

Anker Reference Value Update¹ Rural Rwanda 2022

Living Wage
RWF 174,290
(USD 170)

This report updates the Anker Living Wage Reference Value for Rural Rwanda to June 2022. The 2022 Rural Living Wage Reference Value for Rwanda is RWF 174,290 (USD 170), comprised of a Net Living Wage of RWF 132,252 (USD 129), plus a social security contribution of RWF 5,751 (USD 6) and an income tax of RWF 36,287 (USD 35). In the original report in 2020, the living wage was RWF 147,111 (USD 160)², comprised of a net living wage (i.e. take-home pay) of RWF 111,183 (USD 121) per month plus RWF 35,298 (USD 38), which would need to be paid on the living wage consisting of social security contributions (RWF 4,855) and income tax (RWF 30,443). Inflation in this period was 18.28%³ and it increased the net living wage. Without accounting for inflation, the living wage estimated in 2020 would not be sufficient for families to have a basic but decent standard of living in 2022, because the purchasing power of the living wage would have decreased. Social security contributions and income tax were calculated using the most up-to-date tax laws.⁴

Table 1: Anker Living Wage Reference Value for Rural Rwanda, 2020 and 2022 (in RWF and USD)

	2020		2022	
	RWF	USD ^c	RWF	USD ^c
Anker Net Living Wage Reference Value (1)	111,813	121	132,252	129
Social Security Contributions (2)	4,855	5	5,751	6
Income Tax (3)	30,443	33	36,287	35
Anker Gross Living Wage Reference Value (4) (4) = (1) + (2) + (3)	147,111	160	174,290	170
Exchange Rate	920.50 ^a		1,024.30 ^b	
Inflation mid-2020 to mid-2022	18.28%			

^a Average exchange rate from November 2019 to January 2020.

^b Average exchange rate from May 2022 to July 2022.

^c Notes: USD values are indicative only, since exchange rates are volatile.

¹ The Anker Research Institute engages in and disseminates high-quality research, analysis, and training related to living wage and living income (based on the Anker methodology) to inform and influence companies, empower working people, and shape public policy, thereby helping to enhance quality of life and sustainable livelihoods for working people and their families everywhere. Social Accountability International (SAI) is the institutional host.

² Smith, Prates, Anker and Anker (2020). Anker Living Wage Reference Value – Rural Rwanda, 2020.

³ National Institute of Statistics of Rwanda: <https://www.statistics.gov.rw>

⁴ <https://taxsummaries.pwc.com/rwanda>