

“Decent Work” in Cambodia: how far have we come?

Jiyuan Wang

Cambodia has come a long way since the early 1990s, with peace and macroeconomic stability ushering in a period of economic “catch up” with its neighbours. However, while rapid economic growth has clearly raised incomes and improved livelihoods in many corners of the country, recent questions have emerged over how “inclusive” this growth is, and indeed, what else is needed beyond growth for people to live a full and productive life.

For most, having a job is key to realizing these aspirations. However, not all jobs are equal. Since the late 1990s, the concept of “decent work” has come to embrace the universal need for productive employment at a fair income, with respect for essential rights and a degree of security against economic shocks. In 2008, the goal of *decent work for all* became an explicit target of the Millennium Development Goals.

But defining the concept is not enough. To translate normative goals into well-informed policies, decent work needs to be measured. This is why Cambodia, with the help of a joint EU-International Labour Organization project, *Monitoring and Assessing Progress on Decent Work*, has established a set of decent work indicators (DWIs), the first collection of which were published in a “Decent Work Country Profile,” launched this week in Phnom Penh.

The DWIs provide a statistical yardstick against which recent labour market developments can be measured -from labour force participation rates, to the hours people work and the wages they receive. They also chart progress made in reducing child labour, enhancing social protection, and extending rights to unionize and bargain collectively.

The new profile paints a mixed picture of decent work in Cambodia. Since the late 1990s, successes are clear in the growth of real wages, the elevation of educational standards, and the declining poverty rate. However at the same time, poverty rates of close to 30 percent coupled with rising income inequality provide a sobering reminder of the challenges still ahead.

Data also shows that despite an improving policy environment for gender equality, women continue to face stark labour market inequalities. In 2009, fewer than two in ten legislators, senior officials and corporate managers were female, while men’s wages are still both higher and growing more quickly than women’s.

The DWIs also highlight the challenge of low quality employment. With most working Cambodians still found in the informal economy and in vulnerable jobs, only a minority actually have access to

the core tenets of decent work. Moreover, young people (aged 15 to 24) too face specific challenges, among which the growing shares that are out of both work and education (simultaneously) is a particular concern.

However, despite the challenges, one can still be optimistic that Cambodia can advance decent work with political will and well-connected, evidence-based policies. Being able to devise such policies was a key rationale behind these new decent work indicators, and it is also the reason why the government is keen to continue their collection in the future.

A foremost concern going forward must be that of (raising) employment *quality*. With recent Asian history showing that informality and vulnerability does not necessarily decline with economic development, Cambodia now needs to pursue measures that extend key aspects of decent work to its vast “non-formal” workforce. Securing *universal* access to social security would be a key step in this regard, as would efforts to expand and improve labour inspection, bring more enterprises under formal regulation, and extend market-relevant skills training to poor and vulnerable workers.

Fundamental rights at work also need strengthening. Cambodia’s Labour Law excludes important groups like domestic and informal economy workers, and this leaves many vulnerable to discrimination and abuse in employment. Moreover, although Cambodia has ratified ILO conventions on equal pay and discrimination, the lack of administrative or judicial cases brought about on these issues suggests both low understanding of the conventions and inadequate procedures for making claims. Strengthening both elements will be key to the reduction of occupational segregation and wage inequality.

Finally, to improve the diagnostics for policymaking, better data collection and analysis is needed. A regular labour force survey is greatly needed, as are investments to improve administrative records in areas like industrial relations and social security coverage. Cambodia also needs a more integrated set of development targets which fully reflect the principles of decent work for all.

It is now internationally accepted that decent work is an essential conduit through which national development goals can be achieved. A continued commitment to these values in Cambodia will help realise access for all citizens to productive employment at a fair income, uphold basic rights and access to social security, and provide freedom to participate in the decisions that affect people’s working lives. The Cambodia decent work indicators help us to see where we are and navigate us towards a better future.

**The writer is the Country Director of the ILO office for Thailand, Cambodia and Lao PDR*