



Minimum wage goes up highest in east China's Zhejiang

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BEIJING, April 12 (Xinhua) -- East China's Zhejiang Province has raised its minimal salary the most among the 12 provinces and municipalities, mostly in southern and eastern coastal areas, that have raised minimum wages this year in the hope of attracting workers, China Daily reported Tuesday.

The minimum wage in Zhejiang was raised to 1,310 yuan (200 U.S. dollars) a month from 1,100 yuan a month.

That makes it a more lucrative place for many people to work in than Guangzhou, in Guangdong Province, where the minimum wage is 1,300 yuan a month, or Shanghai, where the minimum is 1,280 yuan a month.

Before Zhejiang surpassed them, those cities had offered the best opportunities for compensation to Chinese workers on the low end of the wage spectrum.

Over half of the 12 municipalities and provinces in China raised their minimum wages by over 20 percent, and the average minimum set in all 8 provinces in eastern and southern China exceeded 1,000 yuan a month, according to Mirror newspaper based in Beijing.

"Wages are in a rising trend, but that will not affect China's ability to compete if the average increase rate does not exceed 15 percent," Yin Xingmin, deputy director of the China Center for Economic Studies, Fudan University, was quoted as saying by Tuesday's China Daily.

Wages should rise faster than the yuan appreciates to ensure economic growth occurs quickly, Yin added.

"My factory raised the average monthly salary by 20 percent earlier this year, from 1,500 yuan to 1,800 yuan, in response to the severe labor shortage before the latest Spring Festival," said Hu Xudong, the owner of Zhejiang Fuyang Jin'aobo Shoe Co.

Hu's factory used to raise the monthly salary it paid by 10 percent each year.

Despite the wage increase, the factory has yet to hire the staff it needs to keep up with the orders that have been placed with it. The shortage is expected to cause Hu's factory, which received international orders worth more than 100 million yuan, to lose at least 3 million yuan.

"The competition for recruiting labor in Zhejiang is much fiercer than in other regions, since most enterprises here are small and medium manufacturers," said Hu, who had to ask local factories for help in filling a few orders this year.

Migrant workers have a different opinion about Zhejiang's becoming the top region for minimum wages.

"I had lived in Dongguan (in Guangdong province) for over 10 years before I moved to Wenzhou (in February) for a higher position with better prospects," said Lu Yuepeng, a 37-year-old manager with the development department of a shoe export company in Wenzhou, Zhejiang.

"But I have to admit that the average actual income and the welfare services in Guangdong are much better than in Zhejiang."

Factories in Guangdong offer free accommodation and dining to workers but the ones in Zhejiang do not.