

## Minimum wages in the global garment industry

By Malte Luebker | ILO Regional Office for Asia and the Pacific | luebker@ilo.org

**This research note provides a brief overview of minimum wages for the garment sector in the top 25 apparel exporters from the developing world.**

### Complex minimum wage structures

Across the globe all major garment exporters (with the exception of Singapore) have put in place minimum wages. However, the level of minimum wages varies widely between countries – from US\$66 in Sri Lanka (for unskilled garment workers in their first year) to US\$1,032 in the Republic of Korea (where a national minimum wage applies).

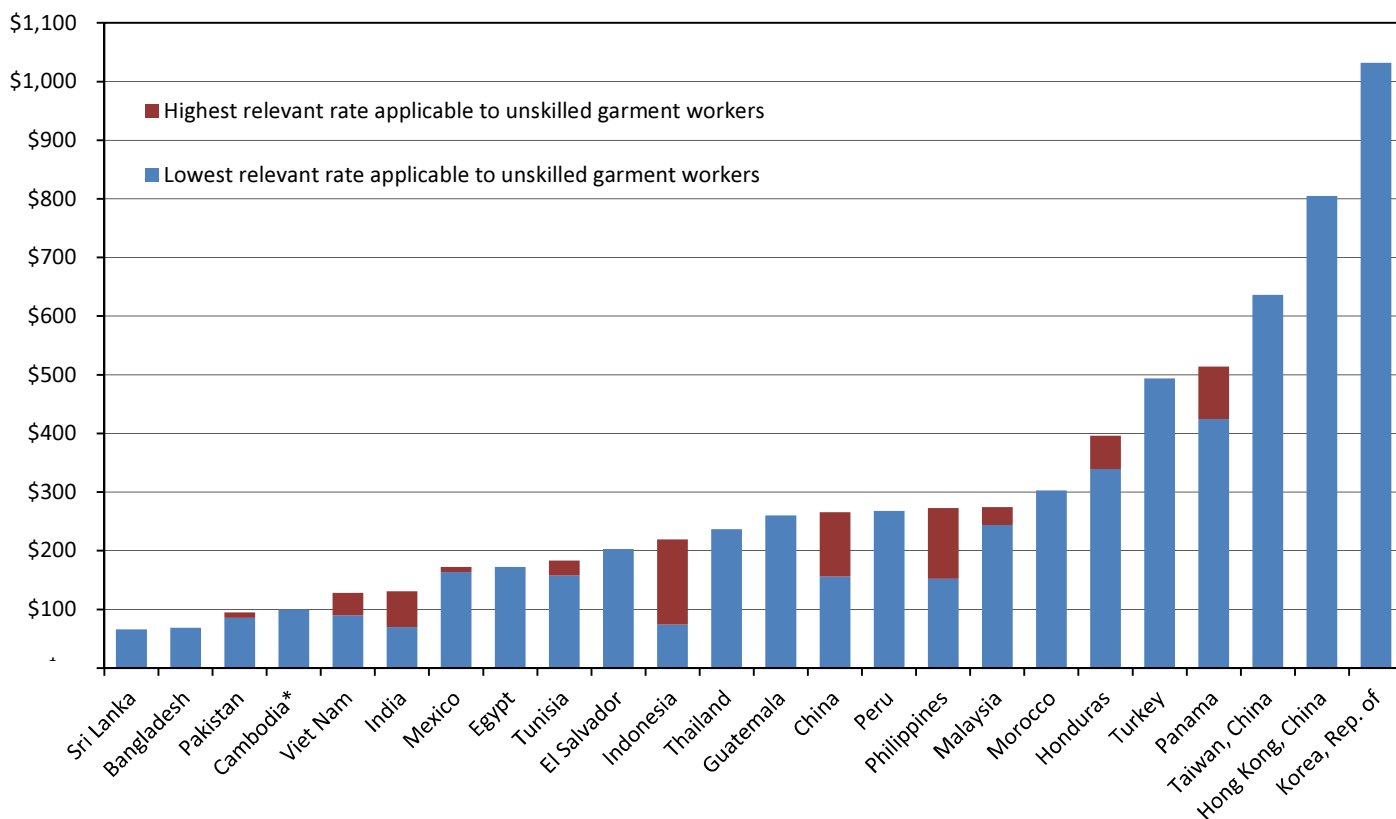
Many countries have more than one minimum wage that applies for the garment sector, which complicates international comparisons. For example, each Indian state sets minimum wages, sometimes differentiating further by

industry and skill grade. In Indonesia, provinces, regencies and towns can set their own minimum wage rates.

Compiling each and every minimum wage rate for the garment sector is therefore a nearly impossible task. For countries with complex minimum wage structures, Table I therefore only selects the most representative rates – for instance, by focussing on the Indonesian provinces where most of the garment industry is concentrated. Figure I further simplifies this by indicating the range of minimum wages, i.e. the lowest and highest relevant rate that applies to unskilled workers in the garment industry.

The 25 economies covered in this research note account for 97 per cent of global garment exports from developing and emerging economies; the top 15 Asian exporters alone have a combined market share of 86 per cent (as of 2012).

**Figure I: Monthly minimum wages in the garment industry for the top 25 apparel-exporting countries, in US\$ as of 1 January 2014 (lowest and highest relevant rate applicable to unskilled workers)**



\* Effective as of 1 February 2014.

**Note:** All rates refer to the lowest skill grade and new entrants; see Table I for further details. Singapore has no minimum wage and is omitted.

**Source:** ILO compilation based on national sources. Exchange rates are from IMF and, where not available from the IMF, from xe.net.

**Table I: Minimum wage rates in the top 25 apparel-exporting developing countries, as of 1 January 2014  
(in national currency and in US\$)**

#	Country or economy	Specificity (e.g. province or sector)	Currency	Minimum wage, LCU	Reference period	Monthly equivalent*	FX rate	Minimum wage, US\$	Effective as of
1	China	Guangdong, Class D	CNY	1 010	Monthly	1 010	6.099	\$166	01-May-13
		Guangdong, Class C	CNY	1 130	Monthly	1 130	6.099	\$185	01-May-13
		Guangdong, Class B	CNY	1 310	Monthly	1 310	6.099	\$215	01-May-13
		Guangdong, Class A	CNY	1 550	Monthly	1 550	6.099	\$254	01-May-13
		Shandong, Class C	CNY	1 080	Monthly	1 080	6.099	\$177	01-Mar-13
		Shandong, Class B	CNY	1 220	Monthly	1 220	6.099	\$200	01-Mar-13
		Shandong, Class A	CNY	1 380	Monthly	1 380	6.099	\$226	01-Mar-13
		Jiangsu, Class C	CNY	1 100	Monthly	1 100	6.099	\$180	01-Jul-13
		Jiangsu, Class B	CNY	1 280	Monthly	1 280	6.099	\$210	01-Jul-13
		Jiangsu, Class A	CNY	1 480	Monthly	1 480	6.099	\$243	01-Jul-13
		Fujian, Class D	CNY	950	Monthly	950	6.099	\$156	01-Aug-13
		Fujian, Class C	CNY	1 050	Monthly	1 050	6.099	\$172	01-Aug-13
		Fujian, Class B	CNY	1 170	Monthly	1 170	6.099	\$192	01-Aug-13
		Fujian, Class A	CNY	1 320	Monthly	1 320	6.099	\$216	01-Aug-13
		Zhejiang, Class D	CNY	1 080	Monthly	1 080	6.099	\$177	01-Jan-13
		Zhejiang, Class C	CNY	1 200	Monthly	1 200	6.099	\$197	01-Jan-13
		Zhejiang, Class B	CNY	1 310	Monthly	1 310	6.099	\$215	01-Jan-13
		Zhejiang, Class A	CNY	1 470	Monthly	1 470	6.099	\$241	01-Jan-13
		Shanghai	CNY	1 620	Monthly	1 620	6.099	\$266	01-Apr-13
		2	Hong Kong, China	Statutory minimum wage	HKD	30	Hourly	6 240	7.7525
3	Bangladesh	Garment industry, Grade VII	BDT	5 300	Monthly	5 300	77.5	\$68	late 2013
		Garment industry, Grade VI	BDT	5 678	Monthly	5 678	77.5	\$73	late 2013
		Garment industry, Grade V	BDT	6 032	Monthly	6 032	77.5	\$78	late 2013
		Garment industry, Grade IV	BDT	6 420	Monthly	6 420	77.5	\$83	late 2013
		Garment industry, Grade III	BDT	6 805	Monthly	6 805	77.5	\$88	late 2013
		Garment industry, Grade II	BDT	10 900	Monthly	10 900	77.5	\$141	late 2013
		Garment industry, Grade I	BDT	13 000	Monthly	13 000	77.5	\$168	late 2013
4	Viet Nam	Regional (Region IV)	VND	1 900 000	Monthly	1 900 000	21 075	\$90	01-Jan-14
		Regional (Region III)	VND	2 100 000	Monthly	2 100 000	21 075	\$100	01-Jan-14
		Regional (Region II)	VND	2 400 000	Monthly	2 400 000	21 075	\$114	01-Jan-14
		Regional (Region I)	VND	2 700 000	Monthly	2 700 000	21 075	\$128	01-Jan-14
5	Turkey	National level (gross minimum wage)	TRY	1 071	Monthly	1 071	2.1700	\$494	01-Jan-14
6	India	Rajasthan, textile industry, unskilled	INR	166.00	Daily	4 316	61.9	\$70	01-May-13
		Rajasthan, textile industry, semi-skilled	INR	176.00	Daily	4 576	61.9	\$74	01-May-13
		Rajasthan, textile industry, skilled	INR	186.00	Daily	4 836	61.9	\$78	01-May-13
		Rajasthan, textile industry, highly skilled	INR	236.00	Daily	6 136	61.9	\$99	01-May-13
		Karnataka, tailoring, unskilled (zone IV)	INR	183.22	Daily	4 764	61.9	\$77	01-Apr-13
		Karnataka, tailoring, semi-skilled (zone IV)	INR	191.12	Daily	4 969	61.9	\$80	01-Apr-13
		Karnataka, tailoring, skilled (zone IV)	INR	193.52	Daily	5 032	61.9	\$81	01-Apr-13
		Karnataka, tailoring, highly skilled (zone I)	INR	200.82	Daily	5 221	61.9	\$84	01-Apr-13
		Uttar Pradesh, garments, unskilled	INR	200.00	Daily	5 200	61.9	\$84	01-Oct-14
		Uttar Pradesh, garments, semi-skilled	INR	228.00	Daily	5 928	61.9	\$96	01-Oct-14
		Uttar Pradesh, garments, skilled	INR	253.08	Daily	6 580	61.9	\$106	01-Oct-14
		Madhya Pradesh, manufacturing, unskilled	INR	212.30	Daily	5 520	61.9	\$89	01-Oct-13
		Madhya Pradesh, manufacturing, semi-skilled	INR	217.31	Daily	5,650	61.9	\$91	01-Oct-13

#	Country or economy	Specificity (e.g. province or sector)	Currency	Minimum wage, LCU	Reference period	Monthly equivalent*	FX rate	Minimum wage, US\$	Effective as of
		Madhya Pradesh, manufacturing, skilled	INR	223.08	Daily	5 800	61.9	\$94	01-Oct-13
		Gujarat, garments, Category V (zone III)	INR	214.20	Daily	5 569	61.9	\$90	01-Oct-13
		Gujarat, garments, Category I (zone I)	INR	224.50	Daily	5 837	61.9	\$94	01-Oct-13
		Punjab, RMG, semi-skilled (lowest)	INR	219.20	Daily	5 699	61.9	\$92	01-Sep-13
		Punjab, RMG, skilled (highest)	INR	418.10	Daily	10 871	61.9	\$176	01-Sep-13
		Haryana, RMG, unskilled	INR	205.44	Daily	5 341	61.9	\$86	01-Jul-13
		Haryana, RMG, semi-skilled B	INR	215.44	Daily	5 601	61.9	\$90	01-Jul-13
		Haryana, RMG, highly skilled	INR	230.00	Daily	5 980	61.9	\$97	01-Jul-13
		Maharashtra, garments, unskilled (zone III)	INR	6 188.10	Monthly	6 188	61.9	\$100	01-Jul-13
		Maharashtra, factories, skilled (zone I)	INR	6 788.10	Monthly	6 788	61.9	\$110	01-Jul-13
		Delhi, RMG, unskilled	INR	311.00	Daily	8 086	61.9	\$131	01-Oct-13
		Delhi, RMG, semi-skilled	INR	343.00	Daily	8 918	61.9	\$144	01-Oct-13
		Delhi, RMG, skilled	INR	377.00	Daily	9 802	61.9	\$158	01-Oct-13
<b>7</b>	<b>Indonesia</b>	Town (Central Java, UMK Semarang city)	IDR	1 423 500	Monthly	1 423 500	12 242	\$116	01-Jan-14
		District (Central Java, UMK Purworejo)	IDR	910 000	Monthly	910 000	12 242	\$74	01-Jan-14
		District (West Java, UMK Majalengka)	IDR	1 000 000	Monthly	1 000 000	12 242	\$82	01-Jan-14
		District, sectoral (West Java, UMK Bekasi district, Textile)	IDR	2 496 394	Monthly	2 686 149	12 242	\$219	01-Jan-14
		Provincial (South Kalimantan)	IDR	1 620 000	Monthly	1 620 000	12 242	\$132	01-Jan-14
		Provincial (North Sumatra)	IDR	1 505 850	Monthly	1 505 850	12 242	\$123	01-Jan-14
		Provincial (Riau)	IDR	1 700 000	Monthly	1 700 000	12 242	\$139	01-Jan-14
		Provincial (East Kalimantan)	IDR	1 886 315	Monthly	1 886 315	12 242	\$154	01-Jan-14
		Provincial (Jakarta)	IDR	2 441 301	Monthly	2 441 000	12 242	\$199	01-Jan-14
<b>8</b>	<b>Cambodia**</b>	Garment and shoe industry, regular worker	USD	100	Monthly	100	1.0	\$100	01-Feb-14
<b>9</b>	<b>Malaysia</b>	Regional (East Malaysia)	MYR	800	Monthly	800	3.2780	\$244	01-Jan-13
		Regional (Peninsula Malaysia)	MYR	900	Monthly	900	3.2780	\$275	01-Jan-13
<b>10</b>	<b>Mexico</b>	General minimum wage (Area A)	MXN	67.29	Daily	1 750	13.10	\$134	01-Jan-14
		Cutters in shoe factories (Area A)	MXN	88.06	Daily	2 290	13.10	\$175	01-Jan-14
		Sewing in garment factories (Area A)	MXN	86.84	Daily	2 258	13.10	\$172	01-Jan-14
		Sewing in homeworking (Area A)	MXN	89.43	Daily	2 325	13.10	\$177	01-Jan-14
		General minimum wage (Area B)	MXN	63.77	Daily	1 658	13.10	\$127	01-Jan-14
		Cutters in shoe factories (Area B)	MXN	83.62	Daily	2 174	13.10	\$166	01-Jan-14
		Sewing in garment factories (Area B)	MXN	82.48	Daily	2 144	13.10	\$164	01-Jan-14
		Sewing in homeworking (Area B)	MXN	84.71	Daily	2 202	13.10	\$168	01-Jan-14
<b>11</b>	<b>Thailand</b>	National level	THB	300	Daily	7 800	32.91	\$237	01-Jan-13
<b>12</b>	<b>Pakistan</b>	Provincial (Sindh)	PKR	10 000	Monthly	10 000	105.49	\$95	ca. 2013
		Provincial (Baluchistan)	PKR	9 000	Monthly	9 000	105.49	\$85	ca. 2013
		Provincial (Khyber Pakhtunkhwa)	PKR	10 000	Monthly	10 000	105.49	\$95	ca. 2013
		Provincial (Punjab)	PKR	10 000	Monthly	10 000	105.49	\$95	ca. 2013
<b>13</b>	<b>Sri Lanka</b>	Textiles manufacture, unskilled grade IV, 1st year	LKR	8 625	Monthly	8 625	130.7	\$66	01-Jan-13
		Textiles manufacture, unskilled grade IV, 5th year	LKR	9 025	Monthly	9 025	130.7	\$69	01-Jan-13
		Textiles manufacture, semi-skilled grade III, 1st year	LKR	9 075	Monthly	9 075	130.7	\$69	01-Jan-13

#	Country or economy	Specificity (e.g. province or sector)	Currency	Minimum wage, LCU	Reference period	Monthly equivalent*	FX rate	Minimum wage, US\$	Effective as of
		Textiles manufacture, skilled grade II, 1st year	LKR	9 125	Monthly	9 125	130.7	\$70	01-Jan-13
		Textiles manufacture, skilled grade IA, 1st year	LKR	10 530	Monthly	10 530	130.7	\$81	01-Jan-13
		Textiles manufacture, skilled grade IA, 10th year	LKR	11 330	Monthly	11 330	130.7	\$87	01-Jan-13
14	Morocco	Non-agricultural, textile and clothing sector (SMIG)	MAD	11.97	Hourly	2 490	8.22	\$303	01-Jul-13
15	Tunisia	Non-agricultural (SMIG), 40-hour week	TND	259.48	Monthly	259	1.647	\$158	01-Jul-12
		Non-agricultural (SMIG), 48-hour week	TND	301.81	Monthly	302	1.647	\$183	01-Jul-12
16	Honduras	Manufacturing, 1-10 employees	HNL	6 859	Monthly	6 859	20.22	\$339	01-Jan-14
		Manufacturing, 11-50 employees	HNL	7 296	Monthly	7 296	20.22	\$361	01-Jan-14
		Manufacturing, 51-150 employees	HNL	7 746	Monthly	7 746	20.22	\$383	01-Jan-14
		Manufacturing, 151+ employees	HNL	8 006	Monthly	8 006	20.22	\$396	01-Jan-14
17	Korea, Rep. of	National minimum wage	KRW	1 088 890	Monthly	1 088 890	1 055.3	\$1,032	01-Jan-14
18	El Salvador	Maquila, textiles and apparel sector	USD	202.80	Monthly	203	1.0	\$203	01-Jan-14
19	Panama	Large manufacturing enterprise (Region I)	PAB	513.76	Monthly	514	1.0	\$514	01-Jan-14
		Large manufacturing enterprise (Region II)	PAB	424.32	Monthly	424	1.0	\$424	01-Jan-14
20	Philippines	Provincial (Region V Bicol), non-agriculture	PHP	260	Daily	6 760	44.398	\$152	10-Jan-14
		Provincial (Region VII Central Visayas, Class A), non-agri.	PHP	327	Daily	8 502	44.398	\$191	07-Dec-12
		Provincial (Region III, Central Luzon), non-agriculture	PHP	336	Daily	8 736	44.398	\$197	11-Oct-12
		Provincial (Region IVa Calabarzon, GCA), non-agri.	PHP	350	Daily	9 087	44.398	\$205	15-May-12
		Provincial (National Capital Region), non-agriculture	PHP	466	Daily	12 116	44.398	\$273	01-Jan-14
21	Peru	National level	PEN	750	Monthly	750	2.80	\$268	01-Jun-12
22	Egypt	National level (application to private sector pending)	EGP	1 200	Monthly	1 200	6.96	\$172	01-Jan-14
23	Singapore	None	SGD	0	n/a	0	1.264	\$0	n/a
24	Guatemala	Export activities and maquila (daily, plus Q250 monthly bonus)	GTQ	68.91	Daily	2 042	7.842	\$260	01-Jan-14
25	Taiwan, China	General minimum wage	TWD	19 047	Monthly	19 047	29.94	\$636	01-Apr-13

\* For countries that set hourly and daily minimum wages, these have been converted into monthly rates on the assumption of a 48-hour work-week and 6 working days per week (unless a monthly equivalent was calculated by national authorities).

\*\* As of 2 January 2014.

**Notes:** Column # is the rank by total value of apparel exports in 2012 as recorded by UNCTAD and may contain re-exports (especially in the case of Singapore, Hong Kong (China) and Taiwan (China)). All minimum wages are as of 1 January 2014, with the exception of Cambodia (as of 1 February 2014) and the Philippines (where the lowest relevant rate is effective as of 10 January 2014). The table reflects variations by enterprise size and, where applicable, by province, region or state for the main apparel-producing locations.

**Source:** ILO compilation based on national sources. Exchange rates are from the IMF and, where not available from this source, from xe.net.

## Contact Information

ILO Regional Office for Asia and the Pacific  
 United Nations Building  
 Rajdamnern Nok Avenue, Bangkok 10200, Thailand  
 Tel.: +66 2 288 1234 | Fax: +66 2 288 3062  
 Internet: [www.ilo.org/asia](http://www.ilo.org/asia)  
 Email: [bangkok@ilo.org](mailto:bangkok@ilo.org)

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