

Growth continues for Cambodia's garment and footwear sector

Cambodia's garment and footwear industry, a key sector for the country's economy, continued to perform well in 2014. Exports grew by 9.3 per cent in the past year, and expanded by 10.6 per cent in the first quarter of 2015 (compared to the first quarter of 2014). The sector now employs some 600,000 workers, whose wages have risen significantly over the past two years. Meanwhile, the number of factories operating in the sector has reached a record number of 640 in March 2015, compared to 528 factories in late 2013.

1. Introduction

This Bulletin reviews the performance and progress of Cambodia's garment and footwear sector, with a focus on exports, wages, employment, factory openings and closures and new foreign direct investment. The garment and footwear sector is Cambodia's largest manufacturing industry and the country's largest foreign exchange earner. The Bulletin documents the evolution of the sector – supported by the most up-to-date official data, mainly from the Ministry of Commerce, the Ministry of Labour and Vocational Training, the Cambodia Investment Board, the National Institute of Statistics and the National Bank of Cambodia.¹

2. Garment and footwear exports

The garment and textiles industry has thrived for about two decades now. Growth skyrocketed when the normalized-trade relationship went into effect with the United States and the European Union in 1996 and 1997. From humble beginnings with exports worth US\$27 million in 1995, the sector grew 200-fold and by 2014 provided more than half a million jobs for young Cambodians (86 per cent of whom are young women²).

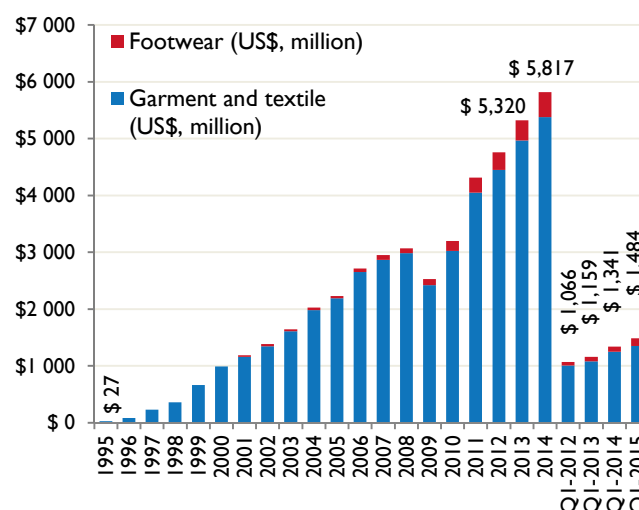
The industry continued to perform well in 2014, with the highest export revenues in the country's history. Total exports of garment and footwear grew by 9.3 per cent to \$5.8 billion, up from \$5.3 billion the year before (see figure 1).

The footwear sector was particularly dynamic, recording a growth of exports of 23.9 per cent to \$438 million, while exports of the garment sector grew by a still substantial 8.3 per cent to \$5.4 billion. The combined garment and footwear sector's export growth in 2014 is a slight slowdown from the 11.8 per cent growth recorded in 2013.³

The growth of the industry compares favourably against predictions that the new minimum wage level of \$100 (effective 1 February 2014) and \$128 (as of 1 January 2015) would lead to a collapse of export volumes. The growth figures are even more impressive when the size of the industry is taken into account: when an industry becomes larger and more mature, it is increasingly difficult to maintain the rapid proportionate growth rates it recorded at its inception.

Data for the first quarter of 2015 indicate a solid start to the year. Exports of the combined garment and footwear sector totalled \$1.5 billion in the first three months of 2015, up by 10.6 per cent compared to the same period in 2014 (garment exports increased by 7.9 per cent and footwear exports rose by 48.2 per cent; see annex table 1).

Figure 1. Cambodia's garment and footwear exports, 1995-2015 (US\$ million)



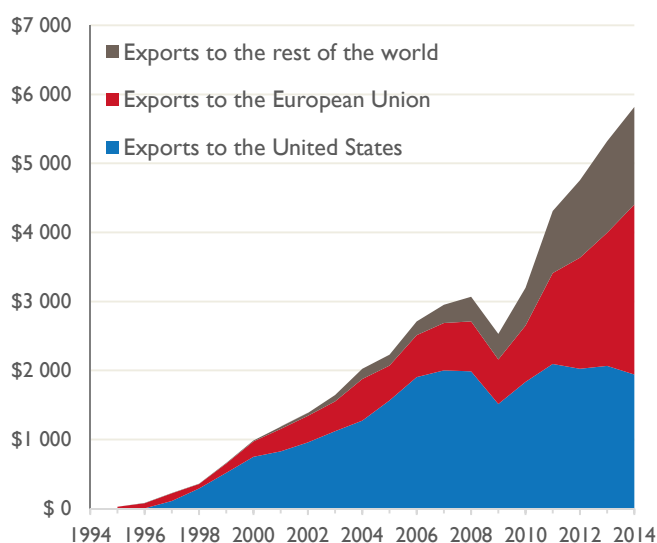
Source: Ministry of Commerce.

¹ The ILO wishes to acknowledge and thank the Ministry of Labour and Vocational Training; the Ministry of Commerce; the Cambodia Investment Board; and the National Institute of Statistics for their support and the data used in this publication. Any errors should be attributed to the ILO.

² Ministry of Commerce, unpublished data provided to ILO.

³ Ministry of Commerce, unpublished data provided to ILO.

Figure 2. Cambodia's garment and footwear exports by main destination, 1995-2014 (US\$ million)



Source: Ministry of Commerce.

The continued growth of garment and footwear exports is driven mainly by strong demand from European buyers. In 2014, exports of garments and footwear to the European Union rose by more than 27 per cent, while exports to the United States declined by 6 per cent. As a result, the European Union became the single biggest destination for Cambodia's garment and footwear exports and now accounts for 42 per cent of the total export volume. This puts it ahead of the United States, traditionally the main market, with a share of 34 per cent. The remaining 24 per cent of Cambodian garment and footwear exports in 2014 was shipped to the rest of the world, mainly Canada and Japan.

The garment and footwear sector remains a key industry for Cambodia. Its exports in 2014 accounted for nearly 79 per cent of the country's total merchandise exports (down from 90 per cent in 2008). The garment and footwear sector also spends a large proportion of export earnings on intermediary inputs (such as fabric). According to the National Bank of Cambodia, retained imports of the garment sector amounted to \$2,597 million in 2014⁴ (compared to garment and footwear exports worth \$5,817 million in the same year; see annex table 1).

The country has begun to diversify its exports, with milled rice, paddy rice, rubber, fish, wood and wooden products accounting for much of the remainder. Cambodia's Industrial Development Policy 2015—2025 aims to broaden the industrial base further by diversifying and increasing exports of manufactured products other than garments. The policy's goal is to reduce the export share of clothing and footwear

to 50 per cent of total merchandise exports by 2025.⁵ In this context, the policy emphasises the need to improve and modernize the country's industrial structure.

This would lessen the country's exposure to shocks such as the slump in garment and footwear exports in 2009-10, when demand in Cambodia's main export markets fell due to the global economic and financial crisis. The decline of exports drove Cambodia's economic growth down to just 0.1 per cent in 2009.

3. New investments, factory openings and closures

a – New investment: According to the Cambodian Investment Board (CIB), 78 new garment and footwear investment projects were approved in 2014.⁶ These projects were largely funded by investors from mainland China and Hong Kong (China), with a small proportion from Taiwan (China) and other economies. Most were in the form of sole ownership (85 per cent), and only about 15 per cent in the form of joint ventures. The new garment and footwear projects approved in 2014 accounted for \$452 million of fixed assets (a slight decline compared to 2013; see annex table 1). Investments in the garment and footwear sector represented 28 per cent of the total newly approved investment in fixed asset value in 2014.

During the first quarter of 2015, a further 19 new garment and footwear projects were approved. The total value of the new projects was \$72 million, just half as much as in the same period of the previous year – but more than twice as much as in the final quarter of 2014. Figures often fluctuate from one quarter to another, so annual figures are more informative about investment trends.

b – Opening, closure and operating factories: While the data on newly approved projects show that foreign investors continue to channel funds into new garment and footwear factories in Cambodia, the opening of new factories needs to be seen alongside closures. In a market economy where factories compete against each other, this is a normal process: one can expect that the least profitable companies will go out of business, as more efficient competitors and new entrants win market share.

According to figures from the Ministry of Commerce, the number of effectively operating garment and footwear factories grew from 528 at the end of 2013 to 626 factories at the end of 2014. This is a net growth of 98 factories. It reflects the closure of 11 factories and the opening of some

⁴ National Bank of Cambodia, *Balance of Payments Statistics Bulletin, 4th Quarter 2014*.

⁵ Cambodia's Industrial Development Policy 2015-2025 (Draft as of February 2015 Draft, Page 17).

⁶ Of the total, 72 were garment projects and the remaining six footwear projects.

109 factories (either re-opened under new ownership or in the form of new projects).

The positive trend continued in the first quarter of 2015, with factory openings again exceeding the number of factory closures by 14 (all of them garment factories). This brought the number of effectively operating garment and footwear factories to 640 at the end of the first quarter of 2015, the highest number on record at the Ministry of Commerce. The vast majority were garment factories (572), with the remainder being footwear factories (68).

4. Employment in the garment and footwear sector

According to the Cambodia Labour Force Survey 2012 (CLFS 2012), the garment sector accounted for some 8.5 per cent of all employment in the country.⁷ Employment in the sector has since grown further, with an average of roughly 60,000 new jobs added per year since 2012.⁸ According to figures recorded by the Ministry of Commerce, employment in the garment and footwear industries grew throughout 2014. Each quarter exceeded the previous, growing from 539,000 workers (Q1 2014) to 561,400 (Q2 2014), 576,200 (Q3 2014), and finally to 581,200 (Q4 2014). On average, some 564,500 workers were employed in the garment and footwear sector in 2014, compared to 497,200 workers in 2013 (an increase of 67,300 net new jobs). Some 85 per cent of the additional jobs were created in the garment sector, with the remaining 15 per cent generated by footwear sector.

Employment in the garment and footwear sector continued to grow in the first quarter of 2015. The Ministry of Commerce counted some 580,900 workers in January, a number that further increased to 604,100 in February and a new record high of 605,100 in March 2015. On average, 596,700 people were employed by the sector in the first quarter of 2015, an increase of 57,600 compared to the same period in 2014.

5. Wages and prices

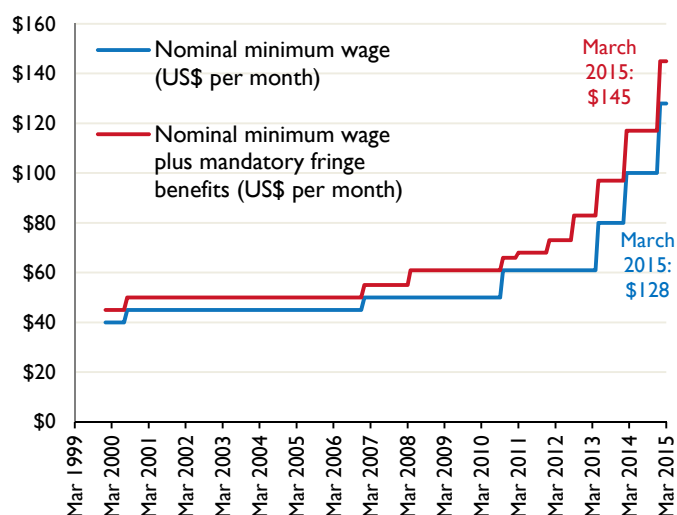
The growing garment industry over the past decade led hundreds of thousands of young Cambodians to migrate to the city seeking paid employment. The recent development of other industries, along with workers' migration to seek job opportunities outside Cambodia, caused the industry to report labour shortages. Some factories offered extra

financial incentives to some workers to attract labour, while base wages of entry-level workers have often remained aligned with the statutory minimum wage.

Cambodia's minimum wage for the garment and footwear industry was first introduced in 1997, when it was set at \$40 per month. The rate has since increased to \$128 per month, effective from 1 January 2015. The minimum wage is guaranteed for every full time worker in the garment and footwear industry; part-time workers need to be paid in proportion to their working time. In addition to the minimum wage, there are also other allowances to which workers are entitled, including \$10 attendance bonus, \$7 transportation allowance and seniority allowances of up to \$11 (from the 11th year of tenure onwards).

The data suggest that minimum wages have had an impact on average wages.⁹ As shown in the graph (Figure 4) below, average wages stagnated from mid-2000 to mid-2006, a period where the nominal minimum wage remained unchanged at \$45 per month. According to calculations based on data from the Ministry of Commerce, the average monthly wage of garment workers during this time was only \$66. With the subsequent minimum wage increases, the average wage started to rise. When the minimum wage was increased in late 2006 to \$50, the average monthly wage earned by the garment workers rose to \$73 (December 2006) and then rose to \$146 in December 2014, when the minimum wage stood at \$100.

Figure 3. Nominal minimum wage and nominal minimum wage plus fringe benefits in the garment and footwear sector, 2000-2015 (US\$ per month)



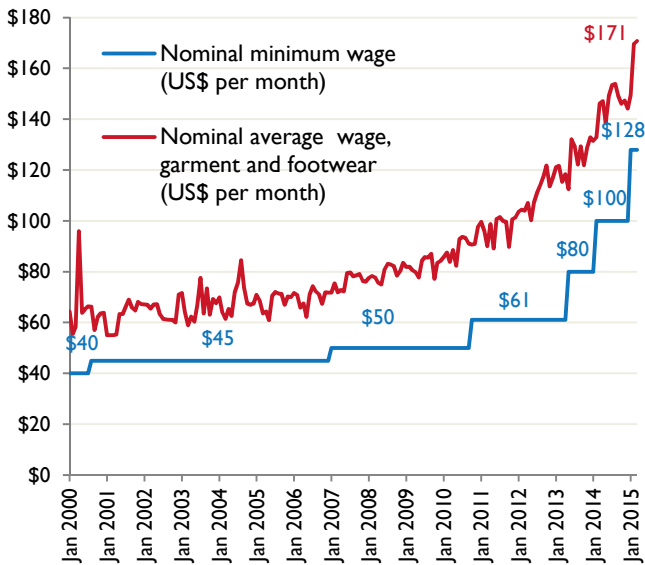
Source: Ministry of Labour and Vocational Training.

⁷ Defined as 'wearing apparel'. See Table 6.10 in National Institute of Statistics, *Cambodia Labour Force and Child Labour Survey 2012* (Phnom Penh, November 2013).

⁸ Ministry of Commerce records. Note that these figures pertain to the exporting sector only. Foreign office workers and foreign managers are excluded from the data

⁹ Note that the average wage figures shown in this Bulletin include allowances and overtime payments.

Figure 4. Monthly nominal minimum wage and nominal average wage in the garment and footwear sector, 2000-2015 (US\$ per month)



Source: Ministry of Commerce.

However, the increase in nominal wages overstates the real gains experienced by workers, after taking inflation into account. To adjust for this effect, figure 5 presents both the nominal and the real average wage. The real wage factors in the country's consumer price inflation rate, and hence presents the trend in workers' purchasing power. The base year used is December 2010.

The most important aspect of figure 5 is the trend over time and not the level of the wage expressed in constant US dollars, which would change if a different base year was used. The main finding is that workers' purchasing power declined between 2003 and 2009. The real average monthly earning of garment workers fell from \$111 in 2003 to \$88 by 2009 (in constant December 2010 prices). This was driven by two factors. Firstly, there was slow growth and in some years stagnation in nominal wages due to a lack of minimum wage adjustments. Secondly, inflation was relatively high at an average of 7.1 per cent per annum over the 2003 to 2009 period. As a result, workers could buy less with the wages they received.

Cambodian workers benefited from lower consumer price inflation in recent years, which averaged 3.8 per cent per annum from 2010 to 2014. Combined with strong growth in nominal wages, this led to a recovery of the past losses in purchasing power and some gains. The real average monthly wage of garment workers rose from \$93 in 2010 to \$126 in 2014 (in the same constant December 2010 prices). This

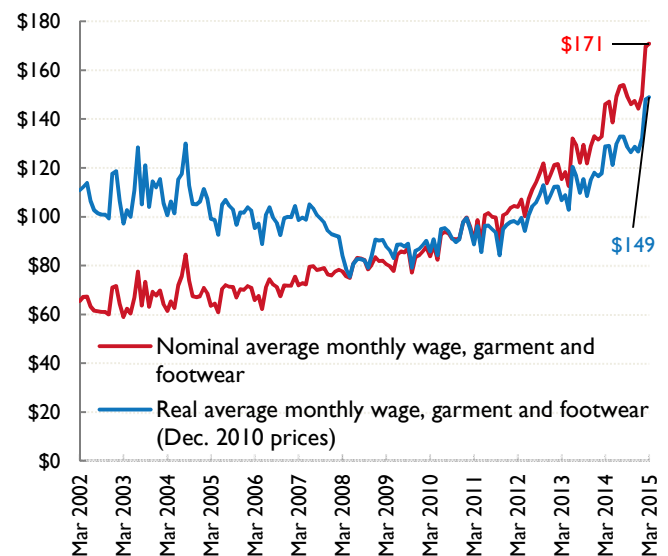
¹⁰ Due to the way the Ministry's database is updated, increases in wages may show up with a short time-lag in the figures.

corresponds to an average growth of 8 per cent per year (over the 2010-2014 period) after adjusting for inflation.

Data from the Ministry of Commerce for the first quarter of 2015 show that garment workers have seen further gains from the new minimum wage of \$128 that came into effect on 1 January 2015. Average nominal wages of garment workers (which include overtime and bonuses) rose from \$139 in the first quarter of 2014 to \$165 in Q1 2015 – an increase of about 18.9 per cent.¹⁰ The latest figures for March 2015 indicate an average wage of \$171, including overtime and bonuses. However, while skilled office workers and line supervisors can expect to make more than this, other workers will receive less than the average.

When the effect of inflation is taken into account by converting these figures into December 2010 prices, real average wages of garment workers grew from \$123 in Q1 2014 to \$144 in Q1 2015 (a growth of 17.7 per cent in real terms).¹¹ Adjusted for purchasing power, the latest data for March 2015 indicate a real average wage of \$149 in December 2010 prices.

Figure 5. Nominal and real average monthly wage in the garment and footwear sector, 2002-2015 (US\$ per month)



Source: National Institute of Statistics (inflation), Ministry of Commerce (wages and workers), and ILO staff calculation

6. Labour Advisory Committee process for adjusting the minimum wage in the garment and footwear sector

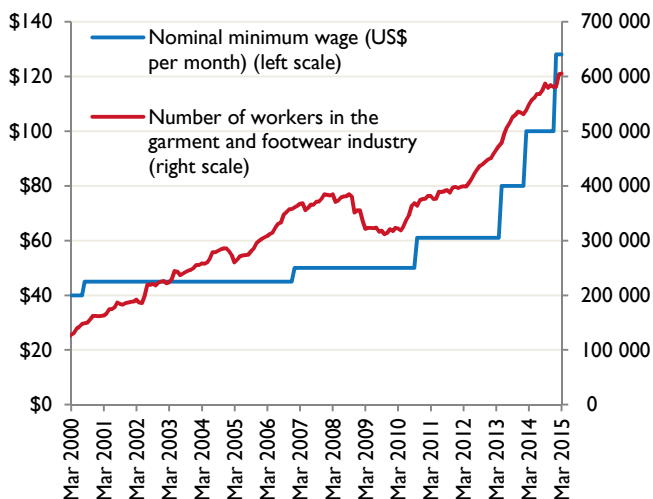
Under an agreement reached by the government, union and employer representatives in June 2014, the Labour Advisory Committee (LAC) will review the minimum wage annually.

¹¹ Note that percentage growth figures are based on real wage levels to several decimal points.

The process is scheduled to commence in the third quarter of each year, with a new *Prakas* (ministerial order) coming into effect on 1 January the following year.¹² The Ministry of Labour and Vocational Training (MoLVT) serves as the Secretariat of the LAC and is facilitating and coordinating the process, which involves tripartite dialogue, comprising of representatives from unions, employers and the government itself. The ILO continues to provide technical support to the LAC Secretariat in its discussion about the minimum wage for the garment and footwear sector.

The review of the minimum wage is based on Article 107 of Cambodia's Labour Law that gives the Labour Advisory Committee the power to make recommendation on the minimum wage level to the Ministry in charge of Labour. The law stipulates that the "[minimum] wage is adjusted from time to time in accordance with the evolution of economic conditions and the cost of living". The law also states that the adjustment should consider, to the extent possible, social criteria such as the needs of workers and their families and the evolution of cost of living (or inflation), and at the same time, also pay attention to economic factors. Consultations held in early 2014 highlighted the need to investigate the impact of the minimum wage on enterprises, on the competitiveness of Cambodia, and on the labour market and employment.

Figure 6. Monthly minimum wage and employment in the garment and footwear sector, 2000-2015 (nominal US\$ and number of workers)



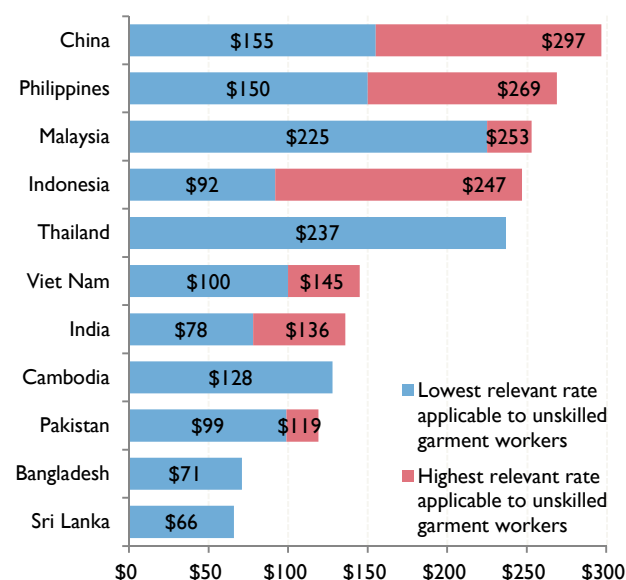
Source: Ministry of Labour and Vocational Training (minimum wages) and Ministry of Commerce (number of workers). Note that the number of workers refers to the exporting sector only.

The available data presented in this bulletin show that strong employment growth continued throughout 2014 and into 2015 (see figure 6). However, Cambodia's minimum wage started from an exceptionally low base before the series of increases in the past five years. The current level of \$128 is

¹² See Labour Advisory Committee Statement (dated 16 June 2014).

still significantly lower than that of competitors such as China, the Philippines and Thailand (all of which have higher aggregate labour productivity than Cambodia).¹³ By contrast, Cambodia's minimum wage is now above the level in Sri Lanka (\$66), Bangladesh (\$71) and Pakistan (\$99 to \$119).

Figure 7. Monthly minimum wages applicable to the garment sector in Asia's major garment exporting countries, as of 1 January 2015 (US\$)



* Effective as of 1 January 2015.

Note: All rates refer to the lowest skill grade and new entrants. For countries with decentralized minimum wage systems (China, India, Indonesia, Pakistan and the Philippines), the overview reflects relevant rates in the main apparel-producing locations.

Source: ILO Compilation based on official records.

7. Conclusions

The garment and footwear sector has continued to perform solidly in 2014 and the first quarter of 2015. Exports continued to grow along with employment and workers' average wages. There has been a net increase in the number of factories in operation. The sector's exports to the European Union continue to grow as a share of total exports. The increased minimum wage of \$128, effective since January 2015, has coincided with continued solid employment growth.

It is hoped that these data and this analysis will contribute to a more informed discussion about the current state and future prospects of Cambodia's garment and shoe industry, including the discussions on wage levels and minimum wage fixing.

¹³ See ILO (2015), World Employment and Social Outlook. Geneva.

Annex Table I. Cambodian garment and footwear industry – selected indicators

| | 2013 | | | | 2013 | 2014 | | | | 2014 | 2015 | | | |
|--|--------------|--------------|--------------|--------------|---------------|--------------|--------------|--------------|--------------|---------------|------------|------------|--------------|--------------|
| | Q1 | Q2 | Q3 | Q4 | | Q1 | Q2 | Q3 | Q4 | | Jan | Feb | Mar | Q1 |
| I. Economic output | | | | | | | | | | | | | | |
| GDP (% real growth) | - | - | - | - | 7.4 | - | - | - | - | 7.0 | - | - | - | - |
| GDP (% nominal growth) | - | - | - | - | 8.2 | - | - | - | - | 10.0 | - | - | - | - |
| GDP (current prices, US\$ million) | - | - | - | - | 15 228 | - | - | - | - | 16 709 | - | - | - | - |
| Value added (garment and footwear, current prices, US\$ million) | - | - | - | - | 1 560 | - | - | - | - | 1 790 | - | - | - | - |
| Value added (garment and footwear, % of GDP) | - | - | - | - | 10.2 | - | - | - | - | 10.7 | - | - | - | - |
| 2. Garment and footwear exports | | | | | | | | | | | | | | |
| 2a. Growth of total garment and footwear exports | | | | | | | | | | | | | | |
| Garment and footwear exports (US\$ million)^{1/} | 1 159 | 1 231 | 1 597 | 1 334 | 5 320 | 1 341 | 1 321 | 1 684 | 1 470 | 5 817 | 458 | 517 | 508 | 1 484 |
| % growth (year-on-year) | 8.7 | 18.9 | 11.2 | 9.3 | 11.8 | 15.7 | 7.3 | 5.5 | 10.2 | 9.3 | 45.6 | 5.6 | -5.3 | 10.6 |
| Garment exports (US\$ million)^{1/} | 1 077 | 1 142 | 1 502 | 1 246 | 4 967 | 1 249 | 1 221 | 1 566 | 1 343 | 5 379 | 414 | 469 | 464 | 1 347 |
| % growth (year-on-year) | 7.3 | 19.2 | 11.0 | 10.2 | 11.7 | 16.0 | 6.9 | 4.3 | 7.8 | 8.3 | 40.5 | 3.4 | -7.3 | 7.9 |
| Footwear exports (US\$ million) | 82 | 89 | 95 | 87 | 354 | 92 | 100 | 119 | 127 | 438 | 45 | 48 | 44 | 137 |
| % growth (year-on-year) | 32.0 | 15.6 | 15.6 | -2.6 | 13.6 | 12.0 | 13.2 | 24.6 | 45.1 | 23.9 | 119.8 | 32.1 | 23.8 | 48.2 |
| Retained imports of garment materials (US\$ million) | -546 | -637 | -692 | -616 | -2 490 | -586 | -681 | -651 | -678 | -2 597 | - | - | - | - |
| 2b. Garment and footwear exports by main destination | | | | | | | | | | | | | | |
| Total exports (garment and footwear, US\$ million) | 1 159 | 1 231 | 1 597 | 1 334 | 5 320 | 1 341 | 1 321 | 1 684 | 1 470 | 5 817 | 458 | 517 | 508 | 1 484 |
| To United States (garment and footwear) ^{1/} | 530 | 481 | 590 | 467 | 2 068 | 516 | 453 | 529 | 446 | 1 944 | 168 | 154 | 153 | 475 |
| To European Union (garment and footwear) ^{1/} | 360 | 435 | 593 | 540 | 1 929 | 440 | 513 | 786 | 718 | 2 458 | 177 | 232 | 214 | 623 |
| To rest of world (garment and footwear) ^{1/} | 269 | 315 | 413 | 326 | 1 324 | 385 | 355 | 370 | 306 | 1 415 | 114 | 131 | 141 | 386 |
| Total exports (garment, US\$ million)^{1/} | 1 077 | 1 142 | 1 502 | 1 246 | 4 967 | 1 249 | 1 221 | 1 566 | 1 343 | 5 379 | 414 | 469 | 464 | 1 347 |
| To United States (garment) ^{1/} | 519 | 471 | 578 | 458 | 2 026 | 497 | 435 | 514 | 426 | 1 872 | 157 | 144 | 145 | 447 |
| To European Union (garment) ^{1/} | 324 | 390 | 550 | 493 | 1 757 | 403 | 462 | 720 | 650 | 2 236 | 156 | 209 | 192 | 557 |
| To rest of world (garment) ^{1/} | 234 | 281 | 374 | 294 | 1 184 | 349 | 323 | 331 | 268 | 1 271 | 101 | 116 | 127 | 343 |
| Total exports (footwear, US\$ million) | 82 | 89 | 95 | 87 | 354 | 92 | 100 | 119 | 127 | 438 | 45 | 48 | 44 | 137 |
| To United States (footwear) | 11 | 10 | 13 | 8 | 42 | 19 | 17 | 15 | 20 | 72 | 10 | 10 | 8 | 28 |
| To European Union (footwear) | 36 | 45 | 43 | 47 | 172 | 37 | 51 | 65 | 69 | 222 | 21 | 22 | 23 | 66 |
| To rest of world (footwear) | 35 | 34 | 39 | 32 | 140 | 36 | 32 | 38 | 38 | 144 | 13 | 16 | 14 | 43 |
| 3. New investments, factory openings and closures | | | | | | | | | | | | | | |
| 3a. New investment projects | | | | | | | | | | | | | | |
| Total CIB approved investment projects | 41 | 32 | 34 | 53 | 160 | 44 | 48 | 42 | 15 | 149 | 10 | 5 | 22 | 37 |
| Thereof: Garment and footwear projects | 29 | 17 | 19 | 24 | 89 | 25 | 32 | 15 | 6 | 78 | 3 | 5 | 11 | 19 |
| Garment projects | 25 | 15 | 14 | 21 | 75 | 24 | 29 | 13 | 6 | 72 | 2 | 5 | 10 | 17 |
| Footwear projects | 4 | 2 | 5 | 3 | 14 | 1 | 3 | 2 | 0 | 6 | 1 | 0 | 1 | 2 |
| Total CIB approved projects (US\$ million) | 212 | 2 128 | 260 | 1 882 | 4 483 | 446 | 382 | 626 | 150 | 1 604 | 62 | 16 | 2 795 | 2 873 |

| | 2013 | | | | 2014 | | | | 2015 | | | | | |
|--|--------------|------------------------|--------------|--------------|--------------|-------------------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| | Q1 | Q2 | Q3 | Q4 | 2013 | Q1 | Q2 | Q3 | Q4 | 2014 | Jan | Feb | Mar | Q1 |
| Thereof: Garment and footwear projects (US\$ million) | 138 | 118 | 90 | 118 | 463 | 135 | 200 | 86 | 30 | 452 | 16 | 16 | 39 | 72 |
| Garment projects (US\$ million) | 103 | 103 | 67 | 100 | 374 | 127 | 174 | 77 | 30 | 408 | 11 | 16 | 37 | 64 |
| Footwear projects (US\$ million) | 35 | 15 | 22 | 18 | 90 | 7 | 27 | 9 | 0 | 44 | 5 | 0 | 2 | 8 |
| 3b. Factory openings and closures | | | | | | | | | | | | | | |
| Total garment and footwear factories (end of period) | 456 | 487 | 513 | 528 | 528 | 548 | 576 | 597 | 626 | 626 | 631 | 634 | 640 | 640 |
| Garment factories (e. o. p.) | 405 | 434 | 458 | 469 | 469 | 488 | 515 | 532 | 558 | 558 | 563 | 566 | 572 | 572 |
| Footwear factories (e. o. p.) | 51 | 53 | 55 | 59 | 59 | 60 | 61 | 65 | 68 | 68 | 68 | 68 | 68 | 68 |
| Total net openings (garment and footwear) | 17 | 31 | 26 | 15 | 89 | 20 | 28 | 21 | 29 | 98 | 5 | 3 | 6 | 14 |
| Garment factories | 14 | 29 | 24 | 11 | 78 | 19 | 27 | 17 | 26 | 89 | 5 | 3 | 6 | 14 |
| Footwear factories | 3 | 2 | 2 | 4 | 11 | 1 | 1 | 4 | 3 | 9 | 0 | 0 | 0 | 0 |
| Openings (garment and footwear) | 22 | 33 | 28 | 18 | 101 | 23 | 32 | 25 | 29 | 109 | 5 | 3 | 6 | 14 |
| Garment factories | 18 | 31 | 26 | 14 | 89 | 21 | 30 | 21 | 26 | 98 | 5 | 3 | 6 | 14 |
| Footwear factories | 4 | 2 | 2 | 4 | 12 | 2 | 2 | 4 | 3 | 11 | 0 | 0 | 0 | 0 |
| Closures (garment and footwear) | 5 | 2 | 2 | 3 | 12 | 3 | 4 | 4 | 0 | 11 | 0 | 0 | 0 | 0 |
| Garment factories | 4 | 2 | 2 | 3 | 11 | 2 | 3 | 4 | 0 | 9 | 0 | 0 | 0 | 0 |
| Footwear factories | 1 | 0 | 0 | 0 | 1 | 1 | 1 | 0 | 0 | 2 | 0 | 0 | 0 | 0 |
| 4. Employment in the garment and footwear sector | | | | | | | | | | | | | | |
| Total garment and footwear workers (period av., '000) | 458 | 482 | 516 | 533 | 497 | 539 | 561 | 576 | 581 | 564 | 581 | 604 | 605 | 597 |
| % change (year-on-year) | 15.2 | 18.8 | 20.1 | 20.1 | 18.6 | 17.6 | 16.5 | 11.7 | 9.1 | 13.5 | 9.5 | 12.2 | 10.4 | 10.7 |
| Workers in garment sector (period average, '000) | 386 | 404 | 434 | 447 | 418 | 454 | 475 | 484 | 488 | 475 | 488 | 505 | 507 | 500 |
| Workers in footwear sector (period average, '000) | 72 | 78 | 82 | 86 | 80 | 85 | 87 | 92 | 93 | 89 | 93 | 99 | 98 | 97 |
| 5. Wages and prices | | | | | | | | | | | | | | |
| Minimum wage (garment and footwear sector, US\$) | 61 | 80^{2/} | 80 | 80 | 80 | 100^{3/} | 100 | 100 | 100 | 100 | 128 | 128 | 128 | 128 |
| Average monthly wage (garment and footwear, US\$)^{4/} | 119 | 121 | 127 | 128 | 124 | 137 | 145 | 152 | 146 | 145 | 149 | 170 | 171 | 164 |
| Average monthly wage (garment workers, US\$) ^{4/} | 121 | 123 | 129 | 129 | 126 | 139 | 147 | 153 | 146 | 146 | 151 | 171 | 172 | 165 |
| Average monthly wage (footwear workers, US\$) ^{4/} | 109 | 110 | 117 | 120 | 114 | 127 | 137 | 149 | 146 | 140 | 143 | 161 | 165 | 157 |
| Real average monthly wage (garment and footwear, constant Dec. 2010 US\$)^{4/ 5/} | 110 | 111 | 114 | 114 | 113 | 121 | 127 | 131 | 127 | 127 | 132 | 148 | 149 | 143 |
| Real average monthly wage (garment, Dec. 2010 US\$) ^{4/ 5/} | 112 | 113 | 116 | 115 | 114 | 123 | 128 | 132 | 127 | 128 | 133 | 150 | 150 | 144 |
| Real average monthly wage (footwear, Dec. 2010 US\$) ^{4/ 5/} | 101 | 101 | 105 | 107 | 104 | 113 | 119 | 129 | 127 | 122 | 126 | 140 | 144 | 137 |
| Consumer Price Index (period average) rebased, Dec. 2010=100 | 108.1 | 109.3 | 111.4 | 112.3 | 110.2 | 113.0 | 114.5 | 115.8 | 114.7 | 114.5 | 113.3 | 114.6 | 114.7 | 114.2 |
| Inflation rate (CPI period average, y-o-y growth) | 1.5% | 2.3% | 3.7% | 4.3% | 2.9% | 4.6% | 4.8% | 4.0% | 2.1% | 3.9% | 0.4% | 1.6% | 1.1% | 1.0% |

1/ Includes textiles.

2/ Effective 1 May 2013.

3/ Effective 1 February 2014.

4/ Based on Ministry of Commerce, effectively operating factories only. The data exclude foreign office workers and foreign managers.

5/ At December 2010 prices.

Sources: National Institute of Statistics, Ministry of Commerce, National Bank of Cambodia, IMF and ILO Staff Calculation

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