

ASC Stakeholder Consultation

Criterion 3.8 Wages

September-October 2023



**Setting The
Standard for
Seafood**

Why is ASC working on living wage?

- It is part of ASC's vision and mission to care for people and the planet.
- It is essential that employees on ASC certified farms and feed mills can afford a decent life for themselves and for their families.
- Ensuring that people are paid a living wage directly contributes to SDG 1 (No poverty) SDG 8 (Decent work) and SDG 10 (Inequalities).

A living wage is defined by the Global Living Wage Coalition as “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. Elements of a decent standard of living include food, water, housing, education, health care, transportation, clothing, and other essential needs including provision for unexpected event.”

Background

Intent: work towards continuous improvement of wages, while paying at or above the legal minimum wage

- In Dec 2019, ASC endorsed a policy recommendation to join the Global Living Wage Coalition to engage with broader certification initiatives and begin work on living wage.
- In response to feedback from the March 2022 stakeholder consultation, in January 2023 ASC endorsed the development of new living wage indicators and a living wage methodology.
- These new draft indicators include indicators on wage and benefit measurement, benchmarking, improvement and reporting.

Background on Strengthened Wage Indicators

Measurement and benchmarks based on Anker Research Institute methodology

- ASC's living wage requirements draw from the work of the [Global Living Wage Coalition](#) and its research partner, the [Anker Research Institute](#) (ARI). This includes:
 - using the GLWC definition of a living wage
 - adopting the ARI methodology for calculation of remuneration (total compensation including cash wages and allowable in-kind benefits and bonuses)
 - using ARI Living Wage benchmarks (where they exist) to measure the gap between current remuneration for workers, and what the living wage should be in that geographical location

Stakeholder consultation:

Objectives

- Gain understanding of whether the draft living wage indicators address key social and human rights issues around wages in line with stakeholders' expectations
- Gain insights from CABs on whether the proposed indicators are auditable
- Gain insights from producers on whether the proposed indicators are feasible to implement
- Understand the impact of the requirement to pay workers a minimum of two-thirds of salary while on maternity leave

Indicator on wage and benefit monitoring

3.8.2

The UoC shall monitor remuneration of all employees according to the methodology outlined in Appendix X.

Rationale

- Requires calculating wages according to a set methodology derived from the ARI methodology for calculating living wage.
- ASC is currently piloting the IDH Salary Matrix tool, which uses the ARI measurement methodology, as a tool to supports farms in consistently and accurately measuring wages and allowable benefits and bonuses for employees. Following analysis of the results of these wage pilots, ASC expects to bring a recommendation regarding adoption of this tool to its Technical Advisory Group (TAG) in January 2024.

Consultation Questions for 3.8.2

- Is it realistic to ask producers to measure wages and benefits, according to a set methodology?
 - If not, what are the challenges?
- Is it realistic to ask CABs to verify the measurement of wages and benefits, according to a set methodology?
 - If not, what are the challenges?

Indicator on benchmarking living wages

3.8.3

The UoC shall assess remuneration against living wage benchmarks (according to the benchmark list on the ASC website) on at least an annual basis.

Rationale

- Requires comparing actual wages and benefits with living wage benchmarks to understand any gap between worker's remuneration and the living wage target for the region.
- ASC has committed to using ARI living wage benchmarks where they exist, to support uniform living wage measurement, while continuing to work with the Global Living Wage coalition to expand coverage of ARI benchmarks.
- As ARI benchmarks do not cover all farm locations, other credible benchmarks will be identified where necessary.

Indicator on wage improvement plan

3.8.4

The UoC shall develop and implement a wage improvement plan, in cases where remuneration is below the living wage benchmark for any type of employee.

Rationale

- Requires development and implementation of a plan to make progress towards payment of a living wage.
- Is intended to support producers to identify drivers of low wages and possible steps to close the gap between what is currently paid and the living wage. It does not impose a set timeline to reach the living wage target benchmark for the region, as drivers of low wages vary across regions and are often a result of multiple factors which may be outside the farms' control and acknowledging that the burden should not necessarily fall entirely on the producer.
- Timebound requirements to close the gap may be implemented in a later phase, once there is a better understanding of wage gaps and their drivers across the countries where ASC farms operate.
- ASC will provide a template and guidance around the development of wage improvement plans.

Consultation Questions for 3.8.4

- Is it realistic to ask producers to develop a wage improvement plan?
 - If not, what are the challenges?

Indicator on wage data reporting

3.8.5

The UoC shall report annual employee wage data to ASC, in accordance with ASC data submission procedures.

Rationale

- This will allow ASC to track gaps and improvement on living wage across ASC farms to measure impact and inform future indicator development.

Indicator on maternity leave requirements

3.8.8

The UoC shall ensure that employees are entitled to maternity leave of a minimum 14 weeks that includes a guarantee of return to the job. Payment during this period shall be a minimum of two-thirds of previous earnings.

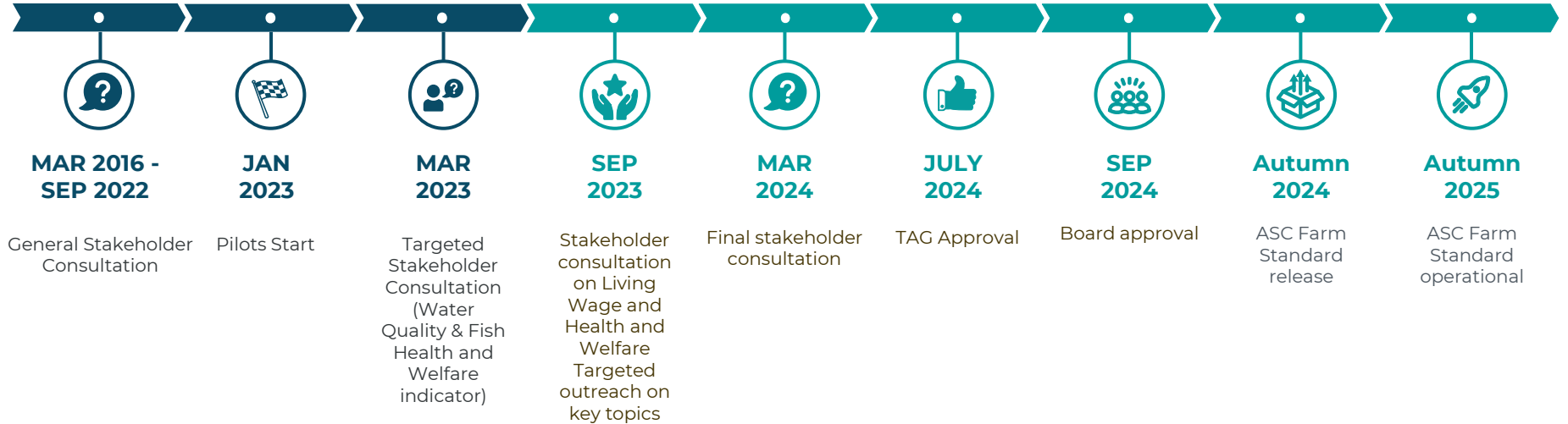
Rationale

- Previous versions of this indicator referenced compliance to the relevant ILO convention on maternity protection (ILO C183), without specifying directly what the main requirements of that convention are.
- This indicator now lists the principal requirements of the convention directly.

Consultation Question for 3.8.8

- Indicator 3.8.8 requires payments of a minimum of two-thirds of previous earnings during maternity leave (as per ILO 183). Does this align with current practice for farms?
 - If not, how feasible would this indicator be?

ASC Farm Standard Development



Do you want to get involved?

[Survey \[link\]](#)

Slides in
English
Spanish
Vietnamese
French

Indicators &
Methodology in
English
Spanish
Vietnamese
French

[Public workshops
\[dates and link\]](#)

[FAQ \[link\]](#)

Thank you



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