

Jobs have left America, helping cause our severe and growing unemployment. Herein are some explanations of job loss: the United States has the second highest corporate tax rate on the planet, and our wage rates are some of the highest in the world. If a company's objective is to make a profit, a high corporate tax rate and labor rate would be disincentives to staying in America.

COMPARISONS in Manufacturing^{1,2} Wages and Corporate Tax Rates³

Country	Currency	Year	2005 or 2006 - Manufacturing ²			2007 - Manufacturing ²			1 April 2008 Corporate Tax Rates % ³
			Hourly Wage Rate (country's currency) ¹	Exchange rate to US Dollar ⁴	Hourly Wage Rate In US Dollars	Hourly Wage Rate (country's currency) ¹	Exchange rate to US Dollar ⁴	Hourly Wage Rate In US Dollars	
Bangladesh ² (average hourly MINIMUM wage)	taka (BDT)						\$	0.19	30%
Pakistan ² (average hourly MINIMUM wage)							\$	0.35	35%
India ^{2, 5} (for 2007 average hourly MINIMUM wage)	Indian rupees (INR)	2005	6.08	44.101	\$ 0.14		\$	0.39	33.99%
Sri Lanka	Sri Lankan rupees (LKR)	2006	39.85	103.99	\$ 0.38	45.36	110.7800	\$ 0.41	35%
Vietnam ² (average hourly MINIMUM wage)	dong (VND)						\$	0.45	28%
Philippines ⁵	Philippine pesos (PHP)	2006	30.95	51.2460	\$ 0.60	30.79	46.1480	\$ 0.67	35%
Thailand ⁵	baht per US dollar	2006	31.97	37.8820	\$ 0.84	32.23	34.5200	\$ 0.93	30%
China ⁵	Renminbi yuan (RMB)	2006	6.91	7.9700	\$ 0.87	8.19	7.6100	\$ 1.08	25%
Jordan ⁵	Jordanian dinars (JOD)	2005	0.82	0.709	\$ 1.16				35%
Columbia ⁵	Colombian pesos (COP)	2006	3,034.92	2,358.6000	\$ 1.29	3,579.87	2013.8000	\$ 1.78	33%
Mexico ⁵	Mexican pesos (MXN)	2006	22.65	10.899	\$ 2.08	23.97	10.8000	\$ 2.22	28%
Panama	Balboas	2006	2.20	1.0000	\$ 2.20	2.20	1.0000	\$ 2.20	37%
Russia ⁵	Russian rubles (RUB)	2006	68.75	27.1900	\$ 2.53	85.57	25.6590	\$ 3.34	24%
Argentina	Argentine pesos (ARS)	2006	9.72	3.0543	\$ 3.18				35%
Poland	zlotych (PLN)	2006	12.44	3.1032	\$ 4.01	13.80	2.8100	\$ 4.91	19%
Slovakia ⁵	Slovak koruny (SKK)	2006	132.51	29.6110	\$ 4.48	141.01	24.9190	\$ 5.66	19%
Hong Kong ⁵	Hong Kong dollars (HKD)	2006	35.04	7.7678	\$ 4.51	52.19	7.8020	\$ 6.69	16.5%
Czech Rep. ⁵	Koruny (CZK)	2006	106.13	22.5960	\$ 4.70				21%
Estonia ⁵	krooni (EEK)	2006	60.14	12.4730	\$ 4.82	72.43	11.5350	\$ 6.28	21%
Hungary ⁵	forints (HUF)	2006	1,020.24	210.3900	\$ 4.85	1,166.95	183.8300	\$ 6.35	16%
Taiwan ⁵	New Taiwan dollars (TWD)	2006	225.8035	32.5340	\$ 6.94	229.47	32.8400	\$ 6.99	25%
Singapore ⁵	Singapore dollars (SGD)	2006	16.66	1.5889	\$ 10.49	17.30	1.5070	\$ 11.48	18%
Japan ⁵	yen (JPY)	2006	1,620.34	116.1800	\$ 13.95	1,558.09	117.9900	\$ 13.21	40.69%
Korea ⁵	South Korean won (KRW)	2006	13,516.77	954.8	\$ 14.16	14,403.60	929.2000	\$ 15.50	27.5%
USA		2006	16.80	1.0000	\$ 16.80				40%
Ireland	Euro (EUR)	2006	14.45	0.7964	\$ 18.14				12.5%
Sweden	Swedish kronor (SEK)	2006	133.80	7.3731	\$ 18.15	139.50	6.7629	\$ 20.63	28%
Canada	Canadian dollars (CAD)	2006	20.76	1.1334	\$ 18.32	21.58	1.0724	\$ 20.12	34%
Australia	Australian dollar (AUD)	2006	25.36	1.3285	\$ 19.09				30%
Germany	Euro (EUR)	2006	15.74	0.7964	\$ 19.76	19.09	0.7345	\$ 25.99	29.51%
Belgium	Euro (EUR)	2006	16.00	0.7964	\$ 20.09				33.99%
France	euros (EUR)	2005	16.77	0.8041	\$ 20.86				33.33%
UK	British pounds (GBP)	2006	12.87	0.5418	\$ 23.75	13.20	0.4993	\$ 26.44	28%

In the case of some countries of interest, manufacturing wage rates were unavailable¹ and so an average hourly minimum wage was used instead.²

While this work is imperfect -- information about wages rates and hours are derived^{4, 5}; average hourly minimum wage rates (so noted)² for a few countries are compared with ILO's manufacturing wage rates for other countries¹; 2005 and 2006 are shown in the same column to capture those countries of interest wherein wage rates were only reported for 2005 -- it may begin to provide a spotlight on the wide discrepancies of manufacturing wage rates amongst various countries.

Technology has assisted in raising unemployment and high cost-per-hour countries far more than low cost-per-hour countries.

Notes:

1. Source for manufacturing wages -- unless otherwise noted by footnote #2 -- is taken from The International Labour Organization, a specialized agency of the United Nations. Website accessed 18 May 2009

<http://laborsta.ilo.org/>

Wages

Main Statistics (annual): wages by economic activity, in manufacturing

On the Main statistics (annual) homepage, "Select one or more tables:" 5A Wages by economic activity

2. In the case of some countries of interest, manufacturing wage rates were unavailable¹ and so an average hourly minimum wage was used

Jackson, Rachelle. (2008, 10 March). Wage rates -- China's rising costs make buyers think twice. Accessed 18 May 2009 from Website,

http://www.ethicalcorp.com/resources/pdfs/content/20083814139_Rachelle%20Jackson.pdf

[It was unclear if the average hourly minimum wages cited in the article were for 2007 or 2008.]

3. KPMG's Corporate and Indirect Tax Rate Survey 2008

Accessed 27 May 2009 from Website:

<http://www.kpmg.com/SiteCollectionDocuments/Corporate-and-Indirect-Tax-Rate-Survey-2008v2.pdf>

KPMG's Corporate and Indirect Tax Rate Survey also analyzes indirect taxes for all countries (e.g., VAT [value added tax], regional taxes, etc), but does not offer a percentage for the United States, instead saying: While the United States does not impose a national value-added tax, most states, and some local governments impose transactional based taxes commonly referred to as sales and use taxes. Forty-five states and the District of Columbia impose a state level tax on the sale or use of goods and some services. Local governments in thirty-four states are authorized to impose local sales taxes. There are about 7,600 jurisdictions across the country that has chosen to impose a local sales tax. Which goods and services are subject to tax, along with the applicable tax rates, vary according to the jurisdiction. All states and some localities with sales and use tax regimes possess broad powers to determine whether goods and services are fully taxable, taxable at a special rate, or are fully exempt.

4. Source for exchange rates is from the online Central Intelligence Agency (CIA), The World Factbook: Field Listing - Exchange rates

Website accessed 18 May 2009

<https://www.cia.gov/library/publications/the-world-factbook/fields/2076.html>

5. The ILO¹ sometimes reports wages by a monthly rate verses an hourly rate (requiring conversion from monthly to hourly).

Herein listed are the countries whose monthly rate had to be converted to an hourly rate. Any other derivations are noted.

Country	Currency	2005-2006 Manufacturing				2007 Manufacturing			
		Hours of Work per week ⁶	Hours of work per month ⁷	Monthly Wage Rate (country's currency) ¹	Hourly Wage Rate (derived) - Country's currency	Hours of Work per week ⁶	Hours of work per month ⁷	Monthly Wage Rate (country's currency) ¹	Hourly Wage Rate (derived) - Country's currency
China	Renminbi yuan (RMB)	50.4	216.72	1,497.17	6.91	49.4	212.42	1,740.33	8.19
Columbia	Colombian pesos (COP)	46.6	200.38	608,137.00	3,034.92	45.1	193.93	694,244.00	3,579.87
Czech Rep.	Koruny (CZK)	40.5	174.15	18,482.00	106.13				
Estonia ⁸	krooni (EEK)	34.2	147.06	8,844.00	60.14	34.2	147.06	10,651.00	72.43
Hong Kong ⁹	Hong Kong dollars (HKD)	45.9	197.37	6,916.55	35.04	45.9	197.37	10,300.00	52.19
Hungary	forints (HUF)	34.9	149.90	152,934.00	1,020.24	34.5	148.20	172,942.00	1,166.95
India	Indian rupees (INR)	47.2	202.96	1,234.40	6.08				
Japan	yen (JPY)	43.0	184.90	299,600.00	1,620.34	44.3	190.49	296,800.00	1,558.09
Jordan	Jordanian dinars (JOD)	57.9	249.00	203.00	0.82				
Korea	South Korean won (KRW)	43.4	186.62	2,522,500.00	13,516.77	43.4	186.62	2,688,000.00	14,403.60
Mexico	Mexican pesos (MXN)	45.4	195.22	4,422.60	22.65	45.5	195.65	4,689.20	23.97
Philippines ¹⁰	Philippine pesos (PHP)	44.4	190.92	5,908.42	30.95	44.9	193.07	5,945.18	30.79
Poland	zlotych (PLN)	42.0	180.60	2,245.95	12.44	41.4	178.02	2,457.46	13.80
Russia ¹¹	Russian rubles (RUB)	34.5	148.35	10,199.00	68.75	35.0	150.50	12,879.00	85.57
Singapore	Singapore dollars (SGD)	50.5	217.15	3,618.00	16.66	50.6	217.58	3,764.00	17.30
Slovakia	Koruna	33.0	142.00	18,817.00	132.51	33.0	142.00	20,024.00	141.01
Taiwan	New Taiwan dollars (TWD)	43.6	187.30	42,293.00	225.80	43.6	187.50	43,026.00	229.47
Thailand ¹²	baht per US dollar	50.5	217.15	6,941.60	31.97	50.5	217.15	6,999.20	32.23

6. Source for hours of work is from The International Labour Organization, a specialized agency of the United Nations.

Website accessed 26 May 2009

<http://laborsta.ilo.org/>

Hours of Work

Main Statistics (annual): hours of work by economic activity, in manufacturing

7. Hours of work per month figured as follows:

Weeks in a month: 52 weeks/year divided by 12 months = 4.3 weeks in a month

4.3 weeks per month x hours of work per week = hours of work per month

8. Estonia's Hours Worked were taken from the year 2005 (latest data)

9. Hong Kong Wage Rate for 2006 was expressed by day

Excluding salaried workers, the International Labour Organization reported 2006 in wage rates per day. So the Monthly Wage Rate was figured as followed:

321.7 Wage rate per day (2006)

21.5 Multiplied by: 4.3 weeks (in a month) x 5 days a week (assumed)

6916.55

10. Philippines Wage Rate was expressed by day

for 2006:

274.81 Wage rate per day (2006)

1374.05 multiplied by 5 days (assumed)

5908.415 multiplied by 4.3 weeks to get monthly wage

11. Russian Hours Worked were expressed by day

6.9 Hours worked per day (2006)
34.5 multiplied by 5 days (assumed)

12. Thailand Hours Worked were taken from the year 2003 (latest data)