

Living Wage Policy

As of November 2019

The standard

One of Fair Wear Foundation's labour standards is payment of a living wage:

Wages and benefits paid for a standard working week shall meet at least legal or industry minimum standards and always be sufficient to meet basic needs of workers and their families and to provide some discretionary income. (ILO Conventions 26 and 131). Deductions from wages for disciplinary measures shall not be permitted nor shall any deductions from wages not provided for by national law be permitted. Deductions shall never constitute an amount that will lead the employee to receive less than the minimum wage. Employees shall be adequately and clearly informed about the specifications of their wages including wage rates and pay period.

Member companies of Fair Wear Foundation (FWF) have committed to source from production facilities that produce under decent working conditions, in accordance with their code obligations. This responsibility applies globally, including in countries where the government is unwilling or unable to adhere to international labour standards. In accordance with the International Labour Organization (ILO) Declaration on Fundamental Principles and Rights at Work (1998), ILO Conventions No. 26 and No. 131 (on minimum wage fixing) are core conventions that countries are required to obey, even if they have not ratified the convention. Fair Wear Foundation has used both ILO conventions as a basis for the FWF Code of Labour Practice.

Full compliance defined, and FWF's 'process approach' to implementation

Fair Wear Foundation requires its member companies to act to ensure a living wage is paid in their production locations to each worker. At brand level, FWF expects that if a company is sourcing from different production locations, each location should fulfil the previous requirement - regardless of whether it is a shared or wholly-owned facility. A brand is only in full compliance with the standard in FWF's Code of Labour Practice when all facilities in a brand's supply chain pay living wages.

FWF acknowledges that the majority of its members do not own their own manufacturing facilities, are not therefore the employer, and, moreover, may be one of a number of brands sourcing from a particular facility. Where FWF members operate under such circumstances, there is an expectation that they will, in the first instance, cost the labour element of their business transaction on the basis of a prevailing living wage estimate. Information and recommendations on living wage estimates are included in the Annex.

Real brand action on wages has been largely absent in the garment industry for decades, so FWF takes a 'process approach' to living wage implementation, incentivizing brand action that leads to real wage improvements for workers along the way to full living wage compliance. More information on FWF's approach to living wages is available in a separate publication¹.

FWF's 'process approach' centres on the Wage Increase Cycle – a way to help brands devise strategies for rolling out wage increases across sourcing locations. Throughout the cycle, FWF emphasizes the need to involve workers and their representatives at every step – and to ensure that all living wage efforts are positively contributing to healthy social dialogue. The Wage Increase Cycle organises brand activity into three broad interlinked phases:

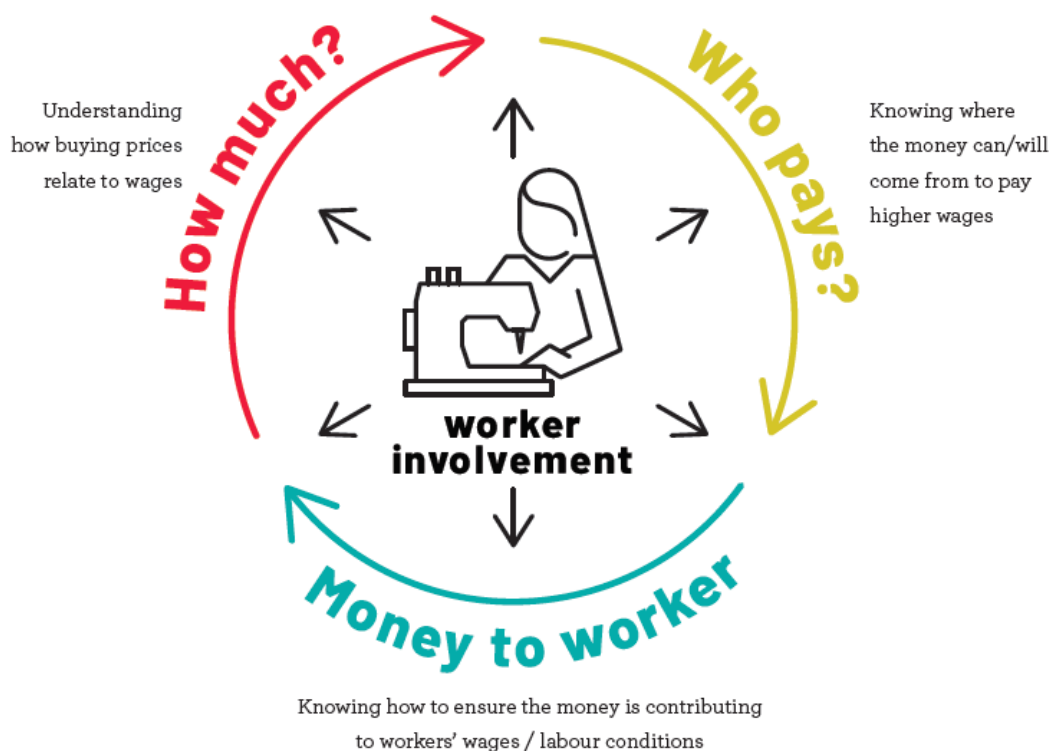
- Calculating how buying prices (e.g. FOB or CMT prices) relate to wages;
- Determining the necessary budget and where the money can/will come from to pay for higher wages (e.g. from consumers, brands, factories, productivity gains or some mix of these);
- Ensuring and verifying the money is contributing to workers' wages and to improved labour conditions – and evaluating how increases influence or respond to the local (economic) situation.

FWF emphasizes the need to involve workers and their representatives at every step. The cycle thereby attends to the three key inputs areas for sustainable living wages: at the centre of the cycle is the worker, while its phases focus on creating and protecting the financial space for living wages within transparent systems of accountability.

The Wage Increase Cycle is designed for brands to move through repeatedly, revolving upward toward higher wages, also recognising wages are never static. The wage-related performance check

¹ Please refer to [Fair Wear's Approach to Living Wages](#).

indicators (in brackets referenced below) included in FWF’s Brand Performance Check system are designed to verify and reward ongoing wage improvements over time, with a special focus on brand integration of living wages across a brand’s supply chain – at a level of both policy and practice.²



CALCULATING HOW BUYING PRICES RELATE TO WAGES (1.8³)

FWF requires its member companies to assess the link between the prices they pay, and the wages workers earn in the factories where their products are made. FWF refers to this as the Labour Minute Costing (LMC) methodology. Isolating the labour cost in the form of a minute value makes it possible to establish the price of labour and, when multiplied by the agreed standard allowed minutes with an allowance for efficiency, allows a determination of the labour part of the cost price. Two steps – 1) requesting a supplier to provide this information and 2) comparing this figure with a mandatory labour minute value for the country in question (a quick verification step) should enable a buyer to exercise due diligence in determining costs, ensuring that at the very least mandatory wage elements

² Based on current, ongoing experiences roll out of wage cycle implementation, FWF intends to revisit the question of FWF members taking action in a specified period of time.

³ Performance check indicator 1.8: Member company can demonstrate the link between its buying prices and wage levels in production locations.

are covered in the agreed price of labour. Such an approach also enables a supplier to determine the precise amount that needs to be added to projected product costs.

DETERMINING THE NECESSARY BUDGET AND WHERE THE MONEY WILL COME FROM TO PAY FOR HIGHER WAGES (1.13⁴)

FWF's LMC methodology allows member companies to use payroll data to calculate the total annual cost of paying a living wage. This 'Living Wage Factor' (i.e. the calculated gap between current wages and living wages) and data about the time (in minutes) required to make each garment are then used to calculate the brand's share of higher labour costs. This allows financial responsibility for higher wages to be shared amongst various brands sourcing from the same garment factory. If conducted while taking targeted legal precautions⁵, this innovative approach makes it possible for brands to collaborate to raise wages in a shared facility without running afoul of competition law.

Labour minute costing makes it possible for each brand sourcing from a shared facility to determine its share of the higher labour costs associated with living wages, simply by way of multiplying the living wage factor (i.e. the difference between the factory's current labour minute cost and the living wage labour minute cost) by the total number of minutes of labour required to make its products, also taking into account the factory's efficiency level. Covering a brand's share of additional production costs would be a first step towards fulfilment of FWF's Code requirement.

In order to calculate the necessary budget, the difference between current labour costs and those associated with paying a living wage is used.⁶ It is therefore important to determine an appropriate living wage estimate. Ideally this would be an estimate that is a result of a Collective Bargaining Agreement. In the absence of these, FWF has issued country-specific (and, wherever possible, region specific) recommendations for living wage estimates. In selecting the estimates, FWF considered two main criteria:

- Estimates that are calculated and/or endorsed by a **legitimate and representative** local organisation, typically a trade union federation and/or confederation;

⁴ Performance check indicator 1.13: Member company determines and finances wage increases.

⁵ See competition law guidance from FWF for details.

⁶ Considerations for wage grading apply here and can be incorporated into FWF's costing tools. In addition, budgets should account for inflation and mandatory wage revisions.

- Estimates that are **methodologically strong**, aligning with established approaches for calculating various living costs, family size, etc.⁷

In providing these recommendations (see Annex), FWF's call to brands is clear and consistent: calculate your brand's share of costs associated with prevailing living wage estimates -- regardless of whether it is a wholly-owned facility or shared. The recommendations will be reviewed semi-annually in order to capture new and improved living wage estimates. All changes to estimates during the year will also be stored in FWF's online wage ladder.

A mix of approaches is possible to finance wage increases, depending on the nature of the member company. For example:

- Supply chain efficiencies⁸: Design, logistical or purchasing efficiencies, operational efficiencies (cost saving project), efficiency projects (marketing efficiencies, operation). When aiming for supply chain efficiencies FWF members have the responsibility to ensure that efficiency programs do not lead to higher workload for workers and that wages and wage increases should never depend on efficiency improvements or production targets.
- Cooperation with other customers at production locations. These efforts only count when it leads to more money being available for wages.
- Lower margin at brand level, possibly complemented by lower margin at factory level.
- Increased customer prices.

ENSURING AND VERIFYING WORKERS RECEIVE A HIGHER WAGE (1.14⁹)

Once a member company has been able to identify the money necessary to contribute to higher wages FWF requires the company to ensure the money is indeed contributing to higher wages. This means that the additional money needs to be traceable throughout the financial transactions and that factories are able to show wage gains reach workers in the form of verifiable wage increases (e.g.

⁷ FWF also recognises there is a gender component to any living wage estimate and moving forward will integrate this criterion into its recommendations.

⁸ When aiming for supply chain efficiencies FWF members have the responsibility to ensure that efficiency programs do not lead to higher workload for workers and that wages and wage increases should never depend on efficiency improvements or production targets.

⁹ Performance check indicator 1.14: Percentage of production volume where the member company pays its share of the target wage.

as part of the base wage on workers' pay slips) and/or improved in-kind benefits¹⁰, as determined by, and agreed with, workers and their representatives. Fair Wear Foundation will be able to support its member companies to verify the additional money contributed to higher wages through its audits, which includes workers interviews to verify documents provided by the factory.¹¹

INVOLVING WORKERS AND THEIR REPRESENTATIVES AT EACH STAGE OF THE WAGE CYCLE

Social dialogue needs to be the foundation of all efforts to improve labour conditions. FWF's social dialogue policy offers more in-depth guidance here. Specifically relating to living wage work, FWF brands should take the following steps to ensure workers and their representatives are involved at each step of the LW cycle:

- Stable contracts – As a starting point for any effort to ensure workers have a stake in wage increases, they cannot be insecure about their jobs. Brands should require stable, legal contracts as part of any wage increase effort.
- Support workers' freedom of association – While brands do not have any role to play in helping to unionize a facility, they can make their support explicit that workers and employers have the right to associate freely with an eye to collective bargaining. Workers should be free to choose to join an existing union; or to form a new trade union to represent their interests. Worker's freedom of association should be free of employer interference.
- Prevent victimisation of workers involved in union activities – Brands should consider asking their supplier to distribute to all workers non-victimisation guarantee letters, which clarify that any retaliation against workers trying to organise and/or negotiate higher wages. Such letters serve to address anti-union discrimination directly.¹²
- Workplace capacity building – Training is a place where brands can play an important role - primarily by facilitating and/or helping to fund capacity building programs that focus on worker/management dialogue, functioning grievance mechanisms and processes for fair and democratic worker representation in the absence of an independent trade union.

¹⁰ Contributions to in-kind benefits should be limited, justified and time-bound.

¹¹ This is an area where FWF is focusing its further LW efforts.

¹² Check for country-specific guidance with Fair Wear staff directly.

- Involving workers and their representatives in progress – Workers are most affected by wage levels, and therefore should have a voice in each step of the process. Where trade unions are present, union representatives should attend all meetings related to increasing wages. Brands should work closely with management to ensure that workers and their representatives are informed at various steps, and to report back and manage expectations.
- Consider costs of worker involvement – Union/workplace representatives should be granted time off with full pay to go about their task. In calculating a budget for wage increase projects, brands should factor in a budget to be able to pay workers for work time spent in meetings that would otherwise be productive time, when workers receive normal wages, piece rate and/or bonuses. Once up and running this should normally be budgeted for in line with national law where such exists.

Annex 1: FWF's Recommendations for Living Wage Estimates by Country

These recommendations are primarily for use by brands in calculating their share of costs for production in shared facilities. This tool is designed for use alongside FWF's wage ladder tool (which better illustrates the available benchmarks, particularly in relation to current wage levels in a given facility) and labour minute costing tools (i.e. the LMC calculators and wage calculation templates). These recommendations are not intended for use in any other context, most notably in the context of minimum wage setting or contexts where FWF would defer strongly to local stakeholders and other specialised partners to lead the way on benchmark setting.

This Annex encapsulates FWF's research of existing living wage estimates. Wherever possible, FWF has organised these estimates according to region – particularly in countries where cost of living varies considerably in different parts of the country. Where applicable, we have also considered cost of living studies, which are methodologically different from living wage estimate calculations. In the absence of a reliable LW estimate, cost of living studies can provide valuable insights into estimating the amount needed by workers to have a decent living in the local economy.

It remains clear that the quality and consistency of methodology of living wage estimates remains spotty, at best. In developing this guidance, FWF sought to provide as much consistency as possible. It is our hope that the quality and consistency of such calculations will continue to improve as local and international partners recognise the applicability of such calculations to garment price calculations – among FWF membership and beyond.

It is for this reason that FWF is supportive of ongoing dialogue between organisations conducting such research – particularly between the global and local experts.

In selecting country- and region-specific estimates/benchmarks for use as inputs to calculate a brand's share FWF considered two main criteria:

- Estimates that are calculated and/or endorsed by a **legitimate and representative** local organisation, typically a trade union federation and/or confederation;

- Estimates that are **methodologically strong**, aligning with established approaches for calculating various living costs, family size, etc.

FWF also recognises there is a gender component to any living wage estimate. Moving forward, FWF will integrate gender as one of its criteria for selection and update benchmarks accordingly.

Because estimates are continuously being updated and improved – and due to the changing nature of costs in certain parts of the world – FWF seeks to keep this document as up to date as possible. It will be revisited twice annually, and recommendations may shift based on the availability of new LW estimates and other developments.

ABOUT THE ESTIMATES CURRENTLY RECOMMENDED BY FWF

Based on a review of available estimates/benchmarks in all of the countries where FWF works, FWF has endeavoured to make country-specific recommendations for estimates that brands can use in calculating their share of living wage increases. Please note: FWF's guidance on benchmarks should not be misconstrued as recommendations influencing legal minimum wage negotiations or other local discussions. In these cases, FWF adheres to its ongoing policy to defer to local partners – notably local trade unions – to determine the appropriate benchmark to cite for such discussions. FWF is clear that it is not a wage benchmarking organisation.

Asia Floor Wage (AFW)

The Asia Floor Wage (AFW) proposes a wage for garment workers across Asia that would be enough for workers in the various countries in Asia to live on, while working to prevent competition on wages across national boundaries. AFW is a very conscious act of cross-border solidarity, whereby workers/trade unions seek to avoid the 'race to the bottom', i.e. where wage increases in one country drive manufacturers to move production to a country where wages are lower. AFW uses purchasing power parity (PPP\$) to calculate a value that covers basic living costs, regardless of currency exchange rates, etc (in 2017, the AFW living wage benchmark was pinned at PPP\$ 1,181).

The AFW is based on a food basket of 3,000 calories per day, which represents 50% of workers' income (food in Asia tends to be expensive relative to the costs of basic housing, etc). An additional 50% of workers' wages is estimated to cover the costs of housing, clothing, travel costs, children's education, health costs and 10% discretionary spending/savings. The AFW assumes one wage earner per family, covering their own living costs plus either

two other adults, or
one other adult and two children, or
no other adults and four children

AFW tends to be the highest among the existing living wage estimates in countries where FWF is active. This is most likely due to AFW's assumption of only one wage earner per family, whereas other estimates tend to assume another (often part-time) source of income in the average family in garment producing countries.

FWF recommends brands to consider using AFW in calculations of their share of living wages. The AFW project makes an important contribution to progress on wages – through its provision of consistent calculations of living wages across various countries, and its efforts to prevent against the 'race to the bottom' from competition on wage levels and working conditions. FWF modelling in various production countries has shown that the impact of living wages on prices is usually quite small – even as measured using the AFW benchmark. In many cases brands represent a small percentage of production at a factory (e.g. 2-5%). Therefore, opting to use a slightly higher living wage benchmark to calculate the additional amount to be passed along to workers can have a more significant impact for workers' lives – and help create more financial space for wage negotiations.

For more about AFW and to access any updates to the calculations, visit <https://asia.floorwage.org>

Global Living Wage Coalition (GLWC), otherwise referred to as the Anker methodology

The Global Living Wage Coalition (GLWC) was formed by various certification initiatives to provide living wage estimates based on a common definition of living wages. GLWC uses the methodology developed by Richard Anker and Martha Anker, who are former ILO and UN experts on wages and collecting and processing social data. (See review by Richard Anker, *Estimating a Living Wage: A Methodological Review*, ILO 2011 for the basis of the benchmarking methodology.)

The Ankers have worked with researchers in various regions and countries to develop living wage estimates that integrate local practices, based on consultation with local stakeholders –with regard to what workers tend to consume, average family size, and number of workers per family. The methodology is labour-intensive, and the Ankers conduct strict quality control, so GLWC benchmarks can take some time to produce.

On FWF wage ladders, Anker estimates tend to be lower than the AFW estimates for the same countries. The differential may be partially explained by way of the regionally-specific nature of Anker's estimates. These are specific to regions and sectors within countries. For this reason, Anker estimates for a single country can vary significantly between rural workers (where cost of living is often more affordable) and urban workers. In both instances, there are differences in what is consumed, the cost of such consumables, as well as family size and number of wage earners.

By this reasoning, the Anker estimates for expensive urban settings would align generally with the AFW. In limited cases, there seems to be some parity, e.g. Anker's estimate for urban Shanghai is nearly even with the AFW estimate for China. However, based on FWF's research of relevant Anker estimates, some calculations assume an average family size of 1.5 earners, while other regions have an average family size of 1.87. AFW, on the other hand, only calculates one wage earner per family. Given this divergence in assumptions around how many incomes per family, it stands to reason that AFW benchmarks would be higher. We suspect Anker and AFW calculations for cost of living may be comparable, particularly in urban settings.

Given the rigor of Anker calculations, which are vetted through local stakeholders prior to publishing, FWF endorses the use of these estimates in the calculation of brand's share of living wages. It should be noted, however, that brands usually should use Anker estimates only for factories located in the same region for which the Ankers calculated the LW estimate. In some limited cases, however, it may be possible to apply an Anker estimate for one region (e.g. Ho Chi Minh City) to another (e.g. Hanoi) where cost of living is comparable. FWF brands should consult with their brand liaisons when seeking to apply any Anker estimate beyond the specific region for which they are intended.

For more information about Anker benchmarks, visit <https://www.globallivingwage.org>.

The complete Anker methodology can be accessed [here](#).

Trade union benchmarks

As mentioned above, the very purpose of brands calculating their share of living wage increases is to create the financial space in which workers and factory management can negotiate sustainable wage increases, ideally through collective bargaining. If functional industrial relations systems are our end goal, it is critical that our current efforts to work towards living wages support local stakeholders who will play a key role in such systems down the road, most notably trade unions.

In various countries, trade unions continue to undertake cost of living calculations – to support their wage negotiations and ensure that annual adjustments to workers' wages allow for a stable standard of living. For a relevant country where such estimates exist, a cost of living estimate should be included in considerations of living wage estimates. It is important to note, however, that 'cost of living' estimates are not necessarily synonymous with 'living wage' estimates, which is a common misconception in our work. Cost of living estimates can be undertaken in various ways. They may integrate most, or in limited cases even all, of the factors included in the definition of a living wage (food, housing, clothing, health care, transportation, education, and discretionary income). Cost of living estimates, however, do not account for average wage earners per family, etc.

It is important to clarify the exact methodology of each trade union cost of living estimate before being able to contextualise it in a living wage discussion. In some cases, however, trade unions have calculated an actual living wage benchmark, based on calculations of living costs, family size, and average earners per family. In such cases, FWF pays special attention to these benchmarks with an eye towards supporting local systems for functional social dialogue.

CCC Living Wage Estimates in Eastern Europe

Clean Clothes Campaign uses AFW estimates in Asia and to complement those has conducted extensive research on wages in Eastern Europe. Between 2014 and 2017, in consultation with workers and local stakeholders, CCC endeavoured to provide living wage estimates for garment producing countries in this region.

Notably, AFW does not extend beyond Asia, and Anker, to date, has not undertaken living wage studies in these countries. Therefore, for countries in this region, the CCC living wage estimate is often the only available, relevant 'living wage' calculation.

FWF has noted that some of the numbers provided by CCC for Eastern Europe need to be updated. FWF will continue to consult with CCC and local partners in this regard.

Details		Amount	FWF Recommendations - per country
Bangladesh (amounts in Taka)			
National benchmarks/estimates			FWF Recommended LW Estimates for Use in Calculating Living Wage Factor for Facilities in Bangladesh
Legal minimum wage	EPZ 2018	₳ 8,000.00	
Trade union demand	2018 Union Min Wage demand	₳ 16,000.00	- In Dhaka: AFW or GLWC's LW estimate for Dhaka.
AFW LW estimate	From 2017	₳ 37,661.00	- Outside of Dhaka: use AFW, GLWC's LW Estimate for Dhaka, or the trade union minimum wage demand of 2018.
Dhaka-specific			
GLWC living wage estimate - Dhaka	May-16	₳ 13,630.00	<i>Please note: FWF has not recommended the GLWC Estimate for satellites of Dhaka, because it falls below the trade union demand.</i>
Bulgaria (amounts are in BGN)			
Legal minimum wage	For 2019, net	434.55 лв.	FWF Recommended LW Estimates for Use in Calculating Living Wage Factor for Facilities in Bulgaria
60% of national wage average	CCC demand for all garment workers NOW, with progressive improvement towards LW	537.00 лв.	Use CCC's LW estimate for Bulgaria, which is based on local research.

Trade union estimate: cost of living (per person)	Per person for family of four, not including discretionary income (Confederation of Independent Syndicates in Bulgaria, 2018)	602.54 лв.
Industry average wage	Manufacturing - NACE section C, 2018, net (National Statistical Institute, data for Q4 2018, manufacturing)	814.00 лв.
Living wage estimate for family of 4	Trade union CITUB, Dec 2018	1,552.87 лв.
CCC LW estimate	Based on interviews with workers (2013)	2,000.00 лв.

Please note: As of writing, the only existing LW estimate for Bulgaria is the one provided by CCC.

China (Amounts in CNY)

Shanghai

Legal minimum wage	Shanghai local govt - Apr 2019	¥2,480.00
GLWC LW estimate	Shanghai as of Aug 2015 (based on family of 3.5 with 1.78 workers).	¥4,136.00
AFW LW estimate	From 2017	¥4,547.00

FWF Recommended LW Estimates for Use in Calculating Living Wage Factor for Facilities in China

- Asia Floor Wage (AFW)
- Global Living Wage Coalition (GLWC/Anker) LW estimates, for the relevant city/region*

Hangzhou

Legal minimum wage	As defined by local government, as of 1 Dec 2017	¥2,010.00
GLWC LW estimate	Hangzhou as of Aug 2015 (based on family of 3.5 with 1.78 workers).	¥3,788.00
AFW LW estimate	From 2017	¥4,547.00

Shenzhen

Legal minimum wage	As defined by local government, as of 1 July 2018	¥2,200.00
GLWC LW estimate	Shenzhen as of Aug 2015 (based on family of 3.5 with 1.78 workers).	¥2,818.00
AFW LW estimate	From 2017	¥4,547.00

Suzhou

Legal minimum wage	As defined by local government, as of 1 Aug 2018	¥2,020.00
GLWC LW estimate	Suzhou as of Aug 2015 (based on family of 3.5 with 1.78 workers).	¥3,534.00

** As of May 2019: In many cases, the GLWC LW estimates for Chinese cities are several years old. Until they are updated (GLWC reports they are all due for update by the end of 2019), AFW is the more reliable estimate. Please check GLWC website for updates as they emerge.*

FWF staff has listed cities that have comparable costs of living as some of the cities where Anker LW studies have taken place, as follows:

- Asia Floor Wage can be used for cities of Dongguan, Xiamen
- GLWC LW estimate for Suzhou can also be used for cities of Wengzhou, Ningbo

Please contact FWF's China team for further guidance.

AFW LW estimate From 2017 ₹4,547.00

India (amounts in INR)

Noida

Legal minimum wage	Unskilled incl. VDA, Oct. 2019	₹ 8,278.94
Legal minimum wage	Skilled, incl. VDA, Oct. 2019	₹ 10,201.09
Trade union demand	By Hind Mazdoor Sabha TU, 2019	₹ 18,000.00
AFW LW estimate	2017	₹ 23,588.00

FWF Recommended LW Estimates for Use in Calculating Living Wage Factor for Facilities in India

- Asia Floor Wage
- Trade union demand

Tirupur

Legal minimum wage	Hosiery, 2019	₹ 4,956.00
Legal minimum wage	Cutting/sewing, 2019	₹ 7,358.00
GLWC LW estimate - Tirupur	Urban Tirupur - based on family of 4 with 1.58 workers (updated April 2018)	₹ 14,670.00
Trade union demand	By Hind Mazdoor Sabha TU, 2019	₹ 18,000.00
AFW LW estimate	2017	₹ 23,588.00

Please note: For Tirupur, the GLWC LW estimate (which is based on 1.58 workers per family) reinforces the applicability of at least the trade union demand, given the GLWC's estimate is nearly ₹15,000. It is worth noting the GLWC calculated that a basic but decent living for a family of 4 = ₹20,118. This aligns more closely to the AFW estimate.

The GLWC LW estimate for Uttar Pradesh does not apply. It was calculated for use in a rural agricultural setting.

Indonesia (amounts are in IDR)

Jakarta region

Legal minimum wage	2019	Rp 3,940,972.00
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AFW LW estimate	As of 2017	Rp	5,886,112.00
Wage Indicator LW estimate	As of 2019, based on family of 4, 1 worker	Rp	4,684,100.00

Please note: in the absence of GLWC LW estimates or reliable trade union estimates for cost of living - FWF is experimenting with the use of WageIndicator.org estimates as a fallback estimate. It is worth noting that WageIndicator does not meet FWF's main criteria for LW estimates, i.e. to be provided by a locally representative organisation (i.e. trade union) and/or have strong methodological basis. These figures are therefore being used as a placeholder until LW estimates that meet FWF's criteria are published.

Central Java

Legal minimum wage	2019	Rp	1,605,396.00
AFW LW estimate	As of 2017	Rp	5,886,112.00
Wage Indicator LW estimate	As of 2019, based on family of 4, 1 worker	Rp	4,684,100.00

West Java

Legal minimum wage	2019	Rp	1,668,372.00
AFW LW estimate	As of 2017	Rp	5,886,112.00
Wage Indicator LW estimate	As of 2019, based on family of 4, 1 worker	Rp	4,684,100.00

North Macedonia (amounts are in MKD)

Legal minimum wage	As of April 2019	12,507.00 ден	FWF Recommended LW Estimates for Use in Calculating Living Wage Factor for Facilities in North Macedonia
CCC - first step towards a living wage	60% of 2016 average national wage	15,470.40 ден	
Industry average	Net wages paid in the garment industry (Dec 2018)	15,874.00 ден	Use CCC's LW estimate for Macedonia, which is based on calculations conducted by local NGO, PPC Stip (2013).
Average national wage	According to National Bureau of Statistics (Dec 2018)	25,784.00 ден	<i>Please note: As of writing, the only existing LW estimate for Macedonia is the one provided by CCC.</i>
Trade union cost of living estimate	For family of 4, by CCM (Federation of Trade Unions of Macedonia), 2018	32,671.00 ден	
CCC LW estimate	NGO PPC Stip / CCC as of 2017	49,000.00 ден	

Myanmar (amounts in Burmese Kyat)

Legal minimum wage	As of May 2018 (1/3 increase from previous LMW)	K144,000.00	FWF Recommended LW Estimates for Use in Calculating Living Wage Factor for Facilities in Myanmar
Trade Union cost of living estimate	By CTUM, 2018	K198,000.00	
			Use the CTUM trade union demand, which is the only relevant estimate currently accessed for Myanmar by FWF staff.

Romania (amounts are in ROM)

Legal minimum wage	As of July 2019	2,080.00 RON
Average wage in garment industry	NACE division 14 (March 2019)	1,987.00 RON
CCC- first step towards a living wage	60% of average national wage	1,491.60 RON
Average national wage	Feb-19	2,486.00 RON
LW estimate for a basic consumer basket necessary for a decent standard of living	Clean Clothes Campaign, 2016	6,762.00 RON

FWF Recommended LW Estimates for Use in Calculating Living Wage Factor for Facilities Romania

Use the CCC LW estimate.

Please note: FWF is investigating the methodological basis of the Institute for Quality of Life estimate and may add this as a recommendation at a later date.

Tunisia (amounts in TND)

Legal minimum wage	For single worker with no children (2019)	TND	359.00
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FWF Recommended LW Estimates for Use in Calculating Living Wage Factor for Facilities Tunisia

Given limited available figures and the absence of a living wage estimate for Tunisia, use UGTT's cost of living estimate.

Please note: FWF is investigating other sources for appropriate estimates.

CBA wage	For single worker with no children (2019)	TND	456.20
Cost of living estimate	UGTT (Tunisian General Labour Union) - household of 4 people	TND	850.00

Turkey (amounts are in YTL)

Legal minimum wage	For 2019	2,020.00 ₺	FWF Recommended LW Estimates for Use in Calculating Living Wage Factor for Facilities Turkey
Starvation level estimate for a family of 4.	TURK-IS, May 2019	2,124.00 ₺	
Trade union estimate - cost of living family of four	Turk-IS, May 2019	6,918.00 ₺	

Use cost of living estimate from trade union federation, Turk-Is.

Please note: FWF was not able to access any published living wage estimates for Turkey. FWF staff have also noted the need to differentiate for regional differences in cost of living and are investigating options in this regard.

Vietnam (amounts in VND)

Region 1

Legal minimum wage	Region 1 - as of Jan 2019	4,180,000.00 đ
Trade union demand	VGCL estimate of minimum earnings needed in Region 1 to cover food, non-food and childcare (2016)	4,780,000.00 đ
GLWC - LW estimate	Zone 1 Urban Ho Chi Minh City - based on family of 4 with 1.78 workers (updated March 2016)	6,435,864.00 đ
AFW LW estimate	As of 2015	8,949,153.00 đ
VGCL proposal	For 2019 (increase 8%)	4,298,400.00 đ

Region 2

Legal minimum wage	Region 2 - as of Jan 2019	3,710,000.00 đ
Trade union demand	VGCL 2014 estimate of cost of food, non-food, and childcare expenses (outdated)	4,130,000.00 đ
WageIndicator living wage estimate	Oct 2017, based on a family of 4, 1.8 workers.	7,475,300.00 đ
AFW benchmark	As of 2015	8,949,153.00 đ
VGCL proposal	For 2019 (increase 8%)	3,812,400.00 đ

FWF Recommended LW Estimates for Use in Calculating Living Wage Factor for Facilities in Vietnam

- Region 1: Asia Floor Wage (2015) or Global Living Wage Coalition LW estimate

Please note: the GLWC LW estimate for Region 1 (2016) is expected to be updated by end of 2019. Until then, it is advisable to use primarily AFW LW estimate for this region. It is also worth noting that in 2016 the Ankers (GLWC) calculated that a basic but decent living for a family of 4 in Region 1 = đ10,928,741

- Region 2 and Region 3: Asia Floor Wage (2015) or, in cases where the AFW figure is not achievable, the LW estimate from WageIndicator.org can be experimented with

Please note: in the absence of GLWC LW estimates or reliable trade union estimates for cost of living in Regions 2 and 3-- and particularly noting that AFW LW estimates for Vietnam have not been updated since 2015 -- FWF is experimenting with the use of WageIndicator.org estimates as a fallback estimate for these two regions. It is worth noting that WageIndicator does not meet FWF's main criteria for LW

Region 3

Legal minimum wage	Region 3 - as of Jan 2019	3,250,000.00 đ
Trade union demand	VGCL 2014 estimate of cost of food, non-food, and childcare expenses (outdated)	3,850,000.00 đ
WageIndicator living wage estimate	Oct 2017, based on a family of 4, 1.8 workers.	7,475,300.00 đ
AFW LW estimate	As of 2015	8,949,153.00 đ
VGCL proposal	For 2019 (increase 8%)	3,337,200.00 đ

estimates, i.e. to be provided by a locally representative organisation (i.e. trade union) and/or have strong methodological basis. These figures are therefore being used as a placeholder until LW estimates that meet FWF's criteria are published.

Vietnam region 4

Legal minimum wage	As of Jan 2019	2,920,000.00 đ
GLWC benchmark	Updated March 2016. Based on family of 4 with 1.87 workers.	3,991,841.00 đ
AFW benchmark	As of 2015	8,949,153.00 đ
Trade union demand	VGCL Basic needs wage 2014 estimate of cost of food, non-food, and childcare expenses (outdated)	3,310,000.00 đ
VGCL proposal	For 2019 (increase 8%)	2,980,800.00 đ