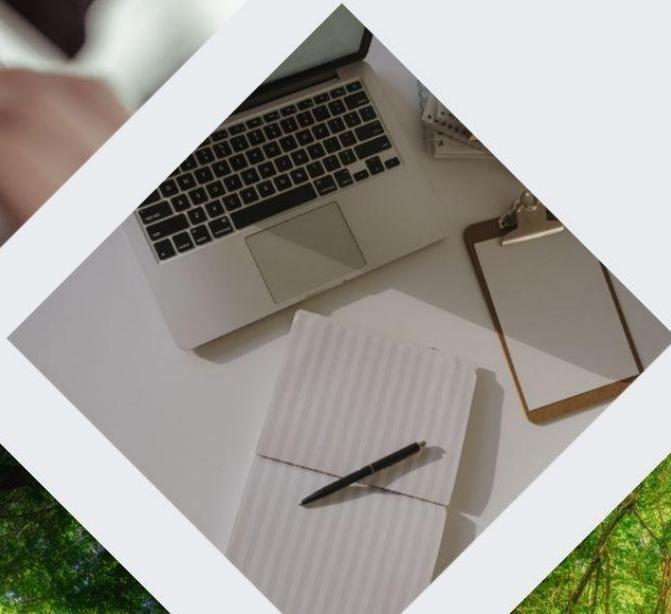




Ministry of Labour, Public Service Reform,  
Social Partnership, Entrepreneurship and  
Small Business Development,

# MINIMUM WAGE

ADVISORY BOARD REPORT  
2025



# Dominica Minimum Wage: 2021–2025 Review and Proposal for 2025

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## Executive Summary

This report reviews Dominica’s minimum wage since the promulgation of 2021 Labour Standards (Minimum Wage) Order. It analyzes the current economic environment between 2021 and 2025 and proposes a revised schedule to take effect on July 2026. The last update, in 2021 was the first in more than a decade and resulted in significant increases, between 31.8% and 87.5%, to account for inflation and regional competitiveness. Since then, inflation has been elevated but with time gradually moderated. Concurrently, the GDP has grown steadily with infrastructural development, tourism recovery, resulting in employers facing input-cost and labour supply pressure, particularly in the agriculture and construction sector.

Based on empirical evidence, the estimated unemployment rate has remained above 13% during the period under review. After careful examination of all data made available to the Advisory Board, (i.e., responses to a business surveillance survey, and one on one discussions with private sector persons), **a uniform 15% increase is proposed over the 2021 statutory minimum wage rates.** Due to time constraints, the Advisory Board’s reporting was restricted and other methodologies such as the CARICOM floor, indexation, inclusive of a phased implementation could not be applied due to process complexity. The Advisory Board concurs that through this methodology, the proposed increased minimum wage will ensure fairness, clarity, and ease of compliance across the line, benefiting both employees and employers, while avoiding the complexity of seeking to establish a CARICOM floor.

The proposed adjustment aims to preserve purchasing power, reduce in-work poverty, and maintain labour market stability, while giving businesses a predictable and manageable cost structure, as well as a

**delayed timeframe for implementation by employers to January 1, 2026.**

Further, based on review of the most frequently received inquiries from both employees and employers by the Labour Division, it is evident that there is ongoing uncertainty regarding a few job categories not clearly addressed in the existing Minimum Wage Schedule. In light of these observations, recommendation is made for the inclusion of the additional occupational categories in the new schedule, as they are commonly encountered and reasonably merit consideration. These categories are:

- baking assistant
- frontline media worker
- remote and digital service worker
- sanitization worker
- clerical assistant
- kitchen assistant
- porter
- caregiver (children), and
- personal care service worker.

## **1. Background and Purpose**

Minimum wages serve as a vital labour market instrument, signaling a commitment to fair labour standard, while safeguarding workers from exploitative pay, and supporting household consumption. In Dominica, minimum wage policy is governed by the Labour Standards Act and adjusted by statutory orders. Prior to 2021, rates had remained unchanged since 2008, falling behind inflation and regional comparators. The 2021 update aligned Dominica more closely with CARICOM peers and addressed long-standing concerns from worker groups.

The main objectives of this report are:

1. To review minimum wage developments since the 2021 Order;

2. To analyze economic and labour market conditions between 2021 and 2025 relevant for wage-setting; and
3. To recommend a new minimum wage package for implementation in 2025 that balances fairness, simplicity, and sustainability.

## 2. Historical Overview of Minimum Wage Developments

The 2008 Minimum Wage Order set relatively low rates that quickly eroded in value due to rising living costs. By 2021, Dominica's statutory minimum wages were among the lowest in the region. The 2021 revision significantly increased hourly and weekly rates, covering categories such as unskilled labour, shop assistants, cashiers, receptionists, and home assistants. Welcomed as a major improvement in labour protections, the 2021 adjustment introduced several categories, such as cooks, bartenders, and janitors. Despite this, compliance challenges persisted, particularly among micro and informal enterprises. Further details of minimum wage developments are captured in Annex B.

## 3. Current Economic Environment (2023–2025)

Economic conditions over the past three years highlight the importance of a moderate but firm wage adjustment in 2025:

- **Inflation:** Between 2021 and 2024, cumulative inflation was 12.3%. Food and energy costs rose disproportionately, impacting low-income households most severely.
- **Growth:** GDP has grown steadily (3–5% annually), supported by construction projects and tourism recovery.
- **Labour Market:** According to GlobalData <sup>1</sup>, Dominica's unemployment rate was 13.04% in 2024, a slight decrease from previous years and a modest recovery following economic challenges. The rate declined from 13.13% in 2023 and 13.21 in

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<sup>1</sup><https://www.globaldata.com/data-insights/macroeconomic/the-unemployment-rate-of-dominica-220088/>

2022. Despite these improvements, there is a high rate of informal employment and challenges for youth employment.

The Board, having carefully reviewed the socio-economic data, labour-market trends, and stakeholder submission urges Government to design and implement targeted policies and programmes aimed at addressing this issue. Such measures, encapsulated in Annex A, should include support for apprenticeship schemes, vocational and technical training, entrepreneurship initiatives, incentives for businesses to employ young people, and the promotion of digital and green-economy opportunities.

- **Business Environment:** A survey of enterprises showed that most firms already pay above statutory minima, suggesting readiness for a modest increase. Specifically, 74.4% of surveyed establishments already pay employees \$7.00 or more per hour, with many surpassing the current statutory minimum wage of \$7.50. In contrast, only 9.3% of businesses pay \$5.00 or less, while 2.3% fall within the \$5.00–\$6.00 range. These figures, indicate a degree of voluntary wage progression within the sector. Further details of this survey are contained in Annex C.

#### **4. Principles Guiding the 2025 Proposal**

The proposed 2025 adjustment is guided by five principles:

1. Protect purchasing power for low-income households.
2. Ensure fairness and equity across occupational groups.
3. Provide predictability and simplicity for employers and workers.
4. Support competitiveness by keeping wages aligned within OECS minimum rates.
5. Safeguard sustainability for micro and small businesses by avoiding overly large increases.

#### **5. Proposed Minimum Wages for 2025**

**The proposal recommends applying a uniform 15% increase to the statutory 2021 rates with the exception of the**

**cashiers/receptionists, sales persons/cashiers categories and security guards.** For categories without a statutory 2021 base (added in 2025), the originally proposed 2025 rates are included unchanged, marked accordingly.

The following schedule provides a categorized list on the wage results for 2025:

<b>Occupation / Category</b>	<b>2021 Rate (EC\$)</b>	<b>2025 Proposed Rate (EC\$)</b>	<b>Absolute Change (EC\$)</b>	<b>Percent Change (%)</b>
Workers and labourers in the agricultural sector	\$7.50/hr	\$8.62/hr	\$1.12	15%
Daily Paid (factory, tourism and manufacturing) workers	\$7.50/hr	\$8.62/hr	\$1.12	15%
Juveniles/Trainees	\$5.67/hr	\$6.52/hr	\$0.85	15%
Cashiers/ Receptionists	\$7.25/hr	\$9.00/hr	\$1.75	24.14%
Sales Persons/ Cashiers	\$7.25/hr	\$9.00/hr	\$1.75	24.14%
Shop Assistants	\$6.75/hr	\$7.75/hr	\$1.00	15%
Home Assistants (with meals)	\$200.00/wk	\$230.00/wk	\$30.00	15%
Home Assistants (without meals)	\$250.00/wk	\$287.50/wk	\$37.50	15%

Home Assistants (living in)	\$220.00/wk	\$253.00/wk	\$33.00	15%
Cooks	\$7.25/hr	\$8.35/hr	\$1.09	15%
Bar Tenders	\$7.24/hr	\$8.35/hr	\$1.09	15%
Servers	\$7.24/hr	\$8.35/hr	\$1.09	15%
Room Attendants	\$7.24/hr	\$8.35/hr	\$1.09	15%
Grounds men	\$7.24/hr	\$8.35/hr	\$1.09	15%
Public Area Attendants	\$7.24/hr	\$8.35/hr	\$1.09	15%
Vehicle Drivers / Messengers	\$7.50/hr	\$8.62/hr	\$1.12	15%
Security Guards	\$8.00/hr	\$9.00/hr	\$1.00	12.50%
Janitors	\$7.24/hr	\$8.35/hr	\$1.10	15%
Other unskilled workers (for example labourers in the construction industry, handymen)	\$7.50/hr	\$8.62/hr	\$1.12	15%
Baking assistants	— (no 2021 rate)	\$8.35/hr (Proposed — unchanged)	—	—
Frontline media Workers	— (no 2021 rate)	\$9.00/hr (Proposed — unchanged)	—	—
Remote and Digital Service Workers	— (no 2021 rate)	\$13.50/hr (Proposed — unchanged)	—	—

Sanitization Workers	— (no 2021 rate)	\$8.35/hr (Proposed — unchanged)	—	—
Clerical Assistants	— (no 2021 rate)	\$8.35/hr (Proposed — unchanged)	—	—
Kitchen Assistants	— (no 2021 rate)	\$8.35/hr (Proposed — unchanged)	—	—
Porters	— (no 2021 rate)	\$8.35/hr (Proposed — unchanged)	—	—
Caregivers (children)	— (no 2021 rate)	\$8.35/hr (Proposed — unchanged)	—	—
Personal Care Service Workers	— (no 2021 rate)	\$8.35/hr (Proposed — unchanged)	—	—

## 6. Enforcement and Support

To ensure effective implementation, the following measures are recommended:

1. Expand **labour inspection** capacity with additional officers.
2. Provide a **compliance toolkit**, including sample payslips and contracts.
3. Launch a **hotline and digital reporting system** for workers to report violations.
4. Offer **short-term advisory services**.

Suggested enforcement and support mechanisms are captured in Annex D.

## 7. Expected Impacts and Risk Management

**Impacts on Workers and Households:** The 15% adjustment will increase real incomes, improving food security and reducing poverty risk among low-wage households.

**Impacts on Businesses:** Wage bills for affected firms are expected to rise by 5–7%. Most businesses already pay above current minima, reducing adjustment pressures. Small businesses may face tighter margins, but support measures proposed will ease the transition.

**Impacts on Prices and Employment:** Price effects are likely to be modest and gradual. International evidence suggests minimal impact on employment from moderate wage increases. Potential risks of non-compliance in informal sectors will be mitigated by stronger enforcement mechanisms.

## 8. Monitoring and Evaluation

The government should publish an annual Minimum Wage Report beginning in 2026. Key indicators to monitor include compliance rates, wage-price impacts, and household well-being. This will ensure transparency and provide a sound basis for future revisions.

## 9. Conclusion

The proposed 2025 minimum wage package represents a pragmatic balance between worker protection and business viability. By applying a uniform 15% increase to 2021 rates, the adjustment is straightforward, fair, and sustainable. It preserves purchasing power for workers, improves resilience for vulnerable households, and supports competitiveness within the regional labour market. With adequate enforcement and monitoring, this policy will contribute to higher living standards and a more stable economic environment in Dominica.

## 10. Commendation

I wish to extend my sincere commendation and gratitude to each member of the Minimum Wage Advisory Board for their exemplary service.

Their commitment, professionalism, and thoughtful deliberations throughout this process have been instrumental in ensuring that the recommendations put forward are fair, balanced, and responsive to the needs of both workers and employers. The time, effort, and expertise they invested hopefully will greatly contribute to strengthening our labour standards and supporting the economic and social well-being of our citizens.

Their work reflects a genuine commitment to equity and justice, and it will have a lasting positive impact on our nation. Please accept my deepest thanks and appreciation for their valuable contribution.

**Special commendation** is also given to the following public officers for their outstanding support:

- Mrs. Heslyn Andrew, Senior Economist, for the conduct of relevant economic analysis
- Mr. Kelvin Pacquette, Labour Commissioner, for lending requisite support from the Labour Division
- Mr. Micah Walter, Coordinator - Private Sector Relations, for the conduct of the establishment survey to facilitate the deliberations of the Board

## **Annex A: Summary of Other Recommendations**

### **A.1 Minimum Wage Review**

The Minimum Wage Advisory Committee should conduct a triennial review (every three years) to assess competitiveness, poverty/in-work poverty indicators, compliance, and sectoral conditions inclusive of productivity; and recommend structural changes, new methodologies and new data sets.

### **A.2 Governance**

Publish an annual Minimum Wage Report each July (starting 2027)

### **A.3 Recommendations to Tackle Youth Unemployment in Dominica**

Youth unemployment in Dominica remains a pressing challenge, but progress can be achieved through a combination of skills development, entrepreneurship, partnerships, and youth empowerment. Expanding Technical and Vocational Education and Training (TVET), apprenticeships, and certified technical programs in high-demand sectors such as ICT, hospitality, agro-processing, and renewable energy is central to preparing young people for available jobs. Initiatives such as the National Employment Programme (NEP) and new Youth Development Division courses provide practical skills, on-the-job training, and mentorship, helping to bridge the gap between education and employment.

Adequate financial support should be given to the Youth Development Division to effectively roll out of full-time technical training programs linked to major national priorities like the geothermal industry and airport development. These programs, certified with NVQ and CVQ qualifications, enhance both local and regional employment prospects.

International experience further confirms that vocational education not only reduces youth unemployment and raises wages but also delivers strengths social resilience.

Alongside training, youth-focused entrepreneurship and stronger public-private partnerships are essential to creating sustainable opportunities. Institutions such as the Dominica Youth Business Trust (DYBT) and regional initiatives like CARICOM's CEBO program equip young people with business skills, financial literacy, and startup support. At the same time, targeted partnerships with the private sector can link training directly to jobs in growth industries such as tourism, renewable energy, and ICT. Addressing structural barriers—including reliance on informal work, gender disparities, and vulnerability to natural disasters—requires policies that promote resilience, social protections, and gender inclusion. Finally, empowering young people through civic engagement and platforms such as the Youth Parliament and National Youth Council ensures that their voices shape national policy. Together, these strategies can unlock youth potential and reduce unemployment in a sustainable, future-focused way. These recommendations are captured in the following thematic areas:

### **1. Strengthen Vocational & Technical Education Alignment**

- Expand and modernize technical and vocational training (TVET) programmes to match the sectors where jobs are growing (tourism, agriculture, ICT, renewable energy).
- Ensure certifications (e.g., Caribbean Vocational Qualification (CVQ), National Vocational Qualification (NVQ)) are more widely available and recognized. This increases employability.

### **2. Improve Access & Equity in Skills Training**

- Increase training availability in rural and remote districts so that young people outside town can benefit.

- Offer flexible modalities (short courses, evening classes, online and asynchronous learning) to accommodate youth who have family obligations or other constraints.

### **3. Promote Entrepreneurship & Micro, Small & Medium Enterprises (MSMEs)**

- Provide continued support (financial, mentorship, business planning) for youth-led start-ups, especially in creative industries, agro-processing, digital services
- Facilitate easier access to credit / small grants with favourable terms for young entrepreneurs. Include support for business registration, regulatory guidance, etc.

### **4. Expand On-the-Job Training, Internships & Apprenticeships**

- Scale up programmes which pair unemployed youth with employers for hands-on work experience. These help bridge the gap between theory and practice.
- Ensure that these placements have clear pathways to permanent or longer-term employment. Include protections for basic worker rights and benefits.

### **5. Strengthen Public-Private Partnerships**

- Engage the private sector in planning training curricula, to ensure that skills learnt are relevant to real labour market needs.
- Incentivize private businesses (tax incentives, subsidies) to hire and train young workers.

### **6. Targeted Support & Inclusion**

- Special programmes for vulnerable groups: such as those with lower educational attainment while address gender disparities

- Provide wrap-around support: transportation subsidies, stipends, childcare, mentoring, to reduce non-financial barriers to participation.

## **7. Data, Monitoring & Policy Review**

- Improve collection and publication of up-to-date youth unemployment data, disaggregated by region, sex, education, etc., to guide better policy design.
- Regularly monitor and evaluate employment and training programmes to assess impact, cost-effectiveness, and alignment with labour market changes.
- Include youth voices in policy design, so that programmes reflect their aspirations and barriers.

## **8. Encourage Growth in Sectors with Youth Job Potential**

- Target investment and incentives in sectors that are labour-intensive or have growth potential: tourism, hospitality, creative arts, agriculture/value-add, ICT / digital services.
- Promote innovation and digital skills to prepare youth for remote work, freelancing, or the digital economy.

## **9. Ensure Programme Sustainability & Long-Term Commitment**

- Move from short-term or “internship only” contracts toward more stable employment with benefits where possible.
- Secure diversified funding (government budget, donor support, private sector collaboration) so youth programmes are not vulnerable to budget cuts.

Some of these recommendations require addressing current barriers to effective implementation of the youth skills training programme:

### **Recognize & Address Structural Barriers to Access**

- Internet connectivity, equipment shortages (e.g. sewing machines, soldering tools), power outages (e.g. load-shedding by DOMLEC),

transportation issues (especially for rural youth and in the Kalinago Territory) are not just “operational glitches” but fundamental barriers to the training-to-employment conversion process. There is need to provide stable power backup for training centers (e.g. generators, solar) to mitigate effects of load shedding. Further, the equipment inventory should be sufficient and maintained so that sewing machines, electronics tools etc. are functional, modern, and safe)

- An educational review found “poor internet connectivity” and “unequal access to technology” among key challenges particularly during COVID-19. Education / training policy needs to treat these as infrastructure priorities: provide reliable broadband to training centers; ensure backup power / generators; invest in mobile or satellite connectivity solutions.

### **Quantify Participation & Track Outcomes**

- Introduce systematic follow-up: track job placements, business start-ups, wage increases, and long-term sustainability of income sources after training. Current evidence is weak on post-training impact.
- Suggest regular “post-course evaluation surveys” at 3, 6, 12 months to monitor outcomes.

### **Strengthen Soft Skills & Employability Modules**

- Maintain and enrich weekly modules on teamwork, stress management, work readiness. Emphasize linkages between these soft skills and employability (e.g. employer feedback on what young people lack).

- Potentially introduce sessions on digital professionalism, remote work readiness, freelancing skills, given increasing demand for online opportunities.

### **Activate Micro-Enterprise Development Support**

- Leverage existing institutions like the Dominica Youth Business Trust (DYBT) and the Small Business Support Unit which already offer entrepreneurship training, small business assistance, mentorship, and loan-guarantee facilities.
- Propose partnerships with financial institutions to offer micro-grants or low-interest small business loans specifically for trainees of the short courses, especially in sewing, electronics, creative arts, digital design etc.

### **Improve Inclusivity & Reduce Access Costs**

- Rural youth, young mothers, and those in Kalinago Territory face added burdens: lack of reliable transport, need for childcare, difficulties leaving homes for courses. Include supports such as transport stipends, childcare provisions, or mobile training stations.
- Ensure training centers are accessible (geographically), or consider rotating delivery in under-served areas.

### **Ensure Instructor Capacity, Continuity & Reliability**

- Address instructor shortages and susceptibility of personal emergencies derailing continuity. Propose a “reserve instructor pool” or co-instructor / mentor system so that courses can continue when a primary instructor is unavailable.

## **Align Training Offerings with Demand & Policy Initiatives**

The Youth Development Division has launched a National Skills Training Needs Survey in 2025 to align training with what youth are interested in (technology, construction, digital marketing, aviation, etc.).

The intention is to use findings from that survey to refine course offerings so they match labour-market demand. The government has invested significantly in digital skills training (EC\$17.5 million) and device acquisition for youth. This should be leveraged to bridge gaps in equipment & connectivity.

## **Policy Coherence & Financing**

- Government policies in ICT infrastructure and digital economy (e.g. broadband expansion, community access centers, digital public services) should be better linked to youth training programmes. For example, policy around “internet access as a right” and infrastructure investment can provide the backbone for training efficacy.
- There is need to secure dedicated budgets for training centers: for maintenance of equipment, for instructor development, for operations including electricity/internet. Co-financing drawing on nongovernmental partnerships can be explored.

## **Monitoring, Evaluation & Feedback Loops**

- Set up KPIs (Key Performance Indicators) such as numbers of trainees, percentage placed in jobs / self-employment, average income after 6 months, retention of skills, participant satisfaction.
- Regularly solicit feedback from trainees and employers to refine courses, address emerging challenges.

- Publish transparent reports so stakeholders (government, community, funders) can see evidence of what works & what remains to resolve.

## **Annex B: Historical Overview of Minimum Wage Developments in Dominica and the CARICOM**

### **Pre-2021 Framework**

Dominica’s minimum wage prior to 2021 was based on the 2008 Order. This provided relatively low rates by 2021 standards and failed to keep pace with inflation and regional developments. Worker groups had long advocated for an update, citing increased living costs. Wage rates per the 2008 Order were also below the regional median of selected countries in CARICOM for which data was readily available. This median was \$6.53

Table 1 below shows the minimum wage rates that existed at the time of the 2021 review of the minimum wage.

**Table 1: Comparative Analysis of the Minimum Wages Across select CARICOM Member States\***

<b>COUNTRY</b>	<b>MINIMUM WAGE (per hour/day/week/month)</b>	<b>LAST REVISED</b>
Antigua & Barbuda	EC\$8.20 (per hour) for all categories of labour	2018
Barbados	BD\$6.36 per hour	2012
Dominica	EC\$4.00 (per hour)	2008
Grenada	EC\$4.50 (per hour)	2015
Monsterrat	None at present	
St. Kitts & Nevis	EC \$9.00 (per hour)	2014
St Lucia	EC300.00 (per month) Office Clerk; EC\$200.00 (per month) shop attendants; EC\$160.00 (per Month) messengers	2013
St Vincent &The Grenadines	EC \$56.00 (per day) agriculture workers; EC\$40.00 (per day) industrial workers; EC\$25.00 (per day) domestic workers	2008
Anguilla	None at the time of wage review	

*\*Countries utilized were those for which data was readily available*

### **Labour Standards (Minimum Wage) Order (effective 1 September 2021)**

- Updated hourly minima for common occupations, generally clustered around EC\$5.67–\$7.50 per hour. These occupations were in relation to agricultural & other unskilled workers; daily paid (factory, tourism and manufacturing),
- juveniles/trainees, cashiers & receptionists, sales persons & cashiers and shop assistant
- Set weekly minima for home assistants ranging from \$200-\$250 depending on board and lodging (with meals, without meals, living-in)
- Introduced new occupations or categories highlighted in the following table which also shows the rate of increase for each occupation.

**Table 2: Minimum Wage Orders 1989, 2008 and 2021 (Comparative Analysis)**

<b>OCCUPATION /CATEGORY</b>	<b>Nov 1989</b>	<b>June 2008</b>	<b>September 2021</b>	<b>Percentage increase 2021 revision vs 2008</b>
Workers and labourers in the agricultural sector	\$2.20/hr	\$4.00/hr	\$7.50/hr	87.5%
Daily Paid (factory, tourism and manufacture) workers	\$2.00/hr	\$4.50/hr	\$7.50/hr	66.7%
Juveniles/Trainees	\$1.50/hr	\$3.60/hr	\$5.67/hr	57.5%

Cashiers/ Receptionists	\$3.00/hr	\$5.50/hr	\$7.25/hr	31.8%
Sales Persons/ Cashiers	\$2.00/hr	\$5.50/hr	\$7.25/hr	31.8%
Shop Assistants	\$2.00/hr	\$4.50/hr	\$6.75/hr	50.0%
Home Assistants (with meals)	\$1.00/hr	\$125/wk	\$200.00/wk	60.0%
Home Assistants (without meals)	\$1.25/hr	\$143.75/wk	\$250.00/wk	73.9%
Home Assistants (living in)	\$54.00/wk	\$142.50/wk	\$220.00/wk	54.4%
Cooks			\$7.25/hr	
Bar Tenders			\$7.24/hr	
Servers			\$7.24/hr	
Room Attendants			\$7.24/hr	
Grounds men			\$7.24/hr	
Public Area Attendants			\$7.24/hr	
Vehicle Drivers/Messengers			\$7.50/hr	
Security Guards			\$8.00/hr	
Janitors			\$7.24/hr	

Other unskilled workers such as labourers in the construction industry , handymen			\$7.50/hr	
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This was the first major adjustment in over a decade and was widely welcomed as a step toward improving labour standards.

The updated rates placed Dominica above the regional median for most occupations.

### **Compliance and coverage:**

Notwithstanding infrequent stakeholder consultations, it is surmised that there is broad awareness in formal sectors (retail, hospitality and security) and partial gaps among microenterprises and informal settings. Enforcement capacity was flagged as an area to strengthen. Noteworthy was that almost one third of contributors were below minimum wage levels as reported by the Dominica Social Security.

**Regional context:** Across CARICOM community peers, 2022–2025 saw renewed attention to wage floors amidst post-pandemic inflation. Dominica’s current minimum wages are at the lower end of the distribution of counties in the following table, on a purchasing-power basis, especially in tourism-facing roles. Only Jamaica and St. Lucia had lower rates.

**Table 3: Minimum Wage Rate Across Region**

Country	Minimum Wage Rate (Local Currency)	Equivalent in XCD (Approx.)	Effective Date
Antigua & Barbuda	EC\$9.00 per hour (from \$8.20)	EC\$9.00	Jan-25
Barbados	BD\$9.25 per hour (from \$6.25)	EC\$12.50	Apr-24

Grenada	EC\$9.00 per hour (from \$8.20)	EC\$9.00	Jan-24
Jamaica	J\$15,000 per 40hr week	EC\$260.00 per week or \$6.50 (proxy)	Jun-23
St. Kitts & Nevis	EC\$12.50 per hour	EC\$12.50	Oct-24
St Lucia	EC\$6.52 per hour	EC\$6.52	Oct-24
Trinidad & Tobago	TTD\$20.50 per hour	EC\$8.25	Jan-24
St Vincent	EC\$8.00 per hour	EC\$8.00	Oct-24

\*\*Barbados - effective 1 June 2025 rate is BD\$10.50 with BD\$11.43 for security guards

## **Annex C: National Minimum Wage Survey Report- MSME Sector**

### **INTRODUCTION**

The Government of Dominica is presently undertaking a review of the national Minimum Wage as part of its ongoing efforts to strengthen labour standards and promote equitable economic growth. In support of this process, a survey was conducted from August 27 to September 15, 2025, specifically targeting the Micro, Small, and Medium Enterprise (MSME) sector, recognized as a critical stakeholder in the labour market and national development. A total of forty-three respondents participated in the exercise, providing valuable insights into the perspectives and challenges faced by employers and business operators in relation to the Minimum Wage. To ensure broad accessibility and engagement, information on the survey was disseminated to the public through multiple channels, including Facebook, WhatsApp, and direct contact via office telephones. Additionally, the survey was channeled to key private sector associations for dissemination to their members and or business clients namely, the Dominica Association of Industry and Commerce (DAIC), the Dominica Hotel and Tourism Association (DHTA), the Dominica Herbal Business Association (DHBA), the Dominica Health and Wellness Association (DHWA), the National Beekeepers Cooperative and the National Development Foundation of Dominica (NDFD)The following section presents the findings derived from this consultation, offering an evidence-based contribution to the national dialogue on Minimum Wage policy.

### **ANALYSIS**

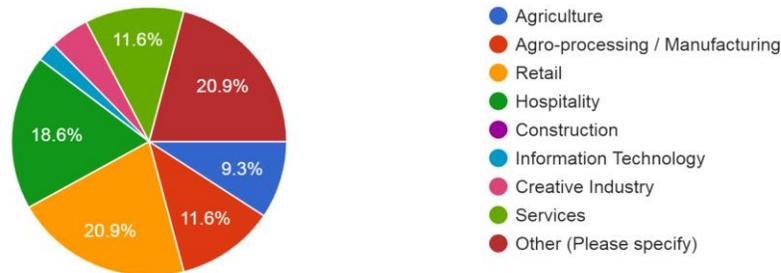
#### **1. In which sector does your business primarily operate?**

The findings show strong participation across a range of industries, with hospitality 18.6%, retail 20.9%, and “other” sectors 20.9% emerging as

the most represented. Agriculture 9.3% and agro-processing/manufacturing 11.6% also contributed meaningfully, reflecting the importance of traditional industries. Notably, construction was absent, while information technology 2.3% and creative industries 4.7% were underrepresented, signaling either smaller participation or limited MSME presence in those areas.

1. In which sector does your business primarily operate?

43 responses

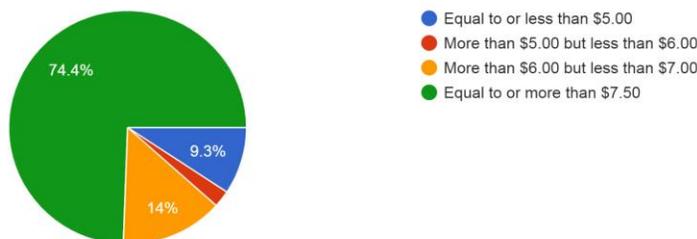


## 2. What is the average hourly wage currently paid to your lowest-paid employee(s)?

A large majority 74.4% of businesses already pay employees \$7.00 or above, surpassing the existing minimum wage of \$7.50 in many cases. Only 9.3% pay \$5.00 or less, and 2.3% fall within the \$5-6 range, suggesting that most MSMEs are already exceeding statutory minimums.

2. What is the average hourly wage currently paid to your lowest-paid employee(s)?

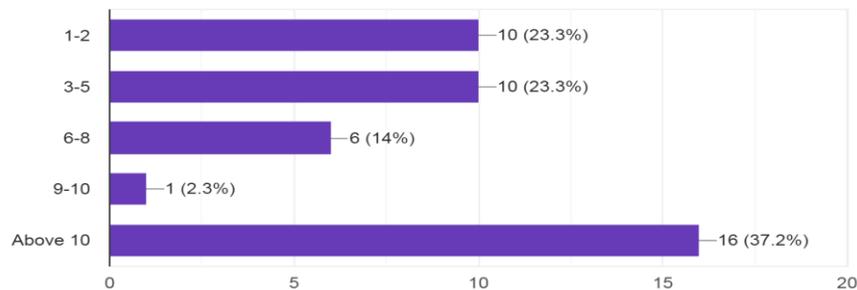
43 responses



### 3. How many employees does your business currently employ?

Employment levels vary widely across businesses. While 23.3% of respondents employ just 1-2 people, 37.2% employ more than 10, indicating a split between micro-scale businesses and larger MSMEs. This distribution underscores the diverse structure of Dominica's MSME sector, with implications for how wage adjustments may affect differently sized enterprises.

3. How many employees does your business currently employ?  
43 responses

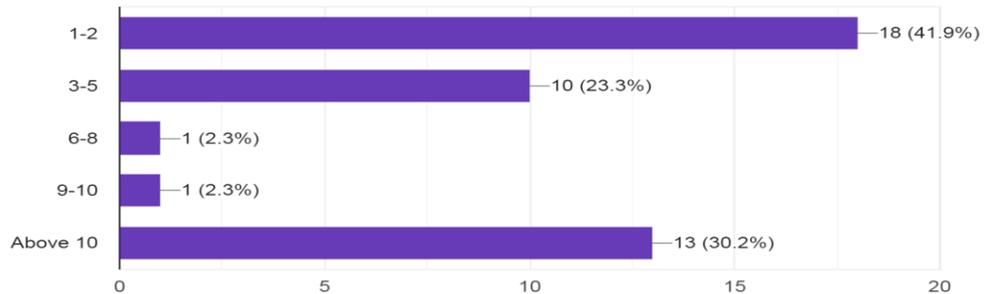


### 4. How many employees in your business are currently earning at or near the existing Minimum Wage?

Almost half of businesses 41.9% have only 1-2 employees earning minimum wage, while 30.2% report having more than 10 employees at this level. This suggests that while many firms limit minimum wage employment to a few staff, certain businesses, likely in labour-intensive industries have a much higher dependency on minimum-wage workers, making them more sensitive to wage policy changes.

4. How many employees in your business are currently earning at or near the existing Minimum Wage?

43 responses



**5. In your opinion, what hourly rate would reflect a fair and sustainable Minimum Wage for Dominica?**

The majority of respondents supported a rate between \$8.00 and \$10.00 per hour. This indicates that stakeholders generally consider the current minimum wage insufficient to meet living standards and favour a moderate upward adjustment that balances worker welfare with business sustainability.

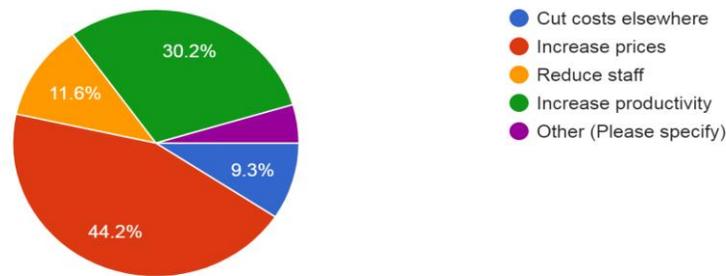
**6. To what extent would a higher Minimum Wage affect your business operations?**

Responses were highly mixed, reflecting the varied realities of MSMEs. Several businesses indicated minimal impact since they already pay above the minimum. However, others expressed concerns over increased operational costs, reduced profitability, possible layoffs, and constrained expansion. Interestingly, some respondents noted potential positives, such as higher employee motivation, improved retention, and stronger consumer spending power. Overall, the responses highlight a tension between cost concerns and the potential socio-economic benefits of higher wages.

## 7. What strategies would you most likely adopt if the Minimum Wage potentially increases?

The dominant strategy identified was increasing prices 44.2%, followed by boosting productivity 30.2%. Cost-cutting 9.3% and staff reduction 11.6% were less popular but still significant. This suggests that while most MSMEs would attempt to absorb higher wage bills through revenue-generating measures, a portion may resort to downsizing or efficiency measures.

7. What strategies would you most likely adopt if the Minimum Wage potentially increases?  
43 responses

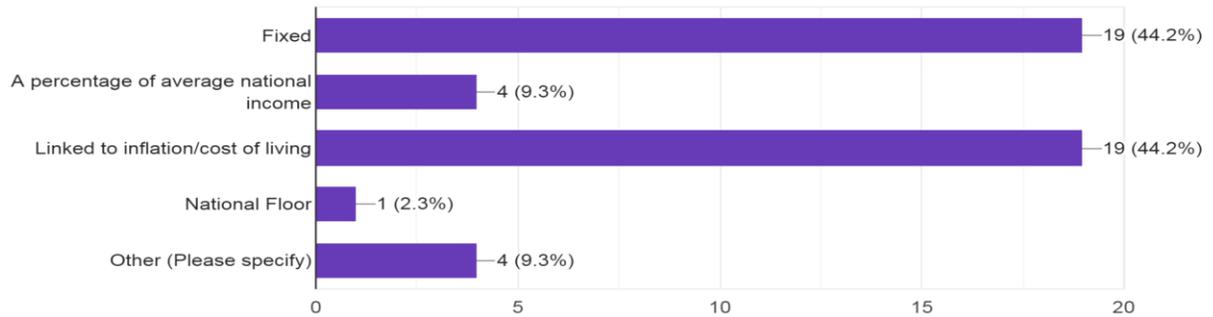


## 8. Would you prefer the minimum wage to be:

Forty-four-point two percent 44.2% of respondents prefer a fixed wage system, while the similar percentage 44.2% favoured linking the wage to inflation or cost of living. Only a small proportion supported tying it to national income 9.3% or other mechanisms. This indicates a preference for stability and predictability but also recognition of the need for wages to reflect changing economic conditions.

8. Would you prefer the minimum wage to be

43 responses

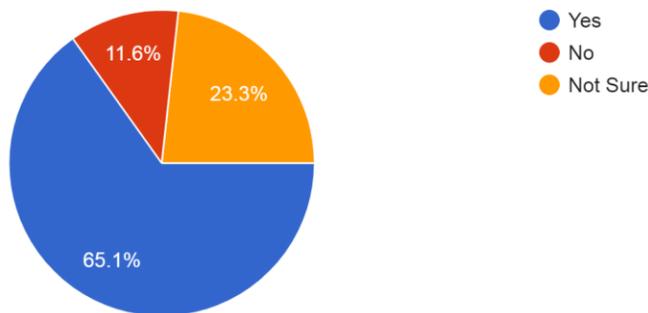


9. Do you believe Dominica's Minimum Wage should align with regional (Caribbean) standards?

A clear majority 65.1% believe Dominica's wage should align with regional benchmarks, suggesting concern for competitiveness, labour mobility, and harmonization within the CARICOM single market. A smaller segment 11.6% opposed alignment, while 23.3% remained unsure, highlighting the need for further stakeholder education.

9. Do you believe Dominica's Minimum Wage should align with regional (Caribbean) Standards?

43 responses

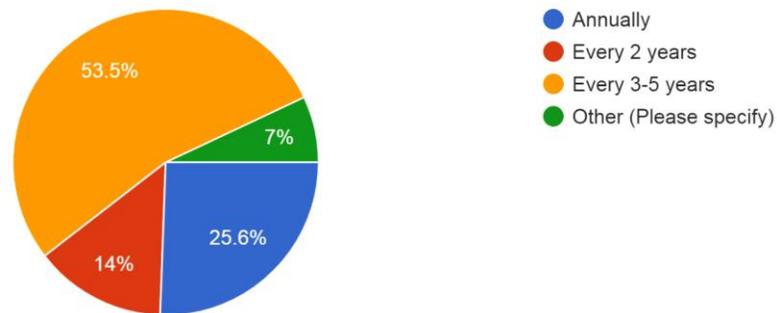


10. How often do you think that the Minimum Wage should be reviewed?

Most respondents 53.5% prefer reviews every 3-5 years, reflecting a desire for stability and planning certainty. Just over a quarter 25.6% favoured annual reviews, likely to better keep pace with the possibility of inflation, while 14% opted for biennial adjustments. This indicates that while frequent reviews are supported by some, the majority prefer a medium-term cycle that balances responsiveness with predictability for businesses.

10. How often do you think that the Minimum Wage should be reviewed?

43 responses



## CONCLUSION

The survey findings provide valuable insight into the perspectives of Dominica's MSME sector regarding the ongoing review of the Minimum Wage. The data highlights that while a significant proportion of participating businesses already pay wages above the current statutory minimum, there remains a strong call for a fairer and more sustainable rate, with the majority of respondents identifying \$8.00-\$10.00 per hour as an appropriate benchmark. The responses also underscore the diverse realities across sectors and business sizes: while some enterprises foresee minimal impact from an increase, others anticipate higher operational costs, reduced profitability, and possible workforce adjustments. At the same time, businesses acknowledged potential benefits, such as improved employee morale, retention, and increased consumer spending power.

Stakeholders also expressed clear preferences for a structured approach to wage regulation, with a majority favouring fixed or inflation-linked rates and periodic reviews every three to five years. Importantly, most respondents supported aligning Dominica’s minimum wage with regional standards, recognizing the need for competitiveness and harmonization within the wider Caribbean market.

Overall, the findings reflect a delicate balance between protecting worker welfare and safeguarding the sustainability of businesses. As policymakers advance the national dialogue, these perspectives should inform a measured, evidence-based approach that promotes decent work, business resilience, and inclusive economic growth.

Presented by:

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**H.E. BENOIT BARDOUILLE**  
**CHAIRMAN**  
**MINIMUM WAGE ADVISORY BOARD**

**DATE: September 16, 2025**

## **Annex D: Enforcement and Support Measures**

### **Compliance Toolkit**

To support implementation and improve understanding, the following compliance tools are recommended:

- A one-page summary schedule outlining key wage details, along with a template payslip and model contract clauses to guide employers.
- A simple mobile or online wage calculator that allows users to convert hourly rates into weekly or monthly earnings and includes prompts for calculating overtime.
- A public information campaign to raise awareness in the lead-up to the effective date, using radio, social media platforms, and outreach through business chambers and associations.

### **Targeted Support Measures for Business (Time-Bound)**

To ease the transition for businesses, the following temporary support mechanisms are proposed:

- A payroll tax credit equal to 5% of the incremental wage cost to meet new minimum wage , available for a period of six months and subject to a cap per business. This would conditional on an effective implementation by 1 July 2026 and would apply to all businesses. Effective implementation prior to this recommended date may merit a greater payroll tax credit to smooth transition.
- Small grant vouchers of EC\$1,500, which can be used to purchase compliance-related tools such as timeclocks, payroll software, or to make basic occupational safety upgrades to support SMEs only.

- Access to advisory services provided through the Labour Division and Small Business Support Unit, to assist employers in meeting compliance requirements

### **Enforcement and Redress Measures**

To strengthen enforcement and ensure timely redress, the following actions are proposed:

- Expand inspection capacity by hiring four additional labour inspectors with a focus on priority sectors such as security, hospitality, and retail. In keeping within fiscal prudence, it is proposed that recruitment is staggered with two inspectors secured in fiscal years 2025/2026 and 2026/2027 respectively.
- Establish an anonymous reporting hotline and WhatsApp channel to allow workers to report cases of underpayment confidentially. Employers would be given a 30-day correction window to address verified violations before penalties are applied.
- Develop and publish an annual compliance dashboard to increase transparency and track progress in wage enforcement across sectors.

### **Annex E: Employer Checklist (Abbreviated)**

- Verify job categories and map to the schedule.
- Update rosters and timekeeping; compute base pay and any premia.
- Revise contracts/payslips; communicate changes to staff
- Budget for the implementation and consider productivity measures (cross-training, scheduling, basic digitization)
- Use the wage calculator to track weekly/monthly costs and avoid underpayment.