

## Q&A for Living Income and Wage Compensation

Living Income and Wage is the responsibility of:

- Government: yes, it is a responsibility of the government to increase minimum wages to a living wage level for employees. But that can take quite some time. The International Labor Organization recently started working on the concept, and mostly governments take a lot longer to integrate that thinking into their law making. And it would be fair to have employees earn a decent wage. When we talk about living income for independent farmers, minimum wages do not apply.
- Industry, traders: yes, it's also a responsibility of the industry and traders. Industry will take care of their own brands. Retailers are held responsible for their private label products, so that's where your responsibility comes in. The trader will follow the market.
- Civil Society: yes, they will for sure want to work with you on this topic, but they can't do a lot on their own. They are not sourcing anything; they are not selling grocery products.
- Standards: yes, leading standards like Fairtrade and Rainforest Alliance work on integrating living income into their standards. But they also need you start doing pilots with them to make sure standardization follows practice.

We can't work together with other retailers, because that the competition authorities will block those efforts:

- Fairtrade already has quite some experience with the competition authorities on similar kind of issues. And we will make sure that we have an ongoing discussion with the authorities on what can be done and what can't be done.

Nobody is doing it already, so why would we do it?

- There are at least 4 companies already working with living income compensation: Belvas (Belgium, <http://www.directcocoa.org/nl/start-pagina/>), FairafriC (Germany/Ghana, <https://fairafriC.com/>), Tony Choclonely (Netherlands, <https://tonyschoclonely.com>), and, now together with Tony's, Ahold/Delhaize (<https://tonyschoclonely.com/nl/nl/onze-missie/nieuws/raise-the-bar-for-slave-free-chocolate-albert-heijn-joins>).
- And the first national project on living wage in banana started in the Netherlands. Almost all retailers joined to work towards living wage for all the bananas they sell. [https://www.imvoconvenanten.nl/foodproducts/news/2018/6/convenant-voedingsmiddelen?sc\\_lang=en](https://www.imvoconvenanten.nl/foodproducts/news/2018/6/convenant-voedingsmiddelen?sc_lang=en)

You can't expect me to calculate a living income or wage for a family?

- You can rely on the Living Income Community of Practice (<https://www.living-income.com/>) for living income. This community has been instrumental in developing the methodology to calculate living income benchmarks, and on their website, you find the results.
- And for living wage you can go to <https://www.globallivingwage.org/> and <https://wageindicator.org/salary/living-wage>. The Global Living Wage Coalition works along the same lines as the Living Income Community of Practice. The Wageindicator is an initiative of the University of Amsterdam capturing a wide range of wage data including living wage.

There is no retailer that's going to do this?

- Well, actually, the first one started already. Albert Heijn in the Netherlands introduced living income chocolate for their main private label brand Delicata. They work together with Tony Choclonely on this: <https://tonyschoclonely.com/nl/nl/onze-missie/nieuws/raise-the-bar-for-slave-free-chocolate-albert-heijn-joins>.