

JUS SEMPER NEWSLETTER

The Living Wages North and South Initiative (TLWNSI)

Our Latest Publications on Building the New Paradigm of People and Planet

HIGHLIGHTS

Jus Semper and La Salle University launch the International Observatory of Living Wages

The International Wage Observatory Observatory (OISAD) is a permanent multidisciplinary collaboration project formed by a team of researchers from La Salle University, Mexico City campus, and The Jus Semper Global Alliance in the spring of 2019. [Page 2](#)



New 2019 Report: Living-wage assessment – PPP Wage rate gaps for selected "developed and emerging" economies for all employed in manufacturing workers (1996 up to 2017).

Overall, 2017 is the first year in the 22-year span in this report that US hourly wage rates dropped (0,9%). This enabled the vast majority of countries to reduce their comparative wage gaps or increase their surpluses in their manufacturing wage Eq-Index or at least keep their position.

[Page 2](#)



New 2019 Report: Living-wage assessment – New assessment of Argentina's wage rate gap 1996-2017 for all employed in manufacturing workers. With the staunchly neoliberal Macri government, Argentina reverted the impressive progress achieved in living-wage equalisation in the manufacturing sector of more than one decade. Repairing the damage will be a daunting task of the upcoming Fernández government, if it has the political and economic skill to materialize it.

[Page 2](#)



New 2019 Report: Living-wage assessment – New assessment of Brazil's wage rate gap 1996-2017 for all employed in manufacturing workers. With the Temer and Bolsonaro governments against *d e m a n d - s i d e* economic policies, Brazil's labour remunerations are bound to lose in real terms.

[Page 3](#)



Brazil's Wage Gaps

2019 Report
Manufacturing wage gaps for Brazil vis-à-vis selected developed and "emerging" economies, with available wage and PPP data (1996-2017)

New 2019 Report: Living-wage assessment – New assessment of Mexico's wage rate gap 1996-2017 for all employed in manufacturing workers. With the Temer and Bolsonaro governments against *d e m a n d - s i d e* economic policies, Brazil's labour remunerations are bound to lose in real terms.

[Page 3](#)



Mexico's Wage Gaps

2019 Report
Manufacturing wage gaps for Mexico vis-à-vis selected developed and "emerging" economies, with available wage and PPP data (1996-2017)

New 2019 Report: Living-wage assessment – New assessment of Spain's wage rate gap 1996-2017 for all employed in manufacturing workers. Spain experienced a very meaningful increase of its Eq-Idx in 2017, gaining 4 points equivalent to a 4,5% increase; the result of the combination of the increase of its hourly rate in euros, the euro revaluation against the US dollar and the drop of 0,9% of the US hourly rate. Although this is a reversal of its previous drop between 2014 and 2016, the change is in line with the vast majority of European economies for the same reasons.

[Page 3](#)



Spain's Wage Gaps

2019 Report
Manufacturing wage gaps for Spain vis-à-vis selected developed and "emerging" economies, with available wage and PPP data (1996-2017)

Aequus Indices. Living Wage Equalisation in manufacturing, exposing the wage gap for 41 countries..... 4

Table T5: 1996 - 2017 Real Living-Wage Gaps for 14 Economies, vis-à-vis the US for All Employed in Manufacturing 4

Table T5: 1996 - 2017 Real Living-Wage Gaps for European Economies, vis-à-vis the US for All Employed in Manufacturing..... 4

Table T5: 1996 - 2017 Real Living-Wage Gaps for Brazil, Mexico and Argentina, vis-à-vis the US for All Employed in Manufacturing 5

Table T5: 1996 - 2017 Real Living-Wage Gaps for Asia & Oceania economies, vis-à-vis the US for All Employed in Manufacturing 5

Video: The Underlying Causes of Immigration from Mexico to the US. — Presentation at California Lutheran University..... P. 5

A Final Thought..... P. 6

**JUS SEMPER AND LA SALLE UNIVERSITY
LAUNCH THE INTERNATIONAL
OBSERVATORY OF LIVING WAGES**



The International Observatory of Living Wages (IOLW) was launched last Spring as a permanent multidisciplinary collaboration project made up of a team of researchers from Universidad La Salle, Mexico City campus and The Jus Semper Global Alliance.

The project was born as a result of the concern of both parties to develop a research space that addresses salary conditions in the world with due diligence and academic rigor, both from a global and domestic perspective. The project is aimed at assessing real wages and determining what should be a living wage for each economy and for each work activity in a globalized world. The project carries out its work based on the context that, in the current globalized world, there are structures that prevent large portions of the population in the world from enjoying decent wages, due to systemic structures that have caused the participation of labor in the economy to be consistently reduced in the past fifty years.

In the same way, Universidad La Salle University has a special interest in assessing the case of Mexico because these structures have caused labour's share of income to suffer one of the worst collapses in the world. In this way, La Salle seeks to make an accurate diagnosis of the underlying causes of this failure to influence the design of public policies with structural solutions that solve this problem for the benefit of society as a whole.

This concern has borne fruit for the creation of this project with Jus Semper, who since 2003 has focused on the research of this problem through "The Living Wages North and South Initiative" (TLWNSI), which developed a methodology for the assessment of wage gaps and their underlying causes, particularly in the manufacturing sector, a sector of utmost importance to Mexico for its paramount economic importance.

Following are the first living wage gap reports produced by the IOLW.

2019 REPORT: LIVING-WAGE ASSESSMENT – PPP WAGE RATE GAPS FOR SELECTED "DEVELOPED AND EMERGING" ECONOMIES FOR ALL EMPLOYED IN MANUFACTURING WORKERS (1996 UP TO 2017).

Overall, 2017 is the first year in the 22-year span in this report that US hourly wage rates dropped (0,9%). This enabled the vast majority of countries to reduce their comparative wage gaps or increase their surpluses in their manufacturing wage Eq-Index or at least keep their position.

Of the twelve economies in this report with data since 1996, Germany continues to have the best position with an actual equalisation advantage over the US in real PPP terms in its hourly wage rates, followed by France with a one point advantage over US wage rates. All other countries continue to record wage gaps vis-à-vis equivalent manufacturing wage rates in the US. Seven out of the twelve countries in this chart improved their position in 2017 vis-à-vis 2016 by increasing their advantage (Germany and France) or decreasing their wage gaps (Canada, UK, Spain, Japan and South Korea). Brazil and Mexico remained with their same gap in 2017 as in 2016. Only Italy, Singapore and Australia increased their gaps from the previous year. Mexico and Brazil continue reporting the worst wage gaps.

LIVING-WAGE ASSESSMENT – NEW ASSESSMENT OF ARGENTINA'S WAGE RATE GAP 1996-2017 FOR ALL EMPLOYED IN MANUFACTURING WORKERS.

With the staunchly neoliberal Macri government, Argentina reverted the impressive progress achieved in living-wage equalisation in the manufacturing sector of more than one decade. Repairing the damage will be a daunting task of the upcoming Fernández government, if it has the political and economic skill to materialize it.



Argentina's Wage Gaps

Wage rates for all employed in manufacturing

2019 Report

Manufacturing wage gaps for Argentina vis-à-vis selected developed and "emerging" economies, with available wage and PPP data (1996-2017)

(see definitions and sources at the end of report)



Wage Gaps

Wage rates for all employed in manufacturing

2019 Report

Manufacturing wage gaps for Group of Seven (G7) large economies and other selected economies, including "emerging" economies with available wage and PPP data (1996-2017)

(see definitions and sources at the end of report)

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Argentina is once again in the midst of an extreme economic crisis, as it was in 2002, as the direct result of the deep neoliberal economic policies that were reinstated by the Macri government to return to supply-side economics that depletes labour's share of income. After the 2002 economic crisis, Argentina experienced a steady improvement of real wages. The Eq-Idx increased 93% between 2002 and 2012 to then drop gradually 19% to 2016. Macri's government, claiming that their new economic plan would stop the unrelenting increase of inflation and stabilize the economy, did everything it could to reverse the demand-side policies of the preceding Kirchner and Fernández governments. These governments' policies were instrumental in recovering Argentina's economy, and, all the more important, much of the standard of living enjoyed prior to the 2002 "corralito crisis", when Argentinians were unable to have free access to their private funds in their bank accounts for a full year, could not exchange their funds for other currencies, and could only withdraw a very limited amount on a weekly basis.

Prior to Macri's government, manufacturing wages and their equalisation with US equivalent wages began to recover at a fast pace after 2002. The equalisation with equivalent wages in the US increased at an unprecedented pace, reaching a 58 Eq-Idx in 2012, almost twice the 30 index of 2002. This made Argentina's manufacturing compensation cost the highest in Iberian America by a large margin. However,

the steep increase of both the minimum wage and manufacturing wages, which, for the period 2003-2012, increased an average of 27,5% and 25,1%, respectively, in local currency, were faced with a corresponding inflation average of 16,3% for the same period, that Argentinian governments were unable to control and that subsequently exploded. The race to outperform inflation became unattainable and in 2014, inflation reached 38,6% whilst manufacturing wages increased only 30,3%. In 2015, the last year of the Fernández government, inflation dropped to 26,8%, but then, with Macri, jumped to 39,2% in 2016, dropped again to 24,8% in 2017, exploded to 47,6% in 2018, and it reached 53,5% in the last twelve months (September 2019) and it is expected to reach 57% in 2019.

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LIVING-WAGE ASSESSMENT – NEW ASSESSMENT OF BRAZIL'S WAGE RATE GAP 1996-2017 FOR ALL EMPLOYED IN MANUFACTURING WORKERS.

With the Temer and Bolsonaro governments against demand-side economic policies, Brazil's labour remunerations are bound to lose in real terms. Temer's government passed a new law (PEC 55) that freezes all public spending for 20 years, which implies that constitutionally-protected government expenditures in the areas of health, education and other social sectors would remain stunted until 2036. This has in practice ended Brazil's commitment to sustain its minimum wage appreciation policy, after the minimum wage had more than doubled in real terms since 1996. Manufacturing wages actually lost ground since 1996, until the minimum wage appreciation policy began to have a positive influence from 2009 onwards. But with a renewed recession during the 2014-2016 period that is only beginning to subside and the staunchly neoliberal supply-side approach followed by Bolsonaro's new government, Brazil will no longer sustain the closing of its Eq-Idx and it is likely to actually increase its equalization gap with comparative wages in the US.



Brazil's Wage Gaps

Wage rates for all employed in manufacturing

2019 Report

Manufacturing wage gaps for Brazil vis-à-vis selected developed and "emerging" economies, with available wage and PPP data (1996-2017)

(see definitions and sources at the end of report)

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LIVING-WAGE ASSESSMENT – NEW ASSESSMENT OF MEXICO'S WAGE RATE GAP 1996-2017 FOR ALL EMPLOYED IN MANUFACTURING WORKERS.

Mexico's fraudulent government, fixated on the precarisation of Mexican society, deliberately contained real wages in manufacturing and across all economic sectors as a core matter of its economic policy for nearly 36 years. This appears to begin to change.

Mexico's track record since 1996 exposed a deliberate state policy of maintaining modern-slave-work real wages between 1996 and 2015. However, wage policy appears to have changed in 2017 after the execution of consistent supply-side policies over more than three decades. For the first time the federal minimum wage was increased above inflation in 2017 and 2018. Through a so-called "Independent Recovery Amount", the minimum wage for 2017 was increased arbitrarily by 9,6%, including 3,9% to offset the estimated CPI inflation rate. The same criterion was applied for 2018, for a total minimum wage increase of 10,4%, including a 3,9% increase to offset CPI inflation. In 2019, Mexico's new government, touting to implement a strong minimum wage recovery policy, increased the minimum wage by 16,2%, including a 5% increase to offset inflation.

All of this seems to have a direct positive impact on manufacturing wages in real terms and on its equalisation with comparative US wages. Between 2014 and 2017 the hourly rate in local currency increased 41,2%, but the peso experienced a steep devaluation of 29,8%. Thus the hourly rate in US dollars decreased slightly by 0,8%. However, due to the devaluation of the Mexican peso and low inflation, the PPP conversion factor dropped 23,6% for the same period. This allowed the Eq-Idx to gain four points, to 23, both in 2016 and 2017, the highest recorded index in the 22 year span of

time. Yet, Mexico continues to have one of the widest living-wage gaps among the 41 countries included in all our reports, just ahead of China, India and the Philippines.



Mexico's Wage Gaps

Wage rates for all employed in manufacturing

2019 Report

Manufacturing wage gaps for Mexico vis-à-vis selected developed and "emerging" economies, with available wage and PPP data (1996-2017)

(see definitions and sources at the end of report)

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LIVING-WAGE ASSESSMENT – NEW ASSESSMENT OF SPAIN'S WAGE RATE GAP 1996-2017 FOR ALL EMPLOYED IN MANUFACTURING WORKERS.

Spain experienced a very meaningful increase of its Eq-Idx in 2017, gaining 4 points equivalent to a 4,5% increase; the result of the combination of the increase of its hourly rate in euros, the euro revaluation against the US dollar and the drop of 0,9% of the US hourly rate. Although this is a reversal of its previous drop between 2014 and 2016, the change is in line with the vast majority of European economies for the same reasons.

Spain had made great economic strides in its convergence with the major European economies in the last part of the twentieth century, but began to stall after 1996, during the rule of its conservative government. Spain's Eq-Idx for production-line workers in manufacturing rose powerfully from 51 in 1975 to 84 in 1990, but then it began to hover in the mid 70s indices. In this way, the Eq-Idx —in purchasing power parity terms— of total hourly compensation costs for all employed in manufacturing has not reached an 80 index and has continued to linger since joining the euro between 70 in 1999 and 77 in 2017, averaging nearly a 73 index for the period. This is the result of supply-side economic policies applied by both right and left of centre governments that no longer sought to put at par Spain's labour compensations in manufacturing with the compensation rates of equivalent workers in the major economies of the euro area (Germany, France and Italy) under the principle of equal pay for equal work of equal value. The end result appears to be the deliberate decision to keep wages —in terms of living wage

equalisation— at the same level they have recorded vis-à-vis the US, Germany, France and Italy.



Spain's Wage Gaps

Wage rates for all employed in manufacturing

2019 Report

Manufacturing wage gaps for Spain vis-à-vis selected developed and “emerging” economies, with available wage and PPP data (1996–2017)

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ASEQUUS INDICES. LIVING WAGE EQUALISATION IN MANUFACTURING, EXPOSING THE WAGE GAP FOR 41 COUNTRIES

Aequus Index – Living Wage Equalisation Index						
	Year	Hourly manufacturing nominal wage index	Real wage PPP equalisation Aequus index	Year	Hourly manufacturing nominal wage index	Real wage PPP equalisation Aequus index
United States (benchmark)						
1 Belgium	1996	1.46	153	2017	126	131
2 Germany	1996	1.46	117	2017	112	123
3 Austria	1996	1.25	132	2017	108	114
4 Switzerland	1996	1.58	102	2017	153	110
5 Norway	1997	1.14	83	2017	136	105
6 Ireland	1996	0.79	88	2017	115	104
7 Sweden	1996	1.21	84	2017	111	102
8 France	1996	1.24	94	2017	96	101
9 Denmark	1997	1.05	76	2017	119	99
10 Netherlands	1997	1.00	106	2017	81	99
11 Italy	1996	0.93	88	2017	81	92
12 Australia	1996	1.11	102	2017	97	93
13 Canada	1996	0.83	90	2017	85	83
14 Australia	1996	0.87	81	2017	96	81
15 Singapore	1996	0.53	57	2017	65	78
16 Spain	1996	0.69	68	2017	62	77
17 South Korea	1996	0.43	48	2017	61	71
18 United Kingdom	1996	0.79	64	2017	71	70
19 Japan	1996	1.05	59	2017	66	69
20 Slovenia	1996	0.38	82	2017	48	65
21 New Zealand	1996	0.54	53	2017	62	55
22 Slovakia	1996	0.57	47	2017	39	52
23 Slovakia	1996	0.26	26	2017	32	32
24 Argentina	1996	0.33	32	2017	49	50
25 Czech Republic	1996	0.15	30	2017	30	50
26 Hungary	1996	0.14	27	2017	27	49
27 Estonia	2000	0.7	20	2017	29	48
28 Poland	1996	0.15	20	2017	23	35
29 Lithuania	1996	0.7	15	2017	25	44
30 Turkey	2004	0.15	23	2017	18	39
31 Croatia	1996	0.15	21	2017	23	39
32 Portugal	1996	0.32	47	2017	29	38
33 South Africa	2004	0.14	21	2017	17	35
34 Latvia	1996	0.8	21	2017	21	34
35 Brazil	1996	0.31	33	2017	23	33

From inception, TLWSNI developed its living-wage equalisation index, which measures how close the real wages of manufacturing workers in a specific country are to those of equivalent workers in the U.S. in purchasing-power-parity terms. The "Aequus Index", Latin for "equal" or "balanced" exposes either the size of the gap or, in some countries, the true compensation advantage that real wages have over the wages of equivalent U.S. workers.

The index for all employees dates back, depending on the country, to 1996 and, except

for India and China, compares the benchmark year with 2017 and will continue to be updated every year. India and China's wage data is currently available for the periods 2000-2017 and 2002-2017 respectively. A word of caution, nonetheless, is required with these data, for India and China data gathered by the BLS are not fully comparable to the rest of countries due to some inconsistencies in methodology. However, given that in both cases the BLS argues that this does not substantially affect the hourly compensation estimates, rough comparisons can still be made, and thus, we have decided to include them in our Aequus Index.

[Download the full document here!](#)

TABLE T5: 1996 - 2017 REAL LIVING-WAGE GAPS FOR 14 ECONOMIES, VIS-À-VIS THE US FOR ALL EMPLOYED IN MANUFACTURING

2017 is the first year in the 22-year span in this report that US hourly wage rates dropped (0,9%). This enabled the vast majority of countries to reduce their comparative wage gaps or increase their surpluses in their manufacturing wage Eq-Index or at least keep their position.

Japan has reversed the downward trend in living-wage equalisation (Eq-Idx) that began in 2013. South Korea sustained the growing trend of its Eq-Idx that resumed in 2014 after a brief downturn in 2013. A strong drop of Singapore's hourly rate in local currency produced a 1 point loss in its Eq-Idx.

In the euro zone, Spain, Germany and France stopped their downturn that began in 2012, after steady and stronger growth of the US hourly rate vis-à-vis the growth of their comparative hourly rates in euros. In contrast, Italy's drop of its hourly rate of almost 4% in local currency and 2% in US dollars, produced further erosion of its Eq-Idx that began in 2014.

The United Kingdom, reversed the sustained erosion of its Eq-Idx that began in 2008 and gained four points from its 2016 position. In contrast, Australia continued to decrease its Eq-Idx that began in 2014, with 4,4% drop of its hourly rate in local currency and a 1,9% increase in the PPP cost of living. In the case of Canada, the combination of its hourly rate increase in Canadian dollars of 9,4%, its currency revaluation of 2,2% and the 0,9% US rate decrease, produced an 11,8% increase of its hourly rate in US dollars between 2016 and 2017.

South Africa is a new economy incorporated into this report, showing a steady increase of its Eq-Idx since 2004, the earliest year with available data. Extremely strong growth of hourly rate in local currency (41%) at a much higher rate than strong currency devaluation.

(17%) produced a strong 31% increase of Turkey's Eq-Idx, the highest of all economies included in our reports.

In Brazil the hourly rates and the Eq-Idx are bound to drop in 2018 and 2019, given that Bolsonaro's new government is deepening the anti-labour policies initiated by the Temer government. In Mexico wage policy appears to have changed in 2017 after the execution of consistent supply-side policies over more than three decades. Yet, Mexico continues to have one of the widest living-wage gaps among the 41 countries included in all our reports, just ahead of China, India and the Philippines.



TABLE T5: 1996 - 2017 REAL LIVING-WAGE GAPS FOR 14 ECONOMIES, VIS-À-VIS THE US FOR ALL EMPLOYED IN MANUFACTURING

2017 is the first year in the 22-year span in this report that US hourly wage rates dropped (0,9%). This enabled the vast majority of countries to reduce their comparative wage gaps or increase their surpluses in their manufacturing wage Eq-Index or at least keep their position.

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TABLE T5: 1996 - 2017 REAL LIVING-WAGE GAPS FOR EUROPEAN ECONOMIES, VIS-À-VIS THE US FOR ALL EMPLOYED IN MANUFACTURING

2017 is the first year in the 22-year span in this report that US hourly wage rates dropped (0,9%). This enabled the vast majority of countries to reduce their comparative wage gaps or increase their surpluses in their manufacturing wage Eq-Index. Most European economies improved their living-wage equalisation position very meaningfully.



Table 15. Living Wage Gap and Equalisation analysis vis-à-vis the U.S. for selected European economies – for all employed in the manufacturing sector – in PPP for private consumption terms 1996–2017, based on the methodology of Jis Sempier's "The Living Wages North and South Initiative (LWNNS)", following the principle of "equal pay for equal work of equal value" of UN and ILO's International conventions.

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TABLE T5: 1996 - 2017 REAL LIVING-WAGE GAPS FOR BRAZIL, MEXICO AND ARGENTINA, VIS-À-VIS THE US FOR ALL EMPLOYED IN MANUFACTURING



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Table T5: Living Wage Gap & Equalisation analysis vis-à-vis the US – for selected economies of the Americas – for all employed in the manufacturing sector – in FPP for equal value of equal labour. The "Living Wages North and South Initiative (LWNSS)", following the principle of "equal pay for equal work of equal value" of UN and ILO's international convention.

2017 is the first year in the 22-year span in this report that US hourly wage rates dropped (0,9%). This enabled the vast majority of countries to reduce their comparative wage gaps or increase their surpluses in their manufacturing wage Eq-Index.

In the Americas, all four major economies reduced their equalisation gaps or remained at the same level.

Argentina saw its minimum wage rates increase by 17,2% in nominal terms but inflation grew by 24,8%. In 2018 the minimum wage increased 12,9% but inflation reached 47,8%. In 2017, manufacturing hourly rates increased 29,1% in pesos and 15% in US dollars, whilst the US hourly rate dropped almost 1%, This allowed Argentina's manufacturing hourly wage rates to increase its equalisation index by three points to a 50 Index. However, with inflation close to 48% and a devaluation of 41% in 2018, Argentina's hourly rates and their equalisation index with comparative US rates are certain to drop dramatically in 2018, with CPI and exchange rate indicators looking even worse for 2019.

Brazil saw its minimum wage rates increase by 20,3% in nominal terms but inflation grew by 27,2% and the 0,9% US rate decrease, produced an 11,8% increase of its hourly rate in US dollars between 2016 and 2017. However, with inflation close to 48% and a devaluation of 41% in 2018, Brazil's manufacturing hourly rates and their equalisation index are certain to drop dramatically in 2018, with CPI and exchange rate indicators looking even worse for 2019.

Mexico's minimum wage rates increased by 10,2% in nominal terms but inflation grew by 27,2% and the 0,9% US rate decrease, produced an 11,0% increase of its hourly rate in US dollars between 2016 and 2017. However, with inflation close to 48% and a devaluation of 41% in 2018, Mexico's manufacturing hourly rates and their equalisation index are certain to drop dramatically in 2018, with CPI and exchange rate indicators looking even worse for 2019.

2017 is the first year in the 22-year span in this report that US hourly wage rates dropped (0,9%). This enabled the vast majority of countries to reduce their comparative wage gaps or increase their surpluses in their manufacturing wage Eq-Index. In the Americas, all four major economies reduced their equalisation gaps or remained at the same level.

In the case of Canada, the combination of its hourly rate increase in Canadian dollars of 9,4%, its currency revaluation of 2,2% and the 0,9% US rate decrease, produced an 11,8% increase of its hourly rate in US dollars between 2016 and 2017. This enabled its living wage equalisation index (Eq-Idx) to grow 10,2%, from 75 to 83, its highest since 2010.

In Argentina, In 2017, in local currency, the minimum wage managed to increase by 17,2% in nominal terms but inflation grew by 24,8%. In 2018 the minimum wage increased 12,9% but inflation reached 47,8%. In 2017, manufacturing hourly rates increased 29,1% in pesos and 15% in US dollars, whilst the US hourly rate dropped almost 1%, This allowed Argentina's manufacturing hourly wage rates to increase its equalisation index by three points to a 50 Index. However, with inflation close to 48% and a devaluation of 41% in 2018, Argentina's hourly rates and their equalisation index with comparative US rates are certain to drop dramatically in 2018, with CPI and exchange rate indicators looking even worse for 2019.

In Brazil the hourly rates and the Eq-Idx are bound to drop in 2018 and 2019, given that Bolsonaro's new government is deepening the anti-labour policies initiated by the Temer government.

In Mexico wage policy appears to have changed in 2017 after the execution of consistent supply-side policies over more than three decades. This allowed the Eq-Idx to gain four points, to 23, both in 2016 and 2017, the highest recorded index in the 22 year span of

time, but still the country continues having the widest living-wage gap in the Americas by far.

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The presentation focuses on the underlying causes of immigration from Mexico to the United States from a political and socio-economic viewpoint. However, the root causes behind the flows of emigrants in other regions of the world are consistently the same. They result from the impact of powerful geo-political interests on the general population of both the emitting and the receiving countries of the millions of migrants in their escape from unbearable conditions and in pursuit of a dignified life. From this perspective, we will uncover and review the underlying causes of immigration from Mexico to the US, which are structural, in an effort to shed light onto their real solution. That is, the only way to permanently solve the issue of Mexican migration to the US, is by addressing the structural causes that force people to leave their homelands. Addressing only the symptoms triggered by these causes will never solve the issue and instead would further consolidate the patterns regardless of how aggressive and inhumane the policies are designed to stop the flows of migrants. We focus on Mexico because it has been for many decades the main source of immigrants to the US due to its proximity and even more so after the North American Free Trade Agreement (NAFTA) in 1994, which has made Mexico the third largest US trading partner, after China and Canada, beyond being the main exporter of migrants forced to leave their communities.

TABLE T5: 1996 - 2017 REAL LIVING-WAGE GAPS FOR ASIA & OCEANIA ECONOMIES, VIS-À-VIS THE US FOR ALL EMPLOYED IN MANUFACTURING

2017 is the first year in the 22-year span in this report that US hourly wage rates dropped (0,9%). This enabled the vast majority of countries (except for Australia and Singapore) to reduce their comparative wage gaps or increase their surpluses in their manufacturing wage Eq-Index or at least keep their position. This allowed most countries in the region to improve their living wage equalisation position to improve.



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Table T5: Living Wage Gap & Equalisation analysis vis-à-vis the US – for selected economies of Asia & Oceania – for all employed in the manufacturing sector – in FPP for equal value of equal labour. The "Living Wages North and South Initiative (LWNSS)", following the principle of "equal pay for equal work of equal value" of UN and ILO's international convention.

2017 is the first year in the 22-year span in this report that US hourly wage rates dropped (0,9%). This enabled the vast majority of countries in the region to reduce their comparative wage gaps or increase their surpluses in their manufacturing wage Eq-Index or at least keep their position. This allowed most countries in the region to improve their living wage equalisation position to improve.

South Korea sustained the growing trend of its Eq-Idx that started in 2016 after a brief downturn in 2015 and a move to 47, three points below its highest index in 2012. This is the result of the combination of the drop of the US hourly rate and the increase of South Korean hourly rates in local currency of 1,9%, currency depreciation of 2,5% and the currency drop of PPP cost of living (-3,6%), despite the 1,7% decrease of its hourly rate in US dollars.

India's 0,1% increase of its hourly rate in local currency and a 1,2% currency revaluation combined with the drop of the US hourly rate was enough to gain one point, despite a 3,6% increase in PPP cost of living (+3,6%), despite the 1,7% decrease of its hourly rate in US dollars.

Thailand's 0,1% increase of its hourly rate in local currency and a 1,2% currency revaluation combined with a 2,7% currency depreciation and the consequential drop of its PPP cost of living by 2,2% and the drop of the US hourly rate, enabled to gain 2 points from 2016. China has gained 4 points, equivalent to 280% since 1996 (from 5 to 43). The same values, a strong drop of Singapore's hourly wage rate in local currency (-4,4%) and a 3,1% increase of its PPP cost of living (+3,1%), despite the 1,7% decrease of its hourly rate in US dollars.

In New Zealand, the combination of the US dollar's increase of its hourly rate in local currency of 1,5%, a currency revaluation of 2,1%, despite a 2,6% decrease for a total gain of 4 points from 2016. Chile has gained 4 points, equivalent to 280% since 1996 (from 5 to 43).

For the Philippines, the combination of the drop of the US hourly wage rate, the increase of the US hourly rate in local currency of 2,5%, with a currency revaluation of 3,0% and PPP decrease of 3,1%, produced a 1 point gain from 2016.

In 2018, China has gained 4 points, equivalent to 280% since 1996 (from 5 to 43). The same values, a strong drop of Singapore's hourly wage rate in local currency (-4,4%) and a 3,1% increase of its PPP cost of living (+3,1%), despite the 1,7% decrease of its hourly rate in US dollars.

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THE UNDERLYING CAUSES OF IMMIGRATION FROM MEXICO TO THE US. — PRESENTATION AT CALIFORNIA LUTHERAN UNIVERSITY

This is a video of the actual presentation delivered by Álvaro de Regil, Executive Director of The Jus Semper Global Alliance, at the Lundring Center of California Lutheran University. the event was organised by Cal Lutheran's School of Management as part of the "Distinguished Speakers series" on 24 October 2019. If you are interested in watching the actual video presentation produced by the School of Management you can do it here <https://www.youtube.com/watch?v=ItHIM>

[View the full video here!](#)

A final thought



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A living wage is, universally, the most important element in the achievement of everyone's right to a dignified life and the eradication of poverty. Relative to the social responsibility of business, a corporation or organisational entity employing people, regardless of size or trade, public or private, cannot be considered to behave in a socially responsible manner if it does not pay a living wage, regardless of how responsibly it behaves in all other areas of activity.

Just as the International Labour Organisation's Decent Work Agenda states, *the decent work concept has led to an international consensus that productive employment and decent work are key elements to achieving poverty reduction*. Yet, everything remains in the realm of rhetoric and hypocrisy, and the system, imbued in the most perverse human instincts, remains.

