assumed to be used for extraordinary expenses;
- a Living Wage is estimated for employers who (should) pay the local Living Wage voluntarily, unless contracts or (collective) agreements are made with workers groups, trade unions and/or buyers;
- the calculation of WageIndicator Living Wages only includes basic expenses;
- a Living Wage reflects the local living standards and needs of workers and their families;
- a Living Wage is calculated as a reference income of a full-time worker in gross terms.

Good to know: WageIndicator collects and calculates Living Wages following similar principles adopted by other Living Wages data collectors and the ILO (2024). The methodology is versatile and can be applied in all national and regional settings, and is sector-agnostic. The resulting data comparability is the foundational condition for the calculation of Living Wages that are consistent globally and over time.

# 4.3. Living Income

The Living Income estimate is relevant for (small) farmers/farming households. Yet, it may be applied just as well to all households where income earners (normally both adults in the family) own their own business, which is usually a small-scale family enterprise, similar to small landholders. Normally both adults in the family work in the business. This is different from the Living Tariff, which applies to a person who works alone as self-employed.



The assumptions for a Living Income are the same as for those Living Wage earners at a payroll, but there are some differences. The Living Income estimate accounts for the cost of essential necessities in a household, varying with the region and country where they live and work. Thus the Living Income estimates offered by WageIndicator reflect the needs of a typical national/regional household. A typical household is assumed to consist of two adults, plus the number of children as derived from the national fertility rate of a country given in the World Bank database (2020-2022). In this respect, WageIndicator extends the practice of basing calculations on the standard family of 2 (adults) plus 2 (children), by allowing for variation in family sizes and estimating Living Incomes which more accurately depict varying living requirements.

To resume the definition, a Living Income is the amount of money a household must earn to achieve a decent standard of living. This income must be earned by the **two** adults in the family. The Living Income is therefore made up of all the diverse sources of income that a household may receive through the labour of two working adult members. It is assumed that in this household both adults work the full working week. Their combined income should be sufficient to cover the costs of the indispensable necessities that their household needs for a decent living.

The indispensable items are similar to the elements making up the cost of living used to arrive at a Living Wage, i.e. Food; Drinking Water; Housing; Transport; Phone and internet; Clothing; Healthcare; Education and Unexpected expenses. See for a detailed overview of these necessities Chapters 2.1 - 2.10 above.

The other main difference with the Living Wage is that the Living Income includes taxes and social security contributions that are normally due by the employer (thus excluded in the Living Wage calculation). Since the two working adults are not employed (have no permanent employers) the part of social security premiums and taxes normally paid by employers on behalf of their employees must be borne by these working adults themselves, so the Living Income calculation must include the equivalent of these extra costs the self-employed household/family business has to pay. Therefore, WageIndicator's calculations also include the taxes and mandatory contributions that the typical household must make as part of their business venture (the part that would otherwise be borne by an employer). This information is updated twice a year by the WageIndicator team through desk research.

Table 12. Living Wage, Income and Tariff Data for the Pakistan region of Sindh

Country - region	Living Wage Guidance - typical family - 2+national fertility rate - national labour participation rate - lowest - per month	Living Income Guidance - typical family - 2+national fertility rate - lowest - per month	Living Tariff -typical family - 2+national fertility rate - national labour participation rate - lowest - per hour (basic, no work-related equipment or overhead)	Living Tariff -typical family - 2+national fertility rate - national labour participation rate - lowest - per hour (including work-related equipment or overhead for a motorcycle deliverer)
Pakistan - Sindh	55397.59 PKR	102395.22 PKR	328.99 PKR (63453.05 PKR per month full-time)	535.4 PKR (103263.82 PKR per month full-time)

Source: WageIndicator Foundation, October 2024



# 4.4 The components in the Living Wage data

The calculation of the Living Wage is composed of the following components, notably food, housing/energy, transportation, health, education, and other expenses like phone and internet, clothing, personal care. Costs for childcare and private care costs are not included in the basic set of components, but seen as ad ones. This section provides an explanation of how each component of the Living Wage is calculated.

#### 4.4.1 The calculation of food costs

WageIndicator calculates the food costs using two data sources. The first is the WageIndicator Cost of Living Survey, which is explained in detail in Chapter 2 and which collects the actual prices of 70 food items. The second is the UN Food and Agriculture Organisation (FAO) food balance sheet, which presents the consumption of 81 food items measured in kilocalories and in grams per person per day and reflects the food preferences in a country. Two examples of this for Vietnam and Ghana are presented in Annex 10.

To ensure that the differences between food consumption patterns amongst countries are incorporated in the calculation, WageIndicator calculates the food basket for a model diet for each country based on the data from the FAO Food balance sheet. To avoid the negative bias in the quality of the food basket in low income countries and to make sure the country-specific food consumption is balanced with the provisions for a healthy diet, the basket is checked against the balanced diet defined by the World Health Organisation (WHO). WHO defines a balanced diet to comprise less than 30 percent of calories from fats, less than 10 percent of calories from free sugars, less than 5g of salt per day and at least 400 grams of vegetables and fruits per day (WHO, 2020). To make the FAO Food balance sheet comply with the WHO provisions, the following adjustments are made when creating the WageIndicator food baskets:

- Fats, Animals, Raw adjusted to 0% of food supply
- Pig meat adjusted to 60% of food supply
- Milk Excluding Butter adjusted to 50% of food supply
- Oils adjusted to 50% of food supply
- Sugar adjusted to 60% of food supply
- Fruits and Vegetables increased to 400 grams for countries with intake less than 400 grams/person/day.

WageIndicator counts for 5 percent for the total percentages of fats and sugar. Annex 10 gives a practical insight into this with the food baskets for model diets for Ghana and Vietnam (FAO, 2022).

All WageIndicator model diets assume a daily consumption of 2,100 calories per person, which is the nutritional requirement for good health proposed by the World Bank (Haughton & Khandker, 2009). The model makes no distinction between adults, children, or pregnant or lactating mothers' food requirements. The principle that WageIndicator adheres to is that adults and children have 2,100 calories a day. In some cases children will eat more, sometimes less. Pregnant women might eat a bit more during the last months of pregnancy and the lactation period. The food costs calculation assumes that the food is prepared at home and purchased at the lower prices from supermarkets.



The data collectors are provided with detailed instructions on how to report the prices for the food items. These include instructions such as to exclude wrapping when reporting the costs and indicate the quantities precisely.

#### 4.4.2 The calculation of housing and utility costs

Housing costs are challenging to calculate because dwellings differ and local prices show substantial variation. The calculation of housing costs should therefore take into account quality criteria and depart from a minimum acceptable housing quality (e.g. appropriate number of rooms, location). In the WageIndicator Cost-of-Living survey respondents are asked about their house rents, electricity, water, garbage collection, internet, and taxes on housing. Respondents also indicate the size and location (inside or outside the city centre) of their apartments or houses. External data from Numbeo (for 1 country in October 2024) is supplemented by the Living Wage data collection.

A typical rent in the lower part of the price distribution (at 25th percentile) and in the middle (at 50th percentile) of the price distribution (median price) is included in the calculation. The housing cost for a family or an individual refers to a typical rent for a two-bedroom apartment respectively an one-bedroom apartment in an average urban area, outside the city centre, not centrally located, nor up-market, but also not located in slums. The high degree of geographical granularity of the prices collected allows the estimation of the reference housing costs for a large number of regions.

Next to housing cost the role of utilities within the Cost-of-Living survey has been improved since July 2024. It has been separated from the initial housing section and is now a separate chapter in the Cost-of-Living survey. This relates to questions for energy - including electricity, gas (heating and cooking), heating and/or cooling, and other utilities used at home - water, garbage and other monthly costs associated with the house, such as service/maintenance costs, taxes for dwelling, or city/region specific costs.

#### 4.4.3 The calculation of transport costs

Transportation is an important cost for households because many people commute for work or travel for daily activities (e.g. shopping). The assumption is that for families the Living Wage does not include the ownership of a motorbike or car and that they have to rely on other means of transportation. As public transport service is commonly available in most places, the price of a regular monthly transport pass is regarded as the transport cost for an adult. The average price of such a monthly pass is used as a meaningful approximation of transport costs, also for families in areas without local public transport. The price of a monthly pass is asked in the WageIndicator Cost-of-Living survey. The cost of transport for a family household is calculated as twice the price of a monthly adult pass. In many places, children commuting to schools can travel for free or with a substantial discount. Therefore, in the Living Wage calculation it is assumed that children travel for free.

From October 2024, WageIndicator presents next to the transport component (public transport), the cost for the use of a private car. This is shown as an add-on, so it is not included in the basic Living Wage calculation. See more in chapter 4.4.7.



**Good to know:** Transport costs related to the job - e.g. the car or the motorbike costs for a taxi driver or a rider - are only used to calculate the Living Tariff for platform workers.

#### 4.4.4 The calculation of personal and health costs

Many countries provide at least basic public health care services. Yet, additional expenses are often required for medication not available from public facilities or for private healthcare in emergency situations. In addition, if households temporarily lose income due to health-related absence from work they still need to be able to cover their basic living expenses.

The WageIndicator Cost-of-Living survey asks respondents about the minimal monthly expenses on health care for a family of two adults and two children. Based on this information, the monthly expenditure on health is included in the Living Wage calculation. Next to that, the survey also collects data more specifically on the presence of a free universal healthcare system in the country and on the cost for a basic health insurance, covering one person and/or one person and the family, and the cost of out-of-pocket expenses. Given that the healthcare insurance for working adults sometimes includes the partner and/or children, the health expenses for an individual and a family are calculated separately.

More data is collected specifically on personal and health care costs: the monthly expenses for period products, birth-control products, personal care products and household cleaning products.

#### 4.4.5 Education expenses

Education in public schools is provided at relatively low cost, but additional costs are related to supplementary materials and fees. Education expenses are typically included in the Living Wage. The WageIndicator Cost-of-Living survey asks respondents about the minimum monthly expenses on education (assuming that children attend public schools) for a family of two adults and two children. Based on this information the monthly expenditure on education is included in the Living Wage calculation.

Expenses on education for adults are not considered in the Living Wage calculation. As the concept of a Living Wage defines the basic needs for a family, it does not provide for families to participate in advanced education, or in entertainment or recreational activities.

### 4.4.6 Other expenses and provision for unexpected expenditures

The calculation of Living Wage accounts for the most relevant expenditures on food, housing, transport, health and education. In order to estimate the amount of expenditures beyond these basic categories, national Living Wage campaigns typically rely on data from national household income and expenditure surveys. However, for a large set of countries, household surveys are not readily available with the regularity required for frequent updates. Because the bundle of non-food and non-housing commodities varies across countries according to habits and culture as well as over time, it is difficult to arrive at a universal basket of goods and services covering personal needs in all countries.



One solution to this problem is to provide for spending on non-specified discretionary purchases such as clothing and cosmetics. In addition, it has to be ensured that the Living Wage is sustainable in allowing for unforeseen events such as illness, accidents or unemployment. Provision for unexpected events is also common in Living Wage calculations.

WageIndicator follows Anker and Anker (2017) and adds a 5 percent margin to the final estimate of the cost of living. When the calculation of the costs of living is more comprehensive in covering the goods and services, a lower margin is more appropriate as that does not increase the resulting Living Wage unreasonably.

#### 4.4.7 Add-on - Childcare cost

From October 2024, WageIndicator began including the cost of childcare as an add-on to its Living Wage estimates. This was done to bring methodological parity with other Living Wage data providers, several of whom include this in their estimates. WageIndicator considers these components as add-ons and not a part of the basic basket of goods and services. For its basic Living Wage estimates, WageIndicator continues to use the aforementioned ten components (see chapter 2), maintaining continuity with its methodology.

The childcare cost (see Table 13 for some examples) is calculated on the basis of the following assumptions: the carer earns a Living Wage for a Typical Family to take care of six children at the same time; the childcare duration is 12 years per child and the total childcare cost that a family has to bear is spread over the total childcare years.

One example of given data used could be the following:

- Monthly Living Wage per Earner (W): \$900
- Children per Carer (N): 6
- Fertility Rate (F): 1.5
- Childcare Duration per Child (C): 12 years
- Number of Earners per Family (E): 1.8
- Total Working Years (WY): 45 years

The above data is used to calculate first the total cost of childcare per family, which is calculated as follows:

$$TCC = \left(rac{W imes 12 imes C imes F}{N}
ight)$$

The result for the example above would be 32500 \$.

Then, the annualised childcare cost per earner is calculated with the formula below, where TCY are the total childcare years, calculated by multiplying the childcare duration per child (C) by the Fertility Rate (F):

$$ACCE_{TCY} = \frac{TCC}{E \times TCY} = \frac{\$32,400}{1.8 \times 18} = \frac{\$32,400}{32.4} = \$1,000 \text{ per year}$$



Finally, the monthly childcare cost per earner is calculated as follows:

$$\text{Monthly Childcare Cost per Earner}_{TCY} = \frac{ACCE_{TCY}}{12} = \frac{\$1,000}{12} = \$83.33 \text{ per month}$$

This means that the total childcare cost is distributed over the years when childcare expenses are incurred in order to provide a higher income when families need it most. In this way, families are able to cover actual costs during childcare years.

Table 13. Cost of childcare as an add-on to the Living Wage. Monthly amounts in national currency for selection of countries, October 2024 release

Country	Currency	Childcare cost typical family for a full time earner - lowest - per month
Chile	CLP	78510.61
Côte d'Ivoire	XOF	27207.09
Czech Republic	CZK	2250.18
Italy	EUR	148.04
South Africa	ZAR	997.90
Vietnam	VND	647197.33

Source: WageIndicator Living Wages, 2024

#### 4.4.7 Add-on - Private car cost

Similar to childcare, in some countries and regions, ownership of a car is considered a basic necessity. Therefore, WageIndicator considers the cost of this as an add-on to the basic Living estimate.

The cost of owning a private car (see Table 14 for some examples) encompasses the initial purchase price of the car, excluding variable expenses such as fuel and insurance. To provide a more accurate representation of long-term affordability, the total cost of the car is amortised over a period of five years, reflecting the car's depreciation and allowing for a clearer understanding of its financial impact over time.

Country	Currency	Car cost typical family for a full time earner - lowest - per month
Chile	CLP	96969.70
Côte d'Ivoire	XOF	208333.30
Czech Republic	CZK	6354.16
Italy	EUR	267.49
South Africa	ZAR	3739.84
Vietnam	VND	3354130.00

Table 14. Cost of a private car as an odd-on to the Living Wage. Monthly amounts in national currency for selection of countries, October 2024 release



Source: WageIndicator Living Wages, 2024

# 4.5 The Living Wage / Living Income dataset

#### 4.5.1 Data cleaning

As explained in Chapter 3.5, during the data collection process substantial efforts are undertaken to ensure high quality data. As a next step, scripts used for the Living Wage dataset ensure the removal of outliers.

#### 4.5.2 Minimum number of observations per category

To ensure the calculation of a reliable Living Wage for a country or for a region within a country, a minimum number of observations - collected over a period of time of maximum 60 months - is required. For the calculation of a Living Wage per region or per country, WageIndicator requires a minimum number of observations, namely:

- for food between 2,000 and 6,000 prices per region are needed; if less data is available, WageIndicator will not publish a Living Wage estimate;
- for housing between 50 and 200 observations are needed to calculate estimates for a country-level and 20 and 200 observations for a region-level Living Wage;
- for transport at least 20 observations for country-level estimates and at least 20 observations for a region-level estimates are needed;
- for health, education and other components, 20 observations are needed to calculate health and education, clothing/footwear, phone & data and drinking water expenses at the national and regional level. If there are not enough observations at the regional level, then the national data is used also for the region-level Living Wages, as these are smaller expenses and usually do ntt vary too much per region. If there are not enough observations at the national level, data from countries within the same income group (as per the World Bank country income grouping) are used, using data published by the International Labour Organisation.

In WageIndicator calculations, prices collected by WageIndicator in the last twelve months are weighted with a higher weighting factor, to ensure that recently collected prices are more influential in the living wage calculation.

#### 4.5.3 Actual data

The new data replace the old data and the quarterly data for this reference period are of course adjusted for inflation. The data presented for the last quarter is always seen as the most accurate, so when available the most recent data is used.

**Good to know:** The Living Wage calculation is based on prices collected during the last 36 months in order to avoid uncharacteristic or short-lived extraordinary fluctuations.



#### 4.5.4 Inflation correction

For most national figures, WageIndicator applies the CPI (Consumer Price Index) published by the International Monetary Fund (IMF) to update older prices. However, such CPI data is not available for countries like Cuba or Monaco. For countries where CPI data is unavailable, data collected only in the last 18 months is used.

#### 4.5.5 Gross and net Living Wages, taxes and social contributions

The Living Wage is presented as the gross monthly wage of a full-time worker. The gross Living Wage estimate is obtained by adding the mandatory payroll deductions obtained from the latest national tax summaries available publicly, based on several sources, like the <u>Worldwide Tax Summaries</u> published by PWC, to the net Living Wage. The income tax is required by law and therefore has to be included in the Living Wage calculation.

In many countries low income levels are exempt from tax up to a minimum income threshold and tax brackets are set based on income levels Since taxes are applied to gross pay, the net Living Wage needs to be 'grossed up' to account for income tax. However, given that in some countries income tax rates are low but social contributions high, and given that social services may be financed by taxes, the amount of taxes includes social contributions (pension contributions, medical insurance contributions, social insurance contributions). The taxes included in WageIndicator Living Wage are the taxes due by the employee (and not by the employer). In summary, the 'gross Living Wage' includes the taxes and social security contributions due by the employee.

In the case of the Living Income, taxes and social contributions from both the employee and the employer's side are incorporated.

#### 4.5.6 Lower and upper bound data

Living Wages and Living Income are calculated as a range. The lower bound (lowest) Living Wage is calculated using prices at the 25th percentile or first quartile, while the higher bound (highest) uses the 50th percentile (or median) of all the prices collected. This interval reflects the variation of prices within a country: the 25th percentile is the value for which 75% of the respondents reported higher prices, while the 50th percentile (median) is the value for which half of the respondents reported higher and the other half lower prices.

# 4.6 Living Wage / Living Income data for five countries

#### 4.6.1 Family types

Living standards within and between countries vary, but all Living Wage campaigns aim to ensure a decent remuneration for work in support of workers and their families. The WageIndicator Living Wage concept is a systematic attempt to reflect the diversity in family types found worldwide. Therefore, three types of families have been defined: a standard family, a typical family and - more recently - a single-earner family. These types apply to all countries included. Image 11 shows the characteristics and Image 12 shows how the Living Wage is calculated. For the single-earner, the



family composition considered is the same as the typical family, but the total amount is not divided by the number of earners per family, as it is assumed that one of the adults earns the whole amount.

Although WageIndicator still calculates and shows the one-person or individual household, this is done to make the calculation more understandable, and not to be used as a benchmark.

Image 11. How WageIndicator defines family types

# **Family Types**

Standard Family



In a standard family, we assume that there are two adults and two children. One adult works 100% of the legally permissible hours and the hour works 80% of the legally permissible hours.

Typical Family



In a typical family, we assume that there are two adults, while the number of children is determined by the national fertility rate. The amount of time worked by the adult members of the household is determined by the National Earners per Family information.

Single Earner Household



In a single earner household, we assume that there are two adults, while the number of children is determined by the national fertility rate. Only one adult member of the house earns an income.

Source: WageIndicator Foundation 2024



Image 12. Summary of the calculation of the Living Wage for the two family types

Formulas to calculate the basic cost of living for different family types (includes 5% extra costs)	CLSF (Basic Cost of Living for a Standard Family) = [(4 * Food for one person) + Housing for a family + Healthcare for a standard family + (2 * Transport for one adult) + (2 * Education for one child) + ((4 * Clothing for one person) + (4 * Water for one person) + (2 * Phone for one adult)] * 1.05 Other costs  CLTF (Basic Cost of Living for a Typical Family - also used for the Single Income Earner Family) = {[(2 * Food for one person) + (Fertility rate * Food for one person)] + Housing for a family + Healthcare for a typical family + (2 * Transport for one adult) + (Fertility rate * Education for one child) + [(2 * Clothing for one person)] + (Fertility rate * Clothing for one person)] + [(2 * Water for one person)] + (Fertility rate * Water for one person)] + (2 * Phone for one adult)} * 1.05 Other costs
Formulas to calculate the Gross Living Wage for	Gross Living Wage for a Standard Family = (CLSF / 1.8) + Tax for one worker in a standard family
different family types (includes taxes)	<u>Gross Living Wage for a Typical Family</u> = (CLTF / Earners per family) + Tax for one worker in a typical family
	<u>Gross Living Wage for a Single Income Earner Family</u> = CLTF + Tax for one worker in a single income earner (typical) family

Note: The calculation of Living Wages for the family types takes into account the most recent employment rates (World Bank) and family characteristics (fertility rate) (World Bank) available, in the local context.

Source: WageIndicator Foundation 2024

#### 4.6.2 Living Wage / Living Income data for five countries

The data collected is used to calculate monthly Living Wage / Living Income estimates. As an example, Annex 11 shows the data for five countries selected from each continent, covering the year average estimates, plus the October 2024 Guidance release. The table shows the lowest and highest boundaries for the Living Wages and details the monthly costs for the item categories.

#### 4.6.3 Living Tariff data for five countries

The Living Tariff is based on the concept of Living Wages and its adjustment to the specificities of the self-employed in the gig economy. The argument why we need a Living Tariff besides a Living Wage, and the methodology for collecting data for the Living Tariff has been presented in 2024 in two conferences: the ISLSSL World Congress on Labour Law (17-20 September 2024) and a conference within the COST Action CA21118 titled "Platform work and workers collective action and organising".

Currently data for the Living Tariff are being collected in 5 countries (see Table 15).

Table 15. The Living Tariff estimates for five countries.

Country - capital region	Currency	Living Tariff -typical family - 2+national fertility rate - national labour participation rate - lowest - per hour (basic, no work-related equipment or overhead)	Living Tariff -typical family - 2+national fertility rate - national labour participation rate - lowest - per hour (including work-related equipment or overhead for a motorcycle deliverer)
India - Delhi	INR	134.14	277.14
Indonesia - DKI Jakarta	IDR	40190.01	69090.96



Kenya - Nairobi	KES	331.52	566.19
Netherlands - North Holland	EUR	28.98	37.81
Pakistan - Islamabad Capital Territory	PKR	412.17	629.43

Source: WageIndicator Living Tariff Tool, 2024



# 5 Living Wage and adjacent benchmarks

WageIndicator presents its Living Wage information in the context of political, civil, and labour rights. Per country, WageIndicator contextualises its data with respect to seven adjacent benchmarks, namely:

- Poverty lines
- Statutory minimum wage
- Actual wages
- Working hours per week
- Taxes
- Labour rights
- Political rights

WageIndicator has its own data collection on Minimum Wages, Actual wages, Labour Laws, weekly working hours, and taxes, stemming from desk research on government sources, international, and multilateral institutions and research institutes. The poverty line and Freedom House data are based on external sources. This chapter discusses these five context benchmarks.

# 5.1 The Poverty Line

The World Bank defines a poor individual as a person who lives on less than US\$2.15 (PPP) per day. PPP stands for Purchasing Power Parity, a specific form of price indexation that is widely used for international comparison of real incomes. PPP rates are calculated based on the price surveys undertaken by the International Comparison Program (ICP) organised by the World Bank. Using these PPP rates, the <u>World Bank Poverty Line</u> is calculated as the monthly (i.e. 30 days) income assuming the spending of PPP-adjusted US\$2.15 per person per day.

Some countries define their own poverty lines. The national poverty line is the minimum income level on which an individual is supposed to be able to survive. These national poverty lines are set by governments. National definitions of poverty and their practical implementation vary widely across countries. In some countries the national poverty line is calculated based on actual prices and revised regularly. In other countries the figure attached to the poverty line is only irregularly updated.

The poverty line is usually set for an individual. Only a few countries define a poverty level for a family. Richer countries deploy more generous living standards to define poverty than poorer countries. Some countries do not define a national poverty line at all. Therefore, national indications of poverty lines are not directly comparable across countries. To assess whether a national poverty line indicates an adequate income, WageIndicator compares it with a Living Wage based on real prices of goods collected through the WageIndicator Cost-of-Living survey.



# 5.2 The Minimum Wages

Minimum Wages are important when contextualising WageIndicator's Living Wage estimates because many countries take the standpoint that the minimum wage should be sufficient for a decent income. However, for many countries the Minimum Wage and WageIndicator's Living Wage reveal large disparities as shown below in Image 13. These disparities are related to the country's GDP.

**Good to know:** In 2024, in <u>26 countries the Minimum Wage</u> equaled or exceeded the Living Wage Typical Family Lowerbound, and in 140 countries Minimum Wages were lower (or there was no Minimum Wage). Among high income countries, the Minimum Wage is on average 118% of the Living Wage in OECD countries and 72% in non-OECD countries, while in low income countries the Minimum Wage covers on average only 12% of the Living Wage.

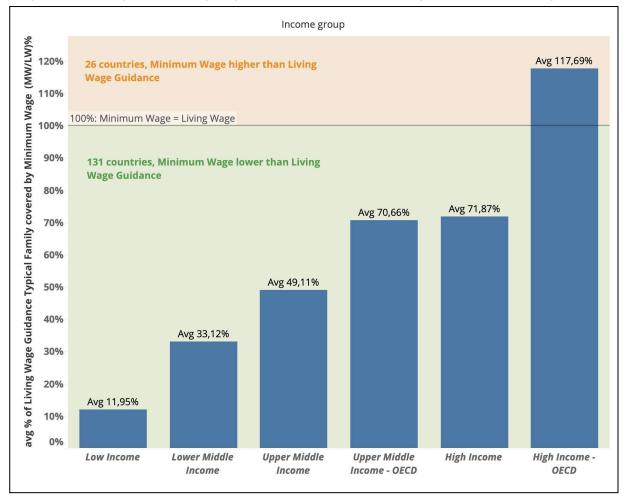


Image 13. Percentage of the Living Wage covered by the Minimum Wage by country income group

Source: WageIndicator Living Wage and Minimum Wage database. Release: Living Wage Guidance 2024

WageIndicator has its own Minimum Wages data collection. The <u>Minimum Wages database</u> was introduced in 2006 as a response to the questions by workers and their trade unions in Paraguay and by web visitors of the WageIndicator website in The Netherlands and India. Minimum Wages in



The Netherlands were at that time more complex. Special rates for youth, and extra holiday allowances, and differences for those who work 36 or 40 hours a week. Minimum wage rates in India are defined per state, are very complex, are not easily available online, and in some states the official Notifications are published in the regional language only. For this reason, many workers did not know their Minimum Wage and asked WageIndicator to provide this information online. Soon other national WageIndicator web sites followed with Minimum Wage pages. The technical performance of the database was gradually improved and included information for an increasing number of countries. The Minimum Wage database with monthly rates was created in 2014 and is now updated monthly. In December 2023, the database contained information for 208 countries and over 20,000 rates.

The statutory or legal Minimum Wages are set and published by governments, sometimes after consultation with social partners. Many countries have one Minimum Wage and in most cases it applies to the entire workforce. Other countries apply multiple Minimum Wages for categories of workers defined by industry, firm size, occupational group, skill level, educational level, geographical characteristics, age, or years of service. Approximately half of the countries in the Minimum Wage database have multiple rates. For the contextualisation of WageIndicator's Living Wage, one reference point per country or per region is needed. For countries and regions with multiple rates, the lowest rate is defined as follows:

- if a country defines one rate as the general Minimum Wage rate or defines a rate for general workers, this rate is selected, except for South Africa, where several rates are lower than the 'general' one. In this country the lowest rate is shown;
- if a country has specific rates for youth, apprentices, workers with no experience, handicapped workers, piece rate workers, or tipped workers: these rates are excluded from the lowest rate reference;
- if a country defines different Minimum Wages between rural and urban areas, different industries or between unskilled and skilled workers, the lowest rate is shown;

However, where possible - as in all WageIndicator national websites - WageIndicator shows the most detailed Minimum Wages per country, region, and sector. Government announcements about Minimum Wages are traced and supplemented by a global WageIndicator network, contacts with governments and a vast network of professional users guarantee an up to date database.

Good to know: As of October 2024, 26 countries have a monthly Nationally Applicable Minimum Wage higher than the monthly 2024 Living Wage Guidance Typical Family Lowerbound. These countries are: Andorra, Australia, Austria, Belgium, Canada, Cyprus, Estonia, France, Germany, Iran, Ireland, Japan, Lithuania, Luxembourg, Mauritania, Netherlands, New Zealand, Poland, Puerto Rico, Saudi Arabia, Slovenia, South Korea, Spain, Switzerland, Taiwan and United Kingdom. Note: for some regions within these countries the Minimum Wages may be lower than the Living Wage.

From July 2024 onwards, WageIndicator introduced a GPS-coded system to supplement its Minimum Wage database. The result is that, if companies provide precise addresses or GPS codes of their locations, WageIndicator can easily map them to the Minimum Wage that applies to those



specific locations. Next to GPS codes, WageIndicator also uses NACE codes for industries and ISCO codes for occupations to retrieve the applicable Minimum Wages for a company.

# 5.3 Occupational Wages

Since its start in 2000, WageIndicator has collected data about occupational wages. This began with data for the Netherlands only, then expanded to other countries. This data collection continues today and is based on data collected through the WageIndicator Salary Survey and Salary Check posted on its websites with recruitment through social media, Decent Work Surveys, face-to-face surveys in selected countries, and external sources from national statistical offices. Using ILO's International Standard Classifications of Occupations (ISCO-08), the occupations can be classified as high-skilled, medium-skilled and low-skilled. For each country the Living Wage thresholds can be compared to the occupational wages by skill level.

# 5.4 Regular working hours per week

For most countries the legal working hours refer to the maximum hours per week. The WageIndicator *normal* working hours refer to the working hours which are normal, standard or regular in the country, as is agreed in Collective Bargaining Agreements or Minimum Wage regulations. These regulations can mention normal working hours versus overtime hours. WageIndicator also registers the number of regulatory leave days per year. The labour law database is based on desk research, in cooperation with the WageIndicator office Centre for Labour Research in Islamabad and WageIndicator teams worldwide. The WageIndicator working hours database and its Labour Law database are updated yearly (Tijdens, 2023). WageIndicator uses the normal working hours to calculate a monthly Living wage / Income.

**Good to know:** For 214 countries WageIndicator maintains a database with information about the standard or normal working hours per week.

#### 5.5 Taxes

The personal income tax rate is obtained from the latest national tax summaries available publicly. In many countries low-income earners are exempted from income tax up to a threshold as tax brackets are set based on income levels. In some countries income taxes are low but social contributions high, whereas in other countries social security is financed from taxes. For the contextualisation of WageIndicator's Living Wage, the lowest and highest tax amount is presented for the three family types (standard, typical, single-income-earner) in the Living Wage data (see Image 11 for the family types). The tax amounts include income tax and social contributions (pension contributions, medical insurance contributions, social insurance contributions). In the Living Wages calculation only social contributions due by the employee are included, while the Living Income and Living Tariff also accounts for social contributions due by the employer. WageIndicator collects information about the levels of income tax and social security contributions.



### 5.6 Labour Rights

The Labour Rights Index is based on more than a decade of legal research by WageIndicator and the Centre for Labour Research, which is WageIndicator's global labour law office in Islamabad. The <u>Labour Rights Index</u> emphasises the importance of a well-functioning legal and regulatory system in creating enabling conditions for the achievement of Decent Work. Its most recent edition of 2024 covers 145 countries.

Good to know: The Labour Rights Index measures major aspects of labour law covering 10 indicators with together 46 evaluation criteria, based on substantive elements of the UN Decent Work Agenda. The criteria are all grounded in the Universal Declaration of Human Rights (UDHR), five UN Conventions, five ILO Declarations, 35 ILO Conventions, and four ILO Recommendations.

For the country-level Living Wages contextualisation, WageIndicator uses the overall composite score and a Labour Rights Index ranking of the country. The Labour Rights Index is presented in visuals. Image 14 shows the composite score for 2024, showing how countries range from a total lack of decent work in their regulatory system to decent work regulations on all indicators.

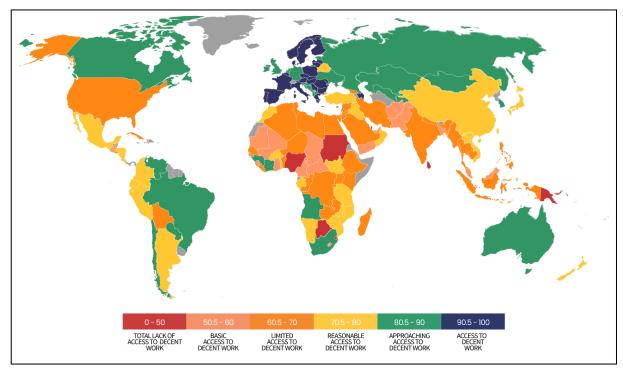


Image 14. Heatmap from the Labour Rights Index 2024

Source: WageIndicator Foundation 2024

Legal regulations do not necessarily reveal compliance to the regulations. To report workers whether their job complies with the legal regulations, WageIndicator applies its Decent Work Check, which is based on the Labour Rights Index. This survey allows employees to check whether their wages and working conditions are compliant with relevant Labour Law and the Minimum Wage rates. WageIndicator has been implementing these projects in <u>Bangladesh</u>, <u>Ethiopia</u>,



<u>Indonesia</u>, in selected Ready Made Garments (RMG), textile and leather factories, and in cut-flower farms and palm oil plantations to explore labour law compliance and awareness.

#### **5.7** Freedom House Scores

For contextualization of country level Living Wages, WageIndicator uses two indicators drawn from <u>Freedom House</u>, a non-profit organisation that conducts research and advocacy on democracy, political freedom, and human rights. WageIndicator uses the Freedom House Total Score and the Freedom House Remark. Freedom House Total Score is a numerical score out of 100, which is a summation of the Political Rights Score and Civil Liberties Score.

Freedom House also awards a status of Free, Partly Free or Not Free in the form of Freedom House Remark, a qualitative category based on a combination of Political Rights Score (out of 40) and Civil Liberties Score (out of 60).



# 6 Benchmarking companies' remuneration against Living Wage threshold

The Living Wage data is collected so that companies can use it to derive a threshold for their remuneration policies. Section 6.1 in this chapter details the concept of actual wages; which wage elements should and should not be included in the comparison of the paid wages against the Living Wage threshold provided by WageIndicator? This section defines the basic wage, the measurement of the hours in a normal working week and to what extent in-kind benefits, bonuses and expenses for equipment or training at the workplace are included. Sections 6.2 to 6.6 focuses on how companies can monitor Living Wages and the details of the data provided for the WageIndicator Living Wages.

# 6.1 The Living Wage compared to the employees' / workers' wages

WageIndicator defines some basic principles for the analysing gaps between actual wages paid to employees and Living Wage estimates applicable for their regions.. In general, the basic wage paid to an employee should be used for this, without any bonus or allowance or benefit included. If there is a desire to include additional bonuses and allowances, it is possible, but companies should consider some limitations.

If the gap analysis is done for a group of employees (and not for an individual employee), every bonus or allowance that is considered for the analysis has to be received by all employees in the group. If the benefit / bonus / allowance is received regularly by the employee, is not variable, is agreed beforehand and can be spent freely by the employee, then it can be included in the wage with no limitations.

If the benefit / bonus / allowance has to be spent on a specific category of cost, then it has to be considered an in-kind benefit. The combined total value of in-kind benefits should not exceed 25% of total remuneration. Each benefit should not exceed the amount of the corresponding component as calculated by WageIndicator. If a benefit is given only to the worker and not to the family (for example food), WageIndicator advises not to include this benefit or to calculate a proportion of the component, because the component is for the family.

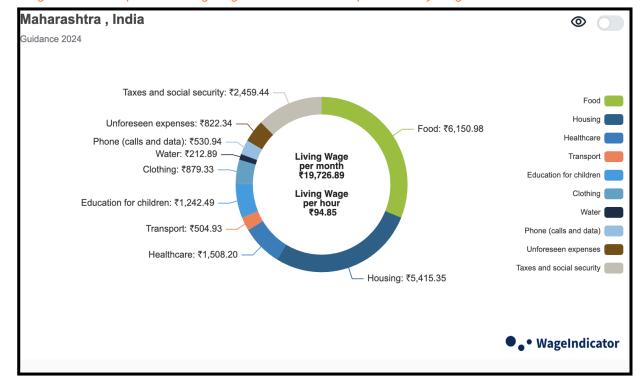


Image 15. An example of a Living Wage estimate for India published by WageIndicator

Source: WageIndicator Foundation 2024

#### 6.1.1 The length of the working week

For a comparison of paid wages to the Living Wage the concept of working hours needs clarification. The Living Wage is presented as monthly, yearly and hourly amounts paid to a full-time worker. The length of a full-time working week should be equal to the normal working hours per week in the country at stake, that is, the standard working hours as agreed in collective bargaining agreements or laid down in minimum wage regulations.

If a company's wage system is based on an average month, with the wage in February equal to the wage in January, the company's wages should be compared against the monthly Living Wage. An average month equals 4.33 weeks in one month. If a company's wage system is based on the days or hours worked, thus with wages differing from January to February, the company's wages should be compared against the hourly Living Wage.

In the 'average monthly wages' company, the wages of part-time employees should not be compared to the monthly Living Wage. They should be compared to so-called Full-Time Equivalent (FTE) wages. The FTE can be calculated by dividing the number of hours worked by the standard working week in the company. For example, if the employee works 10 hours per week and the standard working week is 44 hours (FTE = 0.227), the part-timer's wage should be compared to 0.227 times the monthly Living Wage. In the 'wage for days or hours worked' company, part-time employees should also not be compared to the monthly Living Wage, but to the hourly Living Wage times the number of hours worked. For seasonal workers, the Living Wage should be compared to the wage the workers get in the months when they are employed by the company. Annual bonuses



like the 13th-month can be included in the comparison only if the workers received a proportion of those in the months when they worked.

In the 'average monthly wages' company, the monthly wage includes paid vacation and leave days. An 'average month' consists of the number of hours worked, times FTE times 4.33 plus the number of paid vacation and leave days divided by 12. In the 'wage for days or hours worked' company, the hourly wage does not include any payment for paid vacation and leave days. If the company pays for vacation and leave days per year, the hourly wages should be adapted: the Living Wage should be compared to the hourly wage plus the number of vacation and leave days divided by hours in the standard working week times 52.3.

Wages earned by working overtime should be excluded from the comparison of the worker's wage to the Living Wage threshold. A Living Wage should be earned by working normal / standard hours. Overtime hours are defined as all working hours per week above the standard working week in the company. For part-timers overtime hours are defined as all working hours per week above the hours in the standard working week in the company. In case the company does not define a standard working week, the hours in a standard working week in the country should be taken into account (Tijdens, 2023).

#### 6.1.2 In-kind benefits

The comparison of the paid wages to the Living Wage needs clearly defined wages. A Living Wage should be calculated in monetary terms and paid in cash or be transferred to the worker's bank account without pay arrears.

The ILO Minimum Wage Policy Guide provides useful guidance on options for dealing with in-kind benefits, such as ILO Convention 95 on Protection of Wages which calls for measures to ensure that the value attributed to in-kind benefits is fair and reasonable, bearing in mind that these limit the financial income of workers. All in-kind components like food or housing should be expressed in monetary terms too. For comparing paid wages to the Living Wage the cash-equivalents of these in-kind benefits can be deducted (ILO, Convention 95). WageIndicator derives the cash-equivalent of in-kind benefits from its Cost-of-Living survey. If a worker receives a meal, provided for free by the employer, then WageIndicator calculates the price of this meal based on its Cost-of-Living data in the region.

WageIndicator suggests that these in-kind benefits should not exceed 25 percent of the Living Wage, and should not exceed the amount of the relevant component as calculated by WageIndicator, as shown in the two examples below:

**Example 1:** The worker gets a wage of 800 + in-kind housing (he/she is offered a house to live in with his/her family) + free schooling for workers' children

The WageIndicator Typical Family Living Wage calculated is 1000, of which 300 is housing and 100 is education.

The housing and the education together make 400, but only 25% of the total Living Wage can be paid in kind, so the in-kind part can be a maximum of 250. The wage of the worker should then be compared to 750, so the worker is being paid a Living Wage.



**Example 2:** The worker gets 800 + in-kind public transportation family pass (that can be used 24/7 also for family needs).

The WageIndicator Typical Family Living Wage calculated is 1000, of which 150 is transportation.

The public transportation pass can be deducted but only to the amount of 150, because that is how much the transportation component accounts for in the Living Wage. The wage of the worker should then be compared to 850, so the worker is not being paid a Living Wage.

If needed, WageIndicator can assist in calculating the cash value of the in-kind benefits, based on the data collected in the WageIndicator Cost-of-Living survey for the region at stake.

WageIndicator considers only the following five categories of in-kind benefits to be included in the wage when doing the gap analysis, but with some limitations:

- free housing and utilities, such as water or electricity
- free meals / food rations given for free at work assuming one meal per working day (note: the food component in the Living Wage is for a family, so this involves complex calculations: WageIndicator recommends not to include free meals or free food rations)
- free transport / free fuel / free car to and from the place of work (note: the transport component in the Living Wage is for a family, so this involves complex calculations: WageIndicator recommends not to include free transport / fuel / car)
- free school for workers' children provided by employer
- private medical insurance / free medical services, paid by the employer and covering the worker and his/her family

WageIndicator calculates the monetary value of these goods, based on the prices from its cost-of-living survey in the region. The maximum amount of these in-kind benefits cannot be more than 25% of the living wage estimate.

Good to know: WageIndictor understands that in-kind benefits are seen as a benefits given by the employer and therefore should be deducted from the Living Wage. However, it would be better to view the Living Wage as a basic wage. Benefits should not be seen as part of this basic wage, but rather as something 'extra' that is given to a worker or employee, who can then choose how to spend his/her basic Living Wage. In addition, including benefits that are given to the worker and not to the family involves additional calculations which make the gap analysis harder to perform and to explain.



#### 6.1.3 Gross wages

The Living Wage should be compared to the gross wages paid by the company. 'Gross' is meant from an employee's perspective, thus employer's contributions to workers' social security and workers' income taxes should be deducted from the wages before being compared to the Living Wage threshold. The taxes and the social security contributions that should be paid by the employee remain part of the gross wage.

All wages should be paid in the national currency or in a currency common for international use.

#### 6.1.4 Monthly and yearly bonuses

A company's remuneration policy may include payment of bonuses. However, not all bonuses should be included in the comparison of the worker's wage to the Living Wage.

If the gap analysis is done for a group of employees (and not for an individual employee), every bonus or allowance that is considered for the analysis has to be received by all employees in the group. On the contrary, if the analysis is done per employee, each bonus or allowance can be analysed separately.

Monthly payments for inconvenient hours or night work should not be included, because they are not guaranteed and are likely to vary over time. Performance pay should not be included for the same reasons. Payment in shares is not included either, because it is not guaranteed and will vary over time.

If the benefit / bonus / allowance is received regularly by the employee, is not variable, is agreed beforehand and can be spent freely by the employee, then it can be included in the wage with no limitations.

WageIndicator does not include monthly bonuses in a worker's wage for the comparison to the Living Wage, such as:

- Shifts, unsocial hours weekend work allowance
- Hardship allowance
- Production bonus
- Seniority or skill bonus
- Cost-of-living adjustment
- Any other allowance

WageIndicator does include some yearly bonuses in a worker's wage for the comparison to the Living Wage, because these are an agreed part of the wage. This applies to bonuses such as:

- 13th month salary / 14th month salary
- End of year / Christmas / Eid-bonus
- Holiday / visit 'home' bonus

In these cases a monthly wage should be supplemented with 1/12 of the yearly bonus. For example, if an employee gets 1200 euros as 13th-month bonus, 100 euros can be added to that employee's monthly salary amount used for the gap analysis.



#### 6.1.5 Expenses for equipment or training

Any expenses for equipment, tools or clothes needed to perform the job are to be paid by the employer and should not be deducted from the workers' wages. Similarly, expenses for training paid by the employer and directly needed for the job should not be deducted from the worker's wage.

In the case of the Living Tariff for platform workers and other self-employed workers, expenses related to the different jobs, such as a car, a motorbike, a helmet, a laptop, a phone are often paid by the workers themselves, and therefore should be added to the Living Tariff. This also applies to the costs of the time needed for acquisition, training, etc.. In the Tariff, employee and employer taxes and social security costs are included too.

#### 6.1.6 What to include or exclude in the paid wage?

WageIndicator suggests the below principles when looking at what to include or what to exclude in the implementation of Living Wage payments.

Table 16. Inclusion and exclusion in the paid wage

Item	Include in paid wage
Basic wage for full-time worker	Yes
Shifts, unsocial hours, or weekend work allowance	No
Hardship allowance	No
Production bonus	No
Seniority or skill bonus	No
Cost-of-living adjustment	No
13 <sup>th</sup> month / 14 <sup>th</sup> month salary	Yes, if divided by 12
End of year / Christmas / Eid – bonus	Yes, if divided by 12
Holiday / visit 'home' bonus	Yes, if divided by 12
Free housing and utilities, such as water or electricity	Yes, cash equivalent with limitations (not more than 25% of the Living Wage in total and not more than the calculated component)
Free meals / food rations given for free at work	Not recommended, but the cash equivalent can be considered with limitations (not more than 25% of the Living Wage in total, not more than the relevant portion of the calculated component)
Free transport / free fuel / free car to and from the place of work	Not recommended, but the cash equivalent can be considered with limitations (not more than 25% of the Living Wage in total, not more than the relevant portion of the calculated component)
Free school for workers' children provided by employer	Yes, cash equivalent with limitations (not more than 25% of the Living Wage in total and not more than the calculated component)
Private medical insurance / free medical services, paid by the employer	Yes, cash equivalent with limitations (not more than 25% of the Living Wage in total and not more than the calculated component)
Savings fund	No



Note: the total of the cash-equivalents cannot be more than 25% of the Living Wage

Source: WageIndicator Foundation 2024

# 6.2 Reporting about the workforce below the Living Wage

For auditing purposes, metrics regarding the share of the workforce below the Living Wage are increasingly requested, for example in the <u>SA8000 Standard</u> and in other auditing processes. The reporting may be requested from companies, their subsidiaries or even from their subcontractors. These organisations vary regarding the advancement of their payroll systems or wage administrations. Depending on the available information from an organisation's administration, they will report in different ways about the share of workers above and below the Living Wage thresholds.

Most companies will use payroll systems that allow for reporting whether an employee is paid above or below the Living Wage threshold, according to the rules outlined in Chapter 6.1. Hence, the percentage of the workforce below the threshold can be reported and progress over time be monitored. If no information is available about the individual wages, the wages paid to the low-skilled job titles or pay scales should be compared. If no information is available about the wages linked with job titles or pay scales, the average wage in the organisation should be compared to the Living Wage. This is an imprecise estimate, particularly when organisations have both high and low paid staff. WageIndicator suggests not to use it.

Shift, one of the leading centres of expertise on the UN Guiding Principles on Business and Human Rights, shares some highly valuable tips for reporting (Shift, 2023).

PWC and WageIndicator have started to work together to better understand how companies are working on Living Wages, how companies work on implementing Living Wages and finally reporting on it within annual reports. The first research between PWC and WageIndicator on Living Wage as an emerging standard has been published (PWC and WageIndicator, 2023). The second report, from March 2024, is titled <u>Working towards paying a living wage</u>. The third report about reporting will be published in November 2024.

WageIndicator also provides support to help understand the differences between Minimum Wages, Living Wages, and adequate wages in line with the European Directive on Corporate Sustainability Reporting (CSRD).

To provide this support, WageIndicator uses two main tools:

- 1. Comparison Tool for Minimum and Living Wages Over Time: This tool compares statutory Minimum Wages with Typical Family Living Wages and Single Income Earner ranges. It is updated quarterly for Minimum Wages and annually each October for Living Wages, using the Guidance estimate. For more information, visit our website,
- 2. Adequate Wages Guide: This guide helps determine which adequate wage to use for a given country or region. It can be accessed here: <u>Adequate Wages Guide</u>.



WageIndicator assumes that an adequate wage is at least equivalent to a Living Wage. The suggested steps for ensuring this are:

- a. Confirm compliance with the statutory Minimum Wage: Ensure wages meet the legal requirements.
- b. Compare salary structure with the Living Wage Typical Family Lower Bound: Identify any discrepancies.
- c. If gaps remain, use the Living Wage Typical Family Higher Bound: Conduct further assessment.
- d. If gaps still exist, use the Single Income Earner Living Wage Lower Bound: Apply this estimate to address remaining shortfalls.

# 6.3 Living Wage ranges

WageIndicator presents its Living Wages as a range to reflect the variation of prices within the country or region. One single estimate instead of a range might suggest that Living Wages are cast in stone, but they are not and cannot be. Living Wages reflect the actual price levels of goods and services consumed by households. These price levels may change over time and may develop differently between regions in a country. However, the lower bound Living Wage is usually used to compare whether the company pays at least a Living Wage.

Recommendation for Reporting: Always use at least the lower bound estimate and avoid averaging the ranges. Averaging can make it difficult for auditing firms to verify which estimates were used in the Living Wage policy. Auditors may need to confirm with WageIndicator which specific estimate from which release was applied. Therefore, a precise estimate is crucial, not an averaged value. For further details, see Chapter 4.5.6.

# 6.4 Living Wage per quarter, year average and Living Wage Guidance

As detailed in Chapter 3, WageIndicator provides new Living Wage estimates each quarter. Annually, in October, an average of the last quarters is calculated, when estimates for at least three quarters are available. Since October 2023, on the basis of the Yearly Average, a Living Wage Guidance is calculated. The calculation is performed as follows:

- 1. The Yearly Average dataset (at country and regional level) is compared with the Yearly Average dataset of the year before, which serves as a basis for the adjustments for the Living Wage Guidance dataset.
- 2. In case the Yearly Average Living Wage is less than 3% lower than the Yearly Average Living Wage of the year before, the Living Wage presented is the current Yearly Average Living Wage.
- 3. In case the Yearly Average Living Wage is more than 3% lower than the Yearly Average Living Wage of the year before, a 3% lower Living Wage Guidance is presented.
- 4. In case the Yearly Average Living Wage is higher than the IMF inflation rate of the previous year plus 5% than the Yearly Average in the previous year, the Living Wage Guidance presented will be capped at IMF inflation plus 5%.



In case of countries with big economic issues or economical changes, these will be reflected by the inflation rate, so the Living Wage Guidance reflects them as well.

If no IMF inflation rate is available, then other publicly available estimates for inflation are used. Also, when there is a lack of data for regional calculations, ratios are used to adjust the current year averages in line with other regional ratios for the country or the country level adjustment, in that order.

Good to know: The Living Wage Guidance estimate should be considered the WageIndicator Living Wage for the year. Its use is recommended, especially when a company needs one estimate per year, as this estimate is less affected by the fluctuations which may have occurred during previous months. WageIndicator calculates a Guidance Living Wage for a standard family, for a typical family and also for a typical family with one income earner.

# 6.5 National and regional Living Wages

WageIndicator provides Living Wage thresholds for countries and regions within countries. As detailed in Chapter 3, prices of consumer goods vary largely across and within countries. Prices vary particularly due to housing costs. Therefore, the Living Wage is available for geographically granulated areas.

WageIndicator estimates Living Wages for countries. If the number of observations allows, the estimates are specified for different regions within countries, classified according to the population of the largest settlement in that region. Four types of regions / clusters have been distinguished:

- 1. Metropolitan areas;
- 2. Large city areas;
- 3. Small city areas;
- 4. Rural areas.

One quarter of the data is primary data, three quarters is so-called cluster data. This means partly primary, partly from regions which look the same. If Living Wages are needed for more granular areas, WageIndicator can deliver such wages or can start collecting data for these areas.

Next to the cluster system - which is used as an alternative to cover regions where there is not enough primary data - WageIndicator also delivers urban and rural Living Wages at regional level. For the urban Living Wage, only data collected in towns or cities within the administrative division with more than 100,000 inhabitants are used, while the rural Living Wage is calculated for a region by using only data collected in locations where there are less than 100,000 inhabitants.

Since October 2023, WageIndicator has also experimented in calculating the urban and rural Living Wages in a more granular way, by identifying four levels: urban, peri-urban, rural and super-rural. The urban Living Wage is in this case calculated using only the data collected in cities with more than one million inhabitants and their suburbs, the peri-urban includes prices from towns with more than 100.000 and less than one million inhabitants, the rural uses data from small cities with



a number of inhabitants going from 10.000 to 100.000, and the super-rural is calculated with prices collected in villages with less than 10.000 inhabitants and in more rural locations.

In conclusion, the larger the number of observations in a country, the greater the granularity possible. WageIndicator aims to include ever more national and regional estimates to its range. However, gathering Living Wage data for very small areas or villages is not recommended, specifically not when such data is not collected for neighbouring villages and therefore cannot be estimated across villages. Meanwhile, compliance with Living Wages over years is easier when the regions are more clear cut.

# 6.6 Living Wages for Family types

As discussed in Section 4.6, WageIndicator calculates the Living Wage for several family types. Companies decide which Living Wage threshold they want to use. So far, most WageIndicator clients have used the Typical Family thresholds.

Since July 2023, WageIndicator has also delivered the Single-Income-earner Living Wage, which assumes that only one person is working in the family. This is an option which is being used more often by companies in high-income countries.

In conclusion, reporting the share of the workforce paid below the Living Wage can be done with the WageIndicator Living Wage data collection. It allows companies, subsidiaries, and subcontractors to set standards and to monitor changes over time.

Good to know: WageIndicator can state that - as far as client reveal this information - most of the clients (MNEs and NGOs) focus on Typical Family Lower bound, Year Average, and since October 2023 also on the Guidance estimate. Some clients opt for Typical Family higher bound. A few opt for Single Income Earner. This might change due to reporting in relation to adequate wages.



#### 7 Recognition

WageIndicator's Typical Family Living Wage estimate is recognised by <u>IDH</u> (the <u>Sustainable Trade Initiative</u>), and WageIndicator's Living Wage database is recommended <u>B-Lab</u> in their B-Corp Certification process to its members. The <u>European Sustainability Reporting Standards</u> also recommend using WageIndicator Living Wage estimates for the reporting on European Directive on Corporate Sustainability Reporting (CSRD).

#### 7.1 Recognition of WageIndicator Living Wages

<u>IDH - The Sustainable Trade Initiative</u> - operates in multiple sectors and environments in Africa, Asia and Latin America with companies, CSOs, financial institutions, producer organisations and governments towards sustainable production and trade. IDH acknowledges that many methodologies are available to calculate Living Wage benchmarks. In order to recognize robust Living Wage benchmark methodologies that are available in the market, IDH has developed a <u>Benchmark Recognition Process</u> (2020).

IDH's recognition process is based on nine criteria. These criteria do not represent a new Living Wage estimate methodology but provide objective criteria for the minimum elements needed by a Living Wage benchmark methodology in order to be recognized by IDH. The <u>WageIndicator Typical Family Methodology</u> met all criteria, as follows:

- data on cost of living is collected through country/region-based surveys (online and face-to-face);
- 2. typical national family sizes are derived from national birth-rate data;
- 3. the cost of living includes the cost of a suitable diet, typical rent, children's education, healthcare, transport, clothes, water, phone, and other expenses;
- 4. the number of wage earners in a family is derived from national employment data;
- 5. the difference between net and gross pay is calculated using the latest national tax summaries available publicly;
- 6. all data is disaggregated per country-defined regions as well as sorted into 4 regions of similar rural or urban density;
- 7. funding is derived from grants and selling data, not leading to conflicts of interest;
- 8. the process and criteria for collecting data are fully available online on the WageIndicator website;
- 9. new benchmarks based on new data are published quarterly so there is no need for benchmarks to be updated regularly for inflation.

IDH substantiates its recommendation of WageIndicator as follows: 'Established in 2000, the WageIndicator Foundation aims for transparency. This means publishing free info about wages, Minimum Wages and Labour Law in national languages on national (popular) WageIndicator websites worldwide - now with operations in 196 countries. Data on prices is collected continuously through online surveys and face-to-face surveys. Data collections are overseen by a group of universities. The foundation should be contacted directly for access to benchmarks and can be



contracted to create benchmarks where not currently available. Benchmarks are offered in a range; ultimately wages should always be above the lower range, which can be seen as a stepping stone to the higher range. WageIndicator also offers a variety of other global data sets.'

Next to WageIndicator, IDH also recognises other methodologies, which can be found on their website. A new IDH recognition round is on its way. It is expected to be active from 2025.

<u>B-Lab</u> recommends <u>WageIndicator Living Wage Typical Family</u> estimates as part of its B-Corp Certification process. B-Lab works with over 6.000 companies in 89 countries. According to B-Lab: "Certified B Corporations are leaders in the global movement for an inclusive, equitable, and regenerative economy. Unlike other certifications for businesses, B Lab is unique in its ability to measure a company's entire social and environmental impact" (Gouw, 2022).

#### 7.2 Quality assurance

Like in 2022 and 2023, one of the large consultancies in the field of logistics, quality, certifications and risk management, Peterson Control Union has undertaken an in-depth quality control check of the WageIndicator Living Wage data collection and Living Wage estimations in July 2024. They have delivered positive verdicts on the same. You can access the 2024 Quality Assurance report online.

#### 7.3 Assessments by users

A growing number of multinational enterprises and other international clients use the WageIndicator Living Wage data to explore if the remuneration in their own companies or in their supply chains meets the Living Wage threshold. Many use the WageIndicator estimates in their annual reports year on year to claim they pay a Living Wage.

WageIndicator data is purchased by a growing number of global clients multinational enterprises, with locations in many countries like Unilever or Maersk, and hundreds of companies with just one or two locations and NGOs like FairWear Foundation, MSF (Médecins Sans Frontières) or SOS Children's Villages International. Some of their stories can be found here.

In addition to using the dataset for their own purposes, some clients - like Unilever, Ikea, LÖreal, Schneider Electric, Kering - have supported our efforts to make Living Wage estimates publicly available. Their motivation stems from a shared belief that ensuring workers, both within and outside their supply chains, earn a wage that supports a decent standard of living is essential. They also see public estimates as a way to drive accountability and transparency within industries, setting an example for others to follow. Thanks to their dedication, WageIndicator was able to publish these estimates from May 1, 2024 onwards.

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   <a href="https://www.ilo.org/dyn/normlex/en/f?p=NORMLEXPUB:12100:::NO:12100:P12100\_ILO\_CODE:CO</a>
   <a href="https://www.ilo.org/dyn/normlex/en/f?p=NORMLEXPUB:12100:::NO:12100:ILO\_CODE:CO</a>
   <a href="https://www.ilo.org/dyn/normlex/en/f?p=NORMLEXPUB:12100:::NO:12100:ILO\_CODE:CO</a>
   <a href="https://www.ilo.org/dyn/normlex/en/f?p=NORMLEXPUB:12100:::NO:12100:ILO\_CODE:CO</a>
   <a href="https://www.ilo.org/dyn/normlex/en/f?p=NORMLEXPUB:12100:::No:12100:ILO\_CODE:CO</a>
   <a href="https://www.ilo.org/dyn/normlex/en/f?p=NORMLEXPUB:12100:::No:12100:ILO\_CODE:CO</a>
   <a href="https://www.ilo.org/dyn/normlex/en/f?p=NORMLEXPUB:12100:::No:12100:ILO\_CODE:CO</a>
   <a href="https://www.ilo.org/dyn/normlex/en/f?p=NORMLEXPUB:12100:::No:12100:::No:12100:ILO\_CODE:CO</a>
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#### **Annexures**

#### 1. Relevant Links

- Overview of countries with a Living Wage survey
- The WageIndicator Cost-of-Living App
- Instructions for the Cost-of-Living App
- Overview of data availability for countries and regions (updated quarterly)
- YouTube playlist with video instructions for cost-of-living data collection
- List of regions in WageIndicator's API

#### 2. Improvements/Changes made to items in the cost-of-living survey

Question	Cluster	Status
Extra fish items, extra fruit items, milk powder, coconut, chocolate, margarine	Food section	Added
Local fresh bread – white/brown	Food section	Improved wording
Flatbread or pita, barley, wine / beer	Food section	Removed
How much is the monthly utilities' costs for a standard apartment suitable for one person (studio or one-bedroom) in your city/region?	Utilities section	Improved wording
Monthly energy cost, including: electricity, gas (heating and cooking), heating and/or cooling, and other utilities used at home	Utilities section	Improved wording
Other monthly costs associated with your house, such as: service/maintenance costs, taxes for dwelling, or city/region-specific costs	Utilities section	Newly added
Transportation for the family (assuming the use of public transportation, such as bus, trains, shared taxi, local form of transport)	Family total expenses section	Improved wording
School fees (for public schools, primary education), including school bus and lunch - per child, per year	Family total expenses section	Improved wording



	T	1
Books, including stationery (pen/notebook) - per child, per year	Family total expenses section	Improved wording
Clothes from a general budget to detailed questions related to crucial products such as t-shirts, trousers, jackets.	Work-related items	Improved survey structure
Phone costs now includes calls and mobile data	Work-related items	Newly added
Work-related items	Work-related items	Improved wording
Car - electric – economy	Work-related items section	Removed
Is there any public healthcare system in your country?	Personal and health care section	Improved wording
Please provide the monthly cost of the average healthcare costs covering one person, this may include: insurance costs and out-of-pocket expenses	Personal and health care section	Improved wording
Please provide the monthly cost of the average healthcare costs covering a family, this may include: insurance costs and out-of-pocket expenses	Personal and health care section	Improved wording
Personal healthcare from general budget to detailed questions related to crucial products as toothpaste, paracetamol	Personal and health care section	Improved survey structure
Expenses for social participation (entertainment, eating out, reading, time with friends, religious events, etc)	Social participation	Added
Cable TV, Netflix or equivalent subscription; Attending festivals, religious celebrations; Attending weddings, funerals, or baptisms (such as bringing a gift)	Social participation section	Improved wording

### 3. Overview of countries with Living Wage estimates since 2014

Country	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Afghanistan											
Albania											
Algeria											
Andorra											

Country	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Angola											
Argentina											
Armenia											
Aruba											
Australia											
Austria											
Azerbaijan											
Bahamas											
Bahrain											
Bangladesh											
Barbados											
Belarus											
Belgium											
Belize											
Benin											
Bermuda											
Bolivia											
Bosnia and Herzegovina											
Botswana											
Brazil											
Bulgaria											
Burkina Faso											
Burundi											
Cambodia											
Cameroon											
Canada											
Chad											
Chile											
China											
Colombia											
Congo, Dem. Rep.											
Costa Rica											
Côte d'Ivoire											
Croatia											
Curaçao											
Cyprus											
Czech Republic											
Denmark											

Country	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Dominican											
Republic											
Ecuador											
Egypt											
El Salvador											
Equatorial Guinea											
Estonia											
Ethiopia											
Finland											
France											
Georgia											
Germany											
Ghana											
Greece											
Guatemala											
Guinea											
Honduras											
Hong Kong											
Hungary											
Iceland											
India											
Indonesia											
Iran											
Iraq											
Ireland											
Israel											
Italy											
Jamaica											
Japan											
Jordan											
Kazakhstan											
Kenya											
Kosovo											
Kuwait											
Kyrgyzstan											
Laos											
Latvia											
Lebanon											
Libya											
Lithuania											

Country	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Luxembourg											
Macao											
Madagascar											
Malawi											
Malaysia											
Mali											
Malta											
Mauritius											
Mexico											
Moldova											
Montenegro											
Morocco											
Mozambique											
Myanmar											
Namibia											
Nepal											
Netherlands											
New Zealand											
Nicaragua											
Niger											
Nigeria											
North Macedonia											
Norway											
Oman											
Pakistan											
Palestinian Territories											
Panama											
Paraguay											
Peru											
Philippines											
Poland											
Portugal											
Puerto Rico											
Qatar											
Romania											
Russian Federation											
Rwanda											
Saudi Arabia											
Senegal											
Seriegal											



Country	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Serbia											
Sierra Leone											
Singapore											
Slovakia											
Slovenia											
Somalia											
South Africa											
South Korea											
Spain											
Sri Lanka											
Sudan											
Suriname											
Sweden											
Switzerland											
Taiwan											
Tanzania											
Thailand											
Togo											
Trinidad and Tobago											
Tunisia											
Turkey											
Uganda											
Ukraine											
United Arab Emirates											
United Kingdom											
United States of America											
Uruguay											
Venezuela											
Vietnam											
Yemen											
Zambia											
Zimbabwe											
Total countries with an estimate per	45	40			40	7.	114	120	124	107	140
year	45	48	57	64	48	75		130	124	137	142
Year	2014	2015	2016	2017	2018	<b>2019</b>	2020	2021	2022	2023	2024

Source: WageIndicator Foundation 2023



#### 4. WageIndicator events related to Living Wages between 2021-2024

Date	Name of Meeting	Location	Relation to Project(s), organisations		
2024-08-30	Moving from a Minimum Wage to a Living Wage	FLAME University, Pune	FLAME WageIndicator Research lab / UNGLOBALCOMPACT / India		
2024-08-30	Living Wage Info Session	Online	Living Wages		
2024-08-02	Living Wage Info Session	Online	Living Wages		
2024-07-05	Living Wage Info Session	Online	Living Wages		
2024-06-14	Living Wage Info Session	Online	Living Wages		
2024-05-23	Bridging the Gap Between Minimum Wages and Living Wages in the Cut Flower Industry	Online	Mywage.org/Ethiopia: Living Wages in Flowers & Garment		
2024-05-17	Living Wage Info Session	Online	Living Wages		
2024-05-02	Living Wage Publication Launch	Online	Living Wages		
2024-02-22	Introduction to the Living Tariff Tool - Kenya	Online	Living Tariff Project, WageIndicator Foundation / GIZ		
2024-02-21	Brand Due Diligence Strategies for Living Wages	Paris	2024 OECD Garment and Footwear Forum		
2024-02-16	Introduction to the Living Tariff Tool - Pakistan	Online	Living Tariff Project, WageIndicator Foundation / GIZ		
2024-02-07	Wages Session Deep Dive	Online	Living Wages, The Industry We Want		
2024-01-25	Living Wages in International Trade	IDH, the TASC Platform and the World Economic Forum	Living Wages		
2024 - 01 - 25	Introduction to the Living Tariff Tool - Indonesia	Online	Living Tariff Project, WageIndicator Foundation / GIZ		
2023 - 11 - 30	Introduction to the Living Tariff Tool	Online	Living Tariff Project, WageIndicator Foundation / GIZ		

2023 - 09 - 28	Networking Session UN Global Compact	Stockholm, Sweden	United Nations Global Compact
2023 - 09 - 19	Making Living Wage a Reality	New York, USA	United Nations Global Compact
2023 - 09 - 19	UNGA Celebration: A Reception for the global living wage movement	New York, USA	Linklaters, WageMap and the Global Living Wage Affiliate Network
2023 - 09 - 14	SDGS in Brazil - Living Wage and mind in focus	New York, USA	United Nations Global Compact in Brazil
2023 - 04 - 05	Roundtable: Living Wages and Dutch Business	The Hague, The Netherlands	UN Global Compact Netherlands
2023 - 02 - 15	OECD Side Session – OECD Forum on Due Diligence in the Garment and Footwear Sector	Online	How Decent is My Factory? Phase Two and Living Wages in Flowers & Garment
2023 - 02 - 09	Living Wages: From the Lab to Global Impact	Online	CELSI & WageIndicator team
2023 - 02 - 03	Cost of Living – Data Collectors	Online	Internal WageIndicator team
2023 - 01 - 31	WageIndicator's Living Wage Database at the World Economic Forum	Online	World Economic Forum
2022 - 07 – 4-14	FLAME Summer School, Cost of Living and wages	Pune, India / Online	All Interns WageIndicator Foundation
2022 - 04 - 29	WageIndicator Conference Part  1 Our Work	Online	WageIndicator Foundation - Living Wage team
2022 - 01 - 28	The Life Behind the Cost of Living Data Collection of WageIndicator	Online	All Interns WageIndicator Foundation
2021 - 11 - 09	OECD Living Wage Workshop	Online	WageIndicator Foundation - Living Wage team
2021 - 07 - 12	Global Cost of Living Data Collection: Insights and Challenges from WageIndicator's Living Wage Team	Online	Interns FLAME University
2021 - 06 - 24	Decent Wage Bangladesh - Improving Industries: Construction, Garment, Leather, Tea	Online	Decent Wage Bangladesh, Phase 1



2021 - 05 - 27	WageIndicator Break-Out Room: Living Wage is the Linking Pin of at least 5 SGDs.		WageIndicator Foundation - Living Wage team
2021 - 01 - 15	The Technique Behind the World of Indexes and Databases: About the WageIndicator Labour Rights Index and Minimum Wage Database	Online	To 196 countries, related to INGRID 2. Organised by CELSI, WageIndicator, Centre for Labour Research

### 5. Value labels of the item id in the Cost-of-Living survey

Item ID	Item name
8	Milk - regular, pasteurized and prepackaged
9	Local fresh bread - white/brown
222	Rice
301	Bulgur or couscous
12	Local Cheese
258	Cream - fresh
19	Chicken
208	Bovine Meat (Beef)
209	Mutton, lamb and goat meat
210	Pork Meat
211	Other poultry meat (duck, goose, turkey)
302	Dried Fish
223	Marine fish - fresh, frozen, canned
224	Freshwater fish - fresh, frozen or canned
118	Prawns, shrimps, crayfish, crabs - fresh, frozen or canned
215	Bananas
110	Apples
212	Lemons
111	Orange or other citrus
303	Pineapples
304	Mango
317	Berries
318	Melon
319	Watermelon

Item ID	Item name
117	Peach
116	Tomato
305	Bell pepper or sweet pepper
306	Carrots
307	Kale
308	Spinach or other leafy green vegetables
309	Cabbage
226	Onions
112	Potato
216	Plantains
219	Sweet Potatoes
218	Yams
242	Starchy roots (beet, celeriac, radish)
242	Cassava / Manioc / Yuca
	Bottle of water
13	
11	Eggs - medium size Tofu
202	
217	Soybeans
201	Yogurt
204	Beans - dry
205	Peas - dry
310	Lentils - dry
257	Chickpeas or other pulses - dry
206	Pasta Consul flavor
311	Cereal flour
120	Barley flour
254	Coffee - whole bean, ground, instant
227	Tea  Crown droute or shelled equivelent
228	Groundnuts or shelled equivalent
312	Sunflowerseed
231	Olives
313	Salt
233	Sugar or raw equivalent
241	Breakfast cereals
236	Maize (corn) flour
234	Butter, ghee
199	Margarine



Item ID	Item name					
314	Honey					
315	Sunflowerseed oil					
316	Regular cooking oil					
10	Coconuts - Including copra					
21	Cocoa beans or chocolate					
22	Squid, octopus, cuttlefish					
23	Clams, mussels and other molluscs					
31	Aquatic plants (seaweed, lotus, etc.)					
34	Milk powder					
501	Did you collect the prices from an online shop?					
18	One way trip to nearest city (bus, tram, train, shared taxi or local form of transport)					
20	Monthly pass (for the use of public passenger transportation in urban places)					
24	Gasoline					
503	Did you collect the prices from the Internet?					
housing_intro	Please make sure you report costs of adequate housing. Adequate housing is NOT located in a slum or in an unsafe area. It has permanent walls, solid roofs and adequate ventilation. It has electricity, water, heating - if needed in that area - and sanitary toilet facilities, although an extra cost might be charged for heating, electricity, and water consumption.					
320	How much is the monthly housing cost for a standard apartment suitable for one person (studio or one-bedroom) in your city/region?					
housing_intro_o ne_person	Are these costs included in the rent?					
321	Rent (applies to tenants only)					
322	Mortgage payments (applies to owners only)					
323	Energy - for heating/cooling, cooking, lights, etc.					
384	Monthly energy cost, including: electricity, gas (heating and cooking), heating and/or cooling, and other utilities used at home.					
325	Water					
386	Water cost per month					
326	Garbage collection					
387	Garbage collection cost per month					
327	Routine maintenance and repairs					
329	Taxes on dwelling					
385	Other monthly costs associated with your house, such as: service/maintenance costs, taxes for dwelling, or city/region specific costs					
330	Internet connection					
340	How much is the monthly housing cost of a standard 2-bedroom apartment in your city/region?					
housing_intro_fa mily	Are these costs included in the rent?					



Item ID	Item name						
341	Rent (applies to tenants only)						
342	Mortgage payments (applies to owners only)						
343	Energy - for heating/cooling, cooking, lights, etc.						
388	Monthly energy cost, including: electricity, gas (heating and cooking), heating and/or cooling, and other utilities used at home.						
345	Water						
390	Water cost per month						
346	Garbage collection						
391	Garbage collection cost per month						
347	Routine maintenance and repairs						
349	Taxes on dwelling						
389	Other monthly costs associated with your house, such as: service/maintenance costs, taxes for dwelling, or city/region specific costs						
350	Internet connection						
360	How much is the monthly housing cost for a single room in a shared apartment in your city/region?						
housing_intro_sh ared_room	Are these costs included in the rent?						
361	Rent (applies to tenants only)						
362	Mortgage payments (applies to owners only)						
363	Energy - for heating/cooling, cooking, lights, etc.						
392	Monthly energy cost, including: electricity, gas (heating and cooking), heating and/or cooling, and other utilities used at home.						
365	Water						
394	Water cost per month						
366	Garbage collection						
395	Garbage collection cost per month						
367	Routine maintenance and repairs						
369	Taxes on dwelling						
393	Other monthly costs associated with your house, such as: service/maintenance costs, taxes for dwelling, or city/region specific costs						
370	Internet connection						
502	Did you collect the prices from the Internet?						
expenses_intro	Estimate what are the minimal monthly expenses of a family of 2 adults and 2 children on following items (please be as accurate as possible)						
249	Food						
381	Drinking water						
250	Acceptable housing						
	Transportation for the family (assuming the use of public transportation, such as bus, trains, shared taxi, ride-hailing services, local form of transport)						



Item ID	Item name					
252	Basic personal and health care (personal care products and small pharmacy expenses)					
251	School fees (for public schools, primary education), including school bus and lunch - per child, per year					
259	Books, including stationery (pen/notebook) - per child, per year					
260	Uniform - per child, per school year					
383	Clothing and footwear					
70	When you go to work, you primarily use: public transport, taxi (car), mototaxi/rickshaw, own car, own motorbike/moped/scooter, own bicycle, I go by foot					
406	Car - petrol/gas/hybrid - economy					
409	Car insurance - all risks covered					
408	Car insurance - basic					
414	Motorbike / scooter					
411	Motorbike / scooter insurance - all risks covered					
410	Motorbike / scooter insurance - basic					
412	Bicycle - normal					
413	Bicycle - electric					
404	Smartphone					
405	Laptop					
401	Monthly mobile data plan (at least 120 minutes calls and 10GB internet)					
402	Unlimited (or best available) High-Speed Home Internet Service (WiFi) - per month					
415	Bike helmet					
416	Motorbike helmet					
417	Winter waterproof jacket					
418	Shirt					
419	T-shirt					
420	Pants					
421	Jacket					
422	Power bank for mobile phone					
504	Did you collect the prices from the Internet?					
601	Is there some form of free or universal public healthcare system in your country?					
602	Please provide the monthly cost of the average healthcare costs covering one person, this may include: insurance costs and out of pocket expenses					
603	Please provide the monthly cost of the average healthcare costs covering a family, this may include: insurance costs and out of pocket expenses					
604	Period products (pads, sanitary napkins, tampons, period panties, etc), per month					
605	Birth-control products (condom, pill, patch, etc.), per month					
608	Toothpaste					



Item ID	Item name
609	Toothbrush
610	Soap
611	Shampoo
612	Moisturizer
613	Toilet paper
614	Hand wash
615	Body wash
616	Cotton swabs
617	Shaving cream/foam
618	Razor
619	Laundry detergent
620	Household cleaning product
621	Dishwashing detergent
622	Sweeper
623	Sponge
505	Did you collect the prices from an online shop?
41	Cinema, theatre, music
43	Bar, restaurant
45	Cable TV, Netflix or equivalent subscription
46	Books, newspapers, magazines
47	Spending time with friends, family
48	Attending festivals, religious celebrations
49	Attending weddings, funerals or baptisms (such as bringing a gift)

Note: Item ids 501, 502, 503, 504 and 505 relate to a question for data collectors who find prices online / webshops. Item ids 406-422 relate to data collection for occupational groups in the platform industry. Calculations for Living Wages plus occupational related costs are done for a few platform clients only.

Source: WageIndicator Foundation 2024

#### 6. Value label of the unit id in the Cost-of-Living data set

ID	Master
1	1 litre
2	1.5 litres
3	2 litres
4	5 litres
5	75 cl
6	0.5 litre
7	5 dl
8	50 cl
9	500 ml
10	0.33 litre
11	33 cl

ID	Master				
12	3 dl				
13	30 cl				
14	250 ml				
15	25 cl				
16	200 ml				
17	20 cl				
18	2 dl				
19	100 ml				
20	10 cl				
21	1 dl				
22	1 UK gallon				
23	1 US gallon				
24	1 oz				
25	12 oz				
26	16 oz				
27	20 oz				
28	1 UK pint				
29	0.5 UK pint				
30	1 US pint				
31	0.5 US pint				
32	1 kg				
33	2 kg				
34	5 kg				
35	500 g				
36	250 g				
37	125 g				
38	100 g				
39	1 pound				
40	1 piece				
41	1 piece (125 ml)				
42	1 head (ca 500g)				
43	10 slices				
44	6				
45	10				
46	12				
47	30				
48	1 package (100 bags)				
49	1 viss				
50	1 pyi				
51	1 cluster				
52	1 bunch tied in a strip				
53	small pack for 1 cup				
54	10 ticals				
55	1 bottle (1 litre)				
56	1 bottle (1.5 litre)				
57	1 bottle (2 litres)				
58	new				
59	2 years old				
60	5 years old or more				
61	per month				



ID	Master					
62	per year					
63	per week					
64	0.5 pounds					
65	1 mazo					
66	1 riastra					
67	1 pata					
68	800 g					
70	I don't spend money on this activity					
71	public transport					
72	taxi (car)					
73	mototaxi/rickshaw					
74	own car					
75	own motorbike/moped/scooter					
76	own bicycle					
77	I go by foot					
80	ah-5000					
81	ah-10000					
82	ah-20000					
83	75 ml					
84	125 ml					
85	1					
86	2					
87	5					
88	90 g					
89	300 ml					
90	150 ml					
91	400 ml					
92	4					
93	20					
94	750 ml					
95	160					
96	200					
97	300					
98	900 ml					
99	600 ml					
101	Yes					
102	No					
-99						

### 7. Variables in the cost-of-living dataset

Variable	Variable label	Level	
date	Date of survey (yyyymmdd)	Scale	
colapp	Is colapp (F2F) survey - Y/N	Nominal	
key	Server generated key	Nominal	
locale	Language and country Nominal		
currency	Local currency	Nominal	

Variable	Variable label	Level			
city	Region home address - detailed geo info (REGIHOM2)	Scale			
item_id	Item ID, labelled with item name Scale				
unit_id	ID of the unit to which the item price relates	Scale			
unit_size	Size of the unit (in basic metric units) to which the item price relates	Scale			
value	Item value/price in local currency	Scale			
surveyor_id	ID of the data collector	Nominal			
latitude	Latitude of the GPS position of the data collector	Nominal			
longitude	Longitude of the GPS position of the data collector	Nominal			

Source: WageIndicator Foundation 2024

# 8. Examples of UN Food and Agriculture Organisation (FAO) food balance sheets for Ghana and Vietnam, 2019

Item	Ghana			Vietnam		
	Food supply (kcal/capital/ day)	Protein supply quantity (g/capita/day)	Fat supply quantity (g/capita/day)	Food supply (kcal/capita/ day)	Protein supply quantity (g/capita/day)	Fat supply quantity (g/capita/day)
Wheat and products	124	3.45	0.49	112	3.28	0.34
Maize and products	226	5.95	2.43	145	3.55	1.3
Oats	2	0.06	0.03	1	0.05	0.02
Millet and products	38	0.98	0.41	0	0	0
Sorghum and products	61	1.9	0.57	0	0	0
Cereals, Other	1	0.04	0	0	0	0
Potatoes and products	1	0.01	0	7	0.17	0.01
Cassava and products	799	6.49	0.78	23	0.16	0.07
Sweet potatoes	10	0.08	0.02	12	0.12	0.04
Roots, Other	79	1.38	0.09	0	0	0
Yams	418	6.69	0.84	0	0	0
Sugar cane	4	0.04	0	7	0.02	0.05
Sugar (Raw Equivalent)	108	0	0	94	0	0

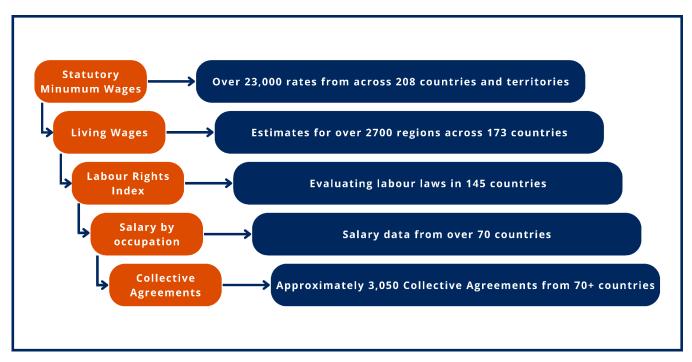
Item	Ghana Vietnam					
	Food supply (kcal/capital/ day)	Protein supply quantity (g/capita/day)	Fat supply quantity (g/capita/day)	Food supply (kcal/capita/ day)	Protein supply quantity (g/capita/day)	Fat supply quantity (g/capita/day)
Sweeteners, Other	5	0	0	10	0	0
Beans	57	3.72	0.29	20	1.29	0.08
Pulses, Other and products	7	0.48	0.04	14	0.89	0.08
Nuts and products	7	0.19	0.07	30	0.81	2.47
Groundnuts	80	3.39	6.54	35	1.48	2.89
Soyabeans	0	0.01	0	61	5.27	2.35
Coconuts - incl. copra	25	0.24	2.47	15	0.15	1.33
Oil crops, Other	4	0.04	0.3	0	0	0
Soy bean Oil	3	0	0.33	66	0	7.52
Groundnut Oil	57	0	6.4	6	0	0.73
Sunflower seed Oil	2	0	0.19	1	0	0.15
Rape and Mustard Oil	0	0	0.04	1	0	0.09
Palm kernel Oil	18	0	2.05	0	0	0.01
Palm Oil	50	0	5.69	0	0	0
Coconut Oil	6	0	0.66	24	0	2.72
Sesame seed Oil	0	0	0	1	0	0.08
Olive Oil	1	0	0.06	0	0	0.03
Rice bran Oil	0	0	0	3	0	0.32
Maize Germ Oil	0	0	0	1	0	0.07
Oil crops Oil, Other	20	0.01	2.3	5	0	0.56
Tomatoes and products	11	0.53	0.11	0	0.01	0
Onions	8	0.22	0.02	5	0.18	0.02
Vegetables, other	7	0.33	0.06	101	6.29	0.94
Oranges, Mandarines	19	0.25	0.19	7	0.13	0.03

Item		Ghana		Vietnam			
	Food supply (kcal/capital/ day)	Protein supply quantity (g/capita/day)	Fat supply quantity (g/capita/day)	Food supply (kcal/capita/ day)	Protein supply quantity (g/capita/day)	Fat supply quantity (g/capita/day)	
Grapefruit and products	0	0	0	4	0.07	0.02	
Bananas	0	0	0	31	0.39	0.1	
Plantains	358	3.22	0.8	0	0	0	
Apples and products	1	0	0	1	0.01	0.01	
Pineapples and products	17	0.16	0.05	5	0.07	0.03	
Grapes and products (excl. wine)	0	0	0	1	0.01	0	
Fruits, other	6	0.06	0.06	38	0.41	0.32	
Cocoa Beans and products	0	0	0	1	0.02	0.06	
Tea (including mate)	0	0.02	0	1	0.31	0	
Pepper	1	0.04	0.01	0	0.01	0	
Pimento	30	1.32	0.89	8	0.33	0.35	
Spices, Other	0	0	0.01	1	0.01	0.01	
Wine	1	0	0	0	0	0	
Beer	11	0.13	0	35	0.36	0	
Beverages, Fermented	9	0.13	0	0	0	0	
Beverages, Alcoholic	7	0	0	19	0.04	0	
Infant food	0	0	0	2	0.09	0.02	
Bovine Meat	6	0.49	0.39	27	2.04	2.02	
Mutton & Goat Meat	6	0.63	0.38	1	0.06	0.04	
Pig meat	7	0.31	0.67	374	11.61	35.96	
Poultry Meat	16	2.25	0.72	48	4.3	3.34	
Meat, Other	9	1.56	0.22	0	0.01	0	
Offal's, Edible	3	0.5	0.11	16	2.58	0.47	
Fats, Animals, Raw	7	0.02	0.8	41	0.26	4.42	
Butter, Ghee	1	0	0.17	3	0	0.29	

Item	Ghana Vietnam					
	Food supply (kcal/capital/ day)	Protein supply quantity (g/capita/day)	Fat supply quantity (g/capita/day)	Food supply (kcal/capita/ day)	Protein supply quantity (g/capita/day)	Fat supply quantity (g/capita/day)
Eggs	4	0.36	0.29	14	1.14	1.01
Freshwater Fish	9	1.48	0.34	25	4.03	0.92
Demersal Fish	2	0.41	0.03	0	0.05	0
Pelagic Fish	40	5.81	1.73	5	0.73	0.21
Marine Fish, Other	1	0.13	0.02	15	2.56	0.44
Crustaceans	0	0	0	8	1.58	0.08
Cephalopods	0	0.02	0	5	1.02	0.06
Molluscs, Other	0	0	0	1	0.17	0.02
Rice and products	288	5.45	0.48	1366	27.84	4.52
Milk - Excluding Butter	11	0.64	0.28	34	2.23	1.08

Source: WageIndicator Foundation 2023

# 9. Interconnected databases designed, owned, maintained and updated by WageIndicator Foundation



Source: WageIndicator Foundation 2024

#### 10. Examples of food baskets from Ghana and Vietnam

	Ghana						
ltem	Food supply (kcal/capita/day)	Percentage Protein supply quantity (kcal/capita/day)	Percentage Fat supply quantity (kcal/capita/day)	Price per kilo (USD)			
Wheat and products	169.39	2.48%	1.24%	3.37 - 4.84			
Maize and products	140.79	1.94%	1.78%	3.05 - 3.36			
Potatoes and products	0.32	0.00%	0.00%	0.01 - 0.01			
Cassava and products	458.87	1.95%	0.52%	7.28 - 9.25			
Sweet potatoes	5.73	0.01%	0.02%	0.29 - 0.33			
Roots, Other	40.44	0.09%	0.05%	1.62 - 2.05			
Yams	268.73	0.56%	0.64%	9.86 - 15.66			
Sugar (Raw Equivalent)	83.93	0.00%	0.00%	2.86 - 4.28			
Beans	35.47	0.30%	0.20%	0.76 - 0.97			

Pulses, Other and products	4.10	0.03%	0.03%	0.12 - 0.14
Groundnuts	47.25	0.25%	4.12%	1.13 - 1.59
Soybeans	0.04	0.00%	0.00%	0 - 0.01
Sunflower seed	0.03	0.00%	0.00%	0 - 0
Olives (including preserved)	7.72	0.01%	0.80%	0.27 - 0.33
Sunflower Seed Oil	6.66	0.00%	0.93%	0.09 - 0.12
Olive Oil	96.78	0.00%	12.90%	0.92 - 1.05
Tomatoes and products	9.98	0.06%	0.12%	2.02 - 2.06
Onions	7.56	0.03%	0.03%	1.11 - 1.7
Vegetables, other	7.74	0.05%	0.09%	0.78 - 1.12
Oranges, Mandarines	17.11	0.03%	0.20%	1.96 - 2.63
Lemons, Limes and products	0.41	0.00%	0.00%	0.09 - 0.09
Bananas	0.04	0.00%	0.00%	0 - 0
Plantains	343.80	0.40%	0.91%	15.51 - 19.69
Apples and products	0.74	0.00%	0.00%	0.02 - 0.03
Pineapples and products	15.58	0.02%	0.06%	0.48 - 1.83
Fruits, other	5.01	0.01%	0.06%	0.75 - 1.12
Coffee and products	0.03	0.00%	0.00%	0 - 0
Tea (including mate)	0.04	0.00%	0.00%	0.03 - 0.06
Bovine Meat	4.97	0.06%	0.41%	0.34 - 0.39
Mutton & Goat Meat	4.26	0.05%	0.29%	0.41 - 0.48
Pigmeat	5.74	0.04%	0.63%	0.23 - 0.28
Poultry Meat	16.06	0.29%	0.85%	2.28 - 3.08
Butter, Ghee	3.81	0.00%	0.52%	0.03 - 0.04
Cream	0.01	0.00%	0.00%	0 - 0
Eggs	2.28	0.02%	0.16%	0.15 - 0.16
Honey	0.01	0.00%	0.00%	0 - 0
Freshwater Fish	5.56	0.12%	0.26%	0.63 - 1.11
Pelagic Fish	28.41	0.54%	1.35%	4 - 6.09
Crustaceans	0.01	0.00%	0.00%	0 - 0
Rice and products	246.45	0.61%	0.46%	7.06 - 7.91
Milk - Excluding Butter	8.16	0.06%	0.22%	0.26 - 0.48
Total	2,100.00	10.01%	29.83%	



- Total calories from free sugars = 4.00% of total calories
- Total vegetables and fruits per day = 598 grams
- Salt is excluded from the diet

	Vietnam					
ltem	Food supply (kcal/capita/day)	Percentage Protein supply quantity (kcal/capita/day)	Percentage Fat supply quantity (kcal/capita/day)	Price per kilo (USD)		
Wheat and products	86.66	0.32%	0.32%	1.35 - 2.75		
Maize and products	109.07	0.35%	1.15%	1.66 - 2.05		
Potatoes and products	4.87	0.02%	0.01%	0.17 - 0.23		
Cassava and products	18.48	0.02%	0.06%	0.36 - 0.45		
Sweet potatoes	9.54	0.01%	0.04%	0.25 - 0.37		
Roots, Other	-	0.00%	0.00%	0 - 0		
Sugar (Raw Equivalent)	127.95	0.00%	0.03%	1.37 - 1.63		
Beans	13.05	0.11%	0.06%	0.25 - 0.33		
Peas	0.05	0.00%	0.00%	0 - 0		
Pulses, Other and products	8.66	0.07%	0.06%	0.12 - 0.21		
Groundnuts	27.17	0.14%	2.64%	0.56 - 0.79		
Soybeans	31.32	0.35%	1.40%	0.3 - 0.42		
Sunflower seed	0.16	0.00%	0.00%	0.01 - 0.01		
Olives (including preserved)	0.01	0.00%	0.00%	0 - 0.01		
Sunflower Seed Oil	2.00	0.00%	0.27%	0.02 - 0.02		
Olive Oil	93.84	0.00%	12.50%	0.51 - 0.6		
Tomatoes and products	0.20	0.00%	0.00%	0.02 - 0.03		
Onions	3.87	0.02%	0.02%	0.26 - 0.31		
Vegetables, other	102.76	0.84%	1.13%	9.56 - 14.73		
Oranges, Mandarines	7.73	0.02%	0.04%	0.76 - 1.1		
Lemons, Limes and products	-	0.00%	0.00%	0 - 0		
Bananas	35.39	0.06%	0.13%	1.1 - 1.7		
Apples and products	1.31	0.00%	0.01%	0.15 - 0.2		



Total	2,100.00	7.95%	66.33%	
Milk - Excluding Butter	25.02	0.20%	1.03%	0.74 - 0.92
Rice and products	930.89	2.48%	3.62%	8.33 - 10.35
Crustaceans	6.35	0.16%	0.07%	1.77 - 2.59
Pelagic Fish	13.23	0.27%	0.52%	1.98 - 3.22
Freshwater Fish	22.62	0.48%	0.98%	2.33 - 3.16
Honey	0.01	0.00%	0.00%	0 - 0
Eggs	11.55	0.12%	0.99%	0.57 - 0.63
Cream	0.18	0.00%	0.00%	0.01 - 0.02
Butter, Ghee	32.27	0.02%	4.07%	0.6 - 1.69
Poultry Meat	43.42	0.47%	3.59%	2.72 - 3.27
Pigmeat	260.16	1.07%	29.27%	8.57 - 9.99
Mutton & Goat Meat	0.68	0.01%	0.07%	0.11 - 0.14
Bovine Meat	20.53	0.21%	1.84%	2.87 - 3.67
Tea (including mate)	1.09	0.03%	0.00%	0.91 - 1.84
Coffee and products	2.37	0.04%	0.00%	0.66 - 0.92
Fruits, other	41.18	0.06%	0.42%	2.24 - 3.33
Pineapples and products	4.36	0.01%	0.03%	0.33 - 0.44

Note: Total calories from free sugars = 6.09% of total calories

Note: Total vegetables and fruits per day = 681 grams

Note: Salt is excluded from the diet

Source: WageIndicator Foundation 2024

# 11. Monthly amounts in national currencies for specified Living Wages, as of October 2024

Country	Chile CLP	Côte d'Ivoire XOF	Czech Republic CZK	Italy EUR	South Africa ZAR	Vietnam VND
Living Wage Guidance - individual - lowest - per month	498,907.20	93,927.04	13,987.55	974.02	6,264.00	3,967,420.53
Living Wage Guidance - individual - highest - per month	634,115.90	121,234.48	19,046.55	1,133.39	8,429.38	5,121,027.38

Living Wage Guidance - standard family - 2+2 - 1.8 working - lowest - per month	679,247.21	158,063.50	22,965.48	1,138.35	8,604.20	7,483,296.46
Living Wage Guidance - standard family - 2+2 - 1.8 working - highest - per month	831,761.34	205,859.21	28,392.87	1,424.39	11,663.88	9,939,918.02
Living Wage Guidance - typical family - 2+national fertility rate - national employment rate - lowest - per month	717,525.09	235,905.07	25,425.64	1,266.77	10,106.30	7,137,475.83
Living Wage Guidance - typical family - 2+national fertility rate - national employment rate - highest - per month	874,278.71	314,681.27	31,243.46	1,567.42	13,682.89	9,365,679.98
Living Wage Guidance Single-Earner Typical Family - 2+National Fertility Rate - 1 Working - Lowest - Per Month	1,162,047.69	392,991.17	42,598.57	1,911.39	16,574.90	13,775,489.07
Living Wage Guidance Single-Earner Typical Family - 2+National Fertility Rate - 1 Working - Highest - Per Month	1,419,200.21	577,530.07	51,827.39	2,647.77	22,440.93	18,199,611.52
Average Living Wage Individual - Lowest - Per Month	498,907.20	100,060.91	13,987.55	1,104.94	6,264.00	3,967,420.53
Average Living Wage Individual - Highest - Per Month	634,115.90	125,728.82	19,046.55	1,267.78	8,429.38	5,121,027.38
Average Living Wage Standard Family - 2+2 - 1.8 Working - Lowest - Per Month	679,247.21	158,063.50	21,512.38	1,184.28	8,825.48	7,313,379.49
Average Living Wage Standard Family - 2+2 - 1.8 Working - Highest - Per Month	831,761.34	205,859.21	27,678.57	1,447.82	11,915.12	9,939,918.02
Average Living Wage Typical Family - 2+National Fertility Rate - National Employment Rate - Lowest - Per Month	717,525.09	235,905.07	23,778.19	1,311.34	10,215.15	6,883,154.45

Average Living Wage Typical Family - 2+National Fertility Rate - National Employment Rate - Highest - Per Month	874,278.71	314,681.27	30,485.15	1,590.43	13,772.47	9,353,958.34
Average Living Wage Single-Earner Typical Family - 2+National Fertility Rate - 1 Working - Lowest - Per Month	1,162,047.69	392,991.17	39,838.40	1,978.64	16,753.43	13,284,643.08
Average Living Wage Single-Earner Typical Family - 2+National Fertility Rate - 1 Working - Highest - Per Month	1,419,200.21	521,317.80	50,569.49	2,402.14	22,587.85	18,176,833.73
Living wage individual - lowest - per month	512,838.79	105,166.62	15,015.18	1,132.76	6,339.00	4,251,620.11
Living wage individual - highest - per month	651,368.58	132,519.27	18,270.20	1,313.13	8,100.52	5,457,412.53
Living wage standard family - 2+2 - 1.8 working - lowest - per month	713,695.83	172,528.98	19,975.50	1,204.10	8,548.90	7,712,782.95
Living wage standard family - 2+2 - 1.8 working - highest - per month	883,736.34	225,530.83	25,294.27	1,482.28	11,409.48	10,835,412.09
Living wage typical family - 2+national fertility rate - national labour participation rate - lowest - per month	753,701.83	261,188.04	21,601.74	1,332.37	9,819.34	7,261,554.09
Living wage typical family - 2+national fertility rate - national labour participation rate - highest - per month	927,531.59	349,547.75	27,274.71	1,627.71	13,077.68	10,205,660.94
Living wage single-earner typical family - 2+national fertility rate - 1 working - lowest - per month	1,221,536.77	428,610.66	36,356.59	1,998.56	16,103.72	14,039,395.33
Living wage single-earner typical family - 2+national fertility rate - 1 working - highest - per month	1,504,523.85	569,986.21	45,433.95	2,441.56	21,447.40	19,868,726.92

Source: WageIndicator Living Wages, 2024