

Solid first half of 2015 for Cambodia's garment and footwear sector

Cambodia's garment and footwear industry, the backbone of the country's economy, continued to perform solidly in the first half of 2015. The value of exports grew by 12.7 per cent between the first half of 2014 and the first half of 2015. Real wages were 19 per cent higher in the first half of 2015 than they had been a year earlier, after rising by 13 per cent between 2013 and 2014. This real wage growth was the result of a 28 per cent minimum wage increase in January 2015 and low consumer price inflation of just 1.0 per cent. The sector currently employs more than 600,000 people in some 655 registered factories.

1. Introduction

Garment and footwear exports¹ remain the backbone of the Cambodian economy, with the sector's value added in 2014 accounting for 10.2 percent of gross domestic product. The sector's exports represent some 80 per cent of the country's total merchandise exports². It is Cambodia's largest manufacturing industry and the country's largest foreign exchange earner.

This Bulletin tracks the development and progress of this essential 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.³

2. Garment and footwear exports

a – Export values and market share: Exports of garments and footwear continued to grow in the first half of 2015. According to data recorded by the Ministry of Commerce, garment and footwear exports reached US\$3.0 billion in the first half of the year (see Figure 3), representing 12.7 per cent growth over the same period in 2014. By mid-2015, the sector employed over 600,000 Cambodian workers, 86 per cent of whom are female.⁴

Cambodia's share of garment and footwear exports has increased rapidly. By 2014, Cambodia was ranked 8th among the top 15 garment and footwear exporters, according to UNCTAD data. Its market share rose from 1.1 per cent in 2005 to 1.8 per cent in 2014.

Viet Nam and Bangladesh also expanded their global market shares significantly over the past decade. Viet Nam enlarged its share from 3.3 per cent in 2005 to 6.9 per cent in 2014 while Bangladesh's share grew from 3.1 per cent to 5.5 per cent over the same period. China remains the dominant country in garment and footwear exports, expanded from 39.6 per cent in 2005 to 54.5 per cent in 2014 but its market share appears to have reached a plateau in recent years.

Figure 1. Market share of the top 15 garment and footwear exporters, 1995-2014 (in % of garment and footwear exports of all developing countries)

	1995	2005	2010	2012	2013	2014
1. China	24.1	39.6	51.4	53.8	54.2	54.5
2. Viet Nam	1.1	3.3	4.8	5.7	6.2	6.9
3. Hong Kong (China)	22.8	14.2	9.2	7.2	6.3	5.6
4. Bangladesh	1.7	3.1	4.9	5.3	5.6	5.5
5. India	3.7	4.2	4.0	4.1	4.6	4.6
6. Turkey	4.9	5.1	4.1	3.9	3.8	3.9
7. Indonesia	-	2.8	2.9	2.9	2.8	2.6
8. Cambodia	0.1	1.1	1.3	1.4	1.6	1.8
9. Mexico	2.3	3.2	1.5	1.3	1.2	1.2
10. Pakistan	1.3	1.6	1.2	1.1	1.1	1.1
11. Sri Lanka	1.5	1.2	1.1	1.0	1.1	1.1
12. Thailand	5.6	2.1	1.6	1.3	1.1	1.1
13. Malaysia	1.9	1.1	1.3	1.2	1.1	1.1
14. Morocco	1.5	1.3	1.1	1.0	0.9	1.0
15. Tunisia	2.0	1.5	1.1	0.8	0.8	0.7

Source: UNCTAD, UNCTADstat database. Accessed 23 October 2015.

Note: Garments and footwear refers to exports of articles of apparel & clothing accessories and footwear. Export market share is expressed as a percentage of all garment and footwear exports from all developing countries.

¹ References to 'garments' includes textiles unless otherwise noted.

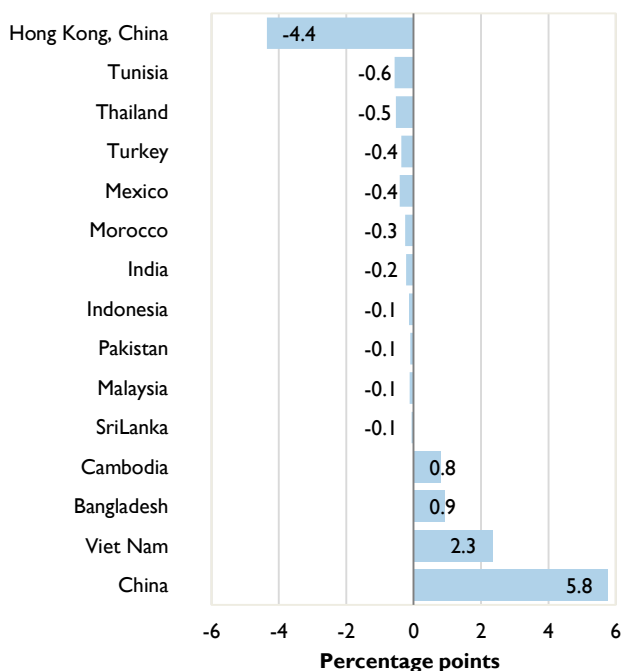
² Ministry of Commerce's trade statistics.

³ 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.

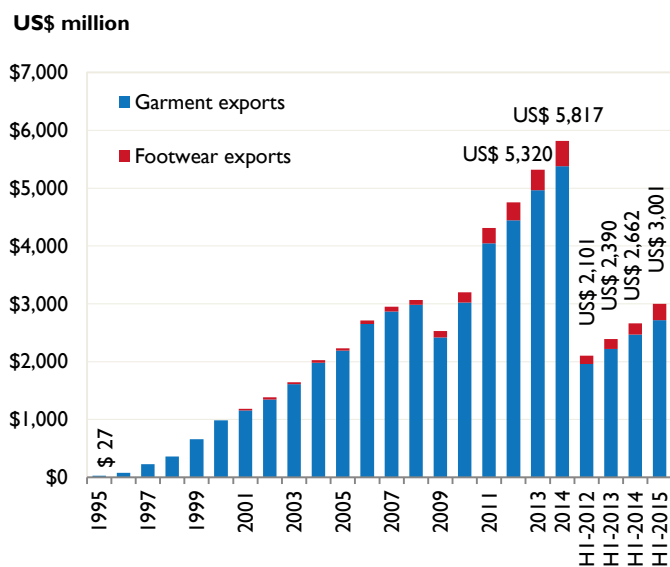
⁴ Ministry of Commerce, unpublished data provided to ILO.

Figure 2. Change in market share of garment and footwear exports, 2009-2014 (percentage points)



Source: ILO calculations based on UNCTADstat database.

Figure 3. Cambodia's garment and footwear exports, 1995-2015 (US\$ million)



Source: Ministry of Commerce.

While Cambodia's garment and footwear sector as a whole has continued to perform solidly, the footwear sector's growth has been particularly dynamic. Footwear export growth averaged 33 per cent per annum over the past five years (2009-2014) compared to 17.8 per cent annual growth of garment exports over this same period.⁵

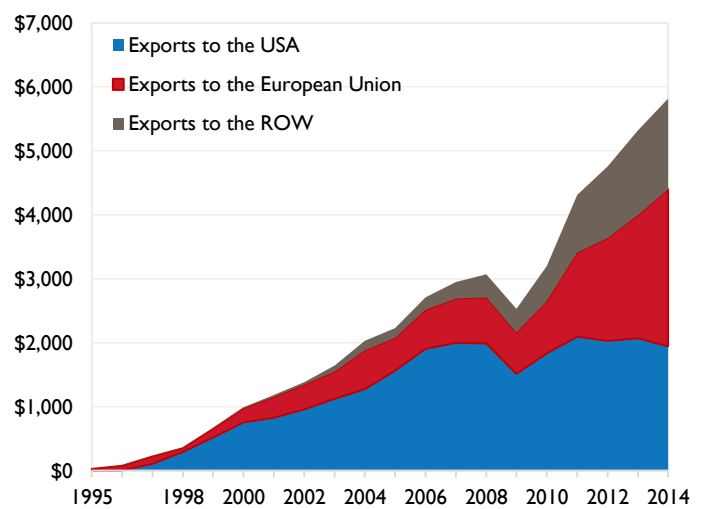
During the first half of 2015, footwear exports jumped by another 46.4 per cent compared to the first half of 2014 while exports of garments grew by a solid 10.1 per cent.

⁵ Ministry of Commerce's trade statistics. 'Garment' exports includes textiles.

Although footwear exports have grown more rapidly than garment exports, footwear remains a relatively small proportion of the total sector. In value terms, exports of the garment and footwear sector reached US\$ 3 billion in the first half of 2015, of which footwear comprises US\$282 million, or 9% of the total. Garments account for the remaining US\$ 2.7 billion in exports.⁶

The EU became the single biggest destination for Cambodia's garment and footwear exports in 2014, accounting for 42 per cent of total exports. This put it ahead of the US with a share of 34 per cent. These shares remained similar in the first half of 2015, with the EU remaining the main export destination. 43 per cent of Cambodia's garment and footwear exports went to the EU market, with 30 per cent going to the US. The remaining 27 per cent was destined for other countries, notably Canada and Japan.

Figure 4. Cambodia's garment and footwear exports by main destination, 1995-2014 (US\$ million)



Source: Ministry of Commerce.

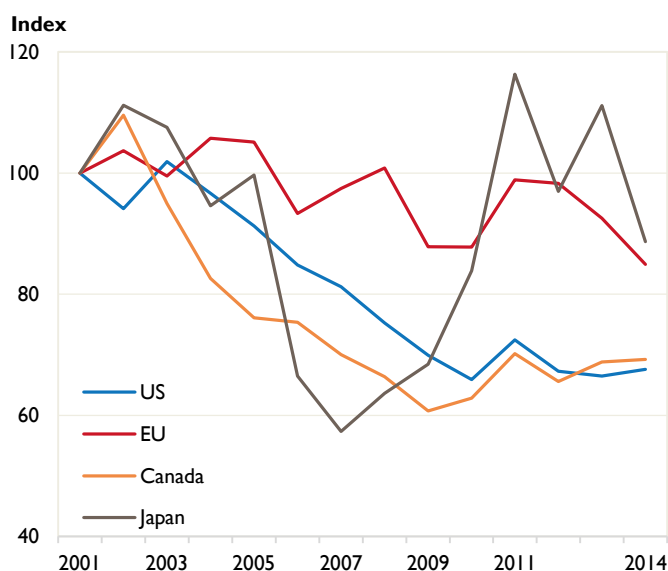
b – Prices paid for Cambodian garment exports:

Cambodian garment producers have faced declining prices paid by buyers in this globally competitive industry. According to data collected by the Ministry of Commerce, prices paid for Cambodian garments dwindled over the 2001-2014 period.⁷ Between 2001 and 2014, the price per dozen garments sold to the US market fell by 32 per cent, while the average price paid by EU buyers dwindled by 15 per cent.

⁶ Ministry of Commerce, unpublished data provided to ILO.

⁷ Ministry of Commerce data, MoLVT and ILO analysis.

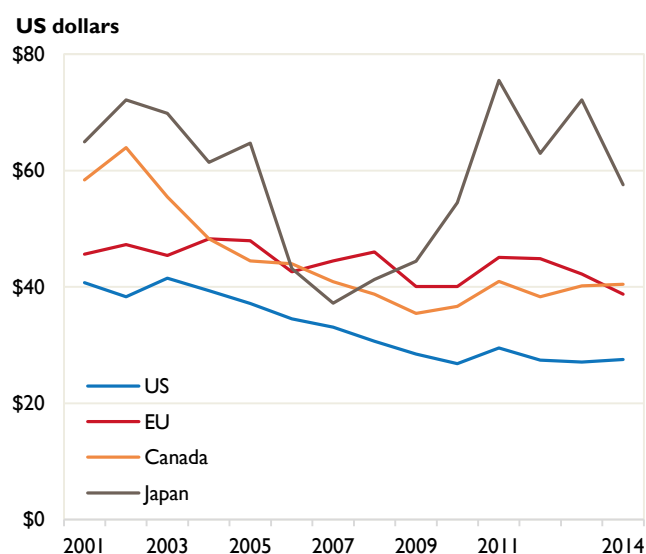
Figure 5. Cambodia garment export price index (per dozen) to its major markets (Index, 2001=100)



Source: Ministry of Commerce and MoLVT

Although the average price paid by EU buyers has fallen over time, the average price paid for exports to the EU remains higher than the price paid by US buyers. This is shown in Figure 6. As noted earlier, a rising share of Cambodia's exports has gone to the EU. This compositional shift in Cambodia's exports towards higher-priced destinations has (partly) offset the decline in price paid within export destinations.

Figure 6. Export prices of Cambodian garments to its major markets (current prices, US\$ per dozen)



Source: Ministry of Commerce and MoLVT

⁸ See Better Factories Cambodia, 32th Synthesis Report, June 2015, p. 8. FOB stands for 'Free on Board'. It refers to export prices excluding shipping charges.

⁹ Ministry of Commerce trade statistics.

In 2014, a number of global garment brands sent a joint public letter to the Deputy Prime Minister of Cambodia, committing to reflect increased wages in their FOB prices. When the decision had been made to increase Cambodia's minimum wage for the garment and footwear sectors to US\$ 128 per month from 1 January 2015, the ILO highlighted the importance of the brands' commitment and called on brands to help the industry absorb the associated cost increases. The ILO estimated that global brands would need to increase their FOB prices by between 2.4 and 3.0 per cent to cover the shortfall between factories' likely productivity gains and the projected increase in labour costs (assuming other costs remain the same)⁸. Data are not yet available that would enable the ILO to assess price trends for 2015.

The garment and footwear sector remains a key industry for Cambodia. Its exports in 2014 represented some 80 per cent of the country's total merchandise exports, down from about 90 per cent in 2008.⁹

Cambodia's Industrial Development Policy (IDP) 2015–2025 was adopted by the government in March and officially launched in August 2015. It lays out a vision to broaden the country's industrial base.¹⁰ The Policy sets out to diversify the country's industrial base and to increase exports of manufactured products other than garments, with a goal to reduce the export share of garment and footwear to just 50 per cent of total merchandise exports by 2025.¹¹

The IDP also sets out to strengthen skill development, to ensure stability of labour supply, productivity growth and improving living standards of workers.¹² Construction of a Cambodian garment training institute is underway, with a ground-breaking ceremony undertaken in early September 2015; it is expected to take a year and an half to complete. Cambodia is looking to move its industrial base from relatively low-cost and labour-intensive activities to be a higher value added industry.

3. New investments, factory openings and closures

a – New investment: During the first half of 2015, 63 new investment projects were approved by the Cambodian Investment Board (CIB), equivalent to US\$ 3.1 billion of fixed assets. Of these total approved investments, 38 projects were in the garment and footwear sector, worth US\$ 152 million. This compares to 57 garment and footwear projects (worth US\$ 335 million) approved in the same 6 month period of 2014. The number of approved garment and footwear projects in the first half of 2015 was lower than

¹⁰ Cambodia's Industrial Development Policy 2015-2025, p. 14

¹¹ Cambodia's Industrial Development Policy 2015-2025 (Draft as of February 2015 Draft, Page 17).

¹² Cambodia's Industrial Development Policy 2015-2025, p. 30

that in the same period last year, in terms of both the number of projects and the value of projects. However, it should be noted that figures often fluctuate from one quarter to another, so annual figures are more informative about investment trends.

Approved garment and footwear investments during the first half of 2015 were largely funded by investors from mainland China, who accounted for 55 per cent of total new investment. Hong Kong (China) represented 18 per cent, while Taiwan (China) amounted to 6 per cent and the remaining investment came mainly from Korea, Japan and Cambodia itself. Most of the garment and footwear projects approved in the first half of 2015 are in the form of sole ownership (86 per cent), with joint ventures accounting for the remaining 14 per cent.

b – Opening, closure and operating factories: New investment continued in the first half of 2015, but the pace of new openings was a little slower than in the first half of 2014. However, the number of garment and footwear factories that closed in the first half of 2015 was also lower than the number of the factories that closed in the same period of 2014.

Figures from the Ministry of Commerce show that the registered number of effectively operating garment and footwear factories grew from 626 at the end of 2014 to 655 factories at the end of June 2015 - net growth of 29 effectively operating factories over the 6 month period. Of the 29 net new factories opened, 27 factories were garment and 2 factories were footwear factories.

4. Employment in the garment and footwear sector

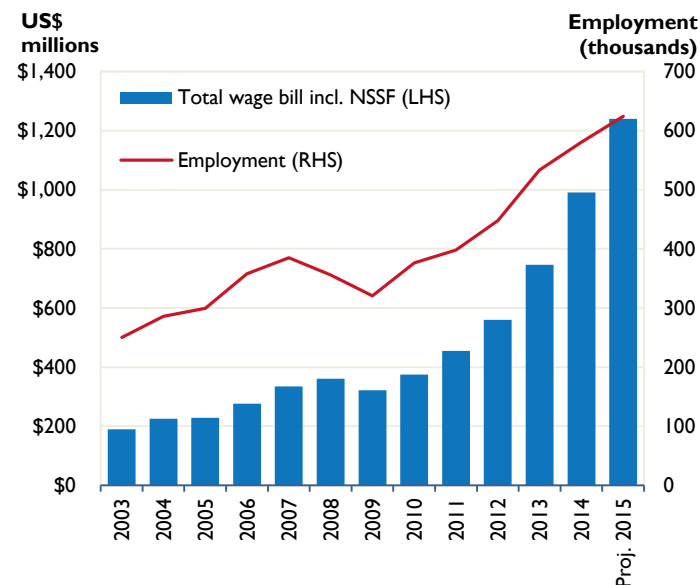
Employment in the garment and footwear sector continued to expand during the first half of 2015. Data recorded by the Ministry of Commerce indicates some 42,000 net new jobs were generated in the garment and footwear sector over the period January to June 2015, with total employment in the sector reaching 607,000 by mid-2015.

Of the 42,000 new jobs created over the 6-month period, 33,000 were in the garment sector (78 per cent of the total) while 9,000 were in the footwear sector (22 per cent).

The industry's wage bill now averages US\$ 100 million a month. The wage bill includes mandatory contributions to the National Social Security Fund (NSSF), a social security scheme that covers workers' work injuries, work-related

illness and travel-related accident (to and back from work)¹³. Employers must contribute 0.8 per cent of the gross wage to the NSSF. Figure 7 shows the level of employment and the total wage bill of the sector.

Figure 7. Employment and wage bill of garment and footwear sector, 2003–2015



Source: Ministry of Commerce and MoLVT. Note: Employment records "end-of-period" number. 2015 figure is projected by ILO staff.

Figure 8 compares changes in the minimum wage and employment growth over the past 12 years. A 25 per cent minimum wage increase in 2014 was accompanied by 13.5 per cent growth of employment. The minimum wage was 28% higher than in the first half of 2015 than it had been in the first half of 2014, while employment had grown by 10.2 per cent over the period.

Figure 8. Change in the minimum wage and employment in the garment and footwear sector, 2004-2015

Year	Change in employment (%)	Change in minimum wage (%)
2004	14.1	0.0
2005	2.5	0.0
2006	18.4	0.0
2007	11.8	11.1
2008	2.2	0.0
2009	-13.8	0.0
2010	6.4	22.0
2011	12.1	0.0
2012	8.5	0.0
2013	18.6	31.1
2014	13.5	25.0
2015 (H1)	10.2	28.0

Source: ILO calculations based on data from the Ministry of Commerce and MoLVT.

¹³ Ministry of Labour and Vocational Training (MoLVT), Prakas on Benefits of Work-Related Risks (#109, dated 16 June 2008).

5. Wages and prices

Cambodia's minimum wage only applies in the garment and footwear sector, with no regional differentiation. Cambodia's minimum wage for the garment and footwear industry has been US\$ 128 per month since 1 January 2015, when it increased from US\$ 100. In addition to the minimum wage, there are also other allowances to which workers are entitled, including a \$10 attendance bonus, \$7 transportation allowance and seniority allowances of up to \$11.

In October, after a series of tripartite consultations, a recommendation was made by the tripartite Labour Advisory Committee (LAC) to increase the minimum wage for Cambodia's garment and footwear sector for 2016. The Government has decided to increase the minimum wage for the sector from its current rate of US\$ 128 to US\$ 140 per month with effect from 1 January 2016.¹⁴

Figure 9. Monthly nominal minimum wage and nominal average wage in garment and footwear sector, 2000-2015 (US\$ per month)

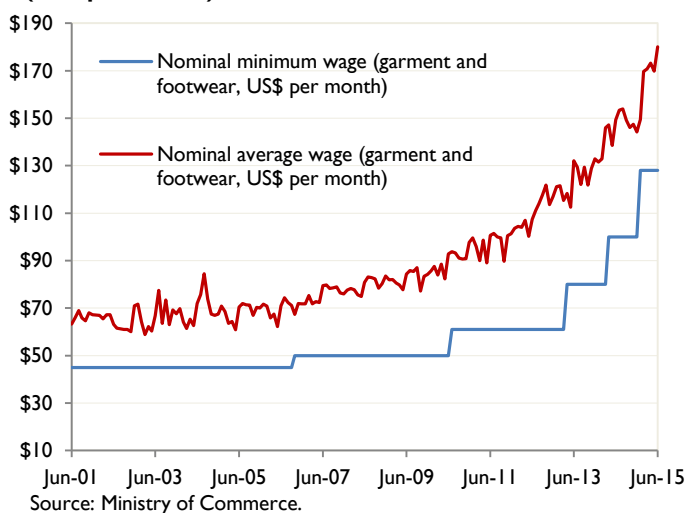


Figure 9 shows that there is an association between minimum and average wages. It appears that the minimum wage has driven growth of the average monthly wage earned by workers. During periods in which the minimum wage did not increase, average wages also remained more or less flat. When the minimum wage of the sector was increased from US\$ 80 in 2013 to US\$ 100 in 2014, the average take-home pay of workers in the sector rose from US\$ 124 to US\$ 145 (including mandatory fringe benefits and overtime payments). Similarly, when the minimum wage was increased to US\$ 128, effective from January 2015, the average monthly wage of workers rose to US\$ 169 in the first half of 2015. The overall wage bill of the industry reached US\$ 991 million in 2014¹⁵,

¹⁴ The LAC recommended that the minimum wage be increased to US\$ 135. The Government subsequently decided to increase the wage to US\$ 140, effective from 1 January 2016.

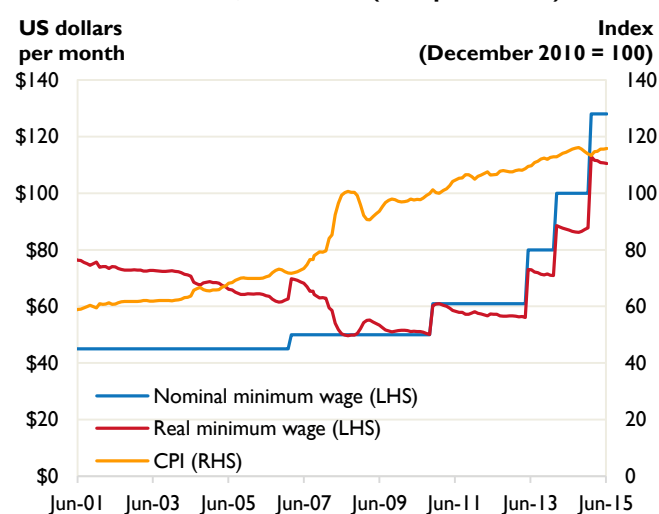
¹⁵ Including employers' contribution of 0.8 per cent to the NSSF.

with that bill projected to reach US\$ 1.2 billion this year (Figure 7).

Setting minimum wages at appropriate levels can help prevent in-work poverty and can be an important factor in ensuring decent job quality.¹⁶ However, the appropriate level of the minimum wage remains a matter for debate in Cambodia. The increase of the minimum wage in Cambodia in recent years comes after a number of years of stagnation during which the minimum wage was not adjusted, such as in the 2000-2006 period. The recent increases have been accompanied by continued growth in employment, exports, and net factories in operation.

However, the fact that negative effects of past increases are difficult to discern does not necessarily mean that significant hikes in the future would be similarly benign.

Figure 10. Nominal and real minimum wage of garment and footwear sector, 2000-2015 (US\$ per month)



The increase in nominal wages can overstate the real gains experienced by workers, after taking inflation into account. As can be seen in Figure 10, the real minimum wage was lower in 2011 than it had been a decade earlier. The real wage factors in the country's consumer price inflation rate, and hence presents the trend in workers' purchasing power.¹⁷

Figure 11 presents both the nominal and real average monthly wage of the workers. The most important aspect of Figure 11 is the trend over time in the real wage.¹⁸ The main finding is that workers' purchasing power declined between 2003 and 2009 before rising thereafter.

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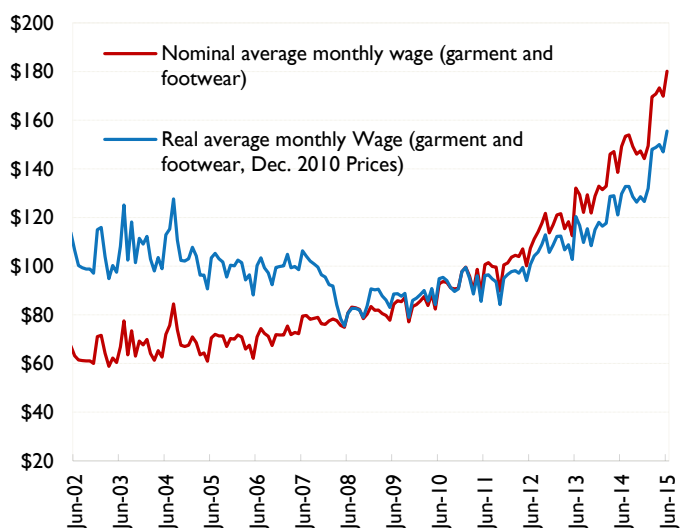
¹⁶ ILO Global Wage Report 2012/13 (Wages and Equity Growth), p. 35

¹⁷ The base year used is December 2010.

¹⁸ The level of the real wage expressed in constant US dollars would change if a different base year was used.

The real average monthly earnings of garment and footwear workers fell from US\$ 107 in 2003 to US\$ 87 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.

Figure 11. 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

However, Cambodian workers benefited from lower consumer price inflation in more recent years, particularly over the 2010-2014 period during which inflation averaged 3.8 per cent per annum. Consumer price inflation in the first half of 2015 was even lower, with a year-on-year rate of just 1.0 per cent during the first half of 2015. Combined with strong growth in nominal wages in recent years, the lower consumer price inflation rate led to a recovery of the past losses in purchasing power and some gains. The real average monthly wage of garment and footwear workers rose from US\$ 91 in 2010 to US\$ 127 in 2014 and to US\$ 147 during the first half of 2015 (expressed in constant December 2010 prices).

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

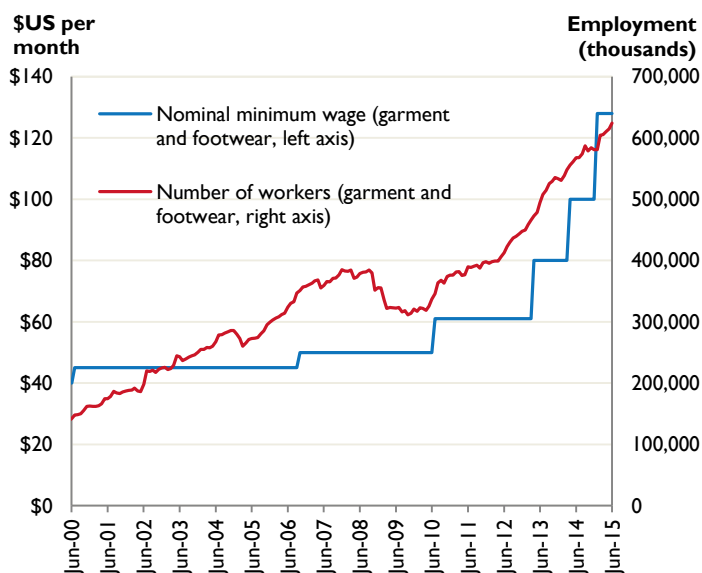
A national tripartite workshop was organized by the Ministry of Labour and Vocational Training (MoLVT) in early September 2015, with ILO support, to present data related to the social and economic criteria for adjusting the

minimum wage setting for 2016. The objective was to disseminate all information to relevant stakeholders prior to negotiations and deliberations regarding a minimum wage adjustment. Under an agreement reached by the government, union and employer representatives on 16 June 2014, the Labour Advisory Committee (LAC) would review the minimum wage annually, and would consider agreed social and economic criteria for minimum wage fixing.

The process commences in the third quarter of each year, with a new *Prakas* (ministerial order) issued in the fourth quarter, to have the new minimum wage come into effect on 1 January the following year.¹⁹ The MoLVT serves as the Secretariat of the LAC and facilitates and coordinates the process, which involves tripartite dialogue, comprising representatives from unions, employers and the government itself. The ILO continues to provide technical support to the LAC Secretariat.

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 recommendations on the minimum wage level to the Ministry. 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.

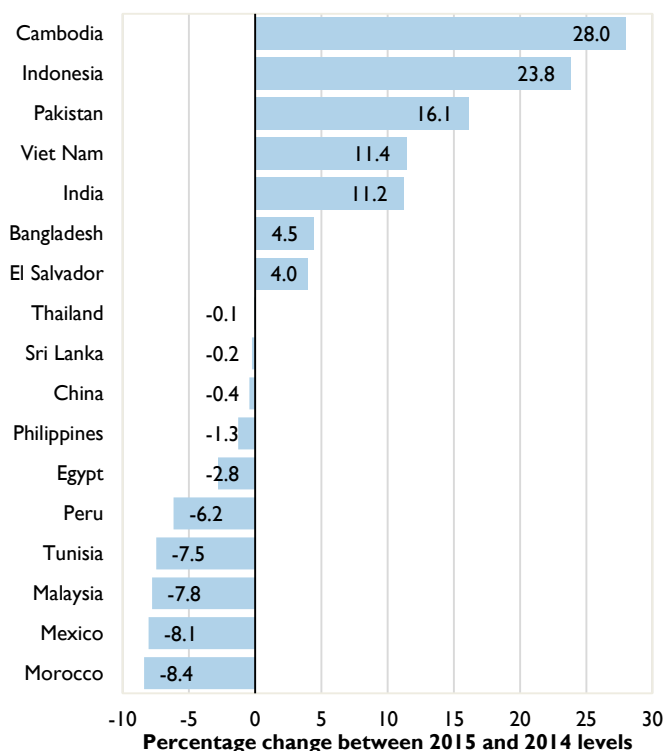
Figure 12. Minimum wage (monthly) and employment in garment and footwear sector, 2000-2015 (nominal US\$ and number of workers)



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.

¹⁹ See Labour Advisory Committee Statement (dated 16 June 2014).

Figure 13. Percentage change in lowest monthly minimum wage of unskilled garment workers in 2015 over 2014 (nominal US\$ terms)



Source: ILO Compilation based on official records. Note: All rates refer to the lowest skill grade and the overview reflects relevant rates in the main apparel-producing locations. Note that where there are multiple regional minimum wages, the change in the lowest of these rates was used.

The growth of Cambodia’s minimum wage in 2015, in nominal US\$ terms, was higher than that of its competitor countries (see Figure 13).²⁰ Figure 13 shows the difference between the 2015 and 2014 minimum wages in a range of garment-producing countries, expressed as a percentage, without adjusting for inflation. The minimum wages are compared in nominal US dollar terms – countries experiencing currency depreciation may have seen a decline in their minimum wages in US dollar terms, even if those wages did not fall in local currency terms.

Cambodia’s minimum wage started from a comparatively low base before the series of increases in the past five years. The current level of \$128 is still lower than that of competitors such as China, the Philippines and Thailand, although each of those countries has higher aggregate labour productivity than Cambodia.²¹ Cambodia’s minimum wage is now above the level in Sri Lanka (\$66), Bangladesh (\$71) and Pakistan (\$99 to \$119).

7. Conclusion

The garment and footwear sector has continued to record strong growth during the first half of 2015 in all major indicators, including exports, employment, net factory openings and average monthly wages. Exports expanded by 12.7 per cent while employment rose by 10.2 per cent during the first six months of 2015, compared to the same period of 2014. At the same time 29 net new factories opened over the indicated period and average monthly wages earned by the workers rose to US\$ 169 during the first half of 2015 (up from US\$ 141 in the same period of 2014). The sector remained healthy during the first half of 2015.

It is hoped that these data and this analysis will be a useful input to informed discussion about the current state and future prospects of Cambodia’s garment and footwear industry, including the discussions on wage levels and minimum wage fixing.

²⁰ Note that because these calculations are based on US-dollar minimum wages, converted at market exchange rates, currency appreciation and depreciation affects the rate of growth recorded.

²¹ 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		2014	Q1	Q2
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	1 484	1 517	3 001
% growth (year-on-year)	8.7	18.9	11.2	9.3	11.8	15.7	7.3	5.5	10.2	9.3	10.6	14.8	12.7
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	1 347	1 372	2 719
% growth (year-on-year)	7.3	19.2	11.0	10.2	11.7	16.0	6.9	4.3	7.8	8.3	7.9	12.4	10.1
Footwear exports (US\$ million)	82	89	95	87	354	92	100	119	127	438	137	145	282
% growth (year-on-year)	32.0	15.6	15.6	-2.6	13.6	12.0	13.2	24.6	45.1	23.9	48.2	44.7	46.4
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	1 484	1 517	3 001
To United States (garment and footwear) ^{1/}	530	481	590	467	2 068	516	453	529	446	1 944	475	439	914
To European Union (garment and footwear) ^{1/}	360	435	593	540	1 929	440	513	786	718	2 458	623	667	1 290
To rest of world (garment and footwear) ^{1/}	269	315	413	326	1 324	385	355	370	306	1 415	386	411	797
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	1 347	1 372	2 719
To United States (garment) ^{1/}	519	471	578	458	2 026	497	435	514	426	1 872	447	413	860
To European Union (garment) ^{1/}	324	390	550	493	1 757	403	462	720	650	2 236	557	587	1 144
To rest of world (garment) ^{1/}	234	281	374	294	1 184	349	323	331	268	1 271	343	372	715
Total exports (footwear, US\$ million)	82	89	95	87	354	92	100	119	127	438	137	145	282
To United States (footwear)	11	10	13	8	42	19	17	15	20	72	28	26	54
To European Union (footwear)	36	45	43	47	172	37	51	65	69	222	66	80	147
To rest of world (footwear)	35	34	39	32	140	36	32	38	38	144	43	39	81
3. New Investment, factory openings and closures													
3a. New Investment Project													
Total CIB approved investment projects	41	32	34	53	160	44	48	42	15	149	37	26	63
Thereof: Garment and footwear projects^{1/}	29	17	19	24	89	25	32	15	6	78	19	19	38
Garment projects	25	15	14	21	75	24	29	13	6	72	17	12	29
Footwear projects	4	2	5	3	14	1	3	2	0	6	2	7	9
Total CIB approved projects (US\$ million)	212	2 128	260	1 882	4 483	446	382	626	150	1 604	2 873	255	3 128

	2013				2013	2014				2014	2015		
	Q1	Q2	Q3	Q4		Q1	Q2	Q3	Q4		Q1	Q2	HI
Thereof: Garment and footwear projects (US\$ million) ^{1/}	138	118	90	118	463	135	200	86	30	452	72	80	152
Garment projects (US\$ million)	103	103	67	100	374	127	174	77	30	408	64	42	106
Footwear projects (US\$ million)	35	15	22	18	90	7	27	9	0	44	8	38	46
3b. Factory openings and closures (registered factories) ^{1/}													
Total garment and footwear factories (end of period)	456	487	513	528	528	548	576	597	626	626	640	655	655
Garment factories (e. o. p.)	405	434	458	469	469	488	515	532	558	558	572	585	585
Footwear factories (e. o. p.)	51	53	55	59	59	60	61	65	68	68	68	70	70
Total net openings (garment and footwear) ^{1/}	17	31	26	15	89	20	28	21	29	98	14	15	29
Garment factories	14	29	24	11	78	19	27	17	26	89	14	13	27
Footwear factories	3	2	2	4	11	1	1	4	3	9	0	2	2
Openings (garment and footwear) ^{1/}	22	33	28	18	101	23	32	25	29	109	14	16	30
Garment factories	18	31	26	14	89	21	30	21	26	98	14	14	28
Footwear factories	4	2	2	4	12	2	2	4	3	11	0	2	2
Closures (garment and footwear) ^{1/}	5	2	2	3	12	3	4	4	0	11	0	1	1
Garment factories	4	2	2	3	11	2	3	4	0	9	0	1	1
Footwear factories	1	0	0	0	1	1	1	0	0	2	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	597	616	607
% change (year-on-year)	15.2	18.8	20.1	20.1	18.6	17.6	16.5	11.7	9.1	13.5	10.7	9.8	10.2
Workers in garment sector (period average, '000)	386	404	434	447	418	454	475	484	488	475	500	516	508
Workers in footwear sector (period average, '000)	72	78	82	86	80	85	87	92	93	89	97	101	99
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
Average monthly wage (garment and footwear, US\$) ^{4/}	119	121	127	128	124	137	145	152	146	145	164	174	169
Average monthly wage (garment workers, US\$) ^{4/}	121	123	129	129	126	139	147	153	146	146	165	176	171
Average monthly wage (footwear workers, US\$) ^{4/}	109	110	117	120	114	127	137	149	146	140	157	165	161
Real average monthly wage (garment and footwear, constant Dec. 2010 US\$) ^{4/ 5/}	110	111	114	114	113	121	127	131	127	127	143	151	147
Real average monthly wage (garment, Dec. 2010 US\$) ^{4/ 5/}	112	113	116	115	114	123	128	132	127	128	144	152	148
Real average monthly wage (footwear, Dec. 2010 US\$) ^{4/ 5/}	101	101	105	107	104	113	119	129	127	122	137	143	140
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	114.2	115.6	114.9
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%	1.0%	1.0%	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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