

TRACKING MINIMUM AND LIVING WAGES IN THE BANANA SECTOR

World Banana Forum

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1. Cameroon

1.1 Assumptions

Household size and No. of earners

DATA	Unit	2011 Data	2013 Data	I Sem 2014 Data	II Sem 2014 data
Average Family Size	members	6	6	6	6
Number of wage earners	members	1,2	1,2	1,2	1,2

Monthly Wage

DATA	Unit	2011 Data	2013 Data	I Sem 2014 Data	II Sem 2014 data
Official Min.Wage	XAF/month	28.216	28.246	28.246	36.270
Net wage	XAF/month	28.216	28.246	28.246	36.270

1.2 Benchmark data

DATA	Unit	2011 Data	2013 Data	I Sem 2014 Data	II Sem 2014 data
Living wage per Person	XAF/month	25.323,88	26.956,47	27.632,70	27.632,70
Living wage per household	XAF/month	151.943,28	161.738,83	165.796,20	165.796,20
Living wage per wage earner	XAF/month	126.619,39	134.782,35	138.163,50	138.163,50

Sources: <http://www.targetmap.com/viewer.aspx?reportId=12773>
http://en.wikipedia.org/wiki/List_of_minimum_wages_by_country
<http://world-economic-outlook.findthedata.org/l/968/Cameroon>
<http://onlinelibrary.wiley.com/doi/10.1111/j.1467-8268.2011.00302.x/abstract>

Comments: National Minimum Wage starting July 30th, 2014.

Average family size based on Southwest region (banana producing region).

On average, one-fifth of household members were active and working.

Workers do not pay income rent nor social security.

Last updated basic needs basket (panier de biens de consommation) set at XAF 22.454 in 2007 (ECAM 3).

CPI 2007 = XAF 196,24/ CPI 2014= XAF 241,50. Inflated basic needs basket cost 2014 (panier de biens de consommation) = 22.454 *(241,50/196,24) = 27.632,70

World Bank 2005 PPP: US\$1=XAF 294,49. Current exchange rate (September 2nd, 2014):

US\$1=XAF 499,77

2. Colombia

2.1 Assumptions

Household size and No. of earners

DATA	Unit	2011 Data	2013 Data	I Sem 2014 data	II Sem 2014 data
Average Family Size	members	4,2	4	4	4
Number of wage earners	members	1,86	1,79	1,79	1,79

Monthly Wage

DATA	Unit	2011 Data	2013 Data	I Sem 2014 data	II Sem 2014 data
Official Min.Wage	COP/Month	566.700	589.500	616.000	616.000
Transportation allowance	COP/Month	67.800	70.500	72.000	72.000
Wage + T.A	COP/Month	634.500	660.000	688.000	688.000
Social Security	COP/Month	45.336	47.160	49.280	49.280
Net wage	COP/Month	589.164	612.840	638.720	638.720

2.2 Benchmark data

DATA	Unit	2011 Data	2013 Data	I Sem 2014 data	II Sem 2014 data
Living wage per Person	COP/Month	187.079	220.510	225.447	227.367
Living wage per household	COP/Month	748.316	882.040	901.789	909.468
Living wage per wage earner	COP/Month	402.320	492.760	503.793	508.083

Sources: http://www.dane.gov.co/files/investigaciones/condiciones_vida/calidad_vida/cp_ECV_2012.pdf
<http://www.mintrabajo.gov.co/empleo/abece-del-salario-minimo.html>
https://www.dane.gov.co/files/investigaciones/condiciones_vida/pobreza/bol_pobreza_13.pdf

Comments: National Minimum Wage starting January 1st, 2014.

Average family size based on Atlantic Region (banana producing region).

60.8% of household members were wage earners (aged 12 or over) in Atlantic region (DANE, 2008),

This represents a 44,65% of the total population representing 1,79 wage earners in an average household with 4 members.

Transportation allowance for 2014 is DOP 72.000.

Social security represents an 8% of the wage.

World Bank 2005 PPP: US\$1=COP 1.191,742. Current exchange rate (September 2nd, 2014):

US\$1=COP1.931,69.

3. Costa Rica

3.1 Assumptions

Household size and No. of earners

DATA	Unit	2011 Data	2013 Data	I Sem 2014 data	II Sem 2014 data
Average Family Size	members	3,65	3,58	3,51	3,51
Number of wage earners	members	1,48	1,39	1,43	1,43

Monthly Wage

DATA	Unit	2011 Data	2013 Data	I Sem 2014 data	II Sem 2014 data
Official Min.Wage	CRC/day	7.883,82	8.618,72	8.944,51	9.321,97
Christmas Bonus	CRC/day	656,99	718,23	745,38	776,83
Wage + Bonus	CRC/day	8.540,81	9.336,95	9.689,89	10.098,80
Monthly wage	CRC/month	222.060,93	242.760,61	251.937,03	262.568,82
Social Security	CRC/month	20.362,99	22.261,15	23.102,63	24.077,56
Net wage	CRC/month	201.697,94	220.499,47	228.834,41	238.491,26

3.2 Benchmark data

DATA	Unit	2011 Data	2013 Data	I Sem 2014 data	II Sem 2014 data
Living wage per Person	CRC/month	71.615	77.864	78.557	82.137
Living wage per household	CRC/month	261.395	278.753	275.735	288.301
Living wage per wage earner	CRC/month	176.618	200.542	192.822	201.609

Sources: <http://www.inec.go.cr/enaho/result/pobreza.aspx>
http://www.mtss.go.cr/images/stories/Lista_salarios_II_semestre_2014.pdf
http://www.ilo.org/dyn/travail/travmain.sectionReport1?p_lang=en&p_countries=HN&p_sc_id=1001&p_year=2011&p_structure=2&p_countries=CR&p_sc_id=1821

Comments: Agricultural Minimum Wage starting July 1st, 2014.
Christmas bonus is calculated as a full extra wage.
Social security represents a 9,17% of the wage.
Monthly wage is calculated with 26 working days.
World Bank 2005 PPP: US\$1=CRC 278,961. Current exchange rate (September 2nd, 2014):
US\$1=CRC 541,90.

4. Dominican Republic

4.1 Assumptions

Household size and No. of earners

DATA	Unit	2011 Data	2013 Data	I Sem 2014 data	II Sem 2014 data
Average Family Size	members	5	5	5	5
Number of wage earners	members	2	2	2	2

Monthly Wage

DATA	Unit	2011 Data	2013 Data	I Sem 2014 data	II Sem 2014 data
Official Min.Wage	DOP/day	205	234	234	234
Monthly Wage	DOP/month	4.885,15	5.576,22	5.576,22	5.576,22
Christmas Bonus	DOP/month	407,11	464,69	464,69	464,69
Net wage	DOP/month	5.292,26	6.040,91	6.040,91	6.040,91

4.2 Benchmark data

DATA	Unit	2011 Data	2013 Data	I Sem 2014 data	II Sem 2014 data
Living wage per Person	DOP/month	2.253,03	2.391,24	2.427,67	2.467,84
Living wage per household	DOP/month	11.265,14	11.956,20	12.138,34	12.339,20
Living wage per wage earner	DOP/month	5.632,57	5.978,10	6.069,17	6.169,60

Sources: http://www.bancentral.gov.do/publicaciones_economicas/otros/metodologia_IPC_base_diciembre_2010.pdf
<http://www.omlad.gob.do/ResolucionesSalariales.aspx>
<http://www.bancentral.gov.do/estadisticas.asp?a=Precios>
http://www.ilo.org/dyn/travail/travmain.sectionReport1?p_lang=en&p_countries=HN&p_sc_id=1001&p_year=2011&p_structure=2&p_countries=CR&p_sc_id=1821&p_sc_id=1821&p_countries=DO
 Plan Estratégico Institucional (PRO CONSUMIDOR 2012-2016)

Comments: National Minimum Wage starting July 3rd, 2013.
 Christmas bonus is calculated as an extra wage divided in 12 months.
 Monthly wage is calculated with 23,83 working days.
 Living wage was calculated with an inflated Basic Basket of the 1 Quintile since it's representative of Banana Rural Areas.
 Basic Basket Price 1 Quintile 2010: DOP 10.407,56. CIP Dec 2010: 100. CIP July 2014: 118,56.
 World Bank 2005 PPP: US\$1=DOP 20,396. Current exchange rate (September 2nd, 2014):
 US\$1=DOP 43,69.

5. Ecuador

5.1 Assumptions

Household size and No. of earners

DATA	Unit	2011 Data	2013 Data	I Sem 2014 data	II Sem 2014 data
Average Family Size	members	4	4	4	4
Number of wage earners	members	1,6	1,6	1,6	1,6

Monthly Wage

DATA	Unit	2011 Data	2013 Data	I Sem 2014 data	II Sem 2014 data
Official Min.Wage	US\$/month	292	318	340	340
13th Month Bonus	US\$/month	24	26,5	28,3	28,3
14th Month Bonus	US\$/month	24	26,5	28,3	28,3
Social Security	US\$/month	31,79	34,69	31,79	31,79
Net wage	US\$/month	308,21	336,31	364,81	364,81

5.2 Benchmark data

DATA	Unit	2011 Data	2013 Data	I Sem 2014 data	II Sem 2014 data
Living wage per Person	US\$/month	143,09	151,62	157,07	158,59
Living wage per household	US\$/month	572,35	606,48	628,27	634,37
Living wage per wage earner	US\$/month	357,71	379,05	392,67	396,48

Sources: <http://www.lacamaradequito.com/documentos/descargar/documento/instructivo-salarial-2014/>
<http://www.ecuadorencifras.gob.ec/ipc-canastas-2014/>
<http://www.ine.gob.gt/index.php/estadisticas/tema-indicadores>

Comments: Agricultural Minimum Wage including 13th and 14th remuneration starting January 1st, 2014.
 Family Basic Basket (Canasta Familiar Básica) based on 4 family members.
 Social security represents a 9,35% of the wage.
 World Bank 2005 PPP: US\$1= US\$ 0,501. Current exchange rate (September 2nd, 2014):
 US\$1=US\$1.

6. Ghana

6.1 Assumptions

Household size and No. of earners

DATA	Unit	2011 Data	2013 Data	I Sem 2014 Data	II Sem 2014 Data
Average Family Size	members	4,4	4,4	4,4	4,4
Number of wage earners	members	2,2	2,2	2,2	2,2

Monthly Wage

DATA	Unit	2011 Data	2013 Data	I Sem 2014 Data	II Sem 2014 Data
Official Min.Wage	GHS/day	3,7	5,2	5,2	6,0
Monthly wage	GHS/month	100,7	141,5	141,5	162,0
Social Security	GHS/month	5,5	7,8	7,8	8,9
Net wage	GHS/month	95,2	133,7	133,7	153,1

6.2 Benchmark data

DATA	Unit	2011 Data	2013 Data	I Sem 2014 Data	II Sem 2014 Data
Living wage per Person	GHS/month	50,7	59,6	71,6	78,4
Living wage per household	GHS/month	223,3	262,2	315,2	344,7
Living wage per wage earner	GHS/month	101,5	119,2	143,3	156,7

Sources: http://www.statsghana.gov.gh/docfiles/2010phc/National_Analytical_Report.pdf
<http://www.mywage.org/ghana/home/salary/minimum-wages>
http://www.statsghana.gov.gh/docfiles/CPI%20Release_pdf/CPI%20November_2013_CPI-old_series.pdf
<http://www.statsghana.gov.gh/cpi.html>
http://www.statsghana.gov.gh/docfiles/CPI%20Release_pdf/CPI_Bulletin_July_2014.pdf

Comments: Average family size based on average of Ashanti, Eastern and Volta zones (banana producing regions).

National Minimum Wage starting May 1st 2014.

Monthly wage is calculated with 27 working days.

Social security represents a 9,35% of the wage.

Lower poverty line 2006: 288,47/ CPI Food & Non alcoholic beverages 2006: 188,6/ CPI Food & Non alcoholic beverages 2014: 470,19/ Inflated lower poverty line 2014: $((288,47 \times (470,19/188,6))$: 719,17/ Upper Poverty Line 2006: 370,89/ Non food component UPL-LPL = $370,89 - 288,47 = 82,42$ /

Overall CPI 2006: 197,5/ Overall CPI 2014: 529,68/ Inflated Non food component: $(82,42 \times (529,68/197,5)) = 221,04$ / Annual Living wage: $(221,04 + 719,17) = 940,22$. Divided by 12: Living wage per person

World Bank 2005 PPP: US\$1= GHS 4.475,822. Current exchange rate (September 2nd, 2014):

US\$1=GHS 3,62.

7. Guatemala

7.1 Assumptions

Household size and No. of earners

DATA	Unit	2011 Data	2013 Data	I Sem 2014 data	II Sem 2014 Data
Average Family Size	members	5,38	5,38	5,38	5,38
Number of wage earners	members	2,2	2,2	2,2	2,2

Monthly Wage

DATA	Unit	2011 Data	2013 Data	I Sem 2014 data	II Sem 2014 Data
Official Min.Wage	GTQ/month	2074	2171,75	2280,34	2280,34
Productivity Incentive Bonus	GTQ/month	250	250	250,00	250,00
Wage + Bonus	GTQ/month	2324	2421,75	2530,34	2530,34
Social Security	GTQ/month	112,25	116,97	122,22	122,22
Net wage	GTQ/month	2211,75	2304,78	2408,12	2408,12

7.2 Benchmark data

DATA	Unit	2011 Data	2013 Data	I Sem 2014 data	II Sem 2014 Data
Living wage per Person	GTQ/month	827,68	923,84	991,20	1030,78
Living wage per household	GTQ/month	4452,92	4970,26	5332,66	5545,62
Living wage per wage earner	GTQ/month	2024,05	2259,21	2423,94	2520,74

Sources: http://www.ine.gob.gt/np/IPC/INFORME_EJECUTIVO_IPC_DICIEMBRE_2011.pdf
<http://www.mintrabajo.gob.gt/index.php/salariominimo>
<http://www.ine.gob.gt/np/CBV/index.htm>
<http://www.ine.gob.gt/index.php/estadisticas/tema-indicadores>

Comments: Agricultural Minimum Wage 2280,34 + 250 (Incentive Bonus) starting January 1st, 2014.

Vital Basic Basket (Canasta Básica Vital) based on 5,38 family members.

Social security represents a 4,83% of the wage.

World Bank 2005 PPP: US\$1= GTQ 4,54. Current exchange rate (September 2nd, 2014): US\$1= GTQ 7,75.

8. Honduras

8.1 Assumptions

Household size and No. of earners

DATA	Unit	2011 Data	2013 Data	I Sem 2014 data	II Sem 2014 Data
Average Family Size	members	6	6	6	6
Number of wage earners	members	2,6	2,6	2,6	2,6

Monthly Wage

DATA	Unit	2011 Data	2013 Data	I Sem 2014 data	II Sem 2014 Data
Official Min.Wage	HNL/month	4.882,79	5.187,48	5.498,73	5.498,73
13th Month Bonus	HNL/month	410,60	432,12	458,04	458,04
14th Month Bonus	HNL/month	410,60	432,12	458,04	458,04
Educational Bonus	HNL/month	116,10	121,31	123,81	123,81
Social Security	HNL/month	217,06	228,40	241,93	241,93
Net wage	HNL/month	5.649,46	5.944,62	6.296,70	6.296,70

8.2 Benchmark data

DATA	Unit	2011 Data	2013 Data	I Sem 2014 data	II Sem 2014 Data
Living wage per Person	HNL/month	1.424,03	1.445,60	1.625,96	1.625,96
Living wage per household	HNL/month	8.544,18	8.673,60	9755,76	9755,76
Living wage per wage earner	HNL/month	3.286,22	3.336	3.752	3.752

Sources: <http://www.trabajo.gob.hn/organizacion/dgt-1/direccion-general-de-salarios/estadisticas>
<http://www.trabajo.gob.hn/biblioteca-y-documentos/leyes/reglamento%20del%20decimo%20cuarto.pdf>
<http://www.trabajo.gob.hn/organizacion/dgt-1/direccion-general-de-salarios/decretos>
<http://www.ine.gob.hn/index.php/datos-y-estadisticas/estadisticas-economicas/indicadores-economicos/58-canasta-basica-de-alimentos>
<http://www.trabajo.gob.hn/organizacion/dgt-1/direccion-general-de-salarios/estadisticas/Costo%20Mensual%20de%20la%20CBA%20ano%202013.docx/view?searchterm=canasta>

Comments: Agricultural Minimum Wage starting January 1st, 2014. Based on a company with 51-150 workers.
 Family Basic Basket (Canasta Familiar Básica) based on 6 family members.
 Social security represents a 3,7% of the wage.
 Educational Bonus for agriculture (company with 50-151 workers) for 2014 is 1485,69 HNL/Year
 13th and 14th Payment Bonus are 2 extra Wages which represent an 8,33% of a monthly wage each.
 For the cost of the per capita Food Basic Basket you divide the cost per household by 6, which is the number of people in the rural area. The per capita cost per day is multiplied by 30, which is the monthly per capita cost. The cost of the basic basket (CB), is developed using the Engel factor which is 1,33 in the rural area.
 World Bank 2005 PPP: US\$1= HNL 9,662. Current exchange rate (September 2nd, 2014): US\$1= HNL 21,11.

Purchasing Power Parity exchange rate: <http://iresearch.worldbank.org/PovcalNet/index.htm?3#>

Current exchange rate (September 2nd, 2014): <http://www.xe.com/currencyconverter/>