

DOMINICAN REPUBLIC

STATUTORY AND RECORDED WAGE & MONETARY INCOME LEVELS

BENCHMARK	CALCULATION NOTES	SOURCE	MONTHLY VALUE (DOP)
Legal Minimum Wage	<ul style="list-style-type: none"> 8,310 Dominican Pesos (DOP) since Oct. 2015 7,220 DOP before Oct. 2015 		8,310
Industry/sector wage comparator Average Income from wages	<ul style="list-style-type: none"> Average wage income across entire economy for year 2014 (Ingreso promedio por hora de los ocupados por sector de ocupación y sexo, 2008 - 2014): DOP 13,660.75 Adjusted for inflation rate using IMF WEO CPI (to 2015 value): DOP 13815.71 	<u>Oficina Nacional de Estadística</u>	13,815.71

INCOME AND POVERTY BENCHMARKS

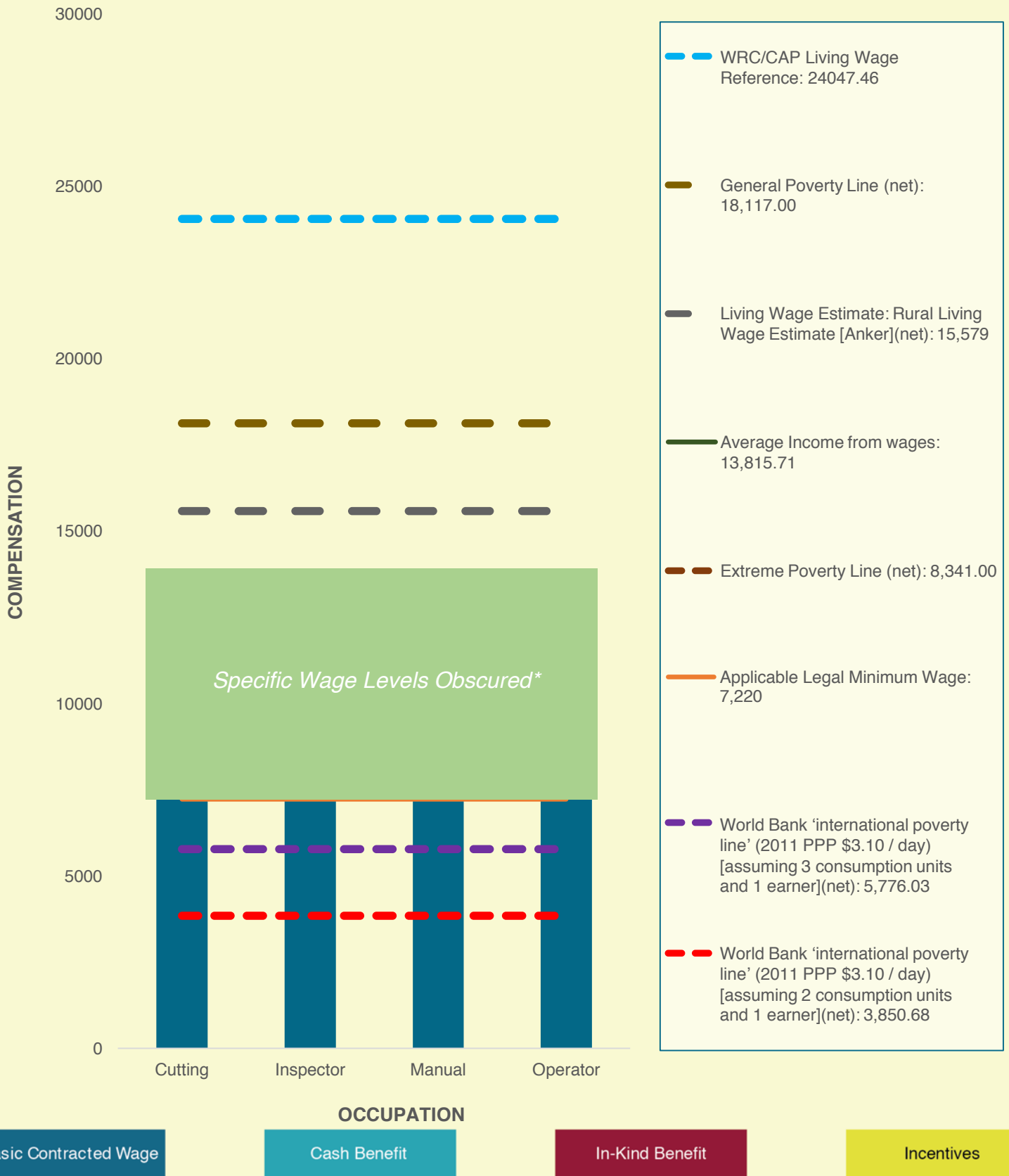
BENCHMARK	CALCULATION NOTES	SOURCE	MONTHLY VALUE (DOP)
World Bank 'international poverty line' (2011 PPP\$ 3.10/day)	<ul style="list-style-type: none"> Poverty is measured by the World Bank at Purchasing Power Parity (PPP) \$3.10/day. The 2011 PPP conversion factor for Dominican Republic in 2014 is 20.19 (DOP). The \$3.10 equivalent is $(20.19 * 3.1) = \text{DOP } 62.59$ On a monthly basis, this is $(\text{DOP } 62.59 * (365/12)) = \text{DOP } 1903.75$. Adjusted for inflation, this amount becomes $[119.56(\text{CPI } 2015)/118.22(\text{CPI } 2014) * \text{DOP } 1903.75] = \text{DOP } 1925.34/\text{person/month}$ The household equivalent of DOP 1925.34, assuming two consumption units and one earner is DOP 3850.69/month. 	<u>WB 2011 ICP</u>	3,850.69
	<ul style="list-style-type: none"> The household equivalent of DOP is 1925.34; assuming three consumption units and one earner this becomes DOP 5776.03/month. 		5,776.03
General Poverty Line (4-member household)	<ul style="list-style-type: none"> The General Poverty Line (Linea de Pobreza General [LP]) is a national statistic, which represents the level of income needed to meet basic needs and provide more than the minimal daily caloric requirement for an adult, estimated nationally at 2,157 calories, based on data from the National Income and Expenditure Survey 2007 (ENIGH) and nutritional recommendations from Public Health Ministry. The data is generated by the Comité Interinstitucional de Medicion de Pobreza (CTP) using a national estimate. For September 2015 the value was DOP 18,117.00 household/month, for a four-member household. 	<u>CTP September 2015</u>	18,117

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Extreme Poverty Line (4-member household)	<ul style="list-style-type: none"> The extreme poverty line (Linea de Pobreza Extrema [LPE]) is a national statistic, which represents a level of income that can provide no more than the minimal daily caloric requirement for an adult. The data is generated by the Comité Interinstitucional de Medicion de Pobreza (CTP) using the national estimate. For September 2015 the value was DOP 8,341.00 household/month for a four-member household. 	<u>CTP</u> <u>September</u> <u>2015</u>	8,341
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). For Dominican Republic for 2011 the figure was 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 on p.18 of the WRC 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. Adjusted for inflation rate using IMF WEO CPI (to 2015 value): 24,047 	<u>Worker</u> <u>Rights</u> <u>Consortium/</u> <u>CAP 2013</u>	24,047
Living Wage Estimate Rural Living Wage Estimate (Anker) (2 adults, 2 children, 1.67 earners)	<ul style="list-style-type: none"> Living wage estimate 14,956 DOP is based on the cost of a nutritious diet, the cost of basic acceptable decent housing, and the cost of all other needs at a decent level, using methodology developed by Richard and Martha Anker. The report estimates a living wage for rural areas of the Dominican Republic with a focus on the banana-growing region in the north. Household expenses were estimated based on a family size of four (two adults and two children) and defrayed family living costs over an average of 1.67 workers per couple based on labor force participation rates, unemployment rates, and part-time employment rates in rural Dominican Republic. Adjusted for inflation using IMF WEO CPI (to 2015 value): 15579 	<u>Fairtrade</u> <u>and SAI</u> <u>2013</u>	15,579

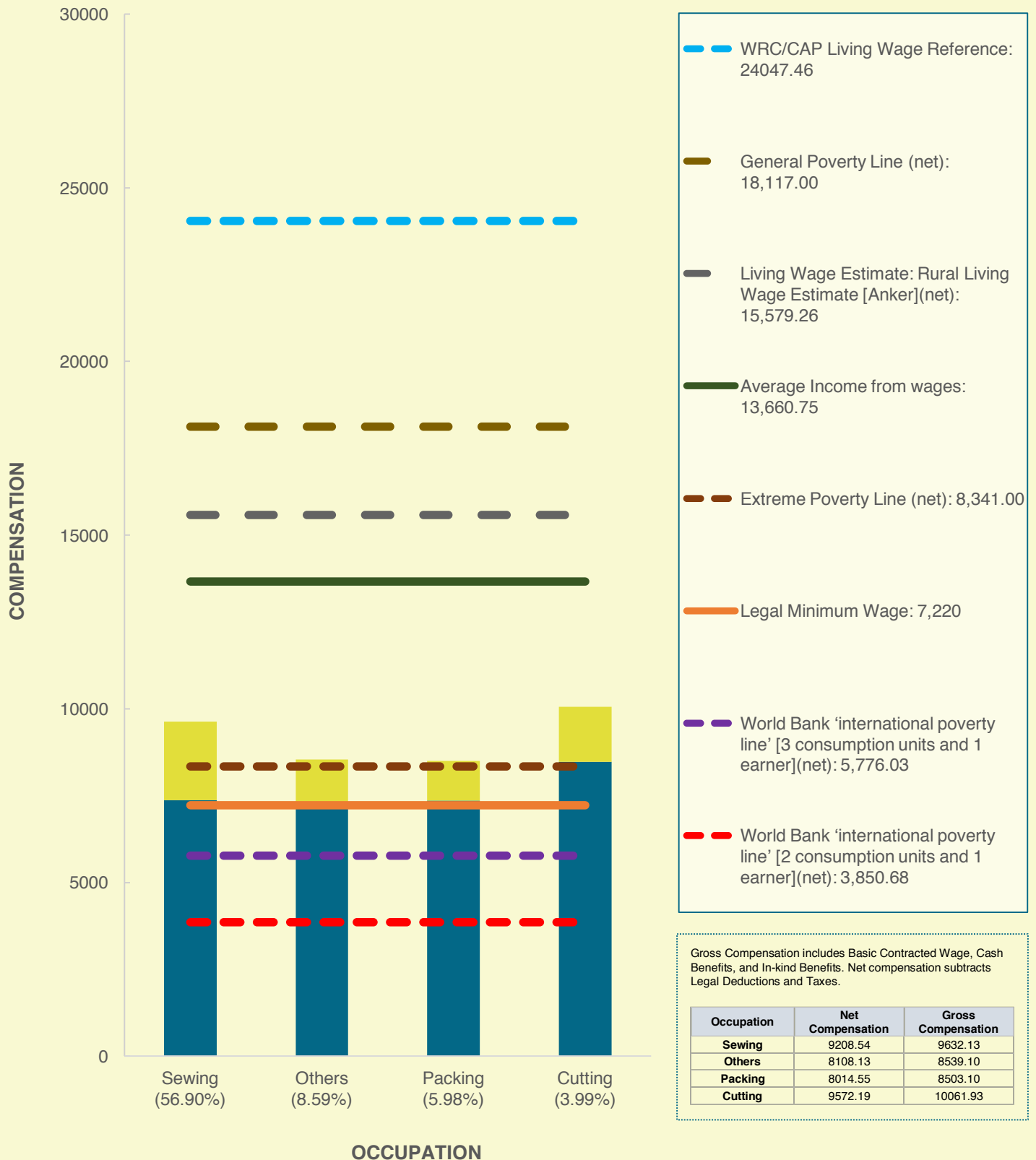
FACTORY ASSESSMENT COMPENSATION DATA AND CONTINUUM DOMINICAN REPUBLIC (1) *Currency: Dominican Peso (DOP)*



* 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

DOMINICAN REPUBLIC (2) *Currency: Dominican Peso (DOP)*



Basic Contracted Wage

Cash Benefit

In-Kind Benefit

Incentives