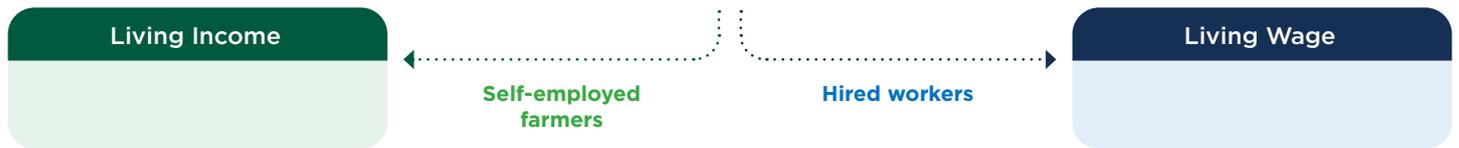


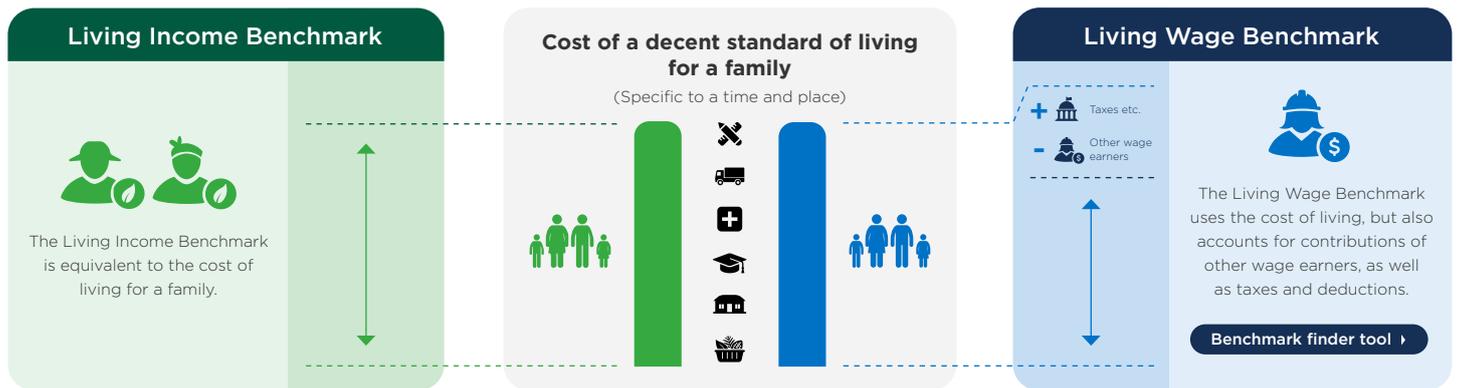
Addressing living income and living wages

What is the difference?

Which context are you working in?



What is the benchmark?



How to measure the gap

Actual Income

To measure the Living Income Gap, **compare the living income benchmark with farmers' actual income** (earned by **all adult household members** from their own farming enterprise, as well as all other income sources).

Living Income Gap = Living Income Benchmark - Actual Income

Actual Income components:

- Produce consumed at home
- Net farm income
- Net off-farm labor income
- Other income (non-farm, non-labor)

Use the Income Measurement Survey to measure actual income of farmers.

[Income Measurement Survey](#)

Actual Remuneration

To measure the Living Wage Gap, **compare the living wage benchmark with the actual remuneration** (earned by **one worker** during a standard work week and includes wages, bonuses and in-kind benefits).

Living Wage Gap = Living Wage Benchmark - Actual Remuneration

Actual Remuneration components:

- Wages
- Bonuses
- In-kind benefits

Use the Salary Matrix to measure actual remuneration at a factory or plantation.

[Salary Matrix Tool](#)

How to close the gap

Living Income

Once gaps are identified, you can take action through a smart-mix of solutions that include: delivering bundled services to farmers, adopting better procurement practices, collaborating with and beyond your trade partners, innovating through brand and consumer engagement, and embracing transparency.

Contact us to learn more about our work on Living Income.
[Ashlee Tuttleman](#)

Living Wage

Once gaps are identified, you can take action by adopting better procurement and trading practices, embracing transparency, co-developing and implementing practical solutions, supporting social dialogue and ensuring that value created reaches workers and—when needed—making it collaborative.

[Learn more](#) about these actions.

Contact us to learn more about our work on Living Wage.
[Carla Romeu Dalmau](#)