## Updated August $20^{\text {th }}, 2018$

## Australia (Australian dollars, \$A)

The Federal Minimum Wage (FMW) (for persons aged 21 years and over) was established by the Australian Industrial Relations Commission (AIRC) in its April 1997 Safety Net Review - Wages decision. Only applies to employees covered by a Federal award (in 1997, around $40 \%$ of all employees), but has since been incorporated into most State awards. A minimum wage had also been in operation from 1966 onwards but it had fallen into disuse during the early 1980s (falling behind wage growth generally as only indexed to price inflation) and was formally abandoned in 1986. The FMW has been extrapolated back to 1985 in line with increases in C14 wages in the Metals Industry Award and National Wage Case decisions. Since, December 2006, the FMW has been set by the Fair Pay Commission.
There is no separate legislation on minimum wages in Australia but there are statutory minimum wages which are regulated by the Fair Work Act (FWA) 2009 deals explicitly with minimum wages. Any determinations made to vary minimum wages in modern awards or a national minimum wage order will apply from the first full pay period on or after 1 July each year.
According to the FWA, more than one Minimum wage exists depending upon the industry and occupation categories. There are currently three categories of minimum wage: 1) modern award minimum wages, which are industry-specific 2) the national minimum wage, which is used as a "safety net" and is of general application to all industries and occupations; 3) the special national minimum wage, which applies to specified categories of vulnerable workers, like junior employees, trainees and employees with a disability.
Special national minimum wage for junior employees is a percentage of the national minimum wage and it reflects age as follows:

Youth wage rates :

| $<16$ years: $36.8 \%$ |
| :---: |
| 16 years: $47.3 \%$ |
| 17 years: $57.8 \%$ |
| 18 years: $68.3 \%$ |
| 19 years: $82.5 \%$ |
| 20 years: $97.7 \%$ |

Minimum wages are calculated on an hourly and weekly basis. Working hours of full time employees should not be more than 38 hours per week. However, it can be less for part-time workers.
Fair Work Australia's Minimum Wage Panel is responsible for setting the minimum wages for employees in the national workplace relations system. The Panel consists of seven people. Four are from Fair Work Australia, the other three are experts from business, unions and academia. The national minimum wage is reviewed annually.

## Austria (Euro, €)

Minimum rates of pay are not fixed by law but are laid down in branch-level collective agreements. The wage level, agreed by the social partners for the least skilled group of workers, determines a de facto minimum wage for the industry covered by the applicable collective agreement. In order to reduce existing pay differentials between sectors, sexes and employee categories, and to set a minimum wage floor for all employees, the national-level social partners agreed in 2007 on the introduction of a monthly minimum pay rate of $€ 1000$, to be paid 14 times per year for all pay grades and in all sectors of the economy, beginning in 2009. This minimum pay rate relates to full-time work of 35 hours or more a week and does not does not include any form of additional pay.

Minimum Wage is determined for industries (retail, construction, metal, print and paper and service industry) and occupations (carpenter and painter). Statutory minimum wage rates may also be set for the entire country or only for specific regions.
Austria has a dual system for setting minimum wages: Collective agreements dominate the wage setting. The government has set minimum wages for certain sectors. A minimum wage rate may be determined by a specialized body - the Federal Arbitration Board - for groups of workers for whom a collective agreement cannot be agreed. The Board consists of one chairperson and at least 2 representatives each of the employees and employers. Minimum Wage upratings are based on Wage indexation, consumer price indexation and (decent) living standard.

## Belgium (Euro, €)

The garantie du revenu minimum mensuel moyen (RMMMG) is set through a collective bargaining agreement at the national level between the social partners under the auspices of the Conseil national du travail. It was first instituted in May 1975. The amount refers to the rate for: workers aged 22 and over with at least 12 months of job tenure since July 1993; workers aged 21 and over with at least 6 months of job tenure for December 1991 to June 1993; and all workers aged 21 and over prior to December 1991.
Working week is 38 hours, with a maximum of 9 hours per day and 45 hours per week. Exceptions up to 11 hours per day and 50 hours per week are possible, but subject to strict regulation and mutual consent.
There is no separate legislation relating to Minimum Wages in Belgium. Minimum Wages are determined by the National Labour Council, and laid down in collective agreements which are binding.
There is, practically speaking, one minimum wage in Belgium, increasing per year till the age of 22 from which age onwards one rate only is applicable for all.
Minimum Wages are determined at the level of collective agreements. National Labour Council, employer organisation and trade unions are involved in setting minimum wages.

Minimum wages are calculated on hourly and monthly basis. Fixed component of minimum wages is updated every year. Minimum Wage upratings are based on consumer price indexation.

## Brazil (BRL real)

Minimum wages are calculated on an hourly, weekly and monthly basis. The basis of minimum wage per hour applies to the workers who work less than eight hours or less than forty four hours weekly, in part-time. To the domestic workers, the minimum wage is calculated by the hours worked. The Consolidation of Labour Laws provided the minimum wage per hour to the lowest-apprentice workers for a maximum workweek of 30 hours, in part-time (Salário mínimo especial - Regime Geral de Previdência Social, GPS). The minimum wage, determined by the Law $12.382 / 2011$ is related with a monthly value uprating annually in base of accumulated inflation rate of last year according to National Consumer Price Index (IBGE) more net gain in accordance with the variation of the penultimate year in the GDP of the penultimate year. The annual promotion of the uprating of minimum wage provides the month, day and hour values.
More than one minimum wage exists in Brazil. The Law 12.382/2011 sets the national minimum wage valorisation policy, with annual upratings from 2012 to 2015. The Complementary Law 103/2000 establishes the regional minimum wage for workers without minimum salary provided by the federal law or collective agreements. Each state has the autonomy to define the minimum wage proportion according to the length and to the complexity of work. The Consolidation of Labour Laws-CLT/1943 provides collective bargaining agreements. These documents may set minimum salaries with bases on several economic sectors since the national minimum wage be considered. To domestic workers is paid a special minimum salary, based in hourly earnings, thus the national minimum wage is defined to 44 hours per week. In this case, social contributions are calculated as a fraction of the minimum wage per hour, proportional to the length of the service of domestic worker to the domestic employer.

According to the 1988 Constitution, the minimum wage should meet the basic needs (food, housing, education, health, leisure, clothing, hygiene, transportation and social security) of the worker and his family. The supreme law also defines the periodic adjustment of the minimum wage to preserve the purchasing power of the worker.

The national minimum wage is set and updated by the Brazilian federal government. The minimum wage of Brazil has only a fixed component.

## Canada (Can\$)

The minimum wage rate applicable in regard to employees under federal jurisdiction is the general adult minimum rate of the province or territory where the employee is usually employed. Each province and territory have their own minimum wage legislation.

In the case of weekly/monthly minimum wage, they are based on a standard 40-hour workweek in British Columbia, Manitoba, Newfoundland and Labrador, the Northwest Territories, Nunavut, Québec, Saskatchewan and Yukon.

There must be an annual review in Nova Scotia and Prince Edward Island. A few provinces are bound by statute to review the minimum wage standard every year or two, but none are required to change it. In Newfoundland and Labrador there must be a review by the Minister at least every two years. Saskatchewan has a Minimum Wage Board that makes recommendations at least once every two years

Alberta: Minimum wage is adjusted annually (on September $1^{\text {st }}$ ) relative to Average Weekly Earnings and the Consumer Price Index (CPI).
British Columbia: On September 15 of each year, minimum wage is adjusted annually relative to the CPI.
Manitoba: On October 1 of each year, minimum wage is adjusted annually relative to the CPI.

## New Brunswick:

Newfoundland \& Labrador: On October 1 of each year, minimum wage is adjusted annually relative to the CPI.
Northwest Territories: Minimum wage is adjusted annually relative to the Consumer Price Index.
Nova Scotia: On April 1 of each year, this rate is adjusted by the percentage change in the projected annual CPI for Canada in the preceding calendar year, rounded to the nearest \$0.05.

## Nunavut:

Ontario: On October 1 of each year, minimum wage is adjusted annually relative to the CPI.

## Prince Edward Island:

## Quebec:

Saskatchewan: On October 1 of each year, minimum wage is adjusted annually relative to the CPI and Average Hourly Wage.
Yukon: On April 1 of each year, this rate increases by an amount corresponding to the annual increase for the preceding year in the CPI for the city of Whitehorse.

## Chile (pesos)

As per article 22 of the Labour Code, the duration of an ordinary working day should not exceed 45 hours per week. Article 28 of the labour code says that this weekly maximum limit shall not be distributed in more than 6 days and less than 5 days. So the average working hours a day comes out to be 7.5 hours (45/6). Article 44 of the labour code says that the remuneration may be fixed by time, unit, week and month but should not be less than minimum wage (Ingreso Mínimo Mensual).
There is no separate legislation on minimum wages in Chile. However, the Labour code says that the basic salary of a worker should not be less than the minimum monthly income. There exists more than one minimum wage as determined by law. Minimum wages are determined at national and level. They do not vary with regions, so are declared at national level. However, Law 20449 declares minimum wages for different age groups as well (a) 18-65 years, (b) both above 65 and below 18 and it also declares minimum monthly income for those who are (c) "non-remunerated". Minimum wage is calculated on a monthly basis.
The Ministry of Finance, Ministry of Labour and Social Welfare, United Workers Central (CUT), National Union of Workers (UNT) and Centre for Public Studies and the University of Chile are involved in setting minimum wages. The minimum wage is fixed by the Chilean Congress, based on a government suggestion. The Ministry of Labour and Social Welfare has announced for the creation of "Technical Committee
on Minimum Wages/Minimum Wage Advisory Commission" which will be composed of representatives of workers and employers, as well as economists and academics. However, there is no law that legalizes the existence of such committee.
The minimum wage is fixed by the Chilean Congress, based on a government suggestion based on the recommendations by a Technical Committee formed by labour representatives, academics and governmental representatives. Minimum wage rates are declared as a single fixed component. The minimum wage is revised every year in the month of July as understood by Laws readjusting minimum wages being published every year in July.

## Colombia (CO pesos)

As per article 161 of the Labour Code, the maximum duration of a normal working day is eight hours a day or 48 hours a week. As per Article 147 of Labour Code, workers who work for less than normal working hours, minimum wage will apply in proportion to number of hours actually worked.
There is no separate legislation for minimum wage; however, there is provision for equal opportunities for minimum wages in the Labour Code of 1950. There is only one legal minimum wage in Colombia. (Refer to decree no 2731 of 2014).
According to article 2 of Act 278 of 1996, the Standing Committee on Labour and Labour Wage Policy will have to establish in concerted manner the general minimum wage, taking into account factors that should ensure a decent quality of life for workers and their families.

As per Article 8 of Act 278 of 1996, the minimum wage is updated once a year, on or before December $30^{\text {th }}$ each year.

## Costa Rica (Colones, CRC)

The Law of the National Wages Council (Law $\mathrm{N}^{\circ} 832$ ) sets the legal minimum wage that employers must pay the employer for his work. The effective working hours shall not exceed eight hours in the day, from six in the evening, and 48 hours a week. This law gives the National Wages Council the power to determine specific minimum wages across the country for occupational lines.
The occupational lines, defined in terms of their level of skill are organized into three groups. On one side are the specific occupations of the different production processes (blue collar jobs). These are grouped into four occupational groups: unskilled, semiskilled, skilled and specialized. The second group is called generic and includes nine occupational lines. It refers to white-collar occupations, which are common regardless of the sector in which one works and whose skill level is associated with formal education. The third group corresponds to a set of specific occupations.
Minimum wages are fixed for ordinary day for occupations associated with different production processes, these are grouped into four occupational groups: unskilled, semi-skilled, skilled and specialized. The second group refers to administrative occupations and is called generic. Minimum wages are fixed per month and include the above four categories (unskilled, semi-skilled, skilled and specialized), plus two technical categories (high school and higher education) and three additional lines for graduates and postgraduates.
There is a monthly legal minimum wage rate.

According the Labour Code effective working hours shall not exceed eight hours in the day, from six in the evening and forty-eight hours a week. However, in works for his own status are not unhealthy or dangerous, may stipulate an ordinary workday to ten-hour day and a mixed day to eight hours, provided that the working week not exceeding forty-eight hours.
With the creation of the National Wages Council in 1949, the minimum wage fixation falls on this tripartite body with representatives of workers, employers and the government, which has legislative powers (binding resolutions). The resolutions of the National Wages Council, bindings and reviews, are specified in an executive order after a negotiation process where the parties made public their proposals and the results of the negotiations.
The fixed component of minimum wage is fixed twice a year - during the month of January and a mid-year (July or August). For reviewing the minimum wage, besides inflation, conditions and the evolution of the labour market (unemployment and wages) and the general conditions and developments in the economy (production and productivity of the workforce) are also taken into account.
Every employee in Costa Rica is entitled on a Christmas bonus or aguinaldo of one month's salary. This bonus is paid during the first 20 days of December. The Christmas bonus is calculated as an average of last year's salary. The annual data include a $13{ }^{\text {th }}$ month.

## Czech Republic (CZK)

Employees are entitled to monthly minimum wage if their agreed working time is 40 hours per week. Minimum Wage is calculated on either hourly or monthly basis.
The minimum wage in Czech Republic is regulated by the Labour Code No. 262/2006 (§111) and Regulation No. 567/2006 establishing the level of minimum wage. There exists more than one minimum wage.
The levels of minimum wages are stipulated in national legislation. There is one national statutory minimum wage. There are eight job groups established in the legislation, depending on the complexity, difficulty of the job tasks and the responsibility held by an employee. Every job group has assigned corresponding minimum wage.
Minimum wage is calculated on either an hourly or a monthly basis.
Representatives from various ministries, Representatives from the Confederation of Industry and Confederation of Employers and Business Associations and Representatives from the Czech- Moravian Confederation of Trade Unions a from the Association of Independent Trade Unions are involved in minimum wage setting.
Upratings of minimum wages are decided after consultation of employer and trade unions representatives. There is only a fixed component which is not updated at any specific interval and is based on wage indexation and consumer price indexation.

## Estonia (Euro, €)

Minimum wages are first drafted by the Confederation of Estonian Trade Unions and the Estonian Employers Confederation then signed by the government. The minimum wage that falls under the Labour Contract Act (in effect since 01.07.2009)
is updated every 1-2 years and is signed as an amending statute. The current statute $\mathrm{n}^{\circ} 166$ came into effect 01.01.2014.
The monthly minimum wage is for full-time employees. §43 of the Labor Contract Act states that full-time employees work 40 hours in a 7 -day period and 8 -hour day. Full-time employees usually work 8 hours a day for five days and have the weekends off, however this depends on the job in question, as well.
There is a general minimum wage and a minimum wage for middle and high school teachers.
Statute 166 states both the monthly minimum wage for full-time employees and a set minimum hourly wage.

## France (Euro, €)

Young people under 17 years old with less than six months of professional practice can be paid $80 \%$ of the legal minimum wage between $16-17$ years of age and $90 \%$ between $17-18$. Young students on apprenticeship contracts are getting a wage which may vary between $25 \%$ and $78 \%$ of the SMIC in accordance with their age and the number of years working for the employer. Young people do not get any wages for a work experience at all but may be given an expense allowance. Nevertheless this allowance is compulsory by law for a work experience of more than 2 consecutive months. Part time workers cannot receive a wage less than the hourly SMIC.
The SMIC is an hourly wage. Since February 2000 French employees work 35 hours a week (further working time is considered as overtime).
Legislation concerning minimum wages is present in the French Labour Law (Code du travail) in Article L3231 et seq. In France no employee aged 18 or over can be paid below the minimum wage (exceptions only for underage employees, trainees and disabled workers). The minimum wage (SMIC) takes into account purchasing power as well as the worker's participation in the economic growth in the country through the consumption of diverse goods and services.
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Young people do not get any wages for a work experience at all but may be given an expense allowance. Nevertheless, this allowance is compulsory by law for a work experience of more than two consecutive months.
Part-time workers cannot receive a wage less than the hourly SMIC.
Many workers are covered by a collective bargaining agreement. Union representatives and employers are legally required to meet at least once a year to enter into negotiations on wages. The negotiations may result (not compulsory) in a negotiated minimum wage which will be applied only if it's greater than the SMIC. A reduced rate can be applied in certain cases, especially for apprentices.

The French SMIC is reviewed in two different ways: 1) it increases every year automatically independently of the government; and 2) each government can decide exceptional increases called "coups de pouce" (a bit of help).
The "commission supérieure des conventions collectives" (Higher Commission for Collective Agreements) made up of government representatives, employees, employers and family associations gathers annually to submit an opinion on determining the minimum wage.
Conventional minimum wages can be set in every sector and branch during bargaining processes between employees represented by trade unions and employers. The amount of the conventional minimum wage is written in the Collective Agreement. It can happen that the conventional minimum wage is less than the SMIC and in this case employers are bound by law to pay a minimum wage equal to the SMIC. If the negotiated salary exceeds the SMIC, employers subject to a collective agreement are obliged pay the conventional minimum wage. Collective bargaining is compulsory by Law when a company includes at one union representative. In this case employee's representatives and employers are obliged to meet annually to discuss wages. Please note that they are obliged to meet but not to come to a result regarding the conventional minimum wage (in this case the SMIC will apply).
The SMIC increases automatically on January 1st every year depending on inflation + half of the average salary of workers for the past year. An automatic increase occurs if inflation gets above $2 \%$ in the middle of the year.
There are 3 key components: indexation to the past annual change in the consumer price index / indexation to half of the real annual increase in the basic hourly wage rate of blue collar workers (the SHBO in French) / The government may also decide to implement discretionary increases.
Adjustments of the statutory minimum wage depend upon four indicators: - the rise in the consumer price index - whenever inflation goes up by more than $2 \%$ within a year (in that case, the adjustment takes place immediately and automatically); - half of the buying power improvement as regards the gross hourly earnings in the manufacturing industry (salaire horaire brut moyen ouvrier); - the government's annual reviews (or the so-called "coup de pouce") becoming fewer and rare.

## Germany (Euro, ©)

The minimum wage of $€ 8.50$ an hour was introduced in January 2015. There are different rates by region, sector and skill level. Existing, generally binding minimum industry wages which are over $€ 8.50$ (as in the construction and civil engineering business) will remain valid. Where employers and employees have contractual agreements for rates exceeding $€ 8.50$ an hour, the wages and salaries set by collective bargaining will apply.
The minimum wage does not apply to trainees, young people doing their entry-level qualifications, or people in compulsory practical training as part of an apprenticeship or university-level study course. People in voluntary internships (pre apprenticeship or study courses) are entitled to claim the national minimum wage if their practical training takes longer than three months, dated from the first day of the internship. By contrast, the minimum wage rate does not apply to voluntary internships of up to three months, or to mandatory internships in the context of training or study courses. Long-term unemployed people, who have been registered with the Federal

Employment Agency or a Job Centre for more than one year, are only entitled to receive the minimum wage six months after taking up a new job.

## Greece (Euro, €)

Minimum wages are based on 40 hours per week. They are determined by the memorandum. There is a slight difference in the amount depending on the age of the employee as well as the job category. The first separation, according to the job category is: employees and craftsmen. The second separation is age wise: employees and craftsmen under and over 25 years old. Annual bonuses include the Easter and Christmas bonuses and the annual leave bonus, paid out, respectively, in April, December and July. The minimum wage per year is calculated for 14 months/year 13th and 14th month supplements).
The minimum wage setting is done by the government together with the "troika" (The tripartite committee led by the European Commission with the European Central Bank and the International Monetary Fund) and are specified in the memorandum.

As mentioned above they are specified in the memorandum (agreement between the government and "troika") there are some adjustments though depending on the years of work experience. The minimum wage for employees over 25 years old increases by $10 \%$ for every three years of work experience (for max 3 three years of work experience) and $30 \%$ overall for work experience of nine years and over. The minimum wage for technicians/craftsman over 25 years old increases by $5 \%$ for every three years of work experience (for max 6 three years of work experience) and $30 \%$ overall for work experience of 18 years and over. The minimum wage for employees under 25 years old increases by $10 \%$ for every three years of work experience (for max 1 three years of work experience).The minimum wage for technicians/craftsman under 25 years old increases by $5 \%$ for every three years of work experience (for max 2 three years of work experience) and $10 \%$ overall for work experience of 6 years and over.

There is only fixed component of minimum wage. In the memorandum it is specified that the minimum wage will not change until the unemployment rate reaches $10 \%$ and stays constant until otherwise it is decided.

## Hungary (Forint, HUF)

There are two types of minimum wage in Hungary - National Level Minimum Wage and Guaranteed Minimum Wage. Both minimum wages are national level minimum wages, only the so-called "guaranteed minimum wage" should be earned by workers who are at least professional workers and has a job which is professional. For example if a professional worker performs a work which is an auxiliary work, than he is entitled to receive only the 'minimum wage' which is lower than the 'guaranteed wage minimum'.
The National Minimum Wage is for employees without any profession, that is, it is paid to unskilled workers or employees who are skilled but work in a position which does not require their certificate or skill and the) Guaranteed Minimum Wage is set for professional workers. It is established in accordance with the level of education/vocational training required for a particular job or position.

The Government's resolution fixes minimum wages for hourly, daily, weekly and monthly basis. In Hungary, the official working time is eight hours/five days.

Parties that are involved in fixing minimum wages are: Governmental body Ministry of National Economy, State Department responsible for Employment; Employer organisations - ÁFEOSZ-Coop, MGYOSZ, VOSZ and Trade unions/trade union confederations - Liga, MSZOSZ, Workers Councils.
For setting the minimum wage once the three employers' and three employees' organisations have reached a consensus it must be accepted after by the government.

The fixed component of minimum wage is updated each year by the end of the year in concern of next year.

## Ireland (Euro, €)

Minimum wage applies to experienced workers, who are defined for the purposes of the National Minimum Wage Act, as an employee who has an employment of any kind in any 2two years over the age of 18 . New adult entrants to the workforce and people returning to work after three years on unemployment benefits are only entitled to $80 \%$ of the full adult rate for the first 12 months of their employment and to $90 \%$ for the following 12 months.

## Israel (new shekels)

National minimum wage.

## Japan (Yen, ¥)

The minimum wage by prefecture refers to an average of the rate set in each of the 47 prefectures, weighted by employment shares. The industry minimum wage refers to an average of around 340 rates set in various industries and prefectures, weighted by employment shares.

## Korea (Won)

Covers workers in establishments: with 10 or more regular employees in manufacturing only in 1988, in manufacturing, mining and construction in 1989 and in all industries from 1990 onwards. Extended in September 1999 to cover workers in establishments with 5-9 regular employees and extended again as of 24 November 2000 to cover workers in establishments of all sizes.

Monthly rate (i.e. hourly rate times 226 from 1994 to 2011 and times 209 from 2012 to 2014 -- 235 hours in 1991 and 240 hours prior to 1992).

## Latvia (Euro, €)

The National Minimum Wage refers to a standard workweek of 40 hours (full-time employees) and applies to everyone.
The legal provisions of wage and minimum monthly wage in Latvia are stipulated in several normative acts. The minimum monthly wage is set by the Cabinet of Ministers by Regulation. In practice there is only one minimum wage determined by law and employers can't be paid less than minimum wage determined by law. The only exception is a person sentenced who is deprived of his liberty. In some sectors people are paid more than in, i.e., the average wage rate was highest in finance and insurance activity sectors and lowest in accommodation, catering and other service sectors, education, arts, entertainment and recreation industry and trade.

The minimal wage for full-time employees is calculated on 40 hours in a seven day period and 8 hours per day by the Labour Law. Usually full-time employees work 8 hours per day for five days and have weekends off.
The Ministry of Welfare together with other partners, like the Ministry of Finance, the Ministry of Economics, the State Chancellery Policy co-ordination department, the Union of Local and Regional Governments of Latvia, the Free Trade Union Confederation of Latvia and the Latvian Employers' Confederation, evaluate the economic situation in the country and co-ordinate the amount of the minimum monthly wage. The National Cooperation Council coordinates and organizes the tripartite social dialogue between employers' organizations, trade unions and public authorities in order to reconcile the interests of the organizations social and economic issues, thus ensuring social stability in the country. The amount of the coordinated minimum monthly wage and the date for amendments introduction must be approved at the meeting of the National Tripartite Cooperation Council.
Each year the Ministry of Welfare, together with the Ministry of Finance and the Ministry of Economics, shall evaluate the economic situation in the State and develop a proposal regarding the amount of the minimum monthly wage (with an accuracy to one euro) for the subsequent period, taking into account the macroeconomic forecasts prepared by the Ministry of Economics and changes in the economic situation in the previous year, the planned changes in the tax system, as well as changes in the minimum monthly wage in other Baltic states (in Estonia and Lithuania) and the average annual value of the minimum consumer basket per capita per month calculated by the Central Statistical Bureau.
There is only fixed component of minimum wages in Latvia and they are reviewed annually.

## Lithuania (Euro, €)

According to the Labour Code of the Republic of Lithuania, the working time may not exceed 40 hours per week; therefore the monthly wage is calculated on the basis of a week of 40 working hours. A daily period of work must not exceed eight working hours (exceptions may be established by laws, Government resolutions and collective agreements). According to the Article 196, the pay for incomplete working time (an incomplete working day or week) shall be proportionate to the time spent at work or to the work carried out, therefore the actual pay might be smaller than official minimum monthly wage if the a person's official working time is smaller than 40 hours per week. Different rates are fixed for public servants.
According to the Labour Code, the Government, upon the recommendation of the Tripartite Council (consisting of the Government, trade unions and employer organization), may establish different minimum rates of the hourly pay and the minimum monthly wage for different branches of economy, regions or categories of employees. Moreover, collective agreements may establish higher rates of the minimum wage.
Though the legislation provides that specific wage rates may be set for different regions, sectors and categories of employees, only uniform statutory minimum wage or national minimum wage is currently valid all over the country.
There is only fixed component of minimum wage which is updated each year or annually.

The minimum wage is set based on six criteria set forth in ILO Recommendation No. 135: 1) the needs of workers and their families; 2) the general level of wages in the country; 3) the cost of living and changes therein; 4) social security benefits; 5) the relative living standards of other social groups; 6) economic factors, including the requirements of economic development, levels of productivity and the level of employment. If the Government does not agree on the minimum wage (for the following year) by the 1st of June, then the Parliament is responsible for setting the minimum wage in its spring session and the requirements for the minimum wage include the average level of previous year inflation as well as other factors that have influence on the changes of the average wage in private and public sectors.

## Luxembourg (Euro, €)

There are two Minimum Wage rates in Luxembourg, one for skilled and one for unskilled work. Moreover, workers under 18 receive lower rates. Minimum wages are determined at the national level and by age groups. They are calculated on an hourly and monthly basis and are based on 40 hours working week.
The Ministry of Labour is involved in setting minimum wages. Upratings of minimum wages are decided unilaterally by the government and are based on consumer price indexation. They have a fixed and a variable component of which the fixed component is updated annually.

## Malta (Euro, ©)

Minimum wage rates shall apply only where sectoral Wage Regulation Orders do not apply. Sectoral Wage Regulation Orders take precedence over these rates. The national minimum wage of part-time employees shall be calculated pro rata at the same hourly rate of comparable full-time employees as applicable in accordance with the minimum wage of the of the relevant Wage Regulation Order, or in cases where a Wage Regulation Order is not applicable, at an hourly rate not below the national standard minimum wage applicable divided by forty.
The weekly working time in Maltese companies and organisations is 40 hours per week.

Hourly rate for Full-time and Part-time workers depends on their age. There are different three rates: for workers over 18 years and over; 17 years old; and under 17 years of age.

## Mexico (Peso, MXN)

According to the Federal Labour Law Article 83, the salary may be fixed per unit time, per unit of work, commission, in a lump sum or otherwise. However, legal minimum wages in Mexico are declared on daily basis.
Article 61 defines the maximum duration of the day is: eight hours the day, seven the night and seven thirty when mixed. Also as per article 85 of the Labour Law, salary paid to a worker (not less than minimum wage) should be based on a normal work day of eight hours or 7.5 night hours.
There are different rates by profession as well as a general rate.

## Netherlands (Euro, €)

There is separate legislation relating to minimum wages in the Netherlands. The gross minimum wage rates are stipulated in the provisions of the Minimum Wage and Minimum Holiday Allowance Act. There is more than one Minimum Wage in the Netherlands.
The Minimum Wage is determined at a national level. When you are between the ages of 15 and 22 , you get a youth minimum wage which is a percentage of the adult minimum wage as follows:

Youth wage rates :

| 15 years: $30.0 \%$ |
| :---: |
| 16 years: $34.5 \%$ |
| 17 years: 39.5 |
| 18 years: $45.5 \%$ |
| 19 years: $52.5 \%$ |
| 20 years: $61.5 \%$ |
| 21 years: $72.5 \%$ |
| 22 years: $85.0 \%$ |

Minimum Wages are calculated on daily, weekly and monthly basis.
The rates as set for the statutory minimum wage are based on a full working week. This usually is 36,38 or 40 hours a week and it depends in what sector one works. Rarely is it 36 hours (this working week is negotiated in collective agreements). In most cases when the statutory minimum wage is paid it is a 40 hours working week, sometimes even more. Hotel and catering, as well as retail: 38 hours.
The Ministry of Social Affairs \& Employment is involved in setting the minimum wage. Adjustments in minimum wages are unilaterally decided by the government on the basis of the average wage development in collective agreements. The annual Statutory Minimum Wage includes everything, including the statutory holiday allowance (8\%). The fixed component of minimum wages is updated every half year (January 1 and July 1) based on wage indexation.

## New Zealand (New Zealand dollar, NZD)

Minimum wage rates are stipulated by a single statute. The adult minimum wage applies to all employees aged 16 and over who are not starting-out workers or trainees, and all employees who are involved in supervising or training other employees. The starting-out wage applies to starting-out workers aged 19 years or less. The training minimum wage applies to employees aged 20 years or over. Under the starting-out wage, eligible 16 -to-19-year-olds can be paid $80 \%$ of the adult minimum wage for six months or for as long as they are undertaking recognised industry training of at least 40 credits per year. Under the training wage scheme, after completing three months or 200 hours of employment (whichever is completed first) at not less than $80 \%$ of the minimum adult rate, the worker is entitled to be paid at the minimum adult rate.
The statutory minima apply to all workers nationally. Higher minima are often - for $\sim 25 \%$ of the workforce - determined at the establishment level through collective bargaining. Wages are calculated on hourly basis.
The Workplace Relations Minister may make recommendations to the GovernorGeneral regarding the adjustments that should be made to that minimum rate. The Governor-General may, by Order in Council, prescribe a minimum adult rate of wages payable to workers. There is no legal requirement to consult, although Workplace Relations Ministers frequently consult informally and without statutory compulsion with employer and trade union representatives on a wide variety of matters related to pay and employment (including the minimum wage).
There is no cost-of-living adjustment or other variable allowance added to the minimum wage rate. The Workplace Relations Minister shall, in each year ending on 31 December, review any minimum rate prescribed pursuant to the Minimum Wage Act 1983. There is no variable component to the minimum wage. The Workplace Relations Minister is under no legal obligation to use any particular "yardstick" on which to base minimum wage increases. When increases to the minimum wage are announced (annually), the government typically makes reference to (but, again, is not compelled to consider) CPI and (increasingly) decent/living standards (but not to wage indexation, which is rare in New Zealand) as justification for any changes (or not) to the minimum wage.

## Poland (Zloty, ZI)

The minimum wage is determined at the national level - there are (as yet) no differences per region and/or sector of national economy. Minimum wage might be also determined according to seniority but only with respect to those in their first year of employment.

The "minimum wage" Act mentions "full monthly working time", without specifying any number of hours. According to Polish labour law, the working time should not on average exceed eight hours per day and 40 hours per five-day-long working week; a weekly working time, including the overtime hours, should not exceed 48 hours. The national minimum wage is set annually. There is only one national minimum wage and it covers all the employees.

For most of the full-time employees the minimum wage is calculated monthly on the basis of "basic remuneration" that encompasses the wage/salary as well as other supplements and benefits related to employment and included by the Central

Statistical Office in the so-called "personal wage". Those who are remunerated monthly, but who because of their working schedules or the timing of the payment of some of the elements of their remuneration earn in that specific month a wage/salary below the minimum wage, get the wage supplement for every hour they have worked. The minimum wage of employees working part time is proportional to the number of hours they work. Employees paid per hour get a supplement [=wage equalization] for every hour they work that brings their hourly wage to the level of hourly minimum wage (calculated by dividing the legal minimum wage by the number of hours the employee should have worked on the basis of full-time employment).
The level of minimum wage is adjusted (yearly) by the so-called Tri-partite Commission for Socio-Economic issues. The Tri-partite Commission consists of: The Minister of Labour and Social Policy, a number of appointees; four employer's organisations and three trade unions. As advisors only: representatives of territorial self-government, the President of the National Bank of Poland and the President of the Central Statistical Office.

The upratings/adjustments in the minimum wage are decided jointly by the government, the employer and the trade union organisations (the so-called Tripartite Commission for Socio-Economic issues). If the committee does not manage to agree on a (new) minimum in the upcoming year before 15 July, the government has to announce it (unilaterally) before 15 September. The minimum wage the government then sets cannot be lower from what it had suggested to the Tri-partite Commission at the beginning of the negotiation process.
The legal act on minimum wage says "the wage of the employee is calculated including the elements of basic remuneration and other benefits/supplements related to employment", the minimum wage cannot be lower than the above mentioned wage. The basic remuneration and other benefits/supplements form the so-called "personal wage" includes, among others: seniority supplements, wage supplements related to the possession of special skills, wage supplements related to specific working conditions, (annual) rewards, end-of-the year benefits, material benefits, insurance benefits, etc. Excluded are: remuneration for overtime, jubilee reward, gratuity or retirement pay.

The minimum wage (as a sum of all components) is in principle updated once a year (the new rate becomes effective from the 1st of January). Yet if the price index, which constitutes one of the determinants of the minimum wage, is too high ( $105 \%$ or higher), the minimum wage is adjusted/updated twice a year (effective from 1st of January and 1st of July).
According to the "minimum wage" Act, the adjustments to minimum wage are based on information provided by the government with respect to, among others: price index, price prognoses for the upcoming year, information about average household spending and information on the standard of living of various social groups.

## Portugal (Euro, €)

In Portugal there is a separate legislation relating to minimum wages, as provided by articles 273-275 of the Labour Law. The law determines three minimum wages: a national one for Portugal, one for the Autonomous Region of Azores and one for the Autonomous Region of Madeira.
Minimum wages are determined at national level and are calculated monthly. It is not based on a fixed number of hours. The minimum wage per year is
calculated for 14 months/year (includes 13th and 14th month supplements).
Minimum wage is set by the Permanent Commission for Social Dialogue, which is composed by the Prime Minister and four Ministers, employer organizations and trade union confederation. The minimum wage is then published in a Decree.
Upratings of minimum wages are decided by the Permanent Commission for Social Dialogue, so jointly by government, employer and trade union representatives. The minimum wage has one fixed component and according to the law should be updated annually.
According to article 273 of the Labour Code, in determining the guaranteed monthly minimum wage are weighted, among other factors, the needs of employees, the increased cost of living and productivity developments, the prices and incomes policy.

## Romania (RO New Leu, RON)

As provided by the Labour Code, national minimum gross guaranteed wage corresponding to the normal work schedule shall be established by Government Decision. The national minimum wage corresponds to the normal work schedule which is defined as: full-time work is 8 hours per day and 40 hours per week. The Government Decision about minimum wage states that minimum wage is calculated on 168 average working hours per month

Only one minimum wage is determined by law and at the national level. It is calculated on a monthly basis. As provided by the Labour Code, the national minimum wage - and its upratings twice a year, (usually in January and in July) - is set by the Government, after consulting the trade unions and employers organizations. The minimum wage is gross and has only one fixed component.

## Russia Federation (Ruble, RUB)

Minimum wage is calculated for work in normal conditions with fulfilment of the set (monthly or hourly) work norm. According to article 50 of the Ukrainian Labour Code full-time work can't exceed 40 hours per week. According to article 90 of the Labour Code under piece-rate system billing rates are defined on the basis of the set job classes, tariff rates (wages) and output norms (time norms). Piece-rate is calculated by dividing hourly (daily) tariff rate, corresponding to the class of work performed, by hourly (daily) norm of output or by multiplying hourly (daily) tariff rate corresponding to the class of the work performed, by the set time norm in hours or days.

Minimum wage in the Russian Federation is regulated by the Federal law № 82-ФЗ on Minimum Wage Size since June 19, 2000 as well as by article 133 of a Labour Code. Several minimum wages exist and are established at Federal and regional levels.

Minimum wage in Russia is calculated on a monthly basis and cannot be less than subsistence level for working citizens. According to article 129 of the Labour Code bonuses and other additional payments including those for overtime work, work under harmful, especially hazardous conditions, in special nature geographical conditions and with increased health risks, as well as bonuses to anniversaries, for inventions and rationalization proposals, other financial aid are not included in the
minimum wage. According to article 134 of the Russian Federation Labour Code minimum wage is a subject to indexation taking into account inflation rate.

Minimum wages in Russia at the federal level are setup only by the government and at regional levels are established by three-side agreements between representatives of trade unions, owners and local authorized bodies.

## Slovak Republic (Euro, €)

The minimum wage in Slovakia is regulated by the Labour. The legislation determines one statutory level of the minimum wage, which is multiplied by coefficients depending on the difficulty of position. The scale of job difficulty ranges from level 1 (that equals to basic minimum wage) to level 6 (double the minimum wage).
The statutory level of minimum wage is set on national level. Slovak legislation establishes six tariff rates for minimum wage. Depending on the characteristics and difficulty of the job tasks, the minimum wage is proportionately raised. The classification of jobs is described in the attachment of the Labour Code.
Minimum wage is calculated on hourly and monthly basis. Employees are entitled to monthly minimum wage if their agreed working time is 40 hours per week (42.5 hours prior to May 2002).

Representatives from various ministries, representatives from the National Union of Employers and Federation of Employers' Associations, representatives from the Confederation of Trade Unions and representatives from the Association of Towns and Villages are all involved in setting the minimum wage.
In early 1990s, setting the minimum wage was a key issue in tripartite concentration. Due to the frequent inability of social partners to reach a consensus over minimum wages, the uprating mechanism changed into a standardized legislative procedure. Minimum wage setting is still subject to tripartite social dialogue, but tripartite proposals lack legal enforcement.
There is only fixed component of minimum wage which is updated annually. Minimum wage is determined by taking into account the needs of workers and their families (subsistence level), cost of living (consumer prices), level of wages and incomes in the country (average wages), economic development (socio economic situation) and level of employment for the last two years.

## Slovenia (Euro, €)

There is a separate Act - Act on Minimum Wage - regulating minimum wages in Slovenia. There is only one national minimum wage in Slovenia, without regional or sectoral differences. It is calculated on monthly basis.

The minimum wage is set for full-time work (eight hours per day). A worker working part time is entitled to a proportionate share of the minimum wage.

The amount is determined by minister responsible for labour after prior consultation with social partners. The basis is a tripartism meeting under the label of Economic and Social Council (ESS). Employer organisations and Trade Unions are only consultation partners. The government is represented in ESS by five ministers (of labour, family and social affairs; of finance; of the economy; of public administration; for development and European affairs), the director of the Institute of

Macroeconomic Analysis and Development and the state secretary for social dialogue in the Prime minister's office. The employee and employers' associations group is made up for the most part of the chairs of their respective organizations or other persons of high rank. The employee and employers' associations group is made up for the most part of the chairs of their respective organizations or other persons of high rank.
Adjustment in the minimum wage is decided after consultation with employer and TU representatives. There is only fixed component which is updated annually. According to the Minimum Wage Act four variables should be taken into consideration: 1) a rise in consumer prices 2) wage trends 3) economic conditions or economic growth and 4) employment trends. In reality, however, the minimum wage increase more or less correlates with inflation.

## Spain (Euro, €)

Spain has maximum of 40 hours per week. There is no reference to the number of hours per day in the decree, although 8 hours per day is the most used working time when there isn't a collective agreement that regulates it. Supplements to the annual total refer to 13 th and 14th month pay. The minimum wage per year is calculated for 14 months/year 13th and 14th month supplements).
Although minimum wage is defined in the Worker's Statute of the main labour law in Spain - "Royal Decree" usually issued in December of every year, establishes the amount of minimum wage for the year to come. The minimum wage is the amount workers are paid for a legal day's work in any activities of agriculture, industry or services, regardless of gender or age of workers, whether permanent, temporary or seasonal, or other domestic workers.
The official minimum wage is set by the Government annually, by Royal Decree, after consultation with the most representative trade unions and employers associations, taking into account the consumer price index, the average national productivity, increasing labour's share in national income and general economic conditions. The amount is set to wage / salary day / month and in the case of domestic workers is also fixed in wage / hour. Also a semi-annual review for the case that the estimates of the rate quoted prices are not met will be set.

In 1998 the minimum wage for persons under 18 was equated with those over that age, setting a single minimum wage. There's only one minimum wage, but the Royal Decree makes a special mention of domestic workers (a fixed wage per hour) and contingent and temporary workers in order to establish that with their minimum wage they will receive together with the daily minimum wage, the proportion of the remuneration of Sundays and holidays, as well as two extraordinary perks.
Minimum wage can be calculated on daily, hourly, monthly and yearly basis. Apart from the regular minimum wage, when employment does not exceed 120 days per year, workers receive, together with the daily minimum wage, the proportion of the remuneration of Sundays and holidays, as well as two extraordinary perks, corresponding 30 days salary for each. In the case of domestic workers minimum wages is fixed on hourly basis.
This amount is for a full time working days - maximum 40 hours per week. There is no reference to number of hours per day, although eight hours per day is the most used working time when there isn't a collective agreement that regulates it.

Theoretically the Government consults with the social partners and trade union/trade union confederations to determine the minimum wage. Adjustment in minimum wages is decided by the government after consultation with employer and trade unions representatives.
The regulations establish only fixed components. Variable are not regulated. To establish the minimum wage for each year, the following elements are considered together: consumer price indexation (CPI), the average national productivity, increasing labour's share in national income and economic situation generally analysed.

## Turkey (new Turkish lira)

The Minimum Wage Regulation was last modified in 2014. The purpose of the regulation is to lay out the principles to be applied when determining the minimum wage, and the workings and the meetings of the Minimum Wage Determination Commission. Provisions of this regulation covers all sectors employing all kind of workers with a job contract; including the workers outside the scope of the Labour act 4857 . It is based on the 39 principle of the Labour Act 4857.
The provisions of the Act concerning minimum wages apply to all employees regardless of whether they come within the scope of the Labour Act. The minimum wage is also set by region. The legislation provides lower rates of minimum wages for workers under 16 years old.
The minimum wage rates are calculated on daily basis.
Even though the wage rates are calculated on a daily basis, the minimum wage is based on 45 hours of work weekly which equals to 7,5 hours per day. Here, one work week is defined as 6 days. Nevertheless if agreed by both employer and employees, this can amount to 66 (not exceeding 11 hours/day).
The Minimum Wage Determination Committee set the minimum wage rates of the country. This Committee is composed of fifteen members: an equal number of representatives of the government, employee's organisations representing the majority of employees, and employer's organisation representing the majority of employers. The minimum quorum is 10 members. Decisions are taken under the majority of votes of its members, and in the event of a tie, the chairman of the Committee has a casting vote.

## United Kingdom (Pound sterling, £)

The UK National Minimum Wage Act (NMW) came into force in April 1999. Annual increases take place on the $1^{\text {st }}$ of October each year. The NMW applies to "workers" (e.g. employees, temporary agency workers and those who are self-employed for tax purpose but not running their own businesses). There are relatively few exemptions - armed forces, ministers of religion, some charity workers who receive no remuneration, and servants and au-pairs who live as part of the family.
There are four rates - adult aged 21 and above, 18-20, $16-17$, and apprentices under the age of 19 or in the first year of training.
The NMW Act specifies that the government cannot set different rates for different geographical areas or different industries. The NMW Apprentice Rate applies to all apprentices under the age of 19 and to older apprentices in the first year of training. No other variations by skill are permitted. The NMW Development Rate is for 18-20
year olds, the NMW Youth Rate is for 16-17 year olds (16 year olds must be above the statutory school leaving age, which falls in the 1 st summer after the $16^{\text {th }}$ birthday.

The UK NMW rates are hourly pay rates. There are no minimum or maximum legal work hours related to the wage. It's just a minimum for each hour's work. The UK follows the EU working time directive, but workers can opt out of it (theoretically their boss can't make them opt out).
The government is advised on all aspects of the NMW by the Low Pay Commission (LPC). This body consists of 9 commissioners (3 trade union, 3 business and 2 academic pay experts). The government normally accepts the LPC's recommendations on the NMW rate increases. The NMW Act 1998 set up the Low Pay Commission (LPC). This is strictly speaking a QUANGO, or quasi-governmental body. The Confederation of British Industries always represented on the LPC. They are joined by one commissioner with a corporate background and one representing small business. The TUC is always represented on the LPC. The other two commissioners come from unions with a direct interest in the NMW.

The LPC recommends rates to Government. Government usually accepts. The fixed component of minimum wage is updated annually. This is the closest fit to reality of the LPC process, but actually the Commission looks at earnings, inflation, productivity, employment and unemployment, along with a range of less tangible factors. The commission tries to find an increase that can be sustained without having significant detrimental economic side effects. Note that the LPC does not consider what would be needed in order to provide a decent standard of living.

## United States (USD, \$)

Federal minimum hourly wage rate. Covers specified non-supervisory employment categories and excludes executives and administrators or professionals.

