



► Statistical Brief

July 2023

Overview of workers in the urban and suburban passenger land transport subsectors

Key points

- Potential for increasing formalisation and expanding coverage of social security: LOW¹
- There are an estimated 145,945 workers in the cargo handling subsector, 2.0 per cent of the total workforce
- 93 per cent of cargo handling workers are located in the informal sector
- 97 per cent of workers currently work under informal arrangements : 54 per cent in the formal sector; 99 per cent in the informal sector
- Employees make up 18 per cent of total employment
- The share of self-employment in total employment is 80 per cent (3 per cent employers, 77 per cent own-account workers)
- 100 per cent of employers are located in the informal sector
- 6 per cent of workers in the informal sector operate from a fixed location

This brief provides an overview of workers in the urban and suburban passenger land transport. It presents the estimated number of workers in that subsector as well as their distribution across various categories of interest, including sector of employment (formal, informal or households), employment status (employees, employers, own-account workers or contributing family workers), enterprise size, age group, and income quintile. It also provides the estimated social security coverage rate according to the 2019 LFS data as well as 2019 NSSF administrative data. The information presented in this overview is derived from three principal data sources: the 2019 LFS, the 2019 SES, and NSSF administrative data. As these sources are not always consistent, we clearly indicate the data source for each graph or table presented below. For the survey data (LFS and SES) we also specify the number of observations (N) from which the estimates

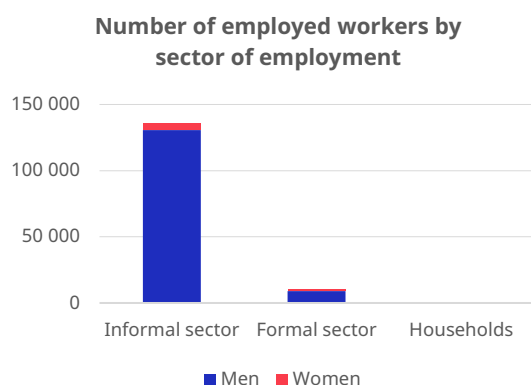
derive. The LFS 2019 economic activity codes included for this subsector are: 4921 Urban, suburban or metropolitan area passenger land transport and transport of passengers by urban or suburban transport systems. This may include different modes of land transport, such as by motorbus, tramway, streetcar, trolley bus, underground and elevated railways etc. The transport is carried out on scheduled routes normally following a fixed time schedule, entailing the picking up and setting down of passengers at normally fixed stops. This class also includes town-to-airport or town-to-station lines; operation of funicular railways, aerial cableways etc. if part of urban or suburban transit systems. This class excludes: passenger transport by inter-urban railways.

A glossary is provided at the end of this document for explanation of key terms and definitions.

¹ The potential for formalisation is determined by comparing the subsector to the national averages among the dimensions of (i) size of the subsector, (ii) share of self-employment, and (iii) ease of physical access.

Statistical information

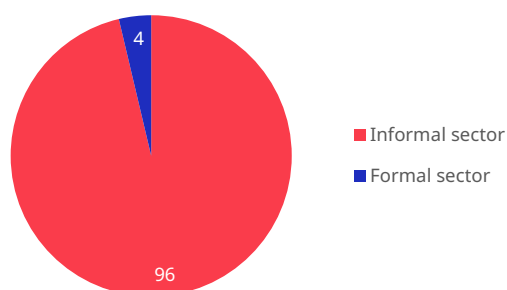
Estimated Number of workers (LFS)	145,945	Proportion of women workers (LFS)	3%
Proportion in informal sector or Households (LFS)	93%	Proportion in bottom income quintile (LFS)	12%



- Of the estimated total 145,945 transport workers, 135,356 (93 per cent) work in the informal sector
- 5,683 (3 per cent) of transport workers are female

Source: LFS 2019. N=335

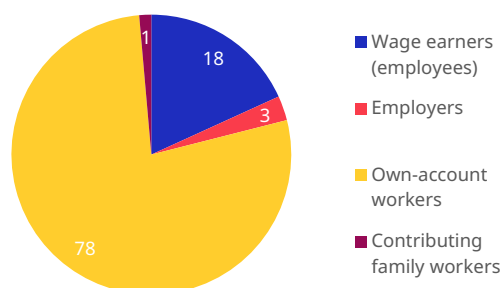
Share of informal employment by sector of employment



- In the transport subsector, 97 per cent of total employment is informal employment, of which 96 per cent takes place in the informal sector and 4 per cent in the formal sector

Source: LFS 2019. N=335

Share of employed workers by employment status



- Across all transport workers 18 per cent are wage earners, 3 per cent are employers, 78 per cent are own account workers and 1 per cent are contributing family workers

Source: LFS 2019. N=335

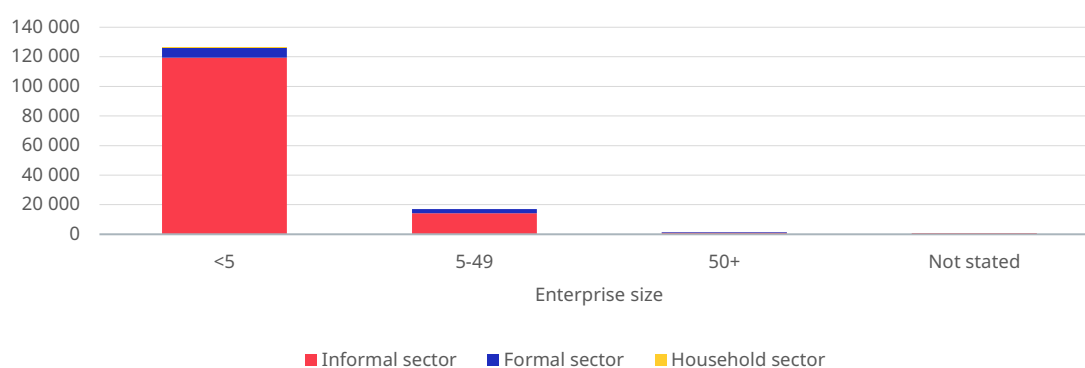
Number of workers by employment status, social security coverage and sector of employment

	Informal sector	Formal Sector	Household sector	Total
Wage earners (employees)	20 501	6 054	-	26 555
Employers	4 148	-	-	4 148
Own-account workers	108 680	4 033	502	113 216
Contributing family workers	2 026	-	-	2 026
Total by employment status	135 356	10 088	502	145 945
Insured workers	540	533	-	1 073
Uninsured workers	134 815	9 555	502	144 872
Percentage of workers uninsured	100	95	100	99

Source: LFS 2019. N=335. Note: Small sample size. Results should be interpreted with caution and may not be representative of the larger population.

- Formal-sector transport workers are more likely than informal-sector workers to be wage-earners, and less likely to be own-account workers or contributing family workers.
- Within the informal sector, 15 per cent of cargo handling workers are wage earners (employees), 3 per cent are employers, 80 per cent are own-account workers, and 1 per cent are contributing family workers.
- Within the formal sector, 60 per cent of cargo handling workers are wage earners (employees) and 40 per cent are own-account workers.
- The LFS estimates that almost all (99 per cent) transport workers are not covered by social security.* This is driven by both informal and formal sector workers.
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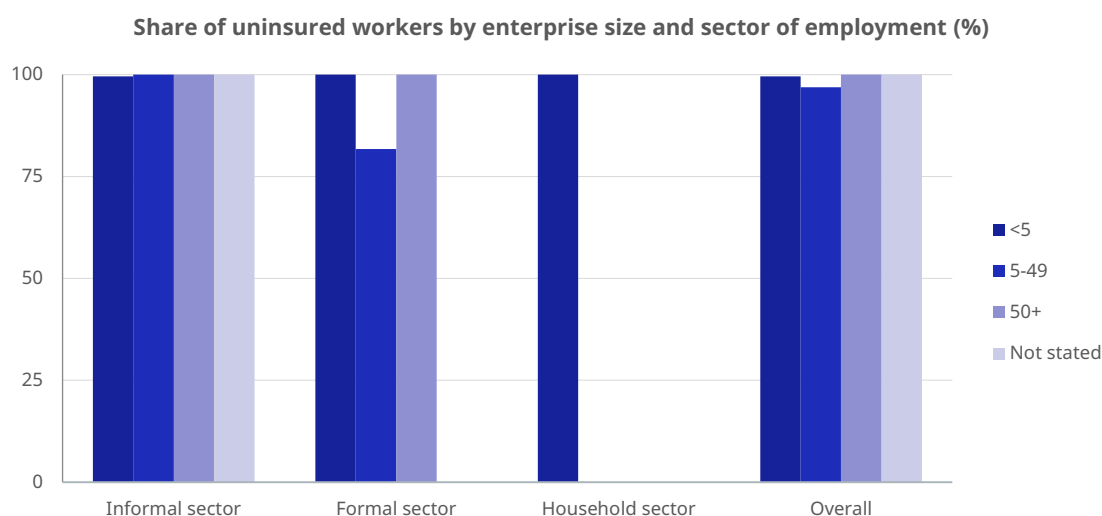
* This estimate may under-report the actual coverage of social security due to the fact that a significant portion (22 per cent of observations) of total wage earners (employees) within the LFS report that they do not know whether their employer contributes to social security on their behalf.

Number of workers by enterprise size and sector of employment

Source: LFS 2019. N=335. Note: Small sample size. Results should be interpreted with caution and may not be representative of the larger population.

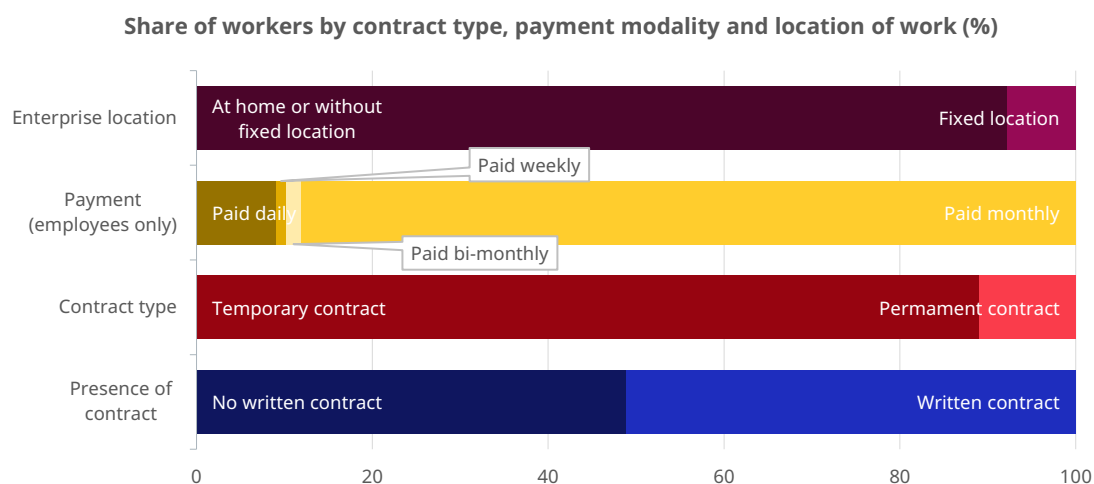
- The vast majority (87 per cent) of transport workers work in micro- (<5 employees) or small (5-49 employees) enterprises (12). Just 1 per cent work in medium or large (50+ employees) enterprises.*

* Enterprise size is not stated for 1 per cent of observations.



Source: LFS 2019. N=335

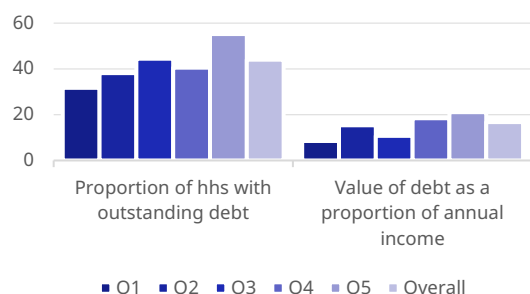
- Transport workers in small (5 – 49 employees) enterprises are more likely to be insured. This is entirely driven by the formal sector.



Source: LFS 2019. N=335. Note: Small sample size. Results should be interpreted with caution and may not be representative of the larger population.

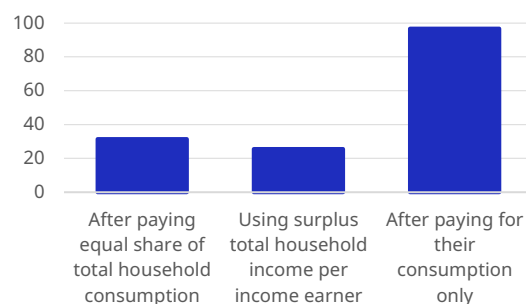
- About 1 in 2 (51 per cent) of transport workers have contracts.
- Of those with written contracts, 89 per cent have temporary contracts and 11 per cent have permanent contracts.
- Most of employees in the transport subsector (86 per cent) are paid monthly.
- 92 per cent of transport workers do not operate in a fixed location. in an enterprise with a fixed location.

Household debt by consumption quintile (%)



Source: SES 2019

Proportion of employees able to contribute to social security (%)



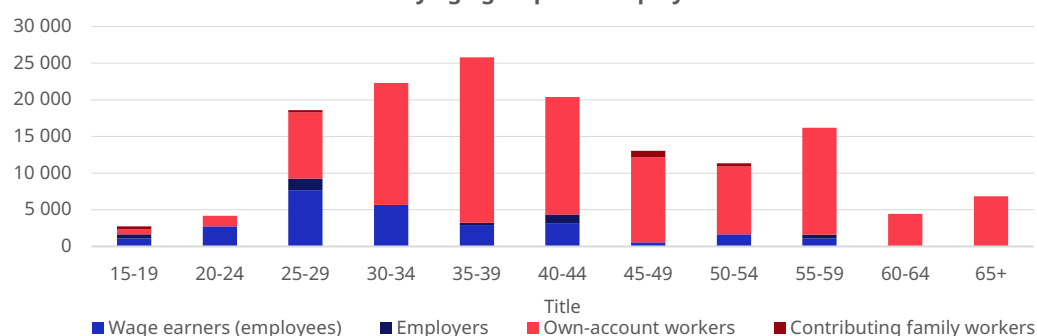
Source: SES 2019

- About half of transport workers (45 per cent) have outstanding debt
- For households with debt, the value of the outstanding debt is worth about a fifth of one year household income on average (17 per cent).

- 32 per cent of wage earners (employees) could potentially afford to contribute to a NSSF pension after paying an equal share of total household consumption.*
- 97 per cent of cargo handling employees could potentially afford to contribute to a NSSF pension after paying for their individual consumption only.*
- The ability to pay is likely not the main barrier to participating in social security for many employees.

* Does not account for debt burden.

Number of workers by age group and employment status



Source: LFS 2019. N=177. Note: Small sample size. Results should be interpreted with caution and may not be representative of the larger population.

- About 50 per cent of transport workers are aged between 30 and 44 years.
- Youth² (15-29 years) make up 17 per cent of subsector workforce.
- One-third (31 per cent) of transport workers are aged between 45 and 64 years.
- Just 5 per cent of transport workers are aged 65 years and above.

² 2011 National Policy on Youth Development (Ministry of Education, Youth and Sports, 2011) defines youth as those between 15 and 30 years of age. Youth constituted 27.6% of population in 2019 according to [Population of Cambodia 2021 - PopulationPyramid.net](https://populationpyramid.net)

Glossary

The **informal sector** is comprised of unregistered and/or small unincorporated household enterprises engaged in the production of goods or services for sale or barter. It includes all workers in enterprises that are not registered with the relevant authorities, that do not keep a complete set of accounts, and whose workers do not benefit from social protection or other work-related benefits. It excludes households that produce exclusively for own use (e.g., subsistence farmers).

The **formal sector** comprises all those who are employed by government or international organisations; private enterprises that are producing for sale in the market and are either registered or have written accounts; private enterprises producing for sale in the market whose employees don't know if their firm is either registered or has written accounts but do know they are entitled to social security; and private enterprises producing for sale in the market whose employees don't know if their firm is either registered or has written accounts or if they are entitled to social security, but firm size is greater than or equal to 5 employees and has a fixed location in which it operates.

The **household sector** comprises those whose products from farming or fishing are used for themselves and their families only, as well as those who are employed by households as domestic workers.

For employees, **informal employment** is defined in terms of the employment relationship and refers to working arrangements that are in law or in practice not subject to national labour legislation, income taxation, or entitlement to social protection or other employment guarantees such as advance notice of dismissal, severance pay, or paid annual or sick leave.

Wage earners (or waged workers): Those whose employment status is 'employee', including people who work in any economic unit, including family businesses, and who receive regular pay.

Employers and own-account workers are considered to be in informal employment when their economic units operate in the informal sector. This means that informal employment conditions can occur outside the 'informal sector'. For example, casual, temporary, or seasonal workers who lack social insurance or other employment benefits, or who fall short of full legal status, may be informally employed even if they work in the 'formal sector'.

Employers: Persons who run a business and engage at least one paid employee on a continuous basis.

Own-account workers: Persons who run businesses but do not engage any paid employee on a regular basis.

Contributing family workers: Persons who work in their family business without receiving any regular pay.

Employees status in employment is generally associated with more job security and better working conditions, whereas own-account workers and contributing family workers are regarded as **vulnerable employment**.

After equal share of total household consumption: Share of employees in a household that can pay for the consumption of all household members and still contribute towards pension. We are taking 6.75% of their income as a contribution towards pension.

Using surplus total household income per income earner: Share of employees whose 6.75% of average income is above monthly household surplus income.

After paying for their consumption only: Share of employees that can contribute after their own consumption only.



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