

ANKER REFERENCE VALUE ANNUAL UPDATE 2023¹

RURAL HONDURAS

LIVING WAGE
HNL 7,959 (USD 324)

This report updates for inflation the Anker Living Wage Reference Value for rural Honduras to 2023. This was HNL 6,852 (USD 277) for 2020 in the original report², comprised of a Net Living Wage of NHL 6,304 (USD 255), plus a social security contribution of HNL 548 (USD 22). The updated Anker Gross Living Wage for 2023 is HNL 7,959 (USD 324) per month, comprised of a Net living Wage of HNL 7,680 (USD 312), plus social security contribution of HNL 279 (USD 11). Inflation in this period was 21.8%³. 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 tax laws.⁴

Table 1. Anker Living Wage Reference Value for rural Honduras, 2020 and 2023 (in HNL and USD)

| | 2020 | | 2023 | |
|---|--------------------|-----|--------------------|-----|
| | HNL | USD | HNL | USD |
| Anker Net Living Wage Reference Value (1) | 6,304 | 255 | 7,680 | 312 |
| Social Security Contributions (2) | 548 | 22 | 279 | 11 |
| Anker Gross Living Wage Reference Value (3) = (1) + (2) | 6,852 | 277 | 7,959 | 324 |
| Exchange Rate | 24.73 ^a | | 24.59 ^b | |
| Inflation from mid-2020 to mid-2023 | 21.8% | | | |

Notes: USD values are indicative only, since they are volatile. ^a Average exchange rate from November 2019 to January 2020. ^b Average exchange rate for June 2023 (Source: Banco Central de Honduras).

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

² Khan, Prates, Anker & Anker (2020). Anker Living Wage Reference Value – Rural Honduras. <https://www.globallivingwage.org/wp-content/uploads/2020/11/Rural-Honduras-LW-Reference-Value-FINAL.pdf>

³Banco Central de Honduras: <https://www.bch.hn/estadisticas-y-publicaciones-economicas/publicaciones-de-precios/indice-de-precios-al-consumidor>

⁴ See <https://taxsummaries.pwc.com/honduras/individual/other-taxes> Note: total contributions towards social security has changed in 2023. These amount to 3.5% of the gross salary (2.5% for sickness and maternity, and 1.5% for invalidity, old age, and life, insurance) https://www.ey.com/es_cr/tax/tax-alerts/honduras-nuevos-cambios-en-la-ley-marco-del-sistema-de-proteccion. Also note that because social housing fund contributions are now optional, they are not taken into account. Workers with annual income below HNL 199,039.47 are exempt from paying the income tax.