

JORDAN

STATUTORY AND RECORDED WAGE & MONETARY INCOME LEVELS

BENCHMARK	CALCULATION NOTES	SOURCE	MONTHLY VALUE (JOD)
Legal Minimum Wage	<ul style="list-style-type: none"> The legal minimum wage is 110 Jordanian Dinars (JOD) for all workers. In addition to this minimum, local workers receive an additional 80 as a living allowance whereas migrant workers receive accommodations in kind. This in-kind wage is estimated as 20 for 2014, 40 for 2015, 60 for 2016 and 80 for 2017. 	<u>Garment Trade Union of Jordan</u>	190 for Locals 110 for Migrants

INCOME AND POVERTY BENCHMARKS

BENCHMARK	CALCULATION NOTES	SOURCE	MONTHLY VALUE (JOD)
National Poverty Lines (5.67-member family)	<ul style="list-style-type: none"> National poverty line developed by the Ministry of Planning and International Cooperation and the Ministry of Social Development of the Kingdom of Jordan. Poverty line is JOD 680 per capita per year, or JOD 57 per individual per month, and JOD 323 per household per month (5.67 members). Information is based on 2008 data from the Household Expenditure and Income Survey. Adjusted for inflation using IMF WEO CPI (to 2015 value): 395.39 	<u>Earth Institute, Columbia University 2012: Background Document for the National Poverty Reduction Strategy Hashemite Kingdom of Jordan</u>	395.39

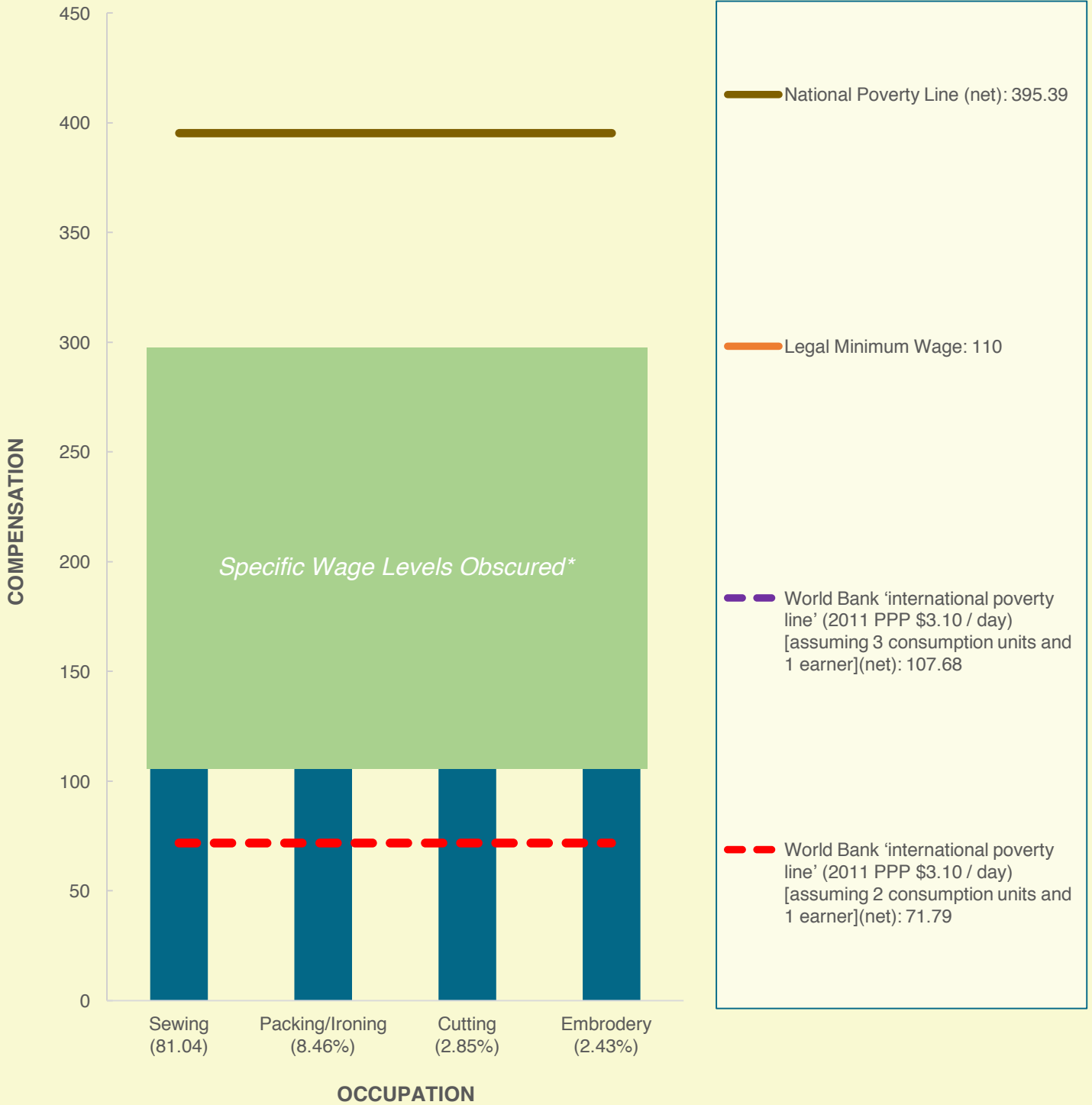
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INCOME AND POVERTY BENCHMARKS

BENCHMARK	CALCULATION NOTES	SOURCE	MONTHLY VALUE (JOD)
World Bank 'international poverty line' (2005 PPP\$ 2.00 / day)	<ul style="list-style-type: none"> Following the World Bank recommendation, we used the 2005 Purchasing Power Parity (PPP) conversion factor, adjusted for inflation. The reason for this is that when the World Bank recently updated its poverty thresholds, the study considered that for a small set of countries, including Bangladesh, Laos, Cambodia, Cape Verde, Jordan, the Arab Republic of Egypt, Iraq, and the Republic of Yemen, the 'extrapolated' 2005 PPP\$ (adjusted for inflation) was more accurate as a measure of poverty/living costs than the 2011 PPP\$. Therefore, as an exception, the best like-for-like comparison with countries' minimum wages in converted to 2011 PPP\$ for Jordan is the 2005 PPP conversion factor, adjusted for inflation. For more info, see pages 30-31 of the World Bank Group/IMF, 2016, Global Monitoring Report 2015/16 Development Goals in an Era of Demographic Change, at http://pubdocs.worldbank.org/pubdocs/publicdoc/2015/10/503001444058224597/Global-Monitoring-Report-2015.pdf For World Bank international poverty line, poverty is measured at PPP\$3.10 a day; for international extreme poverty line, it is measured at PPP\$1.90 a day. However, due to the reasons stated above, for the set of countries, Jordan included, the former standard poverty benchmarks of PPP\$1.25/day (extreme poverty line) and PPP\$2/day (international poverty line) are used instead of the updated \$1.90/day \$3.10/day lines. The \$2/day equivalent is $(0.38 * 2) = \text{JOD } 0.76$ On a monthly basis, this is $(\text{JOD } 0.76 * (365/12)) = \text{JOD } 23.12$ Adjusted for inflation using IMF WEO CPI, this amount is $[117.63 (\text{CPI } 2015)/75.76 (\text{CPI } 2005) * \text{JOD } 23.12] = \text{JOD } 35.89/\text{person}/\text{month}$ The household equivalent of JOD 35.89, assuming two consumption units and one earner is JOD 71.79 $(2/1 * \text{JOD } 35.89)$ 	<u>World Bank</u>	71.79
	<ul style="list-style-type: none"> The household equivalent of JOD 35.89, assuming three consumption units and one earner is JOD 107.68 $(3/1 * \text{JOD } 35.89)$ 		107.68

FACTORY ASSESSMENT COMPENSATION DATA AND CONTINUUM

JORDAN *Currency: Jordanian Dinar (JOD)*



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.