THE HIGH COST OF LOW WAGES IN HAITI



A Living Wage Estimate for Garment Workers in Port-au-Prince





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The **SOLIDARITY CENTER** is the largest U.S.-based international worker rights organization helping workers attain safe and healthy workplaces, family-supporting wages, dignity on the job and greater equity at work and in their community. Allied with the AFL-CIO, the Solidarity Center assists workers across the globe as, together, they fight discrimination, exploitation and the systems that entrench poverty—to achieve shared prosperity in the global economy.

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BACKGROUND

Workers in Haiti's export apparel sector are struggling to provide for their families as diminished working hours, layoffs and curtailed access to critical human rights and social benefits—all consequences of growing insecurity—have combined with persistent inflation and low wages to diminish workers' purchasing power.

During the first half of 2022, the Office of the United Nations High Commissioner for Human Rights registered 934 deaths, 680 kidnappings and 684 injuries perpetuated by criminal groups.¹ The Institute for Justice and Democracy in Haiti notes that this wave of gang activity and the impunity with which it operates undermine civil and political rights. Further, access to "other core human rights such as health care, education and a living wage is extremely and increasingly limited."² Gang activity and related fuel shortages impact transport along Haiti's roadways, preventing many apparel workers from getting to work and materials from arriving at factories. After paying a significant portion of their wages for transportation to work—and enduring an often-dangerous journey—some apparel workers are sent home without pay because the factory has not received supplies necessary for production.

Workers lament the psychological impact of not knowing how much they will make or if they will fall victim to the general violence. In August 2022, apparel workers at a factory in Port-au-Prince lost a union leader who was fatally injured by gang violence in his neighborhood. In the absence of a life insurance system, the union organized a collection from workers and successfully appealed to the factory to match the contribution. The same factory has been suffering frequent and unpredictable closures due to the very same security situation, amounting to 56 days of lost wages in the past seven months.³ These periods of income precarity are especially dire given that most low-wage garment workers lack savings and the institutions charged with enforcing labor rights or providing social services are not fully functioning.

Meanwhile, the cost of living continues to rise, further eroding workers' ability to live with dignity. The latest figures (May 2022) capture an inflation rate of 27.8 percent.⁴ Since 2011, Solidarity Center Haiti living wage studies have repeatedly demonstrated that the daily minimum wage is <u>far less than the estimated cost of living</u>—including the 2019 study when inflation was 18.7.⁵

In January 2022, nine unions took action.⁶ In an open letter to the prime minister, they called for an increase in the daily minimum wage from 500 gourdes (about \$4.82) to 1,500 gourdes (\$14.62). With the <u>rate of inflation at 22.8</u> percent, the unions' demand was in line with Article 137 of the Haitian Labor Code, which stipulates that if the inflation rate exceeds 10 percent, the wage is to be adjusted.

While the letter spurred a meeting with the Ministry of Labor and Social Affairs (MAST), a satisfactory agreement could not be reached. The unions mobilized workers, who took to the streets in <u>peaceful protest</u>. Their demonstrations continued

The cost of living for a garment worker in Port-au-Prince is more than four times higher than the minimum wage.



until February 21, 2022, when a new minimum wage was published following an agreement with the prime minister to increase the minimum wage in the entire export apparel sector by 185 gourdes (\$141)—for the first time in three years. The agreement also provided for a government-sponsored stipend for Portau-Prince garment workers to better afford rising food and transportation costs.⁷ The union coalition represents workers on a bipartite council overseeing the implementation of this agreement.

Despite being Haiti's largest source of formal-sector employment and benefiting from additional scrutiny and opportunities through U.S. trade preference programs, the export apparel sector is plagued by systemic worker rights abuses, including occupational safety and health violations, wage theft and underpayment of benefits. Most notably, factory management is consistently non-compliant with laws governing health care and social security contributions.⁸

With the disrespect for labor rights, production disruptions and, in some cases, permanent closures, the trajectory of the sector is uncertain. There are an estimated 58,571 workers employed in Haiti's export apparel factories, a majority of them women (63 percent). The jobs that may remain may not offer sufficient wages and benefits for Haitian garment workers to achieve a dignified life for themselves and their families.

SURVEY METHODOLOGY

The Solidarity Center used a mixed-methods approach to estimate the cost of living for garment workers in Port-au-Prince. In May–June 2022, three data collectors surveyed the prices of products and services for a locally appropriate basket of goods. The Worker Rights Consortium originally configured the basket of goods in 2008 when it assessed the cost of living for garment workers in the Haitian border town of Ouanaminthe.



The three-member team surveyed prices across communities in which garment workers are concentrated, including Bon Repos, Canaan, Croix des Missions, Delmas, Pétion-Ville and Tabarre. To the greatest extent possible, data collectors sought two price quotes for each expense directly from vendors and service providers. The team also interviewed five workers from each area to learn the frequency with which they purchase each item.

Following the field-based data collection process, the Solidarity Center calculated the average cost of each expense and the average frequency with which it is purchased by workers. To remain consistent with the original methodology, upon which previous Solidarity Center living wage assessments have been based (2011, 2014 and 2019), the quantitative data was used to calculate the basic monthly living expenses for a three-member household (comprising one adult wage earner and two minor dependents, ages 8–14). However, it is important to note that the total fertility rate in Haiti is currently estimated at 2.89 children per woman of childbearing age. The lack of formal employment opportunities means that some households have only one wage earner. The prices in the tables that follow are prorated to reflect the monthly allocation of cost.

CATEGORIES OF EXPENSES

The basket of goods includes products and services that span the following categories of expenses: clothing, communication, education, energy, health care, housing, nutrition and transportation. A description of each category follows.

HOUSING

Home ownership is out of reach for the majority of garment workers in Port-au-Prince. Focus group participants reported that they rent small, often-substandard cement dwellings that lack indoor plumbing. Some workers noted overcrowding in their households due to the need to share rent among several people. Others said that they cannot afford to fully furnish their homes or that they must purchase less expensive, used furniture.

The housing category includes rental costs for a modest, two-bedroom home with a kitchen, a living space and a bathroom. The category includes non-potable water (for cleaning and bathing), which must often be transported long distances on foot, multiple times per week. The category also includes two queen-size beds and bedding, a table with four chairs, a wardrobe, a sofa, a radio, basic cookware, dishes and cleaning supplies. The prices for furniture and small appliances were obtained from street vendors, since store prices typically exceed garment workers' limited means.

In keeping with the original methodology, the Solidarity Center assessment assumes that in addition to the garment worker wage earner (and two minor dependents), a household has an additional wage earner whose income covers one-quarter of the household expenses (housing, energy and potable water costs).

ENERGY

Access to energy is a persistent problem—one that has worsened amid political and social unrest. These price increases particularly impact the cost that workers pay for transportation and food. Haitians experience daily periods of power outages and often rely on batteries, rechargeable lamps and other ways to fill gaps in electricity to their homes.

Most Haitian households use charcoal or firewood to prepare food. While propane represents another (more environmentally sound) option for cooking fuel, most garment workers are unable to afford the upfront cost. Instead, they must parcel fuel costs over time by purchasing small bags of charcoal several times per week. Larger, more economical bags of charcoal are available for purchase, but, similar to propane, workers often struggle to afford the cost of a larger bag.

NUTRITION

The selection of foods and corresponding quantities are based on a local diet that is adequate in terms of caloric intake (minimum 2,200 calories per day) and basic nutritional needs, according to standards established by the United Nations Food and Agriculture Organization.

Most garment workers are unable to afford grocery store prices and typically purchase food from independent street and market vendors. Data collectors visited several of these markets to survey prices and used a scale to determine the cost of goods for which the pound was the unit of measure. In addition to foods purchased at local marketplaces, the nutrition category includes the cost of potable water, as well as lunch for workers at or near the factories in which they work.

A standard breakfast consists of spaghetti, macaroni or bread with mamba (peanut butter) and coffee or akasan (a milk and cornmeal Haitian beverage), prepared at home for four people.

A standard lunch consists of rice, beans, and chicken for four people. The workers purchase this lunch from vendors outside of the factory, the spouse and children have this meal prepared at home.

A standard dinner consists of rice, beans and chicken for four people.

CLOTHING

Garment expenses include three complete sets of clothing and two pairs of shoes per year for one adult and two children. Many workers can only afford secondhand clothing sold by street vendors.

HEALTH CARE

Employers are required by law to deduct and forward 3 percent of workers' base salary to the Insurance Office for Occupational Injury, Sickness and Maternity (OFATMA). However, Better Work Haiti consistently reports widespread noncompliance with this requirement. Several factories have been cited for failure to register with OFATMA's health and maternity services, as well as for failure to collect and forward OFATMA contributions to the agency. As a result, many garment workers are unable to access basic health care services at OFATMA-affiliated facilities. Of those who do have access, many are critical of the quality of care. In addition to OFATMA, some workers have access to government-subsidized and/or non-governmental organization-operated medical facilities.

For instances in which workers seek specialized care at private clinics or obtain services and supplies not covered by insurance, they are responsible for out-of-pocket expenses, which are included in the health care category. Such expenses include doctor visits, laboratory tests, eyeglasses, prescription drugs and over-the-counter medications. The category also includes the cost of pregnancy and childbirth (with one of five quotes based on a cesarean delivery). Nearly all of the focus group participants reported that they are unable to afford dental care or eyeglasses.

One visit for each of the four members of the family per year (cost includes: consultation, medication and transportation to and from medical facilities). This is for the care that is not covered by OFATMA insurance.

EDUCATION

Educational expenses reflect the cost of private school education for two children (one in primary school and one in secondary school). Although the 1987 Constitution provides for free, public education, more than 85 percent of students attend schools run by religious or private organizations given the lack of government resources for public education. The education category includes private school tuition, mandatory uniforms, books, supplies and transportation to and from school. It is typical for parents to accompany younger children to and from school, which increases education-related transportation costs. For instances in which families cannot afford transportation, students must walk to and from school—often significant distances and along congested roads. Given that the cost of child supervision (during school hours) is indirectly included in the education category, this assessment does not include child care expenses. If one or both of a worker's dependents are below primary school age, the funds allocated for education-related costs can be allotted to child care.

TRANSPORTATION

The transportation category includes shared rides (via tap tap, moto taxi or commuter bus) to and from work and local marketplaces. The category also includes roundtrip bus fare for an adult and two children to visit family in outlying areas on an annual basis. For instances in which workers cannot afford transportation, they must walk to and from the factory.

Due to ongoing periods of fuel scarcity related to gang violence, transportation prices frequently vary. Workers report that most tap tap drivers will increase prices any time they can find gasoline to make up for gaps in their income. Workers do not have any control over the price.

COMMUNICATION

Based on worker feedback during the focus group discussions, the Solidarity Center added a communication category to its 2019 living wage assessment. The category includes the cost of a mobile phone, as well as a basic voice and data plan.

SAVINGS AND DISCRETIONARY SPENDING

After calculating the cost of living based on the categories above, an additional 10 percent is applied for savings (7.5 percent) and discretionary spending (2.5 percent). Savings represent funds set aside for emergencies and substantial future expenses. Discretionary spending represents occasional expenditures such as religious observances, university education and leisure activities.

Workers report that they do not have bank accounts because their wages are too low to generate savings—rather, they live paycheck to paycheck. When workers need to make a substantial payment, for instance for a child's wedding, some participate in lending pools called Sol. These pools generally consist of relatives, friends, coworkers and/or community members who contribute payments to a monthly fund, which one member is able to collect in its entirety during their designated month. By saving in a group, workers can accumulate a larger amount of money more quickly at times when they foresee increased expenses. They can choose the month of August, for example, to prepare for the opening of school, or the month when they have to pay their rent. Others seek additional working hours, sometimes laboring seven days per week or during night shifts, to earn overtime pay. The government modified the law in 2018 to reduce overtime pay to 1.5 times the normal wage (from double) for work performed during the night shift.

KEY FINDINGS

The Solidarity Center estimates the basic cost of living for a garment worker in Port-au-Prince to be **\$90,928.51 gourdes (about \$791.08) per month**.

- Based on the standard 48-hour work week, workers must earn at least \$2,989.43 gourdes (about \$26.01 per day) to adequately provide for themselves and their families.
- The cost of living is more than four times higher than the minimum wage.
- The cost of living increased by 44.04 percent since the Solidarity Center's last assessment in 2019.
- The minimum wage has increased 63.1 percent since the Solidarity Center's last assessment in 2019 due to union advocacy using the living wage studies.
- Based on the current minimum wage, workers spend almost a third (31.39 percent) of their take-home pay on transportation to and from work and a modest lunch to sustain their labor.

BASIC COST OF LIVING IN PORT-AU-PRINCE (\$1 = 103.03 Haitian gourdes, as of June 15, 2022)

A HOUSING	Average Cost (Haitian Gourdes)	Unit of Measure	Quantity/ Fre- quency of Re- placement	Monthly Cost (Haitian Gourdes)	Monthly Cost (U.S. Dollars)
Rent for a 2-bedroom, 1-living, 1-kitchen, 1-bath- room home	85,892.88	year	Yearly	7,157.74	\$62.27
Non-potable water	14.18	5-gallon container	167 per month	2,367.23	\$20.59
Disinfectant	57.81	16-ounce bottle	10.93 per month	632.08	\$5.50
Dish detergent	125.00	bottle	3.47 per month	433.33	\$3.77
Sheets and pillowcases for a queen-sized bed	2,000.00	set	1.25 per year	208.33	\$1.81
Pillows for a queen-sized bed (pack of two)	883.33	pack	.97 per year	71.16	\$0.62
Queen-sized bed (mat- tress, frame and box spring)	10,781.25	set	.33 per year	291.99	\$2.54
Cooking pan	1,012.50	pan	.83 per year	69.86	\$0.61
Kitchen table	10,312.50	table	.38 per year	329.57	\$2.87
Kitchen chairs	12,375.00	4 per set	.23 per year	238.91	\$2.08
Dishes	7,575.00	4 per set	.69 per year	433.46	\$3.77
Cutlery	1,437.50	4 per set	.82 per year	98.23	\$0.85
Radio	1,500.00	radio	.75 per year	93.33	\$0.81
Wardrobe (dresser)	19,218.75	wardrobe	1.39 per year	2222.97	\$19.34
Sofa	23,671.88	sofa/ bench	.12 per year	226.86	\$1.97
SUBTOTAL HOUSING				14,875.05	\$129.41

(3) ENERGY	Avg Unit Cost (Haitian Gourdes)	Unit of Measure	Quantity/ Frequency of Replacement	Monthly Cost (Haitian Gourdes)	Monthly Cost (U.S. Dollars)
Cooking charcoal	2,000	bag	1.33 per month	2666.67	\$23.20
Electricity	773.36	month	Monthly	773.36	\$6.73
SUBTOTAL ENERGY				3,440.02	\$29.93

MUTRITION	Avg Unit Cost (Haitian Gourdes)	Unit of Measure	Quantity/ Frequency of Replacement	Monthly Cost (Haitian Gourdes)	Monthly Cost (U.S. Dollars)
Lunch at/near factory	145.83	lunch	6.00 per week	3,791.67	\$32.99
Rice	75.00	pound	7.90 per week	2,567.50	\$22.34
Bread roll	128.33	roll	4.10 per week	2,278.20	\$19.82
Chicken	237.50	pound	4.90 per week	5,042.92	\$43.87
Plantains	297.50	pound	2.17 per week	2,797.49	\$24.34
Eggs	203.33	dozen	1.58 per week	1,395.09	\$12.14
Mangoes	60.00	pound	1.73 per week	450.67	\$3.92
Potable water	47.50	5- gallon container	1.95 per week	401.03	\$3.49
Pigeon peas	140.83	can	.79 per week	484.15	\$4.21
Beans	144.17	pound	1.42 per week	889.19	\$7.74
Seasoning	178.75	packet	1.29 per month	230.29	\$2.00
Coconuts	140.83	pound	2.49 per week	1,517.56	\$13.20
Avocados	137.50	pound	1.14 per week	681.24	\$5.93
Limes	187.50	pound	.77 per week	628.33	\$5.47
Oranges	129.17	pound	1.51 per week	846.11	\$7.36
Potatoes	81.67	pound	1.89 per week	668.85	\$5.82
Carrots	76.67	pound	1.46 per week	485.04	\$4.22
Coffee	41.67	package	3.76 per week	678.29	\$5.90
Papayas	83.33	pound	1.39 per week	501.34	\$4.36
Pineapples	137.50	pound	.69 per week	410.13	\$3.57
Sweet potatoes	70.00	pound	1.30 per week	393.32	\$3.42
Onions	185.00	pound	1.60 per week	1,282.67	\$11.16
Garlic	202.50	pound	1.07 per week	941.85	\$8.19
Cabbage	52.50	pound	1.68 per week	382.20	\$3.33
Sugar	94.17	pound	2.24 per week	914.04	\$7.95
Salami	195.83	pound	.60 per week	506.34	\$4.41
Pasta	86.67	pound	1.94 per week	727.33	\$6.33
Milk	175.83	pound	1.19 per week	909.25	\$7.91
Celery	254.17	pound	.82 per week	906.81	\$7.89
Chayote	68.33	pound	.88 per week	261.56	\$2.28
Cooking oil	256.50	pound	1.73 per week	1,926.60	\$16.76
Salt	37.50	pound	.57 per week	93.17	\$0.81
SUBTOTAL NUTRITION				35,990.24	\$313.12

*** CLOTHING	Avg Unit Cost (Haitian Gourdes)	Unit of Measure	Quantity/ Frequency of Replacement	Monthly Cost (Haitian Gourdes)	Monthly Cost (U.S. Dollars)
Laundry detergent	354.17	container	.53 per week	810.84	\$7.05
Work shoes	1,250.00	pair	3.65 per year	370.83	\$3.23
Leisure shoes	1,400.00	pair	1.40 per year	163.33	\$1.42
Shoes for church	2,125.00	pair	1.53 per year	271.53	\$2.36
Pants	1,000.00	pair	2.30 per year	191.67	\$1.67
Skirt	658.33	skirt	3.53 per year	193.84	\$1.69
Blouse	433.33	blouse	2.98 per year	107.73	\$0.94
Dress shirt	1,083.33	shirt	3.13 per year	282.87	\$2.46
Dress	1,812.50	dress	2.67 per year	402.78	\$3.50
Rubber sandals	368.33	pair	2.37 per year	72.64	\$0.63
T-shirt	466.67	shirt	3.30 per year	128.33	\$1.12
Pajamas	575.00	set	1.20 per year	57.50	\$0.50
Underwear	333.33	pair	5.27 per year	146.30	\$1.27
Hat	941.67	hat	.98 per year	76.64	\$0.67
Socks	75.00	pair	4.07 per year	25.42	\$0.22
Children's school shoes	1,250.00	pair	1.89 per year	197.22	\$1.72
Children's shoes for leisure	1,000.00	pair	1.40 per year	116.67	\$1.02
Children's T-shirt	500.00	shirt	2.50 per year	104.17	\$0.91
Children's pants	600.00	pair	1.77 per year	88.33	\$0.77
Children's skirt	583.33	pair	1.73 per year	84.26	\$0.73
Children's dress	1,500.00	dress	1.67 per year	208.33	\$1.81
Children's rubber sandals	358.33	pair	1.93 per year	57.73	\$0.50
Children's underwear	208.33	pair	4.17 per year	72.34	\$0.63
Children's socks	66.67	pair	3.53 per year	19.63	\$0.17
SUBTOTAL CLOTHING				4,250.94	36.98

CHEALTH CARE	Avg Unit Cost (Haitian Gourdes)	Unit of Measure	Quantity/ Frequency of Replace- ment	Month- ly Cost (Haitian Gourdes)	Monthly Cost (U.S. Dollars)
Prescription drugs	1,500.00	Prescription(s) for 1 person	3.70 per year	462.50	\$4.02
Doctor visit	1,137.50	visit	1.27 per year	120.07	\$1.04
Lab test	400.00	test	1.97 per year	65.56	\$0.57
Prenatal supplements	1,333.33	supplement	9.00 per year	1,000.00	\$8.70
Prenatal doctor visits	1,591.67	visit	9.00 per year	1,193.75	\$10.39
Hospital birth	34,166.67	visit	.31 per year	892.13	\$7.76
Dentist visit	1,229.17	visit	.82 per year	84.33	\$0.73
Eyeglasses	13,125.00	pair	.46 per year	500.39	\$4.35

Soap	87.50	bar	1.46 per week	554.85	\$4.83
Toothpaste	383.33	tube	1.86 per month	713.00	\$6.20
Toothbrush	35.00	toothbrush	4.03 per year	11.74	\$0.10
Shampoo	283.33	bottle	20.17 per year	476.16	\$4.14
Over-the-counter analgesic medication	129.17	bottle	.60 per month	77.50	\$0.67
Over-the-counter deconges- tant medication	120.83	pack	3.29 per year	33.16	\$0.29
Bandages	533.33	box	1.63 per year	72.30	\$0.63
Antiseptic	275.00	bottle	3.10 per year	71.04	\$0.62
SUBTOTAL HEALTH CARE				6,328.48	\$55.06

EDUCATION	Avg Unit Cost (Haitian Gourdes)	Unit of Measure	Quantity/ Frequency of Replacement	Monthly Cost (Haitian Gourdes)	Monthly Cost (U.S. Dollars)
Primary school	28,708.33	tuition fees	school year	2,392.36	\$20.81
School transportation	83.33	round trip	26 per month	2,166.67	\$18.85
Books and supplies, prima- ry school	4,366.67	supplies	yearly	363.89	\$3.17
Primary school uniform	2,312.50	uniform	1.5 per year	289.06	\$2.51
Secondary school	49,791.67	tuition fees	school year	4,149.31	\$36.10
School transportation	95.83	round trip	26 per month	2,491.67	\$21.68
Books and supplies sec- ondary school	5,458.33	supplies	school year	454.86	\$3.96
Secondary uniform	2,833.33	uniform	school year	393.52	\$3.42
SUBTOTAL EDUCATION				12,701.33	\$110.50

' TRANSPORTATION	Avg Unit Cost (Haitian Gourdes)	Unit of Measure	Quantity/ Frequency of Replacement	Monthly Cost (Haitian Gourdes)	Monthly Cost (U.S. Dollars)
Transportation to/from factory	69.17	round trip	26 per month	1,798.33	\$15.65
Transportation to/from market	65.00	round trip	3.52 per month	229.02	\$1.99
Transportation to/from hometown	4,375.00	round trip for 3 people	.96 per year	350.00	\$3.05
SUBTOTAL TRANSPORTATION				2,377.35	\$20.68

COMMUNICATION HTG-USD exchange rate 6/15/22 - 1 HTG = .0087 USD	Avg Unit Cost (HTG)	Unit of Measure	Quantity/ Frequency of Replacement	Monthly Cost (Haitian Gourdes)	Monthly Cost (USD)
Voice/data plan	995.00	plan	monthly	995.00	\$8.66
Cellular phone	10,666.67	phone	.37 per year	324.44	\$2.82
Internet	1379.43	per month	yearly	1379.43	\$12.00
SUBTOTAL COMMUNICATION				2,698.87	\$23.48

SUMMARY	Monthly Cost (Haitian Gourdes)	Monthly Cost (U.S. Dollars)	Daily Cost (Hai- tian Gourdes)	Daily Cost (U.S. Dollars)
Housing	14,875.05	\$129.41	489.04	\$4.25
Energy	3,440.02	\$29.93	113.10	\$0.98
Nutrition	35,990.24	\$313.12	1,183.24	\$10.29
Clothing	4,250.94	\$36.98	139.76	\$1.22
Health care	6,328.48	\$55.06	208.06	\$1.81
Education	12,701.33	\$110.50	417.58	\$3.63
Transportation	2,377.35	\$20.68	78.16	\$0.68
Communication	2,698.87	\$23.48	88.73	\$0.77
Savings (7.5% of subtotal)	6,199.67	\$53.94	203.82	\$1.77
Miscellaneous expenses (2.5% of subtotal)	2,066.56	\$17.98	67.94	\$0.59
TOTAL	\$90,928.51	\$791.08	\$2,989.43	\$26.01

RECOMMENDATIONS

The Haitian government must ensure that workers earn life-supporting wages. In addition to a living wage contributing to the dignity of work and the well-being of individuals, families and communities, it also has the potential to create a positive multiplier effect, leading to: reduced poverty and aid dependence; the weakening of push factors that contribute to dangerous migration; more robust participation in the formal economy and in democratic processes.

To realize these advances, the Solidarity Center recommends the following measures:

- The Haitian government should increase the minimum wage to a living wage (est. 2,989.43 gourdes per day).
- The Haitian government should enable workers to select their representatives and have a voice on the tripartite Superior Council on Wages (CSS).
- The Haitian government should ensure the regular function of the CSS as prescribed by Haitian law.
- The Haitian government should ensure that workers' rights to freedom of association and collective bargaining are fully respected, so that workers are empowered to negotiate wage increases and

A living wage benefits entire communities by

- Reducing poverty and aid dependence
- Weakening factors that contribute to dangerous migration
- Boosting participation in democratic processes.



improved working conditions with employers. Employers should respect labor law and core labor rights, especially freedom of association and collective bargaining. Apparel brands sourcing from Haiti should require employers to respect freedom of association and collective bargaining, commercially penalize employers who violate these rights, and commercially reward employers who sign collective bargaining agreements with independent unions.

- The Haitian government should ensure that employers properly compensate workers according to the law, including accurate payment of OFATMA and pension contributions. Apparel brands should closely monitor compliance with the legally required contributions to national health and pension funds and commercially penalize employers who fail to ensure full and complete contributions to these funds.
- The Haitian government should improve OFATMA services and quality of care to minimize the cost of private health care for garment workers.
- Employers or government should subsidize work-related expenses, including transportation and lunch. Apparel brands should increase the prices they pay suppliers to share the cost of subsidies.
- Apparel brands sourcing from Haiti should commit to not reducing orders but rather increasing what they pay for products should the government increase the minimum wage to a living wage.
- Employers should standardize and set reasonable production quotas that enable workers to earn a supplement above the minimum wage when they attain established quotas. Such supplements should not require workers to perform overtime or to work at a pace that is harmful to their health and safety.

ENDNOTES

- ¹ Organization of American States, *CIDH: El Estado de Haití y la comunidad internacional deben buscar soluciones integrales al agravamiento de la inseguridad ciudadana en Haití*, July 20, 2022, <u>oas.org/es/CIDH/jsForm/?File=/es/cidh/prensa/comunicados/2022/164.asp</u>
- ² Institute for Justice and Democracy in Haiti, *Human Rights and the Rule of Law in Haiti: Key Recent Developments*, June 2022, <u>ijdh.org/wp-content/uploads/2022/06/IJDH-Human-Rights-Update-June-2022.pdf?eType=EmailBlastContent&eld</u> =77444c44-dc04-47d4-91e9-67122bf3abe4
- ³ Union leadership estimates that between January 1 and July 31, 2022, there were 112 working days instead of 168.
- ⁴ Trading Economics, Haiti Inflation Rate, accessed August 18, 2022, at: tradingeconomics.com/haiti/inflation-cpi
- ⁵ Solidarity Center, *The High Cost of Low Wages in Haiti: A Living Wage Estimate for Garment Workers in Port-au-Prince*, April 2019, solidaritycenter.org/publication/the-high-cost-of-low-wages-in-haiti-new-report/
- ⁶ SOTA-BO-Batay Ouvriye; Association of Textile Workers Unions for Re-importation-GOSTTRA (textile union); ROHAM, a textile union affiliated to the National Center of Haitian Workers-CNOHA; SROD'H, a textile union affiliated to CNOHA; Association of Textile Workers Unions for Re-importation-GOSTTRA; SYNTRACO, a textile union at Caracol Industrial Park; SOVASHG, a textile union in Port-au-Prince; SOKOWA, a textile union at CODEVI industrial park; SOFEZO, a textile union at Ouanaminthe; and AASP, an association of security professionals.
- ⁷ Solidarity Center, *Haiti Garment Workers Win Key Benefits*, August 9, 2022, <u>solidaritycenter.org/haiti-garment-workers-win-key-benefits/</u>
- See the trends in non-compliance in the latest Better Work Haiti compliance report: <u>betterwork.org/portfolio/better-work-haiti-24th-biannual-compliance-synthesis-report/</u>
- ⁹ Better Work, *Better Work Haiti*: 24th Compliance Synthesis Report Under the Hope Legislation, June 2020, https://bet-terwork.org/wp-content/uploads/2022/08/BWH_24th_Compliance_SR_HOPE-II_English.pdf
- ¹⁰ World Bank, *Counting charcoal trucks by the side of the road in Haiti*, February 27, 2019, <u>blogs.worldbank.org/latinamerica/counting-charcoal-trucks-side-road-haiti</u>



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