Regenerative Organic Certification

Living Wage Calculation

Commitment to a Living Wage

Your operation must demonstrate a commitment to paying workers a living wage. If a living wage is not currently being paid to workers, you must show an intent and progress towards paying a living wage over time.

Living Wage Calculations

A living wage includes not just hourly pay but also benefits and remuneration that meet defined criteria (see definitions below). CCOF references the MIT Living Wage Calculator to determine a target living wage for each specific state and county. You may use this tool, or any other method listed in Appendix A-3 of the ROC TM Framework to calculate a target living wage for your area.

Wage Review

Directly Hired Labor:

If directly hired workers do not receive a living wage, you must:

- Complete a wage gap assessment
- Communicate transparently to your workers about why a living wage isn't paid.

Contracted Labor (hired through labor contractors, recruiters, H2A, etc.):

If contracted workers do not receive a living wage, you must:

- Complete a wage gap assessment
- Discuss the wage gap assessment with your labor provider
- Obtain a written explanation from the labor provider about why a living wage isn't paid to their workforce.

Wage Gap Assessment

This tool calculates the difference between what workers are currently earning (remuneration and benefits) and the target living wage.

Your assessment may also consider:

- Minimum wage
- Poverty wage
- Average industry/regional wages

You may use this assessment to track progress over time and to communicate transparently with your workers.

What counts towards a living wage?

Allowed remuneration includes:

- Monetary pay (hourly or salaried)
- Bonuses (if regular and guaranteed)
- Allowances for housing, transportation, childcare, etc.

To be counted, these must:

- Be for normal working hours performed at a regular pace (no overtime, night, or holiday work).
- Be usable for regular expenses (cash or value that reduces everyday costs).
- Not be for work-related expenses, i.e., protective equipment, uniforms, etc.

Allowed In-Kind Benefits Include:

Goods or services provided free of charge or at a significantly reduced cost, such as:

- Housing and utilities
- Meals
- Childcare
- Insurance
- Transportation

To be counted, these must:

- Be beneficial and valuable to workers.
- Meet a minimum quality standard.
- Be guaranteed and received consistently.
- Not include any cost to workers.
- Not be required by law, i.e., Social Security, Medicare, etc..

Resources

This living wage commitment is based on internationally recognized standards, including:

- SA8000 Guidance
- Anker Methodology (Global Living Wage Coalition)
- MIT Living Wage Calculator

The ROC™ Living Wage Requirements are detailed in:

- Section 8.2 (Commitment to a Living Wage) of the ROC ™ Farmer and Worker Fairness Framework
- Appendix A-3 (Living Wage Calculation and Definitions) of the ROC ™ Framework
- Section 8.2 (Commitment to a Living Wage) of the A-9. Additional Guidance and Clarification
- These documents are all located in the Regenerative Organic Alliance's Resource Library.