

HONDURAS

STATUTORY AND RECORDED WAGE & MONETARY INCOME LEVELS

BENCHMARK	CALCULATION NOTES	SOURCE	MONTHLY VALUE (HNL)
<p>Legal Minimum Wage (for garment exporting)</p> <p>National Minimum Wage</p>	<ul style="list-style-type: none"> 5,730.45 Honduran lempira (HNL) is the applicable legal minimum wage for 2015 (from January 1, 2015 to December 31, 2015) 	<u>STPS 2015</u>	5,730.45
<p>Industry/sector Wage Comparator</p> <p>National average wage from all twelve different sectors</p>	<ul style="list-style-type: none"> The national average wage is calculated from 12 different minimum wages, in different economic sectors. For 2015, the national average is HNL \$243.09/person/daily. This corresponds to HNL \$30.39/hour and HNL \$7,292.63/per month. 	<u>STPS 2015</u>	7,292.63
<p>Industry/sector Wage Comparator</p> <p>Average wage for manufacturing industry</p>	<ul style="list-style-type: none"> Average monthly wage for manufacturing industry workers during 2014: 5074 Adjusted for inflation using IMF WEO CPI (to 2015 value): 5265.36 	<u>INE Honduras-EPHPM 2014</u>	5265.36

INCOME AND POVERTY BENCHMARKS

BENCHMARK	CALCULATION NOTES	SOURCE	MONTHLY VALUE (HNL)
<p>National Poverty Lines (5 members family)</p>	<ul style="list-style-type: none"> Canasta Basica (CB) represents the total cost of a basic basket of food items plus other school supplies, non-food elements and transportation services. It is mainly composed of food (such as dairy products, meat, fish, vegetable, fruits, basic grains, eggs, flours, pasta, sausages, sugar, bread, and others), as well as non-food items, such as transportation services, and school supplies. The total CB estimated by the Secretariat of Labor in January 2015 was HNL \$7,778.18/month, for a five-member family. 	<p><u>STPS 2015</u></p> <p><u>Secretaria de Desarrollo Economico</u></p>	7,778.18

HONDURAS

INCOME AND POVERTY BENCHMARKS

BENCHMARK	CALCULATION NOTES	SOURCE	MONTHLY VALUE (HNL)
World Bank 'international poverty line' (2011 PPP\$ 3.10/day)	<ul style="list-style-type: none"> Poverty is measured by the World Bank at PPP\$3.10/day. The \$3.10 equivalent is $(11.23 * 3.1) = \text{HNL } 34.81$ On a monthly basis, this is $(\text{HNL } 34.81 * (365/12)) = \text{HNL } 1058.90$. Adjusted for inflation, this amount is $[209.51 (286.44 (\text{CPI } 2015)/276.03 (\text{CPI } 2014)) * \text{HNL } 1058.90] \text{ HNL } 1098.83/\text{person/month}$ The household equivalent of HNL 1098.83, assuming two consumption units and one earner is HNL 2197.66/month. 	<u>WB 2011 ICP</u>	2,197.66
	<ul style="list-style-type: none"> The household equivalent of HNL 1098.83, assuming three consumption units and one earner is HNL 3296.49/month. 		3,296.49
Living Wage Estimate EMIH (5-member family)	<ul style="list-style-type: none"> Following the study "Towards a living wage in the maquila sector in Central America" conducted initially in 2013 by the Maquila Solidarity Network, and four civil society organizations working in Central America, EMIH published an update in 2014, providing HNL 16,077.60 household/month as a living wage based on a household of five members. The methodology is based on comparing the cost of the "Canasta Básica Vital or Canasta Ampliada ('extended basket') with the maquila sector minimum wage Adjusted for inflation using IMF WEO ICP (to 2015 value): 16683.93/household/month. 	<u>Equipo de Monitoreo Independiente de Honduras (EMIH)</u>	16,683.93
Living wage Estimate Worker Rights Consortium/ CAP (1 adult, 2 children, and 1 earner)	<ul style="list-style-type: none"> The figure comes from a paper prepared for the Center for American Progress (CAP) by the Worker Rights Consortium (WRC). The living wage figure for Dominican Republic for 2011 was DOP 21,236.96 (based on the 2008 WRC living-wage figure and adjusted using consumer-price-inflation from the World Bank, see p.16 and Table 2 in p.18 of the report). The WRC assumed that the average worker has a family of four, and that one of the family members represents an additional wage earner whose income covers one-quarter of a family's expenses. The living wage for a full-time worker is based on the amount that is sufficient to cover the expenditures of three of the four family members—one adult and two school-age children. Figure of 9,845.25 HNL (2011) was extrapolated from Dominican Republic 21,236.96 DOP/household/ month (2011) using PPP\$ conversion factors and adjusting for CPI inflation (see p.16 and Table 2 on p.18 of the report). Adjusted for inflation rate using IMF WEO CPI (to 2015 value): 11,995 	<u>Worker Rights Consortium/ CAP</u>	11,995

MEDIAN FACTORY COMPENSATION COMPARED TO BENCHMARKS

HONDURAS (1) *Currency: Lempira (HNL)*



Basic Contracted Wage

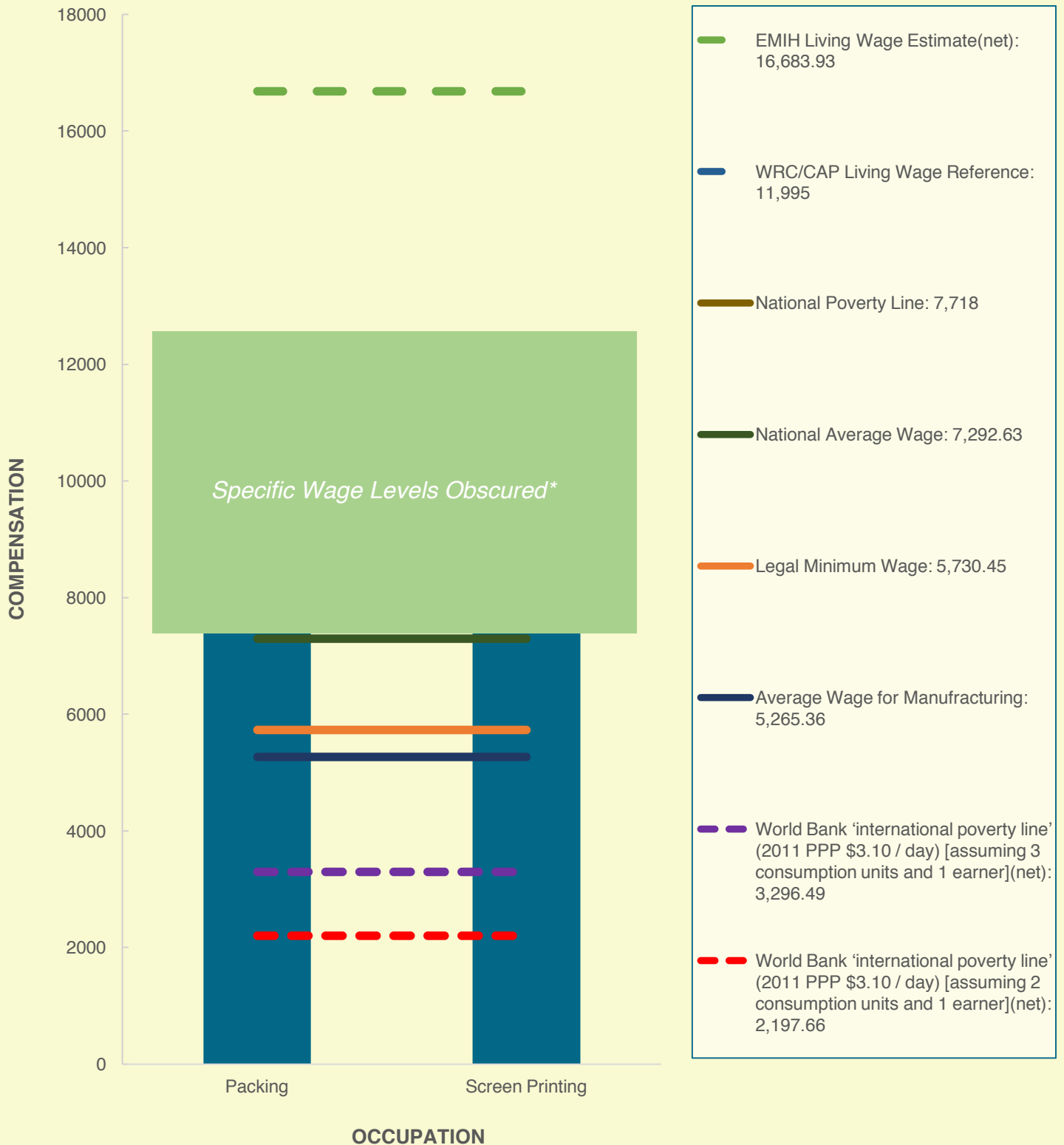
Cash Benefit

In-Kind Benefit

Incentives

MEDIAN FACTORY COMPENSATION COMPARED TO BENCHMARKS

HONDURAS (2) *Currency: Lempira (HNL)*



Basic Contracted Wage

Cash Benefit

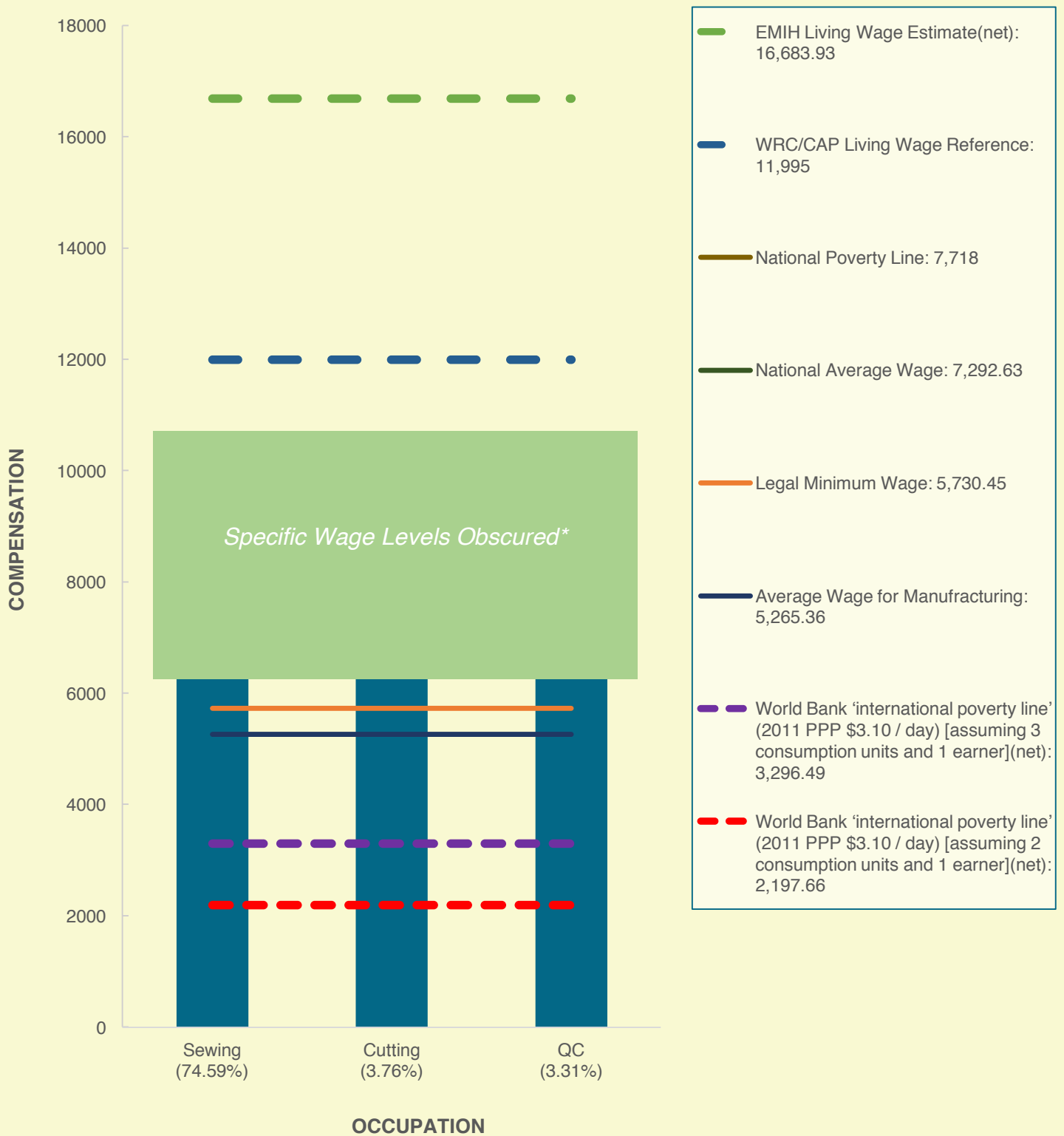
In-Kind Benefit

Incentives

* Specific wage levels have been obscured in an abundance of caution to avoid the potential disclosure of information that may be competitively sensitive.

MEDIAN FACTORY COMPENSATION COMPARED TO BENCHMARKS

HONDURAS (3) *Currency: Lempira (HNL)*



Basic Contracted Wage

Cash Benefit

In-Kind Benefit

Incentives

* Specific wage levels have been obscured in an abundance of caution to avoid the potential disclosure of information that may be competitively sensitive.