











Become a WAGEMAP Launch Partner





Living Wage Gap

What is the problem

- Over a billion working people worldwide onethird of all workers – are estimated to earn less than they need to afford a decent standard of living, including basic needs such as housing, food, education, and healthcare.
- It is a global issue. Employees earn €3.6 less than their daily gross living wage in <u>Bangladesh</u>. In <u>USA</u>, over half of Americans earn below a living wage.
- While the last decades have seen great progress in lifting people out of extreme poverty, slow economic growth and persistent inflation continue to challenge the realization of living wages globally

Why does it matter

- Every individual deserves the right to a decent standard of living
- Persistent wage gaps increase economic inequalities, creating a cycle of poverty
- Workers who are not paid fairly experience low morale, leading to reduced productivity
- The root causes of labour risks such as child labour, forced labour and unsafe working conditions are often linked to inadequate wages
- Workers desperate for income often resort to environmentally harmful practices





There is growing momentum in the global living wage movement, reflected in the range of stakeholders committing to closing the gap



- Governments worldwide are promoting living wages in response to advocacy, while the International Labour Organization recognized the concept of a living wage and committed to assisting member states in closing the gap.
- Businesses and investors are increasingly adopting living wage policies as part of their corporate social responsibility efforts, recognizing the long-term benefits for both employee well-being and brand reputation.
- Platforms are uniting diverse actors from business, government, and civil society to collaboratively advance the global living wage movement, highlighting a shared commitment to equitable labor practices.
- Consumers are becoming more conscious of ethical purchasing decisions, actively supporting legislation and brands that commit to paying living wages, thereby influencing market dynamics towards fairer labour practices.



Lacking universal standard

- The language surrounding living wage benchmarks is often technically complex and inconsistent
- The lack of a standardized and universally accepted method to calculate a living wage leads to market distortion and disparities in compensation and working conditions

No clear comparability

- The ongoing debate largely centers on determining the 'right numbers,' with no definitive consensus
- Supply chain actors often do not have the same access to the living wage data, resulting in inconsistent living wage standards across the supply chain

Weak implementation capacity

- Current efforts to close the living wage gap are not sufficient
- There is a need for a support system to aid various stakeholders in the implementation of the practices and policies required to achieve living wages

Low trust and organization

- Lacking sector organization results in scattered and isolated advocacy efforts which are less effective in driving meaningful change
- Building consensus on the different roles actors have to play in growing the movement is challenging due to a lack of mutual trust



Several key barriers limit progress towards closing the gap – highlighting the need for a coordinated effort to overcome them



WageMap's mission is to support the achievement of living wages for workers globally, through harmonization of data and methodologies

Establish a Living Wage Reference Standard



Develop a universally accepted Living Wage Reference standard through the ISEAL standard-setting process



Guide data providers, offer a foundation for creating incentives, and promote transparency in employer actions

Refer to Globally Comparable, Locally Specific, Benchmarks



Determine a consistent living wage benchmark that is globally comparable yet locally tailored – for every location



Set a universal understanding of the optimal living wage data available, thereby fast-tracking its implementation

Strengthen Implementation Support



Build a robust network of service providers who can guide and support entities in adopting best practices for sourcing, pricing, and compensating workers.



Build a Knowledge Hub to curate, organize, and disseminate information

Expand the Global Movement



Cultivate a vast community of stakeholders, both global and local, committed to promoting living wages



Reach consensus and alignment across multiple stakeholder groups leads to closer collaboration – maximizing collective impact and acting as a knowledge hub



We adopt a phase-wise approach, running four workstreams alongside each other working towards the set objectives

2026 2024 2025 Conduct ISEAL Living Wage Reference Standard-setting process Review, update, and increase global adoption **Establish a Living** Universally accepted **Wage Reference** standard of best **Standard** practices Assess existing methodologies against Reference Standard Understand landscape and drive consensus **Provide Globally** Relevant and widely Comparable, Locally adopted benchmarks Build and update the 'Wage Map' with publicly available, for every location Specific, Benchmarks credible and representative Living Wage data Build network of equipped service providers Strengthen Strong support **Implementation** system driving **Support** Develop best practices on benchmarking and gap closure strategies, and spread adoption implementation Socialize the use of the 'Wage Map' database Consult stakeholder groups on Living Wage Standard-setting **Expand the Global** Thriving global Living **Movement** Wage movement Exchange lessons to closing the Living Wage gap



Join our Living Wage movement as a Launch Partner or a Member

	Benefits	Launch Partner	Member
Year 1 and Year 2	Brand recognition as Launch partner	✓	
	A seat in the Employer committee to provide input and influence the Standard setting	√	
	Brand recognition as Member		✓
	One Living Wage benchmark standard	✓	✓
	Engagement with the Learning Community	✓	✓
Year 3 onwards	Year 1 and Year 2 benefits	✓	✓
	Access to data via 'the WageMap' (bucket level and LW level - downloadable Excel file)	✓	✓
	Access to Knowledge hub: master classes, relevant references and links	✓	√



Joining the WageMap movement as a Launch Partner



Who

- A Launch Partner can be an employer, policymaker or a non-profit organization that takes proactive steps to advance the cause of living wages, both within their organizations and in the broader community or industry.
- Launch Partners play a crucial role in driving positive change and raising awareness about living wages.



Criteria

- Long-Term Commitment | Demonstrated dedication to the concept and implementation of living wages.
- Advocacy and Education | Actively advocates for industry-wide adoption of living wages and educates on its benefits.
- Leadership | A leadership role within their sector, inspiring others to follow their example and driving positive change.
- Certifications and Recognition | Having or seeking relevant certifications or recognition from reputable organizations or authorities that endorse their commitment to fair wages and responsible employment practices.



Benefits

- Pioneering Influence & Insights Shape the standard-setting process and gain early access to crucial insights and peer learnings.
- Brand Leadership & Recognition Earn prominent acknowledgement for spearheading the initiative, positioning your brand as a socially responsible leader.
- Network Expansion & Collaboration Join an exclusive circle of industry leaders, unlocking opportunities for partnerships and collaborative projects.



The WageMap Consortium's founding member organizations



Supporting a global network of more than 300 leading companies to build a more just and sustainable world, BSR has deep expertise in building impactful multi-stakeholder collaborations and nearly twenty years supporting companies to establish living wage programs.



The team behind the UK Living Wage Foundation's cost-of-living number generation. CRSP also supports research teams across the globe to engage their citizens in meaningful conversations on the true cost of living in decency.



Creates public benchmarks across the U.S. and certifies U.S. employers that pay their workers and contractors a living wage based on real costs of living. Also brings tools and approaches so that all those working toward global living wage payment can continue to advance this movement.



UK accreditation scheme for over 14,000 recognized Living Wage Employers, including over half of the FTSE 100. Now expanding its Global Affiliate Network to offer multi-country accreditation (tier 1). Convenor of local and global Living Wage movements to foster alignment, consensus, and collaboration.



Strategy consultancy firm driving transitions towards sustainable economies in over 35 sectors and 45 countries. Expertise across the full living wage & income journey from benchmarking (incl. creating local benchmarks where needed) to strategy to close gaps.



Publishes data and information to support and inform workers, trade unions, employers and policy makers to improve wage negations - in every country in the world, in national languages.

Manages a truly global team collecting cost-of-living data on a quarterly basis.

The WageMap Consortium was initiated by IDH, the Sustainable Trade Initiative, as part of their commitment to promoting fair and sustainable labor practices in global supply chains.



Contact us

To follow up on this deck, or for broader questions, please address communication to the Project Management Office:



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WageMap is a multi-party initiative. For any questions regarding copyright on this document please contact NewForesight Consultancy b.v. (<u>info@newforesight.com</u>)

If you're familiar with any collaborating organizations and wish to discuss this project, please reach out to their designated lead contact for communication:



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