

TRACKING MINIMUM AND LIVING WAGES IN THE BANANA SECTOR

World Banana Forum

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Content

1. Cameroon	3
2. Colombia	4
3. Costa Rica	5
4. Dominican Republic.....	6
5. Ecuador	7
6. Ghana.....	8
7. Guatemala.....	9
8. Honduras	10
9. Ivory Coast	12

1. Cameroon

1.1 Assumptions

Household size and No. of earners

DATA	Unit	II Sem 2013 data	I Sem 2014 Data	II Sem 2014 Data	I Sem 2015 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	II Sem 2013 data	I Sem 2014 Data	II Sem 2014 data	I Sem 2015 data
Official Min.Wage	XAF/month	28.246	28.246	36.270	36.270
Net wage	XAF/month	28.246	28.246	36.270	36.270

1.2 Benchmark data

DATA	Unit	II Sem 2013 Data	I Sem 2014 Data	II Sem 2014 data	I Sem 2015 data
Living wage per Person	XAF/month	26.956.47	27.632.70	27.632.70	28.319.23
Living wage per household	XAF/month	161.738.83	165.796.20	165.796.20	169.915.36
Living wage per wage earner	XAF/month	134.782.35	138.163.50	138.163.50	141.596.13

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.com/II/29/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 or 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 2015= XAF 247,50. Inflated basic needs basket cost 2015 (panier de biens de consommation) = 22.454 *(247,50/196,24) = 28.319,23

World Bank 2005 PPP: US\$1=XAF 294,49. Current exchange rate (May 15th, 2015): US\$1=XAF 574,06.

2. Colombia

2.1 Assumptions

Household size and No. of earners

DATA	Unit	II Sem 2013 Data	I Sem 2014 data	II Sem 2014 data	I Sem 2015 data
Average Family Size	members	4	4	4	4
Number of wage earners	members	1,79	1,79	1,79	1,79

Monthly Wage

DATA	Unit	II Sem 2013 Data	I Sem 2014 data	II Sem 2014 data	I Sem 2015 data
Official Min.Wage	COP/Month	589.500	616.000	616.000	644.350
Transportation allowance	COP/Month	70.500	72.000	72.000	72.000
Wage + T.A	COP/Month	660.000	688.000	688.000	716.350
Social Security	COP/Month	47.160	49.280	49.280	51.548
Net wage	COP/Month	612.840	638.720	638.720	664.802

2.2 Benchmark data

DATA	Unit	II Sem 2013 Data	I Sem 2014 data	II Sem 2014 data	I Sem 2015 data
Living wage per Person	COP/Month	220.510	225.447	227.367	229.855
Living wage per household	COP/Month	882.040	901.789	909.468	919.420
Living wage per wage earner	COP/Month	492.760	503.793	508.083	513.642

Sources: http://www.dane.gov.co/files/investigaciones/condiciones_vida/calidad_vida/cp_ECV_2012.pdf
<http://www.mintrabajo.gov.co/diciembre/4112.html>
http://www.dane.gov.co/files/investigaciones/condiciones_vida/pobreza/bol_pobreza_mon_jul13_jun14.pdf

Comments: National Minimum Wage starting January 1st, 2015.

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 2015 is COP 72.000.

Social security represents an 8% of the wage.

World Bank 2005 PPP: US\$1=COP 1.191,742. Current exchange rate (May 15th, 2015): US\$1= COP 2.412, 02.

Collective bargaining

The legislation provides that when collective agreements apply to more than two-thirds of workers of an industry in a specific economic region, the Government may extend the application of the collective agreement, partially or fully, to other companies within the industry in the same region if there is no other collective agreement providing more favourable conditions in those companies. When a collective agreement has been executed by a trade union that represents more than one third of workers of a company, the provisions of the said agreement shall extend to all workers in the company, regardless of whether they are affiliated (ss147,471,472 of the Constitution).

Sintrainagro CBA

Period covered: 2013-2015

Sector-wide: negotiated between SINTRAINAGRO agricultural trade union- whose membership includes 20,000 banana workers – and the Colombian Banana Growers' Association (Source: Bananalink).

Salary increase – the collectively-agreed basic salary and piecework salaries will increase by 4% in the first year, and an increase equal to the increase in the Consumer Price Index (CPI) in the second year.

3. Costa Rica

3.1 Assumptions

Household size and No. of earners

DATA	Unit	II Sem 2013 Data	I Sem 2014 data	II Sem 2014 data	I Sem 2015 data
Average Family Size	members	3.58	3.51	3.51	3.41
Number of wage earners	members	1.39	1.43	1.43	1.43

Monthly Wage

DATA	Unit	II Sem 2013 Data	I Sem 2014 data	II Sem 2014 data	I Sem 2015 data
Official Min.Wage	CRC/day	8.618.72	8.944.51	9.321.97	9.509.34
Christmas Bonus	CRC/day	718.23	745.38	776.83	792.45
Wage + Bonus	CRC/day	9.336.95	9.689.89	10.098.80	10.301.79
Monthly wage	CRC/month	242.760.61	251.937.03	262.568.82	267.846.41
Social Security	CRC/month	22.261.15	23.102.63	24.077.56	24.561.52
Net wage	CRC/month	220.499.47	228.834.41	238.491.26	243.284.89

3.2 Benchmark data

DATA	Unit	II Sem 2013 Data	I Sem 2014 data	II Sem 2014 data	I Sem 2015 data
Living wage per Person	CRC/month	77.864	78.557	82.137	83.026
Living wage per household	CRC/month	278.753	275.735	288.301	283.119
Living wage per wage earner	CRC/month	200.542	192.822	201.609	197.985

Sources: <http://www.inec.go.cr/enaho/result/pobreza.aspx>
<http://www.mtss.go.cr/documentos-varios/Lista%20Salarios%201re%20Semestre%202015.pdf?attredirects=0&d=1>
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

Comments: Agricultural Minimum Wage starting July 1st, 2015.
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 (May 15th, 2015): US\$1=CRC 531,70.

4. Dominican Republic

4.1 Assumptions

Household size and No. of earners

DATA	Unit	II Sem 2013 Data	I Sem 2014 data	II Sem 2014 data	I Sem 2015 data
Average Family Size	members	5	5	5	5
Number of wage earners	members	2	2	2	2

Monthly Wage

DATA	Unit	II Sem 2013 Data	I Sem 2014 data	II Sem 2014 data	I Sem 2015 data
Official Min. Wage	DOP/day	234	234	234	234
Monthly Wage	DOP/month	5.576.22	5.576.22	5.576.22	5.576.22
Christmas Bonus	DOP/month	464.69	464.69	464.69	464.69
Net wage	DOP/month	6.040.91	6.040.91	6.040.91	6.040.91

4.2 Benchmark data

DATA	Unit	II Sem 2013 Data	I Sem 2014 data	II Sem 2014 data	I Sem 2015 data
Living wage per Person	DOP/month	2.391.24	2.427.67	2.467.84	2.509.05
Living wage per household	DOP/month	11.956.20	12.138.34	12.339.20	12.545.27
Living wage per wage earner	DOP/month	5.978.10	6.069.17	6.169.60	6.272.64

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>

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 December 2014: 120,54.

World Bank 2005 PPP: US\$1=DOP 20,396. Current exchange rate (May 15th, 2015): US\$1=DOP 44,84.

5. Ecuador

5.1 Assumptions

Household size and No. of earners

DATA	Unit	II Sem 2013 Data	I Sem 2014 Data	II Sem 2014 data	I Sem 2015 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	II Sem 2013 Data	I Sem 2014 data	II Sem 2014 data	I Sem 2015 data
Official Min.Wage	US\$/month	318	340	340	354
13th Month Bonus	US\$/month	26.5	28.3	28.3	29.5
14th Month Bonus	US\$/month	26.5	28.3	28.3	29.5
Social Security	US\$/month	34.69	31.79	31.79	33.10
Net wage	US\$/month	336.31	364.81	364.81	379.90

5.2 Benchmark data

DATA	Unit	II Sem 2013 Data	I Sem 2014 data	II Sem 2014 data	I Sem 2015 data
Living wage per Person	US\$/month	151.62	157.07	158.59	165.20
Living wage per household	US\$/month	606.48	628.27	634.37	660.80
Living wage per wage earner	US\$/month	379.05	392.67	396.48	413.00

Sources: <http://www.lacamaradeguito.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, 2015.
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 (May 15th, 2015):
US\$1=US\$1.

6. Ghana

6.1 Assumptions

Household size and No. of earners

DATA	Unit	II Sem 2013 Data	I Sem 2014 Data	II Sem 2014 Data	I Sem 2015 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	II Sem 2013 Data	I Sem 2014 Data	II Sem 2014 Data	I Sem 2015 data
Official Min.Wage	GHS/day	5.2	5.2	6.0	7.0
Monthly wage	GHS/month	141.5	141.5	162.0	189.0
Social Security	GHS/month	7.8	7.8	8.9	10.4
Net wage	GHS/month	133.7	133.7	153.1	178.6

6.2 Benchmark data

DATA	Unit	II Sem 2013 Data	I Sem 2014 Data	II Sem 2014 Data	I Sem 2015 data
Living wage per Person	GHS/month	59.6	71.6	78.4	85.1
Living wage per household	GHS/month	262.2	315.2	344.7	374.3
Living wage per wage earner	GHS/month	119.2	143.3	156.7	170.1

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/cpi.html>

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 2015: 502,2/ Inflated lower poverty line 2015: ((288,47*(502,2/188,6)): 768,13/

Upper Poverty Line 2006: 370,89/ Non food component UPL-LPL = 370,89-288,47= 82,42/

Overall CPI 2006: 197,5/ Overall CPI 2015: 605,29/ Inflated Non food

component:(82,42*(605,29/197,5))=252,60/ Annual Living wage: (221,04+719,17)=1020,73. Divided

by 12: Living wage per person

World Bank 2005 PPP: US\$1= GHS 4.475,822. Current exchange rate (May 15th, 2015):

US\$1=GHS 3,95.

7. Guatemala

7.1 Assumptions

Household size and No. of earners

DATA	Unit	II Sem 2013 Data	I Sem 2014 Data	II Sem 2014 data	I Sem 2015 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	II Sem 2013 Data	I Sem 2014 data	II Sem 2014 Data	I Sem 2015 data
Official Min.Wage	GTQ/month	2171.75	2280, 34	2280, 34	2394.40
Productivity Incentive Bonus	GTQ/month	250	250.00	250.00	250.00
Wage + Bonus	GTQ/month	2421.75	2530.34	2530.34	2644.40
Social Security	GTQ/month	116.97	122.22	122.22	127.72
Net wage	GTQ/month	2304.78	2408.12	2408.12	2516.68

7.2 Benchmark data

DATA	Unit	II Sem 2013 Data	I Sem 2014 data	II Sem 2014 Data	I Sem 2015 data
Living wage per Person	GTQ/month	923.84	991.20	1030.78	1097.84
Living wage per household	GTQ/month	4970.26	5332.66	5545.62	5906.39
Living wage per wage earner	GTQ/month	2259.21	2423.94	2520.74	2684.72

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, 2015.
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 (May 15th, 2015): US\$1= GTQ 7,64.

8. Honduras

8.1 Assumptions

Household size and No. of earners

DATA	Unit	II Sem 2013 Data	I Sem 2014 Data	II Sem 2014 data	I Sem 2015 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	II Sem 2013 Data	I Sem 2014 data	II Sem 2014 Data	I Sem 2015 data
Official Min.Wage	HNL/month	5.187.48	5.498.73	5.498.73	5.856.15
13th Month Bonus	HNL/month	432.12	458.04	458.04	487.82
14th Month Bonus	HNL/month	432.12	458.04	458.04	487.82
Educational Bonus	HNL/month	121.31	123.81	123.81	126.51
Social Security	HNL/month	228.40	241.93	241.93	257.46
Net wage	HNL/month	5.944.62	6.296.70	6.296.70	6.700.84

8.2 Benchmark data

DATA	Unit	II Sem 2013 Data	I Sem 2014 data	II Sem 2014 Data	I Sem 2015 data
Living wage per Person	HNL/month	1.445.60	1.625.96	1.625.96	1.735.37
Living wage per household	HNL/month	8.673.60	9755.76	9755.76	10412.21
Living wage per wage earner	HNL/month	3.336	3.752	3.752	4.005

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, 2015. 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 2015 is 1518,19 HNL/Year
13th and 14th Payment Bonus are 2 extra Wages which represent an 8,33% of a monthly wage each.
The cost of the Food Basic Basket is 7828,73 and to 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 (May 15th, 2015): US\$1= HNL 21,96.

Collective bargaining agreements.

Company	Labor Union	Wage per hour	Wage by contract Piecework	Bonus
Dole (Standard Fruit) This company does not have contracts by productivity.	SUTRASFCO	L 28.76	-Each bunch L. 5.9549 -Box 44 lbs L. 5.9482	No bonus
	SITRABARIMASA	L 28.46	-Each bunch L. 4.7527 -Box 44 lbs L. 4.9773	No bonus
Independent producers Sula Valley (north region)	STAS	L 23.68	Integrated box* L.10.28 Paid by worked hours	Annual bonus approx. L. 1800.00
Chiquita (Tela Railroad Company)	SITRATERCO	L. 26.29 L. 6,310.00 Monthly	Integrated Box* L.10.08 each Guarantee wage ** L. 247.15	Monthly and quarterly bonus ***

* This process or piecework is an activity that is done with workers on the farms and the packing plant, from calibration and cutting of the bunch, to final packaging and stowed in boxes, where total boxes processed that day are added to the price per box and is split among all participants in the activity.

** There is a guarantee wage when there is trouble with fruits in the farms which cause a low number of boxes; this salary is L247.15 per workday. In 2015 and 2016 this wage will increase 9% yearly.

***These bonuses are subject to compliance with quality requirements and perfect attendance for the monthly bonus that can be 1000 lempiras for senior workers and 500 lempiras for new workers. (Garcia, Gloria, personal communication, June 10, 2014).

The quarterly bonus is also governed by these specifications; Productivity determines the minimum quarterly produced boxes:

First quarter	592 boxes p/ha
Second quarter	708 boxes p/ha
Third quarter	631 boxes p/ha
Fourth quarter	819 boxes p/ha

Efficiency and performance, is another of the specifications and has to be achieved through a rating of over 85% and finally perfect attendance also has to come to a high rating greater than 85%.

Source: Diaz & Zepeda, 2014. Minimum Wage in Agriculture based on data from CBAs from SITRATERCO, SUTRASFCO, STAS and SITRABARIMASA 2014.

9. Ivory Coast

9.1 Assumptions

Household size and No. of earners

DATA	Unit	I Sem 2015 data
Average Family Size	members	5.34
Number of wage earners	members	0.59

Monthly Wage

DATA	Unit	I Sem 2015 data
Official Min.Wage	XOF/month	60.000
Net wage	XOF/month	60.000

Purchasing Power Parity exchange rate:

<http://iresearch.worldbank.org/PovcalNet/index.htm?3#>

Current exchange rate (May 15th, 2015): <http://www.xe.com/currencyconverter/>