

ANKER REFERENCE VALUE ANNUAL UPDATE 2023¹

URBAN GUATEMALA

LIVING WAGE
GTQ 4,800 (USD 612)

This report updates the Anker Living Wage Reference Value for urban Guatemala to 2023. This was GTQ 4,646 (USD 603) for 2022 in the original report², comprised of a Net Living Wage of GTQ 4,401 (USD 571), plus a social security contribution of GTQ 245 (USD 32). The updated Anker Gross Living Wage for 2023 is GTQ 4,800 (USD 612) per month, comprised of a Net living Wage of GTQ 4,540 (USD 579), plus GTQ 260 (USD 33) in mandatory pay deductions which would need to be paid by law as a contribution to the state health fund (4.83%) and income tax (5%). It is worth noting that a worker’s contribution to social security (4.83%) is considered as a deductible expense for income tax purposes and in addition there is a GTQ 4,000 monthly deduction³. Inflation in this period was 3.2%⁴ and it increased the Net Living Wage. Without accounting for inflation, the Living Wage estimated in 2022 would not be sufficient for families to have a basic but decent standard of living in 2023, because the purchasing power of the Living Wage would have decreased. Mandatory deductions were calculated using the most up-to-date tax laws.⁵

Table 1. Anker Living Wage Reference Value for urban Guatemala, 2022 and 2023 (in GTQ and USD)

	2022		2023	
	GTQ	USD	GTQ	USD
Anker Net Living Wage Reference Value (1)	4,401	571	4,540	579
Social Security Contributions and Income Tax (2)	245	32	260	33
Anker Gross Living Wage Reference Value (3) = (1) + (2)	4,646	603	4,800	612
Exchange Rate	7.71 ^a		7.84 ^b	
Inflation mid-2022 to mid-2023	3.2%			

Notes: ^a Average exchange rate from May 2022 to July 2022. ^b Average exchange rate for June 2023 (Banco Central de Guatemala).

¹ Prepared by Agnes Medinaceli, Lykke E. Andersen, Marcelo Delajara, Richard Anker & Martha Anker.

² Voorend, Alvarado, Prates, Anker & Anker (2022). Anker Living Wage Reference Value – Urban Guatemala 2022. https://www.globallivingwage.org/wp-content/uploads/2023/07/Guatemala-LW-Urban-Reference-Value-2022_report-FINAL.pdf

³ See <https://taxsummaries.pwc.com/guatemala/individual/deductions>

⁴ Instituto Nacional de Estadística Guatemala: <https://www.ine.gob.gt/estadisticas/bases-de-datos/indice-de-precios-al-consumidor/> This report used the CPI corresponding to Región I (Metropolitan region).

⁵ See <https://taxsummaries.pwc.com/guatemala/individual/taxes-on-personal-income> & <https://taxsummaries.pwc.com/guatemala/individual/other-taxes>