



Chapter 5: Social

5.4 Living Wage

What is Living Wage?

It is the 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.

The elements of a decent standard of living include:

- Food and water
- Housing
- Education
- Health care
- Transportation
- Clothing and other essential needs
- Provision for unexpected events



5.4 Living Wage

No.	Specialized requirement	Group certification			Ind. cert.
		S-farms	L-farms	Group mgt.	S/L
5.4.1	<p>Management annually assesses total remuneration (wages, bonuses, and benefits) for all workers against the <u>Living Wage benchmark</u> recommended by the Rainforest Alliance and in accordance with the Global Living Wage Coalition (GLWC) or any other accepted benchmark.</p> <p>Does not apply to workers of small farms in groups.</p> <p><i>Please see A-08-SCRL-B-CH – Social Annex</i></p>			✓	✓



Read the requirement and its applicability before you move on to the next page

5.4.1

Management annually assesses total remuneration for all workers against recommended Living Wage benchmark

The Rainforest Alliance recommended Living Wage benchmarks are available through the [Global Living Wage Coalition](#) (GLWC).

Certificate Holders may also use any other internationally recognized benchmark, and it must be up to date.



5.4.1

In the absence of Living Wage benchmark

For countries without a Living Wage benchmark, **applicable wage** should be used for the assessment until a Living Wage benchmark becomes available.

In this case, the **applicable wage** is either the **minimum wage** or the **wage negotiated in a Collective Bargaining Agreement**, whichever is higher and in line with requirement 5.3.3.

Please see: Social Annex



In-Kind Benefits

In-kind benefits are **non-monetary benefits** that are offered in addition to salary. These are **non-cash, though they do hold monetary value.**

In-kind benefits may reduce the cash that workers, and their families, require to achieve a decent standard of living.

Companies should engage with workers and their representatives to understand **the value of the benefits** and the degree to which they help people meet their and their families' needs.



In-Kind Benefits

Some benchmark methodologies allow for inclusion of in-kind benefits and indicate what might be included for calculations.

Examples of in-kind benefits for wage earners include:

- Food, such regular full meals
- Safe transportation for workers to and from their place of work
- Support with child education costs
- Housing
- Support for childcare
- Healthcare support such as general practice support in addition to a country's free healthcare system



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