

ANKER REFERENCE VALUE ANNUAL UPDATE 2023¹

RURAL PERU

LIVING WAGE
PEN 1,960 (USD 537)

This report updates the Anker Living Wage Reference Value for rural Peru to 2023. This was PEN 1,455 (USD 434) for 2020 in the original report², comprised of a Net Living Wage of PEN 1,266 (USD 378), plus a social security contribution of PEN 189 (USD 56). The updated Anker Gross Living Wage for 2023 is PEN 1,960 (USD 537) per month, comprised of a Net Living Wage of PEN 1,529 (USD 419), plus social security contribution of PEN 431 (USD 118). Inflation in this period was 20.8%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 2023, because the purchasing power of the Living Wage would have decreased. Social security contributions were calculated using the most up-to-date laws⁴.

Table 1. Anker Living Wage Reference Value for rural Peru, 2020, 2022, and 2023 (in PEN and USD)

	2020		2022		2023	
	PEN	USD	PEN	USD	PEN	USD
Anker Net Living Wage Reference Value (1)	1,266	378	1,433	383	1,529	419
Social Security Contributions and Income Tax (2)	189	56	214	57	431	118
Anker Gross Living Wage Reference Value (3) = (1) + (2)	1,455	434	1,647	440	1,960	537
Exchange Rate	3.35		3.74^a		3.65^b	
Inflation mid-2020 to mid-2023	20.8%					

Notes: USD values are indicative only, since exchange rates are volatile. ^a Average exchange rate for June 2022. ^b Average exchange rate for June 2023.

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

² Smith, Prates, Anker & Anker (2022). Anker Living Wage Reference Value – Rural Peru 2020. <https://www.globallivingwage.org/wp-content/uploads/2021/12/Rural-Peru-LW-Reference-Value-corrected.pdf>

³ Instituto Nacional de Estadística e Informática: <https://m.inei.gob.pe/estadisticas/indice-tematico/price-indexes/>

⁴ See <https://taxsummaries.pwc.com/peru/individual/other-taxes> Note that in 2023 workers have to contribute, via their employers, 9% to the health system and 13% to the pension fund.