

Fair Labor Association

Putting fairness to work



Labor rights
focused NGO



Global
membership in
apparel, footwear,
and agriculture



Working
alongside
businesses,
universities, and
civil society to
address urgent
workers' rights
issues



The Right to Fair Compensation & Living Wage



FLA WORKPLACE CODE OF CONDUCT ON COMPENSATION:

Every worker has a right to compensation for a regular workweek that is sufficient to meet the worker's basic needs and provide some discretionary income. Employers shall pay at least the minimum wage or the appropriate prevailing wage, whichever is higher, comply with all legal requirements on wages, and provide any fringe benefits required by law or contract. Where compensation does not meet workers' basic needs and provide some discretionary income, each employer shall work with the FLA to take appropriate actions that seek to progressively realize a level of compensation that does.



Fair Labor's approach to living wage

The 5-year strategy and requirements for FLA member companies and suppliers



Wage Data
Collection (2018-
2020)



Analysis Against
Living Wage
Benchmarks
(2020)



Fair Compensation
Blueprints (2020)



Public
Commitment
(2021)



Driving Progress &
Reporting
(2022-2025)

Online Wage Data Form

The screenshot displays a web application interface for managing wage data. On the left is a navigation sidebar with three main sections: 'Dashboard', 'Data Management', and 'Administration Management'. The main content area is titled 'Past Wage Draft Submission' and includes a note that the submission is accepted and cannot be edited. An 'Export CSV' button is visible. Below this are sections for 'Factory Information' and 'Occupations', each containing a table of data.

Past Wage Draft Submission

Below shows the wage draft submission which has already been accepted. As its data is now live, it may not be edited.

[Export CSV](#)

Factory Information

Name of Factory	Hehe456
Factory ID System	N/A
Name of Person Responsible for Data Entry	sho@fairlabor.org
City	Bursa
State or Province	Bursa
Country	Turkey
Min Wage Region of Factory	N/A

Occupations

Name of Occupation	Finishing
	Cutting

Pay Period

Wage Data Collection Tool 2.0

Operationalizes *Living Wage Around the World* by Richard & Martha Anker

Data collected includes:

- Basic Wage (hourly and piece rate)
- Incentive Pay
- In-Kind Benefits
- Cash Benefits
- Taxes/Deductions
- Overtime Pay
- Gender Disaggregated Data
- Lowest Pay
- Bargained Wage

Scalable for apparel, footwear, and accessories supply chains

WORKER INFORMATION				
	Sewing	Quality Assurance	Finishing	Wet processing
Number of Workers in Occupation:	833	76	145	32
Number of Women in Occupation:	825	64	17	20
Number of Men in Occupation:	8	12	128	12

HOURS				
	Sewing	Quality Assurance	Finishing	Wet processing
Total Regular Hours Worked:	130913	12183.5	23719	5607
Total OT Hours Worked:	10807	1322.25	2948.5	543.5
Total Leave Hours Paid:	11196	738	1548	306

HOURLY PAY				
	Sewing	Quality Assurance	Finishing	Wet processing
Total Regular Pay:	17187231.63	1620756.57	3099653.4	641658.9
Total OT Pay:	1789080.92	222940.83	475891.12	78816.22
Total Leave Pay:	778751.95	70120.74	93040.13	28560.66

INCENTIVE PAY				
	Sewing	Quality Assurance	Finishing	Wet processing
Name of Incentive:	Attendance bonus	Attendance bonus	Attendance bonus	Attendance bonus

Wage Benchmarks

Poverty lines

Legal minimum wages

Union minimum wage demands

Global Living Wage Coalition

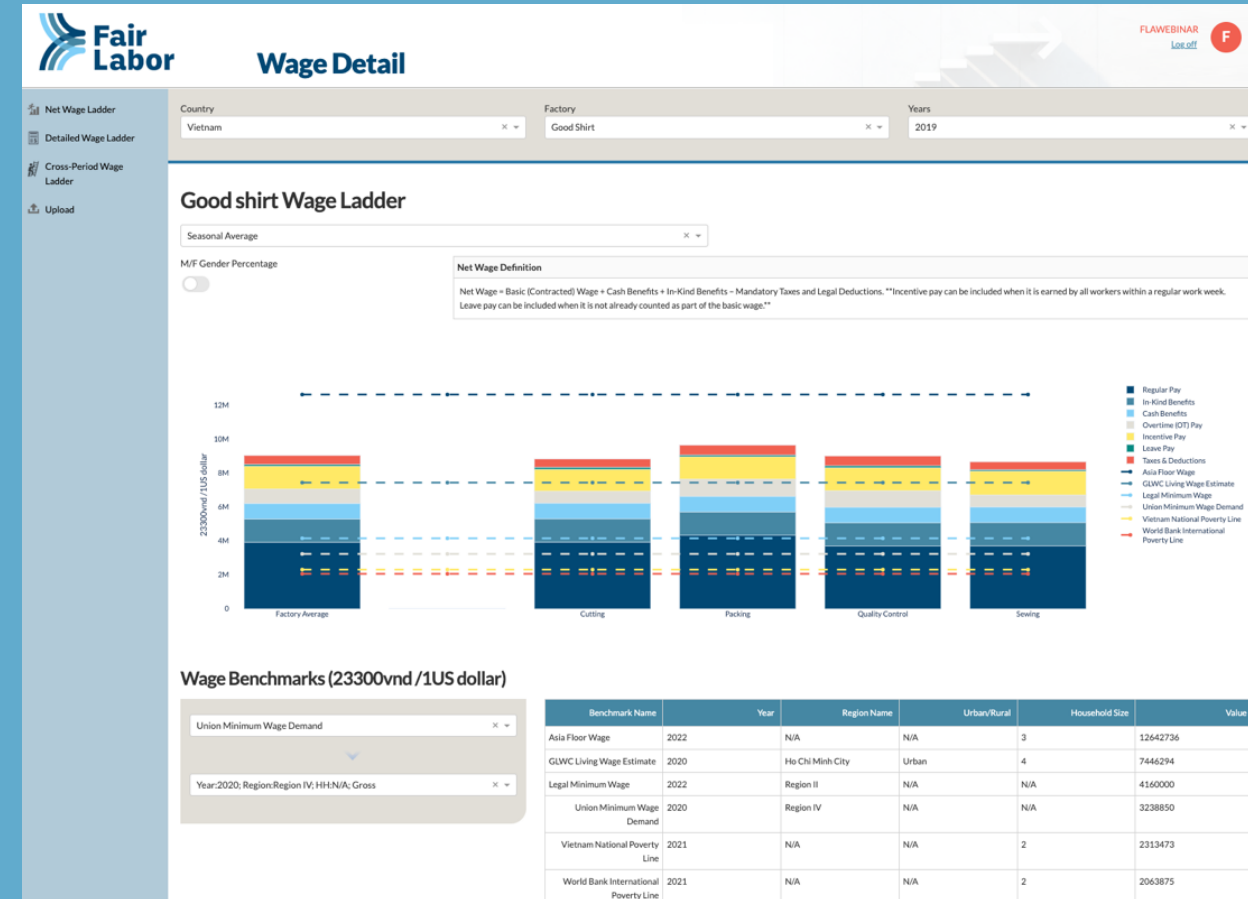
Asia Floor Wage (for cross-country comparison)

Other credible living wage estimates

- Where available, FLA recommends to its members to use the Global Living Wage Coalition Living Wage Estimates.
- Wage benchmarks are available in 32 countries, 72% has Living Wage benchmarks
- Bangladesh, Cambodia, China, Colombia, Dominican Republic, Egypt, El Salvador, Ethiopia, Guatemala, Haiti, Honduras, India, Indonesia, Italy, Jordan, Malaysia, Mauritius, Mexico, Morocco, Myanmar, Nicaragua, Pakistan, Philippines, Peru, Romania, Sri Lanka, Taiwan, Thailand, Tunisia, Turkey, U.S., and Vietnam

Fair Compensation Dashboard

- One-of-a-kind tool to measure average worker compensation against living wage benchmarks
- Responsive technology that compares factories in a supply chain and demonstrates wage progress over time
- Provides meaningful data a company can use to inform and advance discussion and decisions on fair wages
- Consistent with the work of the Global Living Wage Coalition and the Anker methodology
- Noted in the ILO's background report for the 2024 Meeting of experts on wage policies, including living wages
- Referenced by OECD in its Handbook on due diligence for enabling living incomes and living wages in agriculture, garment, and footwear supply chains
- Watch the demo [here](#)



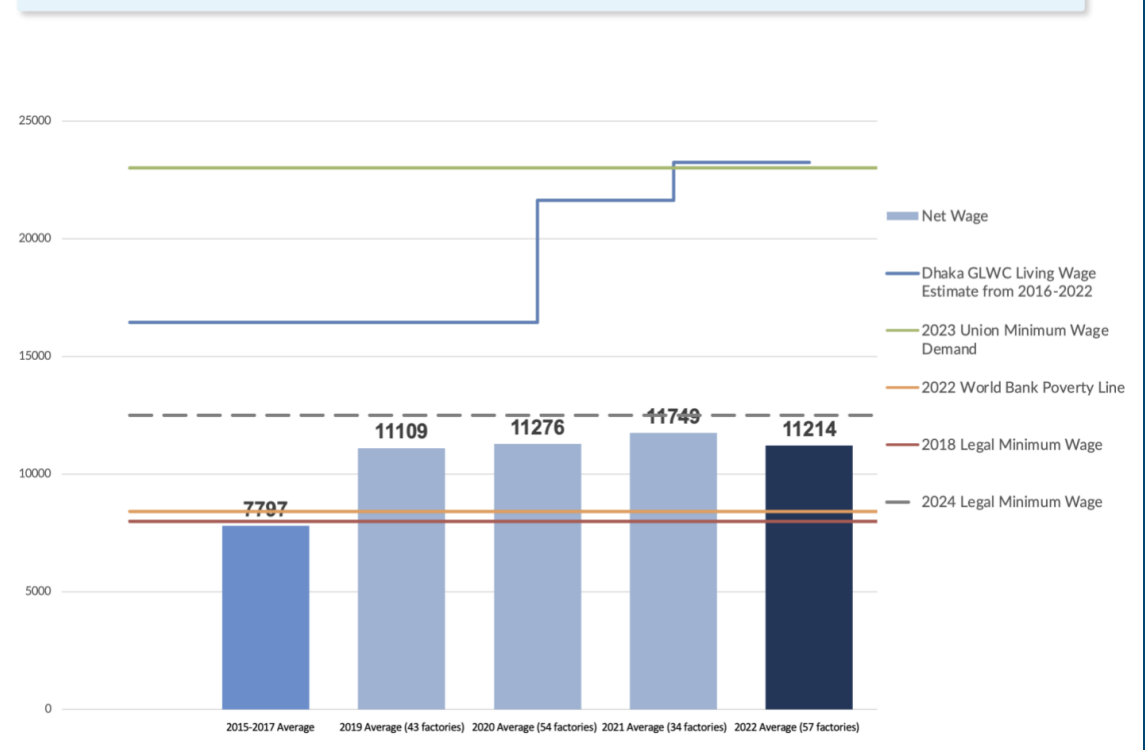


100% of FLA
companies & suppliers
use the FLA's fair
compensation tools

LIVING WAGE PROGRESS IN BANGLADESH

Using the 2022 Global Living Wage Coalition (GLWC)'s living wage estimate for Dhaka (23,254 BDT, or \$211.90) to compare the monthly average wage, the living wage gap for workers in Bangladesh is 12,040 BDT (\$109.70), meaning the average monthly net wage was 51.78% below the living wage benchmark in 2022.

FIGURE 1: WORKER'S AVERAGE MONTHLY NET WAGES FROM FLA COMPANIES, 2015-2022



HOW DO THE FLA'S TOOLS HELP LIVING WAGE PRACTITIONERS?



Understand current wages and living wage benchmarks



Communicate internally and with suppliers



Track progress and trends



Set clear and achievable goals



Standardized and accepted data collection methodology



FLA takes on the burden of wage benchmarks updates

Contact

If you have any question about FLA fair compensation program, please contact us at faircomp@fairlabor.org

