

Which in-kind benefits can be included in the Salary Matrix?

How much of each in-kind benefit can be included?

In-kind benefit	Criteria	Additional Information	Limit (% of total remuneration that can be paid in each in-kind benefit)
All in-kind benefits	All in-kind benefits must be accepted by the workers as being valuable, directly reduce the cost of basic living for a worker, are provided during regular working hours, are regularly provided, are expected in advance, and are not mandatory by law. If workers contribute or pay a small amount for the benefit, subtract this amount from the cost for providing the in-kind benefit.		30%
Food	Must be regularly provided and sporadically given farm produce may not be included. Ideally, meals provided should be balanced and follow local or international nutrition guidance. The value of snacks and water are not	These benefits include free or subsidized meals regularly taken by workers. Food benefits do not include snacks or on-site cafeterias where workers need to purchase their own food.	10%
Transportation	Must be safe and transport workers to and from work or to and from town on weekends.	These benefits replace or reduce the transportation costs that workers would otherwise pay for themselves. For example, transportation costs could include free transportation to work, free transportation for all needs in the town of residence, and transportation stipends.	10%
Housing	Must be single family housing and meet international standards such as International Covenant on Economic, Social and Cultural Rights (United Nations, 1966), ILO Recommendation No. 115 Concerning Workers' Housing (1961), World Health Organization Principles of Healthy Housing (1989), UN-Habitat (2009, 2013).	Housing benefits are only counted if a. the housing that is provided allows for workers to live with their families (single workers that do not have a spouse or children are considered a family of 1); b. the housing quarters are for one family only (dormitory-style housing would not count toward a living wage); and c. the housing meets quality requirements that are either detailed in the living wage benchmark or (when a benchmark does not specify) meets other international housing standards such as those detailed in applicable sustainability standards. Cost of housing can consist of cost for repairs, maintenance, utilities and depreciation (repairs/upkeep, utilities, land taxes, security, and mortgage/loan repayments for any loans taken to build or purchase the housing.) If cost of providing housing per year is not consistent year to year, an average of at least 3 years should be used.	15%
Healthcare	Must be health care or clinics for general practice (not only work-related matters) and be in addition to what is provided by the country's healthcare system.	These benefits reduce the cost to workers for their and/or their families' healthcare needs. Examples of qualifying healthcare benefits include free medical services that are not otherwise freely available through public systems, or stipends to cover the portion of workers' costs to access public healthcare systems. Qualifying healthcare benefits do not include provision of poorly managed clinics, or clinics that are only available to workers while they are at work; first aid services; or the employer's portion of legally-mandated national health insurance. Healthcare costs are not counted if the country provides free healthcare services which are widely regarded as decent in terms of quality and availability.	10%
Children's education	This may include costs associated with children's education such as donated school supplies, uniforms, other materials, transportation, etc. If funding is provided directly to the school, the total amount should be divided per total number of students at the school, then this per-student amount may be included for every child of a worker who attends such school. This tool will automatically adjust your contributions into monthly figures and yearly figures should be entered.	These are benefits which reduce workers costs for children's education, such as tuition or school supplies.	10%
Child care		These are benefits which reduce workers childcare costs, such as free childcare or stipends for childcare services.	10%

To learn more about measuring living wage gaps in your supply chain using the Salary Matrix, visit our website: idhsustainabletrade.com/living-wage-platform/salary-matrix/