

[China-US Business Development Blog](#)

Facts About Doing Business in China



- [Home](#)
- [About](#)
- [Subscribe to Feed](#)
-

Search...

ALERT: China's Manufacturing Sector Labor Cost Approaching US\$1 Per Hour

Posted in May 21, 2011 → 9:16 amh.[jeff184 Comments »](#)

Much has been written recently about the significant wage increases in China's manufacturing labor force. Notably, last fall Apple/HP/Dell assembler Foxconn DOUBLED the monthly wage of their 500,000 factory workers in Shenzhen to RMB 1,200 and Chongqing Province saw a 28% increase in their minimum wages in 2010.

While the percentages look dramatic, it's important to cite the relative nature of these cost increases to similar factory jobs in the US and EU. Example: Honda's Ohio factory has an average hourly wage (including benefits) of \$50, and Hundai's Alabama factory is \$27.

Here are several major Chinese cities monthly 'Minimum Wages' as of March 2011 in Yuan after increases ranging from 14-28%:

Jiangsu 1,140

Shanghai 1,280

Chongqing 870

Zhejiang 1,310

Guangdong 1,300

While the increases are significant, note the range based on current exchange is \$133 to \$200 USD per month. Chinese labor laws are strict and from this figure there are worker contributions to social security, housing fund and requisite tax deductions, thus on a gross basis this maintains an hourly rate from \$0.83 to \$1.25 per hour.

Going forward, companies may seek lower cost labor for certain low skilled manufacturing in countries like Viet Nam and India which pleases the Central Chinese government as China continues to move up the value chain and lead the world in higher skilled production including electronics

manufacturing. These relative increases may impact end user pricing albeit marginally, but likely won't deter China from their continued dominance in high quality/low cost producers to the world, unless of course US Labor Unions can compete with a loaded hourly wage of \$1.25.

Share

[Doing Business in china](#)

You can follow any responses to this entry through the [RSS 2.0](#) feed. You can [leave a response](#), or [trackback](#) from your own site.

184 Comments »

- [new cars](#) says:

[July 9, 2011 at 6:16 pm](#)

new cars...

Car Photos...

- [Location Bungalow Ile Maurice](#) says:

[July 10, 2011 at 12:56 am](#)

Websites you should visit...

[...]below you'll find the link to some sites that we think you should visit[...].....

- [elektronik sigara](#) says:

[July 10, 2011 at 8:50 pm](#)

elektroniksigaraal.com...

anyone get that type of info in such an ideal method of writing? I have a presentation subsequent week, and I am on the search for such information....

- [make money online](#) says:

[July 11, 2011 at 1:26 am](#)

The best website.....

[...]here are some links to sites that we link to because we think they are worth visiting[...].....

- [I Make \\$325 Everyday At Home](#) says:

[July 11, 2011 at 4:48 am](#)

Read was interesting, stay in touch.....

[...]please visit the sites we follow, including this one, as it represents our picks from the web [...].....

- [tarocchi zingara](#) says:

[July 11, 2011 at 5:00 am](#)

You should check this out...

[...] Wonderful story, reckoned we could combine a few unrelated data, nevertheless really worth taking a look, whoa did one learn about Mid East has got more problems as well [...]
.....

- <http://weed/> says:
[July 11, 2011 at 7:05 am](#)

Gems form the internet...

[...]very few websites that happen to be detailed below, from our point of view are undoubtedly well worth checking out[...]......

- <http://inflatable/> says:
[July 11, 2011 at 9:19 am](#)

Check this out...

[...] that is the end of this article. Here you'll find some sites that we think you'll appreciate, just click the links over[...]......

- film says:
[July 11, 2011 at 5:35 pm](#)

film...

film izle...

- <http://affordable/> says:
[July 12, 2011 at 8:57 am](#)

Recommended websites...

[...]Here are some of the sites we recommend for our visitors[...]......

- [otomatik kepenk](http://otomatik.kepenk) says:
[July 12, 2011 at 10:12 am](#)

[http://www.orjinkepenk.com./.](http://www.orjinkepenk.com/)

You actually make it appear so easy together with your presentation however I find this matter to be actually something that I feel I'd by no means understand. It sort of feels too complex and extremely large for me. I am looking forward in your next ...

- [Online Competitions](http://Online.Competitions) says:
[July 12, 2011 at 2:33 pm](#)

Recommended websites...

[...]Here are some of the sites we recommend for our visitors[...]......

- [iphone 5 unlock](http://iphone.5.unlock) says:

[July 12, 2011 at 2:34 pm](#)

Great website...

[...]we like to honor many other internet sites on the web, even if they aren't linked to us, by linking to them. Under are some webpages worth checking out[...].

- [interior design ideas](#) says:
[July 12, 2011 at 7:40 pm](#)

Online Article.....

[...]The information mentioned in the article are some of the best available [...].

- [http://web/](#) says:
[July 12, 2011 at 9:10 pm](#)

Blogs ou should be reading...

[...]Here is a Great Blog You Might Find Interesting that we Encourage You[...].

- [acne skin care products](#) says:
[July 13, 2011 at 10:51 am](#)

Hi,...

You made some first rate points there. I appeared on the internet for the problem and located most individuals will associate with together with your website....

- [Shamwow](#) says:
[July 13, 2011 at 1:34 pm](#)

Related.....

[...]just beneath, are numerous totally not related sites to ours, however, they are surely worth going over[...].

- [online chiropractic marketing](#) says:
[July 13, 2011 at 2:25 pm](#)

Check this out...

[...] that is the end of this article. Here you'll find some sites that we think you'll appreciate, just click the links over[...].

- [capresso ultima](#) says:
[July 13, 2011 at 3:45 pm](#)

Links...

[...]Sites of interest we have a link to[...].

- [Haber](#) says:

[July 13, 2011 at 6:47 pm](#)

haberokuyun.com...

You actually make it seem so easy with your presentation but I find this topic to be really one thing which I feel I'd by no means understand. It kind of feels too complex and extremely broad for me. I'm having a look forward on your subsequent post,...

- [Güncel Haberler](#) says:
[July 13, 2011 at 7:13 pm](#)

güncel Haberler...

You really make it appear so easy along with your presentation but I find this topic to be really something which I think I'd never understand. It sort of feels too complicated and extremely huge for me. I am taking a look ahead on your next put up, I...

- [Film izle](#) says:
[July 13, 2011 at 9:23 pm](#)

sinemafilmizleyin.net...

You actually make it appear really easy along with your presentation but I to find this matter to be really something which I believe I would never understand. It kind of feels too complex and very vast for me. I'm looking forward for your subsequent ...

- [Full film izle](#) says:
[July 14, 2011 at 9:42 am](#)

fullizleme.com...

You actually make it appear really easy along with your presentation but I to find this topic to be actually something which I feel I'd never understand. It sort of feels too complicated and extremely broad for me. I'm having a look ahead in your sub...

- [San Diego Wrongful Death Attorney](#) says:
[July 15, 2011 at 6:00 am](#)

Great website...

[...]we like to honor many other internet sites on the web, even if they aren't linked to us, by linking to them. Under are some webpages worth checking out[...].....

- [air conditioning filters](#) says:
[July 15, 2011 at 12:27 pm](#)

Hi,...

Can I just say what a reduction to search out somebody who really knows what theyre speaking about on the internet. You definitely know tips on how to bring an issue to gentle and make it important. More individuals need to learn this and perceive this...

- [sinema](#) says:

[July 15, 2011 at 9:21 pm](#)

dalpi, müzik, sanat, popüler kültür, sinema...

You actually make it seem so easy together with your presentation but I to find this matter to be really something that I think I would never understand. It seems too complex and extremely wide for me. I'm having a look forward on your subsequent put ...

- [fanlı isitıcılar](#) says:
[July 15, 2011 at 9:51 pm](#)

isielektrik.com ...

You actually make it appear so easy along with your presentation but I find this topic to be actually one thing which I feel I would never understand. It kind of feels too complex and extremely wide for me. I am taking a look ahead to your next post, I...

- [How many calories website](#) says:
[July 16, 2011 at 12:22 am](#)

Super!...

Since i adore your posts i thought i would show my appreciation by making a comment. Thanks alot for the excellent times you give 😊 ...

- [tanning](#) says:
[July 16, 2011 at 3:48 am](#)

Websites you should visit...

[...]below you'll find the link to some sites that we think you should visit[...]......

- [Villas Mauritius](#) says:
[July 17, 2011 at 1:56 am](#)

Trackback Link...

[...] ... great article that everyone should read [...] ...

- [Eureka 4870MZ Boss Smart-Vac](#) says:
[July 18, 2011 at 3:53 am](#)

Cool sites...

[...]we came across a cool site that you might enjoy. Take a look if you want[...]......

- [online paralegal degree](#) says:
[July 18, 2011 at 4:39 am](#)

Cool sites...

[...]we came across a cool site that you might enjoy. Take a look if you want[...]......

- [temizlik şirketleri](#) says:
[July 18, 2011 at 11:10 am](#)

temizlik şirketleri...

temizlik şirketleri...

- [asthma homeopathy](#) says:
[July 18, 2011 at 12:14 pm](#)

Hi,...

An impressive share, I just given this onto a colleague who was doing a bit analysis on this. And he in reality bought me breakfast as a result of I found it for him.. smile. So let me reword that: Thnx for the treat! But yeah Thnkx for spending the ti...

[« Older Comments](#)

Leave a Reply

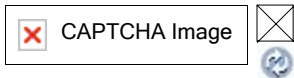
Name (required)

Mail (will not be published) (required)

Website

XHTML: You can use these tags: <abbr title=""> <acronym title=""> <blockquote cite=""> <code> <del datetime=""> <i> <q cite=""> <strike>

CAPTCHA Code



Submit Comment

• **FREE CONSULTATION**

Your Name (required)

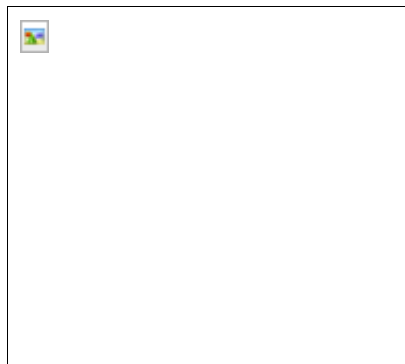
Your Email (required)

Your Message

A Y D N

Send

• **China USA Virtual Private Network (VPN)**



• **Recent Posts**

- [The Chinese Price and Laowai \(Foreigner\) Price](#)
- [China's High Speed Train: \\$86 Beijing to Shanghai](#)
- [ALERT: China's Manufacturing Sector Labor Cost Approaching US\\$1 Per Hour](#)
- [What is 'Made in China' Quality?](#)
- [How do Chinese Companies list on US Markets?](#)

• **Consultacy Services**

- [China Regulatory Review](#)
- [China Rep Office-Company Formation](#)
- [China-US VPN Service](#)
- [Corporate Development](#)
- [Distribution](#)
- [Marketing](#)
- [Outsourcing](#)

• Archives

- [July 2011](#)
- [June 2011](#)
- [May 2011](#)
- [April 2011](#)
- [March 2011](#)
- [February 2011](#)
- [January 2011](#)
- [December 2010](#)
- [November 2010](#)
- [October 2010](#)
- [September 2010](#)
- [August 2010](#)
- [July 2010](#)
- [June 2010](#)
- [April 2010](#)
- [June 2009](#)

- - The Chinese invented the fortune cookie right ?
 - Unlock the secrets of doing business in China
 - Cost saving solutions for your China strategy



Powered by <http://www.cu-bd.com/>

