Cambodia Garment and Footwear Sector Bulletin

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International Labour Organization

Living conditions of garment and footwear sector workers in Cambodia

Part I – GTF workers and their households

The social and economic importance of the Garment, Textile and Footwear (GTF) sector in Cambodia remains high. The GTF sector in Cambodia directly generates employment for around one million workers, nearly 80 per cent of whom are women.

Based on survey data from 3,839 households, this edition of the Cambodia Bulleting finds that the GTF sector in Cambodia directly provides income that supports one-in-five households in Cambodia. On average, workers in the GTF sector in Cambodia earn a monthly income that is above the minimum wage. Female workers in the sector earn approximately 13 per cent less than their male counterparts. By contrast with many other economic sectors in Cambodia, where the majority of the workforce are either own-account workers or contributing family members, more than 90 per cent of the sector's total workforce are engaged in regular, formal employment.

Demographically, on average, the GTF workforce in Cambodia is young, literate and highly feminized: Four-out-of-five GTF workers in Cambodia are under the age of 35, more than 90 per cent of the GTF workforce can read, and for every GTF household in Cambodia that is headed by a male GTF worker, there are almost an equal number of GTF households that are headed by female GTF workers.

Part I of this eighth issue of the International Labour Organization (ILO)'s Cambodia Garment and Footwear Sector Bulletin examines the living conditions and demographic profile of workers in the garment, textile and footwear (GTF) sector in Cambodia, and that of the members of their households. As a basis for this analysis, this edition of the Bulletin draws on the most recently available Cambodia Socio-Economic Survey (CSES) data (2016).[1] All sources of data in this Bulletin are based on the 2016 CSES data, unless otherwise specified.

In particular, this edition of the Bulletin examines the demographic and socio-economic profile of GTF sector workers in Cambodia in terms of gender, age, marital status, income, educational attainment, and level of literacy. At the household level, this edition also examines housing conditions, food consumption, and indebtedness levels of GTF households. Meanwhile, Part II of this edition provides the latest update of key statistics and developments relating to the garment and footwear industry in Cambodia, tracking the progress of export value, factories opening and closing, wage and employment level and new policy developments within the sector.[2]

1. Definitions

For the purposes of this edition of the Bulletin, a "household" is defined as a person or group of persons who live together in the same house or compound who share the same house-keeping arrangements and who are catered for as one unit. Members of a household are not necessarily family members that are related to each other, either by blood or marriage. For the purposes of the dataset utilised in this edition of the Bulletin, to be considered a member of a household, an individual must reside with the other household members in the concerned dwelling for a substantial part of the assessed year and must not be a member of any other household.[3] For the purpose of this analysis, a 'GTF household' is defined as any household with one or more members reporting and/or

[1] The 2016 Cambodia Socio-Economic Survey (CSES) employed a stratified three-stage sampling methodology to select a sample of households. Stratification was made by province, as well as rural-versus-urban domains within each province. In the first stage of sampling stratification, a sampling frame was establishing comprising of all villages in Cambodia. In the second stage, 'enumeration areas' were selected from each village. Finally, in the third stage, a sample of households was constructed in the field. The 2016 CSES included interviews with a total of 3,839 households collectively consisting of 16,985 individual household members. Further information on the methodology and sampling approach is provided in the CSES 2016 report published by the National Institute of Statistics of Cambodia: https://www.nis.gov.kh/index.php/en/14-cses/12-cambodia-socio-economic-survey-reports. There are limitations in the data. As CSES states: "All statistical surveys contain errors and the results, the estimates, are unlikely to be exactly equal to the true values. If there was a perfectly designed and executed survey, conducted over the whole population and not just a sample, the estimates would be equal to the true values. But neither design nor execution are ever perfect. More importantly, the whole population is never reached in a sample survey. So there will always be statistical inaccuracy in survey estimates. There are other types of errors in a survey as well, such as measurement errors, coverage errors, non-response, data processing errors and in sample surveys there are also sampling errors".

[2] The analysis in this Bulletin is based on official statistics from various official sources including the European Commission (Eurostat), the United Nations Conference on Trade and Development (UNCTAD), Cambodia's Ministry of Commerce, the Ministry of Labour and Vocational Training, the Cambodia Investment Board, the General Department of Customs and Excise, the National Institute of Statistics and the National Bank of Cambodia. The ILO wishes to acknowledge and thank the Ministry of Labour and Vocational Training; the Ministry of Commerce; the Cambodia Investment Board; General Department of Customs and Excise, the National Institute of Statistics and the National Bank of Cambodia for their support and the data used in this publication. Any errors should be attributed to the ILO.

[3] Definition according to Cambodia's Labour Force Survey (LFS) 2012, published by the National Institute of Statistics of Cambodia. Note that some countries use a six-month criterion.

being reported by other members as working in the GTF sector.

2. GTF households in Cambodia

GTF workers constitute almost 7 per cent of Cambodia's total estimated population of 15.6 million people (2016 estimate), i.e. there are approximately one million GTF workers in Cambodia. Based on the above specified definitions, in terms of households 'GTF households' account for some 20 per cent of the 3.3 million households in Cambodia. Of this total, 700,000 GTF households (some 70 per cent of all GTF households) reported having only one household member working in the GTF sector, 22 per cent reported having two members working in the sector, 7 per cent reported having three members working in GTF sector, and only 1 percent reported having four or more such members.

3. Age and Gender

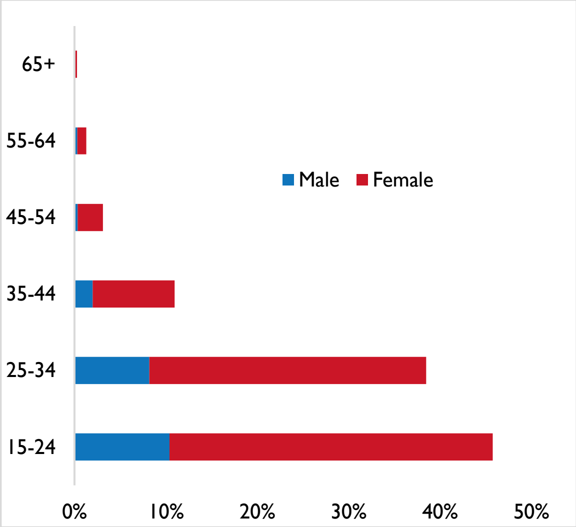
On average, GTF workers in Cambodia are very young and predominantly female: More than 80 per cent of GTF workers in Cambodia are under the age of 35, while four-out-of-five GTF workers in Cambodia are female.

Women continue to be the main drivers of the GTF sector in Cambodia. Four-out-of-five GTF workers in Cambodia are female. This has important implications for policy, since different age groups and genders of workers have different needs in terms of childcare, parental care or old age pensions. More than 80 per cent of the GTF workforce in Cambodia are below 35 years of age. Some 65 per cent of the under-35 age group are female.

Table 1: Age and gender distribution of GTF workers in Cambodia aged 15 and above

Age group	Male	Female	Total
15-24	49.0%	45.0%	45.8%
25-34	38.5%	38.5%	38.5%
35-44	9.4%	11.4%	11.0%
45-54	1.6%	3.6%	3.1%
55-64	1.4%	1.3%	1.3%
65 and above	0.2%	0.3%	0.3%
Per cent	100%	100%	100%
Number of GTF workers	224 750	833 026	1 057 776

Figure 1: Age and gender distribution of GTF workers in Cambodia aged 15 and above (per cent)



For the purposes of this analysis, the GTF sector is comprised of three sub-sectors: Garment, textile and footwear. Of these: An overwhelming majority (almost 88 per cent) of all GTF workers work in the apparel sub-sector. Footwear accounts for 7.7 per cent of the GTF workforce in Cambodia, followed by textiles, at 4.5 per cent. The ratio of male-to-female workers are quite similar for each of these three sub-sectors.

Table 2: Distribution of Cambodia's GTF workforce by sub-sector

Workers	Textile	Apparel	Footwear
Male	32.1%	20.8%	20.3%
Female	67.9%	79.2%	79.7%
Per cent	100%	100%	100%
Number of workers	48 007	928 638	81 130

In Cambodia, GTF workers originate from nearly all of the country's provinces. Phnom Penh is the origin province of the largest proportion of GTF workers: Almost18 per cent of the GTF workforce originate from Phnom Penh. Kandal province, which is located closed to Phnom Penh, accounts for a further 15 per cent, followed by Kampong Speu and Kampong Cham provinces, which are also located close to Phnom Penh, at 14.2 per cent and 13 per cent respectively. All of the provinces from which the largest numbers of GTF workers originate are located close to Phnom Penh.

Table 3: Province of origin of GTF workers in Cambodia

Province	Male	Female	Total	Number of GTF workers
Phnom Penh	17.3%	17.8%	17.7%	187 605
Kandal	19.3%	13.8%	15.0%	158 558
Kampong Speu	11.8%	14.9%	14.2%	150 527
Kampong Cham (and Tboung Khmum)	13.8%	12.8%	13.0%	138 001
Takeo	8.3%	9.1%	9.0%	94 782
Prey Veng	3.1%	7.7%	6.7%	70 865
Svay Rieng	4.2%	5.7%	5.4%	56 925
Preah Sihanouk	5.1%	2.7%	3.2%	34 080
Kampong Chhnang	3.8%	3.0%	3.2%	33 882
Kampong Thom	2.3%	3.2%	3.0%	31 637
Kampot	3.1%	3.0%	3.0%	31 535
Battambang	3.1%	1.5%	1.8%	19 411
Banteay Meanchey	2.8%	1.5%	1.8%	19 179
Pursat	0.4%	1.4%	1.2%	12 780
Siemreap	0.9%	1.0%	1.0%	10 071
Koh Kong	0.3%	0.4%	0.3%	3 636
Kratie	-	0.2%	0.1%	1 530
Preah Vihear	-	0.1%	0.1%	1 053
Pailin	0.2%	0.1%	0.1%	938
Stung Treng	0.2%	0.1%	0.1%	779
Mondulkiri	-	-	-	-
Ratanak Kiri	-	-	-	-
Oddar Meanchey	-	-	-	-
Total	100%	100%	100%	1 057 776

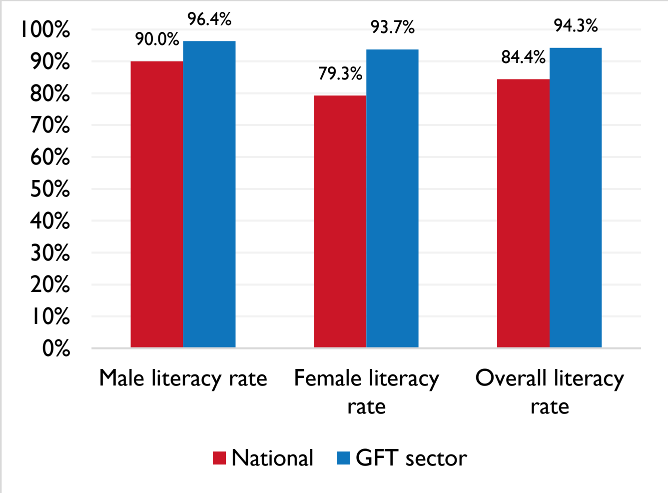
4. Literacy Rate

The vast majority of Cambodia's GTF workers are literate. Overall, the country's GTF workforce has a higher rate of literacy than the national average.

For the purposes of this Bulletin, 'literacy' is defined as the ability to both read and write a simple message. In 2016, the national literacy rate for Cambodia as a whole was reported at 84.4 per cent. According to our estimate, GTF workers as a group out-performed the national standard in this year, with a sector-literacy rate of around 94 per cent. This suggest that employment and recruitment practices in the sector favours those with above-average literacy ability.

In terms of gender differentials, the literacy rate is higher amongst male workers, at 96.4 per cent, than amongst female workers, at 93.7 per cent. This is a narrower gap than overall national averages, where the disparity in literacy rates is almost 11 per cent, with literacy national average literacy rates for women and girls of less than 80 per cent.

Figure 2: Literacy rates amongst GTF workers in Cambodia (per cent)



5. Educational Attainment

The majority (71 per cent) of GTF workers in Cambodia have attained between Grade 5 and Grade 11 levels of education, compared with around 57 per cent of the national population of those aged 15 years and above who have completed primary school. On average, female GTF workers have lower levels of educational attainment than their male counterparts.

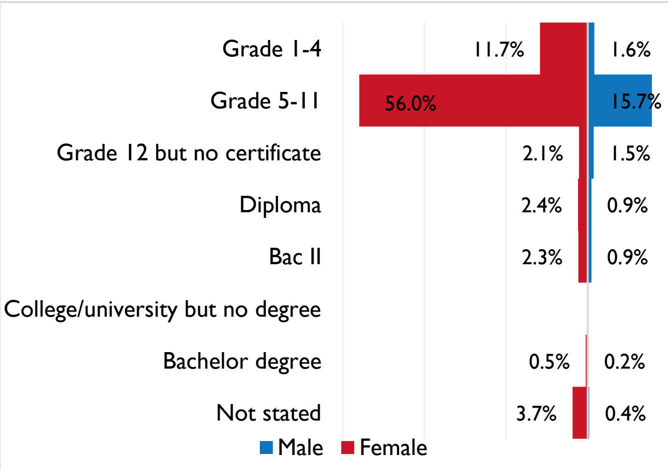
Approximately 71 per cent of GTF workforce have attained education levels between grade 5 and grade 11. By comparison, at the national level, amongst the group aged 15 years old and above, around 57 per cent had completed primary school.

On average, female GTF workers have lower levels of educational attainment than their male counterparts: Of those GTF workers who have only completed education between Grade 1 and Grade 4, the proportion of female workers is twice as high. Meanwhile, male GTF workers were more likely than female GTF workers to have reached levels of attainment above Grade 11, i.e. Grade 12, Diploma, Bac II, college enrolees, and Bachelor's Degree graduates in the GTF sector are more likely to be male than female.

Table 4: Educational attainment of GTF workers in Cambodia aged 15 and above

Highest level of education attainment	Male	Female	Total
Grade 1-4	7.5%	14.8%	13.1%
Grade 5-11	74.1%	71.1%	71.7%
Grade 12 but no certificate	7.1%	2.7%	3.6%
Diploma	4.2%	3.0%	3.2%
Bac II	4.2%	2.9%	3.2%
College/university but no degree	0.0%	0.0%	0.0%
Bachelor degree	0.9%	0.6%	0.7%
Not stated	1.9%	4.7%	4.1%
Per cent	100%	100%	100%
Number of GTF workers aged 15 and above	224 750	833 026	1 057 776

Figure 3: Educational attainment of GTF workers aged 15 and above (per cent)



6. Marital Status

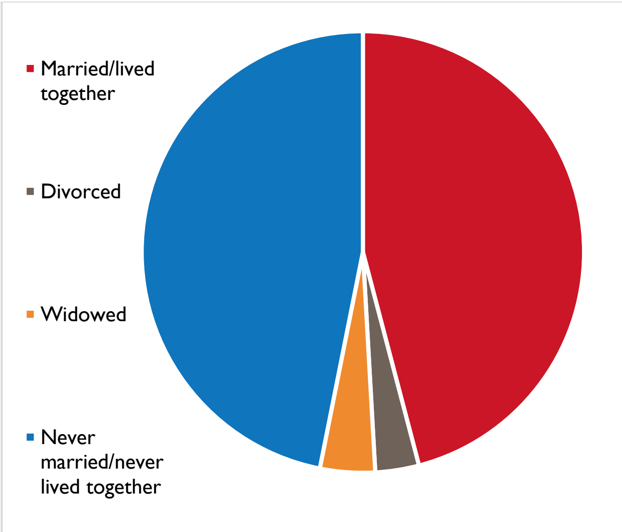
Approximately half of all GTF workers in Cambodia are married, a rate that is lower than the national average.

The marriage rate amongst GTF workers was estimated at 46 per cent. Approximately 47 per cent of GTF workers are not yet married, while around 7 per cent of GTF workers are either widowed or divorced. By comparison, the rate of marriage in the national population as a whole is 58 per cent.

Table 5: Marital status of GTF workers aged 15 and above in Cambodia

Marital status	Male	Female	Total
Married/lived together	44.2%	46.4%	45.9%
Divorced	1.4%	3.7%	3.2%
Widowed	0.5%	5.0%	4.0%
Never married/never lived together	53.9%	45.0%	46.9%
Per cent	100%	100%	100%
Number of GTF workers	224,750	833,026	1,057,776

Figure 4: Marital status of GTF workers aged 15 and above in Cambodia



Higher marriage rates are found amongst workers aged 25 and above with rates ranging from 57 per cent to 77 per cent within each age group, whereas almost 74 percent of GTF workers aged 15-24 are not married.

Table 6: Marital status by age group of GTF workers aged 15 and above in Cambodia

Marital status/Age group	15-24	25-34	35-44	45-54	55-64	65 and above
Married	23.5%	60.8%	76.5%	68.5%	77.5%	57.7%
Divorced	1.3%	4.7%	4.0%	9.8%	-	-
Widowed	1.6%	4.4%	7.4%	13.7%	18.0%	42.3%
Never married/never lived together	73.6%	30.0%	12.0%	7.9%	4.5%	-
Per cent	100%	100%	100%	100%	100%	100%
Number of workers	484 516	407 343	116 158	33 121	13 769	2 869

7. Employment Status

By contrast with many other economic sectors in Cambodia, where the majority of the workforce are either own-account workers or contributing family members, more than 90 per cent of the sector's total workforce are engaged in regular, formal employment.

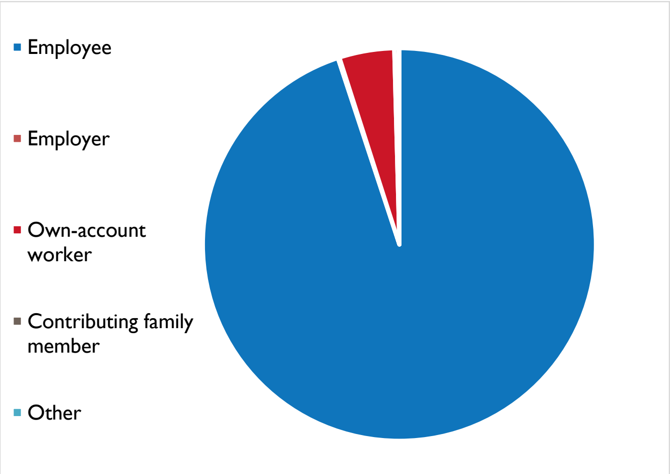
Almost all GTF workers in the 2016 CSES survey were identified as employees, while a mere 0.1 per cent of the GTF workforce were identified as employers. Meanwhile, around 4.4 per cent of GTF workers were identified as own-account workers and 0.3 per cent as contributing family members.

Table 7: Cambodia's GTF workforce aged 15 and above by employment status

Employment status	% Textile	% Apparel	% Footwear	GTF workers
Employee	73.5%	96.0%	95.9%	1,004,161
Employer	-	-	1.7%	1,415
Own-account worker	23.5%	3.7%	2.4%	47,775
Contributing family member	3.0%	0.2%	-	3,683
Other	0.0%	0.1%	-	741
	100%	100%	100%	1,057,776

Percentage is calculated based on the total number of GTF workers in each sub-sector.

Figure 5: GTF workforce in Cambodia by employment status (aged 15 and above)



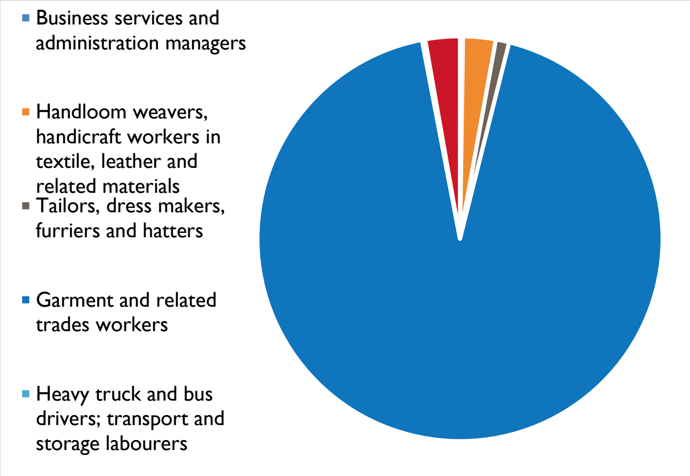
In terms of specific occupations within the GTF sector, approximately 3 per cent of the overall GTF workforce are employed in office positions as general office clerks or secretaries; 0.3 per cent work as drivers and transport and storage labourers; while another 0.2 per cent work in managerial positions. Handloom weavers, handicraft workers, tailors, and dress makers accounted for almost 4 per cent of Cambodia's GTF workforce. The remaining 93 per cent of the GTF workforce in Cambodia are identified in the 2016 CSES data as 'garment workers and related trades positions'.

Table 8: GTF workforce in Cambodia by occupation, aged 15 and above

Occupation	% Textile	% Apparel	% Footwear	GTF workers
Business services and administration managers	-	0.2%	-	2,473
Architects, planners, surveyors and designers	-	0.2%	-	2,043
Mining, manufacturing and construction supervisors	0.1%	1.0%	0.2%	14,048
General office clerks and secretaries	-	0.2%	-	1,302
Material-recording and transport clerks	-	0.2%	-	2,351
Building frame and related trades workers	0.2%	0.1%	-	2,612
Handicraft workers, glass makers, rope makers, blacksmiths, toolmakers	0.3%	0	-	6,799
Handloom weavers, handicraft workers in textile, leather and related materials	2.6%	-	-	27,559
Tailors, dress makers, furriers and hatters	1.1%	-	-	11,309
Garment and related trades workers	0.3%	85.4%	7.4%	984,563
Heavy truck and bus drivers; transport and storage labourers	-	0.3%	-	2,716
	4.5%	87.8%	7.7%	1,057,776

Percentage is calculated based on the total number of GTF workers.

Figure 6: GTF workforce in Cambodia by specific occupation (aged 15 and above)



8. Income

During 2016, on average, all GTF workers who reported working the full year in the sector and who reported engaging in no other economic activities outside of the sector earned above the applicable statutory minimum wage.

The statutory minimum wage in Cambodia applicable to the GTF sector during 2016 was USD $140 per month, which was approximately equivalent to KHR 560,000 Cambodian Riels. During 2016 on average, all GTF workers who reported working the full year in the sector and who reported engaging in no other economic activities outside of the sector, earned above the statutory minimum wage.[4]

Figure 7: Average monthly income for GTF workforce, aged 15 and above

Average monthly income from main economic activity (figures in KHR - Cambodian Riels)			
	Male	Female	Minimum wage 2016
Textile	817,547	814,742	560,000
Apparel	851,598	730,945	560,000
Footwear	704,683	705,460	560,000
GTF sector	838,594	730,860	560,000

Figure 8: Average monthly number of days worked for GTF workforce, aged 15 and above

Average number of days worked last month		
	Male	Female
Textile	27.7	27.1
Apparel	26.8	26.3
Footwear	26.8	26.3
GTF sector	26.8	26.3

9. Gender pay gap

In Cambodia, women working in the GTF sector earn 13 per cent less than men.

In Cambodia, women working in the GTF sector earn less than men. Based on 2016 CSES data, women workers in the GTF sector on average earned only 87 per cent of their male workers' income. In other words, women earned 13 per cent less than men. This overall trend of women earning less than men in the GTF sector in Cambodia resonates with recent findings of a recent ILO regional research note which found a raw gender pay gap of 4.5 per cent in the GTF sector in Cambodia, based on the data from the most recent Labour Force Survey (LFS) in 2012.[5]

The gender wage gap in Cambodia's GTF sector is driven in particular by the large gap in the apparel sub-sector, apparel being the largest sub-sector amongst the three in terms of number of workers. On the other hand, female workers earned higher incomes than their male counterparts in the (comparatively small) textile and footwear sub-sector.[6]

10. Working time

Workers in the GTF sector in Cambodia work between 26 and 27 days per month.

In terms of working time, male and female workers in the GTF workforce worked approximately the same number of days per month, with the textile sector appearing to be the longest-hour working group, working almost an extra day more than apparel and footwear sectors, on average.

11. Other economic activities

Of all workers in the GTF sector, almost 92 per cent devote all of their working employment to the GTF sector alone, undertaking no other significant additional economic activities

[4] Some 968,226 GTF workers reported working in only one economic activity in the sector in 2016. Of this number, 954,350 workers reported working only one economic activity in the sector and worked whole year in their main occupation. Calculation of income was based on the available data of 906,853 workers from the latter group.

[5] A. Pillay (2018): *Gender pay gaps in the garment, textile and footwear sector in developing Asia*, Asia-Pacific Garment and Footwear Sector Research Note, Issue 9 (ILO).

[6] This calculation did not control for difference in occupational status (thus earning) and group sizes: Female workers accounted for 78 per cent in the GTF workforce. This finding resonated with analysis by other paper which found the existence of gender pay gap even after controlling for demographic, geographical, educational, sub sector and occupation differences. See further, P. Huynh (2016): *Gender pay gaps persist in Asia's garment and footwear sector*, Asia-Pacific Garment and Footwear Sector Research Note, Issue 4 (Bangkok, ILO); https://www.ilo.org/asia/publications/WCMS_467449/lang--en/index.htm [accessed 30 Nov. 2018].

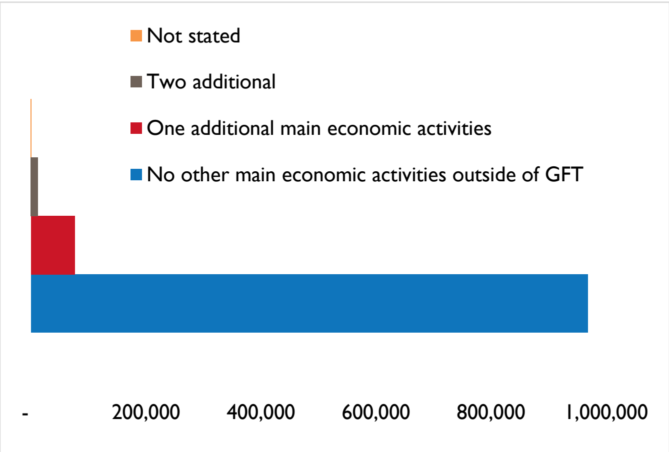
outside of the sector. Only 7 per cent of the GTF workforce undertake one additional main economic activity in addition to their employment in the GTF sector.

Table 9: GTF workforce in Cambodia by number of additional economic activities, aged 15 and above

Economic activities	Textile	Apparel	Footwear	GTF workers
No other main economic activities	66.2%	92.7%	92.8%	968 226
One additional	25.8%	6.3%	6.1%	76 216
Two additional	8.0%	0.8%	1.2%	12 386
Not stated	-	0.1%		948
	100%	100%	100%	1 057 776

*Percentage is calculated based on the total number of GTF workers within each sub-sector.

Figure 9: Cambodia's GTF workforce by number of additional economic activities, aged 15 and above



12. GTF workers and heads of households

Most GTF workers in Cambodia live with their parents: Around 59 per cent of garment workers are the son or daughter of their head of household. Around 11 percent of all households in Cambodia are headed by a GTF worker.

Most GTF workers live with their parents: The majority (around 59 per cent) of garment workers are the son or daughter of their head of household.

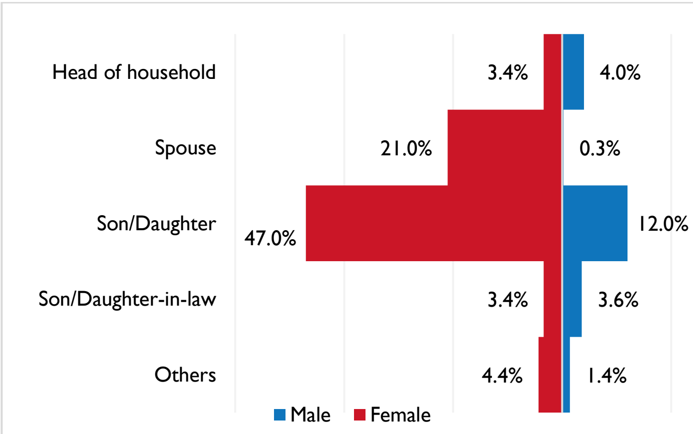
Around 7 per cent of GTF workers in Cambodia are the head of a household. In total, GTF workers head some 78,500 households in the country. To put this in terms of households, with the total number of GTF households in Cambodia of 689,389 households, this means 11 per cent of GTF households in Cambodia are headed by a GTF worker, with female GTF workers heading nearly half of these. As a group proportion, amongst female GTF workers, 4 per cent headed their households, as compared to 19 per cent for male GTF workers.

Table 10: Relationship status of GTF workers in Cambodia to head of households, workers aged 15 and above

Relationship to head of household	Male	Female	Total
Head of household	19.0%	4.3%	7.3%
Spouse	1.2%	26.6%	21.0%
Son/Daughter	57.1%	59.5%	59.0%
Son/Daughter-in-law	17.1%	4.3%	7.0%
Others*	6.8%	5.5%	0.0%
Total	100%	100%	100%
Number of GTF workers	224,750	833,026	1,057,776

*Others include stepchild, adoptive/foster child, sibling, grandchild, nephew/niece, brother/sister-in-law, parent-in-law and other relatives.

Figure 7: Relationship of GTF workers to head of households in Cambodia (per cent)



13. Size and Location of GTF households

The average GTF household in Cambodia has five members. More than 80 per cent of GTF households are located in rural areas. GTF households in urban areas in Cambodia are slightly larger on average than GTF households in rural areas.

An average size of a GTF household in Cambodia is estimated at approximately 5 persons. More than 80 per cent, of GTF households are located in rural areas. GTF households in urban areas in Cambodia are slightly larger on average than GTF households in rural areas.

Table 11: Distribution of GTF households in Cambodia (urban versus rural)

Domain	Average size of GTF HHs	Number of GTF HH members	Number of HHs	Per cent
Urban	5.04	671 788	133 158	19.3%
Rural	4.99	2 777 478	556 232	80.7%
Total	5	3 449 266	689 390	100%

14. Number of GTF workers per household

Some 20 per cent of all households in Cambodia, amounting to almost 700,000 households in the country, include at least one GTF factory worker. A total of approximately 3.4 million people in Cambodia live in households with at least one GTF worker as a member.

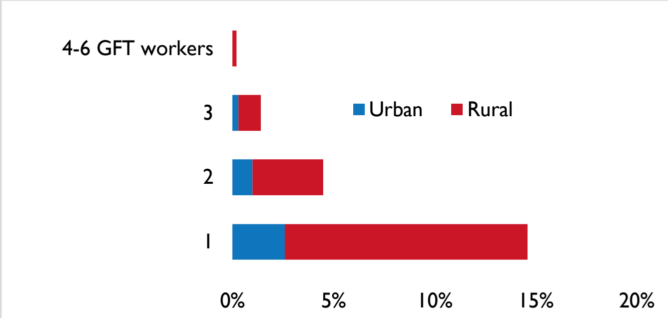
Some 20 per cent of all households in Cambodia, amounting to almost 700,000 households include at least one GTF factory worker. Of these, 14 per cent had only one household member working in the GTF sector, 4.5 per cent of all households had two household members working in the sector, while 1.6 per cent had three or more members working in the sector. Taking household size into consideration, we estimate that a total of 3.4 million people in Cambodia live in households with at least one GTF worker as a member, amounting to almost 22 per cent of the country's total population.

Table 12: Distribution of households in Cambodia by number of GTF workers

HH by number of GTF workers	Urban	Rural	Total
Not GTF households	17.0%	63.0%	80.0%
Total: GTF households	3.9%	16.8%	20.1%
1	2.6%	12.0%	14.0%
2	1.0%	3.5%	4.5%
3	0.3%	1.1%	1.4%
4-6 GTF workers	0%	0.2%	0.2%
Per cent	21.0%	79.0%	100%
Number of households	705 307	2 684 375	3 389 682

*Percentage is calculated based on the total number of households in Cambodia.

Figure 8: Distribution of households in Cambodia by number of GTF workers



15. Legal status of dwelling

Almost all GTF households in Cambodia own the dwelling in which they live. GTF households in urban areas are less likely to own the property that they live in, and are much more likely than GTF households in rural areas to rent, rather than own, the property that they live in.

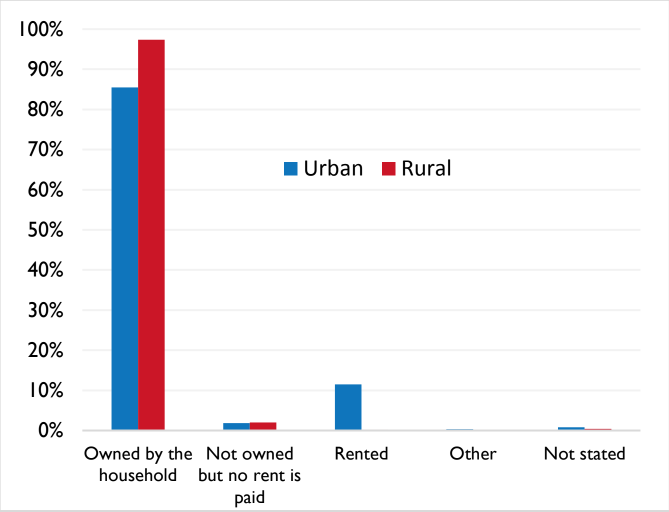
Approximately 95 per cent of all GTF households own the dwelling that they live in, while only 2 per cent of GTF households rent the dwelling that they live in. These figures are closely in line with overall national averages. However, the rate of dwelling ownership was lower amongst urban GTF households, at 85.5 per cent, than that of 97.4 per cent for rural GTF households, perhaps indicative of a trend of higher housing affordability in rural areas versus urban areas. A parallel finding is that some 11.5 percent of GTF households in urban areas rent the dwelling that they live in, compared with only 2 per cent for the rural GTF households.

Based on the estimate from the 2016 CSES data, on average, amongst those households who pay rental cost for their dwelling, renting cost them on average KHR 232,097 Cambodian Riels per household per month or around 31 per cent of GTF worker's average monthly income.

Table 13: Legal status of dwelling of GTF workers in Cambodia

Status of dwelling	**Urban**	**Rural**	**Total**
Owned by households	85.5%	97.4%	95.1%
Not owned but no rent is paid	1.9%	2.0%	2.0%
Rented	11.5%	0.2%	2.4%
Other	0.3%	0.0%	0.1%
Not stated	0.8%	0.4%	0.5%
Per cent	100%	100%	100%
Number of households	133 158	556 232	689 390

Figure 9: Legal status of dwellings of GTF households in Cambodia



16. Dwelling size

On average, GTF households in Cambodia live in slightly smaller dwellings than the national average as a whole: GTF households have a smaller floor area per person in their dwellings than the national average.

In terms of size of dwellings, most GTF households live in dwellings of between 40 to 59 square metres, with an average dwelling floor area of about 47 square metres. This is slightly smaller than the national average floor area per household of about 50 square meters per household. Based on an average GTF household size of 5 persons (see further, above), the average floor area occupied per member of GTF households is estimated at around 9.4 square meters per household member. This is slightly lower than the national average floor area of 12 square meters.

Table 14: GTF households in Cambodia: Floor area by geographical domain

Floor area by geographical domain	Urban	Rural	Total
00-19	3.0%	1.8%	2.0%
20-39	38.8%	31.2%	32.6%
40-59	29.5%	47.9%	44.4%
60-79	18.3%	13.3%	14.3%
80-99	8.1%	4.4%	5.1%
100+	2.3%	1.5%	1.7%
Per cent	100%	100%	100%
Average square meters per household	48.5	46.9	47.2

Average floor area occupied per member of GTF households was estimated at around 9.4 square meters per person. This is slightly lower than the average floor area of 12 square meters per person amongst households outside of the GTF sector.

Table 15: GTF households in Cambodia: Average square meters per person

Floor area	Urban	Rural	Total
Floor area for GTF households (in thousands)	6,462	26,081	32,543
Size of GTF households (in thousands)	672	2,777	3,449
Average per GTF HH member	9.62	9.39	9.43
Non-GTF household average	12.97	11.66	11.96

17. Expenditure on food[7]

Expenditure on food per capita costs GTF workers up to 34 per cent of their monthly income.

On average, monthly food expenditure per member of GTF households was estimated at KHR 255,000 Cambodian Riels, compared with the national per capital monthly food expenditure of KHR 209,000 Cambodian Riels. The most common food items consumed by GTF households are rice and other cereals, fish, meat and poultry.

Table 16: Food expenditure (in thousand KHR – Cambodian Riels), GTF households in Cambodia

Food items	Weekly expenditure – per urban household	Weekly expenditure – per rural household	Weekly expenditure – per national household	% of consuming household
Rice and other cereals	35,612	38,972	38,289	100%
Fish	38,567	34,550	35,336	99%
Meat and Poultry	38,214	29,715	31,391	97%
Eggs	4,749	5,413	5,276	80%
Fresh vegetables	22,356	17,998	18,840	99%
Fruit	12,452	10,933	11,262	86%
Sugar, spices, oil and fat	12,993	12,703	12,761	98%-99%
Non-alcoholic beverages,	19,169	15,709	16,619	35%-77%

[7] Calculation of food expenditure is based on the questionnaire on household food consumption, detailing food items consumed by the households in the months prior to the interview. The method on food consumption is thus a 'recall method', rather than the 'acquisition method'. Expenditure figures refer both to food acquired and food consumed from own production imputed, based on market prices. Care should be taken in interpreting the figures since some food categories may have appeared higher in value but not in volume consumed given the different price levels of each food category.

tea, coffee, cocoa				
Alcoholic beverages and tobacco	45,175	25,863	28,680	33%-38%
Others*	106,086	97,592	97,837	9%-79%
Monthly food expenditure per household	**1,453,286**	**1,254,280**	**1,283,923**	
Monthly food expenditure per capita**	**288,350**	**251,359**	**256,785**	

* Food taken away from home (eating out), dairy products, tuber, pulses and legumes, prepared and preserved vegetables, dried nuts and edible seeds, other food products, prepared meal bought outside and eaten at home.

18. Household indebtedness

Nearly 40 per cent of GTF households in Cambodia are in debt, a higher rate than the national average. Most GTF household loans are held by microfinance operators.

Overall, some 40 per cent of GTF households are in debt or other form of financial liability, slightly higher than the national rate for household indebtedness in Cambodia, estimated at 37 per cent. Rates of GTF household indebtedness are much higher in rural areas (43.7 per cent) than in urban areas (21.9 per cent).

Table 17: Number of indebted GTF households in Cambodia: Urban versus Rural (2016)

Domain	Number of indebted GTF households	% of indebted GTF HHs to GTF HHs	Average amount of outstanding loan (in thousand Riels)
Cambodia	272,028	39.5%	6,215.4
Urban	29,102	21.9%	9,483.9
Rural	242,926	43.7%	5,823.8

In terms of loan sources, microfinance (micro-credit) operators are the most commonly accessed source of loan amongst indebted GTF households in Cambodia, providing more than 55 per cent of the total amount of loans amongst GTF households. Banks are the second most common source of loans taken by indebted GTF households, account for a 26 per cent share of total loans owed by all indebted GTF households.

The average size of loan was highest amongst bank borrowers, with an average loan size of KHR 8.9 million Cambodian Riels per indebted GTF household. This equates to nearly 16 months of earnings at 2016 statutory minimum wage rates. By comparison, the average size of loans taken by GTF households from 'relatives in Cambodia' was 5.7 million Cambodian riels.

Table 18: Average outstanding debt by sources of loan, GTF households in Cambodia

Source of loan	Value in thousand Cambodian riels	Share in %
Cambodia		
Relatives in Cambodia	5,707	3.8%
Friends/neighbours	406	1.2%
Money lender	2,536	3.6%
Trader	1,660	0.3%
Bank	8,938	25.9%
NGOs	4,913	9.8%
Microfinance/credit operator	5,601	55.4%
Urban		
Friends/neighbours	800	2.4%
Money lender	5,856	7.9%
Bank	15,158	37.1%
NGOs	3,203	3.6%
Microfinance/Credit operator	6,666	49.1%
Rural		
Relatives in Cambodia	5,707	4.3%
Friends/neighbours	300	1.1%
Money lender	1,513	3.1%
Trader	1,660	0.4%
Bank	7,812	24.5%
NGOs	4,983	10.5%
Microfinance/credit operator	5,490	56.2%

Conclusion

The picture that emerges from the 2016 CSES data of Cambodia's garment factory workers is of a young, predominantly female labour force who work long hours typically to the exclusion of all other forms of income, and who mainly reside in rural areas, often with their parents, and in comparatively smaller dwellings than the average national household.

For policy-makers, some issues of possible concern regarding the living conditions of Cambodia's GTF workers include: A persisting gap of around 13 between actual incomes of women and men in the sector; Disparities in levels of educational attainment between women and men, including in the garment sector; Persistent long working hours in the sector, including an average of a 27-day working month; High levels of household indebtedness; High proportion of wages spent on the basic elements of an adequate standard of living such as food; and the comparatively small dwellings in which Cambodia's garment factory workers live, in terms of floor area per person.

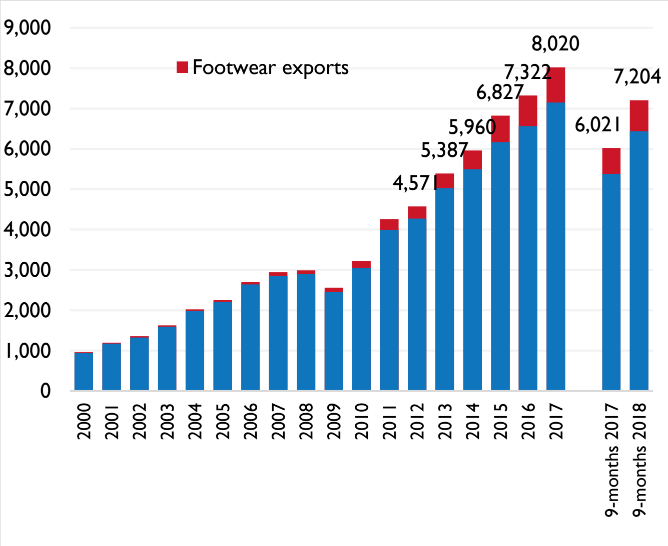
To better inform evidence-based policy choices regarding Cambodia's GTF workers, a Labour Force Survey (LFS) would enable an improved understanding of the characteristics of the labour market beyond what the CSES methodology allows. A new LFS in Cambodia would enable an improved understanding of understanding of hours of work, pension coverage, collective bargaining, union membership, formality, and the quality of employment, including in the GTF sector. Importantly, a new Labour Force Survey would also allow the comparability of Cambodia's labour market and its progress with respect to other major garment producing countries.

Part II – Statistical update

Part II of this edition of the Bulletin provides key statistics and analysis regarding recent developments in Cambodia's garment and footwear industry.

1. Garment and footwear exports

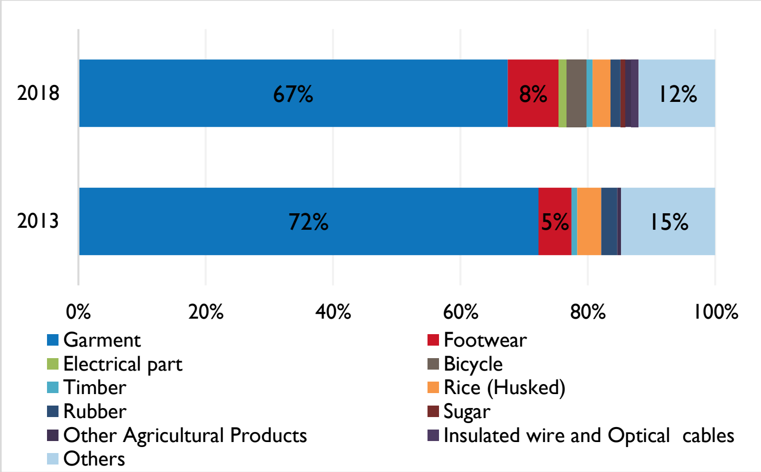
Exports in Cambodia's garment and footwear sector grew almost 20 per cent year-on-year in the first nine months of 2018, reflecting comparable rates of export growth in both the footwear and garment sub-sectors. Footwear continued to increase in relative its importance in the overall contribution to garment and textiles exports.



Source: The Ministry of Economy and Finance

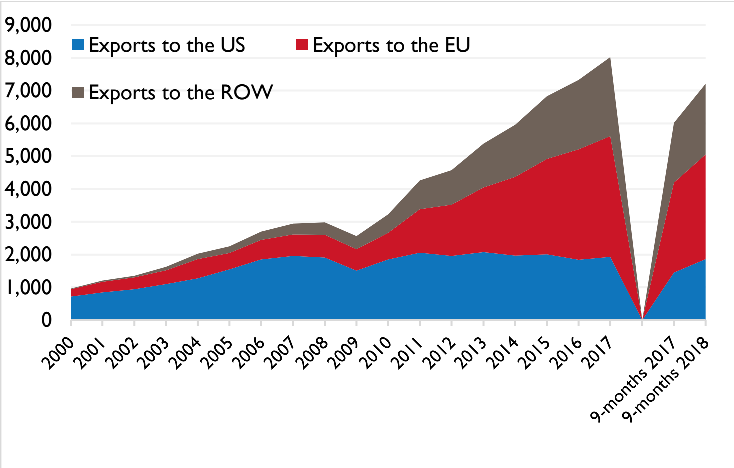
The garment and footwear sector continues to play an important leading role in the economy of Cambodia, accounting for 75 per cent of Cambodia's total merchandise exports in the first nine months of 2018. In percentage terms, this is an increase of 3 per cent in the sector's share in the overall merchandise export sector (within which garments and footwear was responsible for 72 per cent of total merchandise export in 2017). In terms of subsectors, while the significance of garments alone declined by 5 per cent over the period between 2013 and 2018, footwear saw its share of overall increase exports increase by 3 per cent during the same period. Nevertheless, compared to 2013, where garment and footwear comprised 77 per cent of Cambodia's exports, the GTF sector's overall contribution to exports has diminished by 2 per cent, indicating Cambodia's gradual diversification into other export sectors: Exports of bicycles, insulated wire, optical cables, electrical parts, and sugar have all increased since 2013 (see Figure 12).

Figure 10: Composition of Cambodia's merchandise export in 2013 and 2018 (per cent)



Share of total (12-months value for 2013 and 9-months value for 2018)

Source: Ministry of Economy and Finance

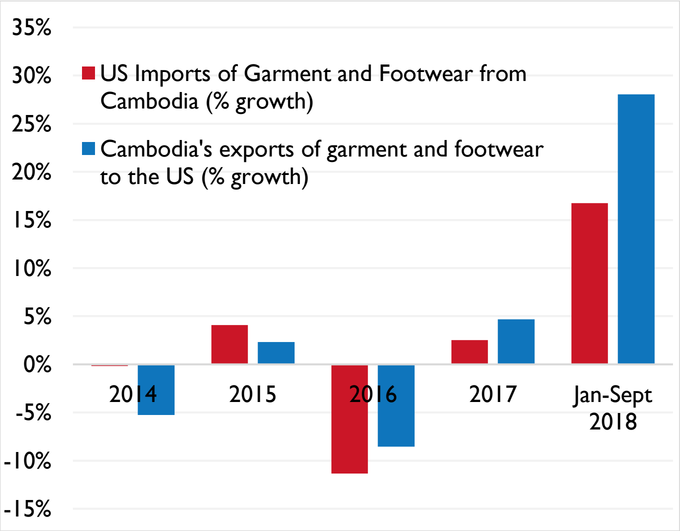


Source: Ministry of Economy and Finance

The European Union (EU) remains the largest market for Cambodia's garment and footwear exports, absorbing more than 44 per cent of the sector's export in the first-nine months of 2018. The second-largest destination market for Cambodia's exports remained the United States (US), accounting for almost 26 per cent. In terms of trends over time: During the same period of 2017, the EU accounted for almost 46 per cent of the sector's exports, while the US accounted for around 24 per cent. With total export value up since 2017 and with the US now accounting for an increased share of overall exports, these figures may signal an early indication that the current tariff contest between China and the US may be having the effect of solidifying Cambodia's position in the US market.

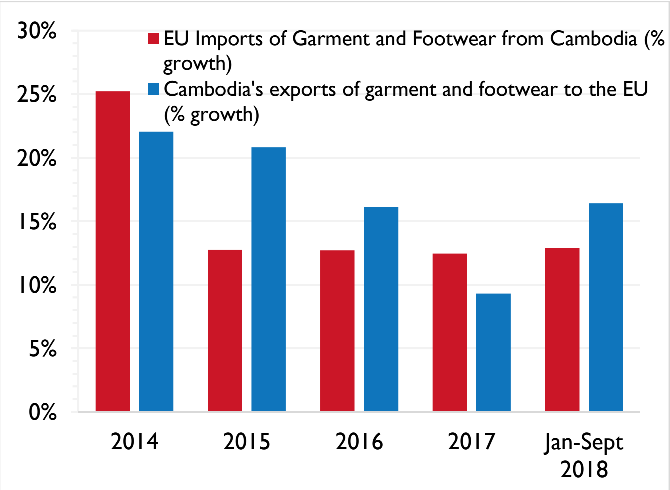
Corresponding data from the destination markets for Cambodia's exports show similar trends. Data on imports to the US of garment and footwear products from Cambodia are broadly consistent with Cambodia's exports during 2018 to date. In the first nine months of 2018, the US recorded a growth in such imports of around 17 per cent, compared to a growth of 28 per cent in exports to the US, as reported by Cambodia. Although the growth rate in percentage terms reported by Cambodia is noticeably higher than the import percentage growth reported by the US, in value terms, the US recorded a higher import value than the export value recorded by Cambodia.

Figure 11: Growth of Cambodia's garment and footwear trade as reported by Cambodia and the United States (US)



The EU's data also reflect strength in imports from Cambodia. In the first nine of 2018, the EU recorded an import growth of garment and footwear products from Cambodia of 13 per cent, correlating closely with the 16 per cent growth in exports to the EU reported by Cambodia. As is the case with the US data for this period, the value of imports recorded by the EU is higher than the export value reported by Cambodia.

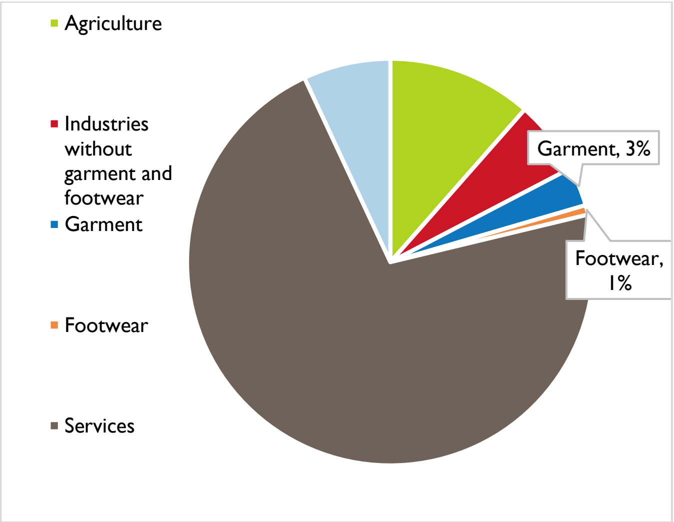
Figure 12: Growth of Cambodia's garment and footwear trade as reported by Cambodia and the EU



2. New investments, factory openings, and factory closures

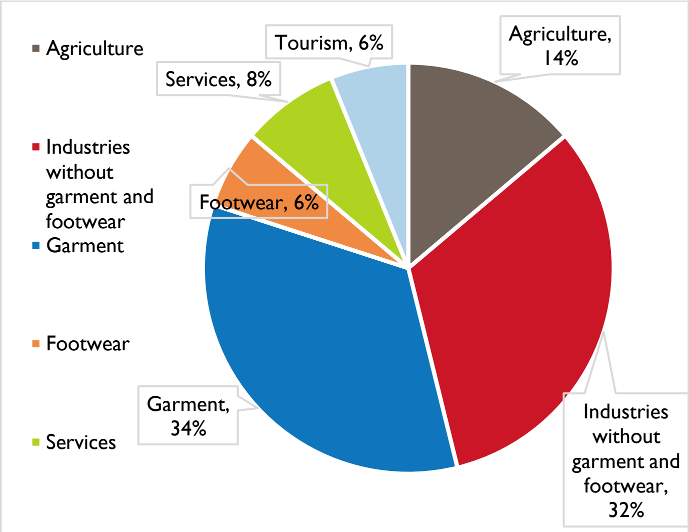
During the first half of 2018, the Cambodian Investment Board approved a total of 65 investment projects for Cambodia. Of these, 26 of the approved projects were in the garment and footwear sector, with a total value of USD $113 million or around 4 per cent of the total value of approved investments (i.e. 3 per cent in the garment sub-sector, and a further 1 percent in the footwear sub-sector).

Figure 13: Value of approved investment projects by sector



In terms of the number of investment projects, the garment and footwear sector accounted for 40 per cent of all investments. Taken together the above figures indicate that the average size of individual investments in the garment and footwear sector is typically smaller than that in other sectors.

Figure 14: Number of approved investment projects by sector



According to Cambodia's Ministry of Commerce (MOC), by the end of 2017, there were a total of 661 garment and footwear factories in Cambodia in effective operation. This was a net addition of 35 factories in 2017, compared with the number of factories recorded by the end of 2016. Of this net increase, 28 factories were in the garment subsector sector, and the remaining seven were in the footwear sub-sector

Within the overall net gain of 35 factories, only one factory closed its operations during the period.

Interestingly, in gross figure terms, only 33 new factories opened during this period, i.e. a smaller number than the net increase in operating factories. This is explained due to the fact that three already-registered factories that had stayed dormant prior to 2017 came back on board, re-joining the cohort of factories 'effectively operating' in the country'.[8]

3. Employment and wages

While it was possible to report on the export volume in the sector up to the ninth month of 2018, the data with regards to employment level was available up to the end of 2017 only.

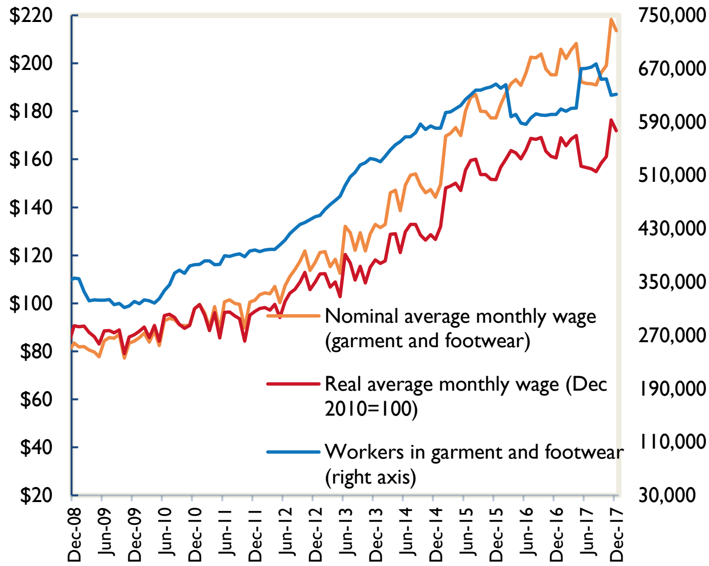
According to employment data from the MOC as of December 2017, employment in the garment and footwear sector stood at 632,000.[9] This represents a year-on-year increase of 6 per cent over 2016 figures.[10]

The average monthly nominal wage in the sector increased by 3.4 per cent from 2016 to 2017, while inflation-adjusted wages increased by 0.6 per cent from 2016.

Fluctuation in the level of employment has continued since December 2016. At the time of publication, it remained unclear whether these fluctuations were a reflection of reality in employment in the sector or rather the result of time-lags in the reporting or the recording of employment data. The total wage bill, however, maintained its pace during 2017 and as a result, the average wage per worker went down where there was a stable level of total wage bill but an increase in employment figures.

The statutory minimum wage for 2018 is USD $170 per month, representing an increase of 9 per cent from the 2017 rate of USD $153. Data from the MOC indicate that workers in garment and footwear sector earned on average USD $201 per month during 2017, which is 3 per cent higher than USD $195 per month they earned on average in 2016. After adjusting for inflation, in real terms, average wages in the garment and footwear sector increased by 0.6 per cent from 2016 to 2017, bringing average real earnings to USD $164 per month in 2017, up from USD$163 in 2016.

Figure 15: Employment level, nominal and real average monthly wage (garment and footwear sector) based on Ministry of Commerce data.



4. Policy developments relating to the garment and footwear sector

There have been a number of recent key policy developments relating to the garment and footwear sector in Cambodia, including:

i) **New minimum wage law:** The new minimum wage law was promulgated in July 2018, following its adoption by the parliament in June 2018. The new minimum wage law sets out three objectives: (a) to ensure the minimum wage fixing for all workers under minimum wage law for all persons covered by Labour Law (i.e. to expand minimum wage coverage beyond the current scope of applicant to the garment sector and footwear sector alone); (b) to establish a scientific minimum wage fixing procedure based on social and economic criteria; and (c) to establish a new National Minimum Wage Council as a tripartite mechanism for research and recommendations on minimum wage and other benefits of all persons covered by Cambodia's Labour Law.

[8] The MoC classifies factories under its record into five broad categories: 'registered factories', 'effectively operating', 'on-going closure', 'temporary closed', and 'definitively-closed'.

[9] The MoC keeps record of only registered exporting factories. The total number of employments in the GTF sector in Cambodia is higher than this number, when employments at sub-contracting factories are included.

[10] The MoC overhauled its database in 2016, and as the result, employment figures dropped. Since then, the employment figures have been climbing up and is now surpassing the pre-overhaul level.

ii) **New minimum wage for 2019:** The Ministry of Labour and Vocational Training (MoLVT) announced in October 2017 an increase in the statutory minimum wage, following rounds of negotiations between unions, employer's representative and the Labour Advisory Committee (LAC). From 1 January 2019, workers in the garment and footwear sector will see their monthly minimum wage rise to USD $182 per month. As a departure from practice over the previous three years to date, no announcement on an increase in income tax thresholds has been made, thereby brining worker's income closer to the tax threshold.

iii) **Notice on Everything But Arms (EBA) trade privilege access:** In October 2018, Cambodia was served a notice of the launch by the EU of a process to withdraw Cambodia's duty-free and quota-free access to the EU Single Market under the Everything But Arms (EBA) scheme.[11] This notification gave rise to an 18-month negotiation process inclusive of a 6-month grace period, the outcome after the twelfth month of which would lead to a decision on either revocation or retention of Cambodia's participation in the scheme. Many observers consider that the EBA scheme has been an important driver of the strong growth of Cambodia's garment and footwear sector over the past several years. In the absence of such privileges, the majority of Cambodia's exports to the EU will face a tariff rate of approximately 12 per cent. This is a significant development in a context in which, as highlighted above, the EU remains the largest market for Cambodia's garment and footwear exports, having absorbed some more than 44 per cent of the sector's export in the first-nine months of 2018.

iv) **Payment of seniority indemnity:** In September 2018, the MoLVT issued a *Prakas* (Ministerial regulation) on payment of a seniority indemnity, to take effect in 2019. The *Prakas* changes the practice of indemnity to two pay-outs per year from the previous practice on payment upon exit from employment. Under the *Prakas*, qualified workers will receive indemnity pay equal to 15 days of their wage and benefits per year with regular pay-outs in the months of June and December. Observers consider that the *Prakas* was issued in response to recent incidents affecting the garment sector in Cambodia involving bankrupt employers absconding on their obligations to pay workers.

v) **Wage payment for workers/employees:** In September 2018, the Ministry of Labour and Vocational Training (MoLVT) issued a *Prakas* (ministerial regulation) on wage disbursement to workers/employees. Effective from 1 January 2019, wage payments will be made two times per month. The first payment in the amount equal to 50 per cent of net monthly wage is to be made in the second week of each month, while the second payment in the four week of each month.

vi) Viet Nam-EU free trade agreement: In October 2018, after three years of negotiation, Viet Nam and the EU reached agreement on a free trade deal. The new EU-Viet Nam free trade agreement will eliminate more than 99 per cent of all tariffs, the most salient of which in respect of Cambodia will be the removal of duties on all textile fabric trade between Viet Nam and the EU. These duties are currently set at 12 per cent.12 This development comes in a context in which Viet Nam has been a very successful long-term competitor to Cambodia's garment and footwear sector. The minimum wage for workers in Region I of Viet Nam (the highest minimum wage region amongst Viet Nam's four minimum wage regions), was set at USD $180 per month for 201913, approximately on part with the national minimum wage rate in Cambodia.

5. Conclusion

The garment and footwear sector in Cambodia maintained its robust growth during the first nine months of 2018, with a solid double digit growth. The EU and the US continued to be Cambodia's most important trading partners in the sector, accounting for a combined 75 per cent of the sector's exports. Although there were fluctuations in level of employment and consequently average wage level according to MOC data for registered companies, by the end of 2017, both employment level and average wage level ended up at a higher level than they had been at the end of 2016. The year-on-year increase from 2016 to 2017 in employment stood at 5.6 per cent. The average nominal wage increased 3.1 per cent year-on-year. After controlling for inflation, real wages grew by 0.6 per cent from 2016 to 2017. With the living conditions of workers in the sector relying heavily on the minimum wage rate and with the ongoing fluctuation in employment data, continued monitoring of the impact of minimum wages remains a matter of priority importance.

[11] The Everything But Arms (EBA) scheme grants full duty free and quota free access to the EU Single Market for all products (except arms and armaments). See further: http://trade.ec.europa.eu/tradehelp/everything-arms

[12] http://trade.ec.europa.eu/doclib/press/index.cfm?id=1922

[13] https://www.vietnam-briefing.com/news/vietnam-to-hike-minimum-wages-by-5-3-percent-in-2019.html/

Annex Table 1: Cambodian garment and footwear industry – selected indicators

	Q1	Q2	Q3	Q4	2016	Q1	Q2	Q3	Q4	2017	Q1	Q2	Q3	Q4	2018
1. Economic output															
GDP (% real growth)	-	-	-	-	6.9	-	-	-	-	7	-	-	-	-	-
GDP (% nominal growth)	-	-	-	-	10.6	-	-	-	-	10.5	-	-	-	-	-
GDP (current prices, US$ million)	-	-	-	-	20 159	-	-	-	-	22 189	-	-	-	-	-
Value added (garment and footwear, current prices, US$ million)	-	-	-	-	2 123	-	-	-	-	2 356	-	-	-	-	-
Value added (garment and footwear, % of GDP)	-	-	-	-	10.5	-	-	-	-	10.6	-	-	-	-	-
2. Garment and footwear exports															
2a. Growth of total garment and footwear exports															
Garment and footwear exports (US$ million) [1/]	1 773	1 718	2 073	1 758	7 322	1 856	1 874	2 290	2 000	8,020	2,092	2,241	2,871		7,204
% growth (year-on-year)	14.5	7.2	3.9	4.6	7.2	4.7	9.1	10.5	13.7	9.5	12.7	19.6	25.4		
Garment exports (US$ million)[1/]	1 605	1 527	1 882	1 545	6 559	1 647	1 655	2 084	1 761	7 147	1 867	1 970	2 601		6,437
% growth (year-on-year)	14.7	6.5	2.7	2.9	6.3	2.6	8.4	10.7	14.0	9.0	13.3	19.0	24.8		
Footwear exports (US$ million)	168	191	191	213	763	209	219	206	239	873	225	271	270		766
% growth (year-on-year)	12.9	13.8	16.7	18.6	15.6	24.6	14.7	8.0	12.0	14.4	7.7	23.5	31.1		
Retained imports of garment materials (US$ million)	-754	-885	-924	-921	-3 484	-779	-849	-992	-884	-3 505	-933	-1 150			
2b. Garment and footwear exports by main destination															
Total exports (garment and footwear, US$ million)	1 773	1 718	2073	1 758	7 322	1 856	1 874	2 290	2 000	8 020	2 092	2 241	2 871		7,204
To United States (garment and footwear)[1/]	429	440	555	414	1 838	452	426	571	475	1 924	538	574	743		1,856
To European Union (garment and footwear)[1/]	793	777	921	881	3 372	797	895	1 055	939	3 686	890	1 009	1 299		3,198
To rest of world (garment and footwear)[1/]	550	501	597	463	2 111	607	553	665	586	2 410	664	658	828		2,150
Total exports (garment, US$ million)[1/]	1 605	1 527	1882	1 545	6 559	1 647	1 655	2 084	1 761	7 147					
To United States (garment)[1/]	400	409	521	382	1 711	421	393	534	427	1 775					
To European Union (garment)[1/]	714	679	669	542	2 604	693	773	954	822	3 242					
To rest of world (garment)[1/]	491	439	693	621	2 243	533	489	596	512	2 130					
Total exports (footwear, US$ million)	168	191	191	213	763	209	219	206	239	873					
To United States (footwear)	29	32	34	32	126	31	33	37	48	149					
To European Union (footwear)	79	97	65	87	328	104	122	101	117	444					
To rest of world (footwear)	60	62	92	95	308	74	64	69	74	281					

3. New Investment, factory openings and closures															
3a. New Investment Project															
Total CIB approved investment projects	**37**	**23**	**33**	**28**	**121**	**21**	**33**	**38**	**25**	**117**	**36**	**29**			
***Thereof*: Garment and footwear projects** [1/]	**22**	**9**	**15**	**10**	**56**	**11**	**5**	**24**	**15**	**55**	**13**	**13**			
Garment projects	18	7	10	6	**41**	7	4	21	13	**45**	10	12			
Footwear projects	4	2	5	4	**15**	4	1	3	2	**10**	3	1			
Total CIB approved projects (US$ million)	**955**	**827**	**960**	**507**	**3 249**	**131**	**1 960**	**3 005**	**120**	**5 217**	**469**	**2 426**			
***Thereof*: Garment and footwear projects (US$ million)** [1/]	**86**	**42**	**75**	**46**	**248**	**76**	**30**	**102**	**61**	**269**	**70**	**43**			**113**
Garment projects (US$ million)	71	31	55	19	**175**	54	22	81	56	**214**	53	37			**91**
Footwear projects (US$ million)	15	11	20	27	**73**	22	8	20	5	**55**	17	5			**22**
3b. Factory openings and closures (registered factories) [1/]															
Total garment and footwear factories (end of period)	**589***	**604**	**615**	**626**	**626**	**638**	**643**	**646**	**661**	**661**					
Garment factories (e. o. p.)	526	538	548	556	**556**	567	571	573	584	**584**					
Footwear factories (e. o. p.)	63	66	67	70	**70**	71	72	73	77	**77**					
Total net openings (garment and footwear) [1/]	**-110***	**15**	**11**	**11**	**-73**	**12**	**5**	**3**	**15**	**35**					
Garment factories	-100	12	10	8	**-70**	11	4	2	11	**28**					
Footwear factories	-10	3	1	3	**-3**	1	1	1	4	**7**					
Openings (garment and footwear) [1/]	**12**	**15**	**19**	**12**	**58**	**13**	**5**	**0**	**15**	**33**					
Garment factories	10	12	18	9	**49**	12	4	-1	11	**26**					
Footwear factories	2	3	1	3	**9**	1	1	1	4	**7**					
Closures (garment and footwear) [1/]	**122***	**0**	**8**	**1**	**131**	**1**	**0**	-3	**0**	**-2**					
Garment factories	110	0	8	1	**119**	1	0	-3	0	-2					
Footwear factories	12	0	0	0	**12**	0	0	**0**	**0**	**0**					
4. Employment in the garment and footwear sector															
Total garment and footwear workers (period av., '000)	**628**	**592**	**600**	**601**	**605**	**609**	**650**	**668**	**639**	**641**					
% change (year-on-year)	5.3	-3.9	-5.7	-6.6	-2.9	-3.1	9.9	11.3	6.3	5.9					
Workers in garment sector (period average, '000)	525	494	499	498	504	506	541	562	531	535					
Workers in footwear sector (period average, '000)	103	98	101	103	101	103	109	106	108	107					
5. Wages and prices															
Minimum wage (garment and footwear sector, US$)	**140**	**140**	**140**	**140**	**140**	**153**	**153**	**153**	**153**	**153**	**170**	**170**	**170**	**170**	**170**
Average monthly wage (garment and footwear, US$) [4/]	**187**	**193**	**203**	**196**	**195**	**205**	**197**	**193**	**210**	**201**					

Average monthly wage (garment workers, US$)[3/]	190	195	208	201	198	209	200	194	213	204		
Average monthly wage (footwear workers, US$)[3/]	173	184	180	173	178	183	184	187	198	188		
Real average monthly wage (garment and footwear, constant Dec. 2010 US$)[3/ 4/]	**160**	**162**	**169**	**162**	**163**	**168**	**161**	**156**	**170**	**164**		
Real average monthly wage (garment, Dec. 2010 US$)[3/ 4/]	162	164	173	166	166	171	163	157	172	166		
Real average monthly wage (footwear, Dec. 2010 US$)[3/ 4/]	148	154	149	143	149	150	151	152	160	153		
Real average monthly wage (garment and footwear, constant Dec. 2010 US$)[3/ 4/]	**181**	**190**	**178**	**177**	**182**	**187**	**184**	**185**	**190**	**186**		
Real average monthly wage (garment, Dec. 2010 US$)[3/ 4/]	184	194	182	180	185	191	189	189	194	191		
Real average monthly wage (footwear, Dec. 2010 US$)[3/ 4/]	167	172	159	163	166	165	158	164	172	165		
Consumer Price Index (period average) rebased, Dec. 2010=100	**117**	**119.1**	**120.2**	**121.2**	**119.4**	**122**	**122.4**	**123.3**	**123.9**	**122.9**	**124.7**	**125.8**
Inflation rate (CPI period average, y-o-y growth)	**2.50%**	**3.00%**	**3.00%**	**3.60%**	**3.00%**	**4.27%**	**2.77%**	**2.58%**	**2.23%**	**2.93%**	**2.21%**	**2.78%**

Note: GDP growth rates for 2016 and 2017 are based on GDP values in Cambodian riels currencies.
1/ Includes textiles.
2/ Effective 1 February 2014.
3/ Based on Ministry of Commerce, effectively operating factories only. The data exclude foreign office workers and foreign managers.
4/ At December 2010 prices.
*/ Note that a large proportion of the recorded closures are the result of the Ministry of Commerce's inspection and reclassification of on-going and temporary closed factories, which includes some inactive factories that closed down without notice to the Ministry.
Sources: National Institute of Statistics, Ministry of Commerce, National Bank of Cambodia, IMF and ILO Staff Calculation

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