

14 September 2026

To: His Excellency the Minister, Ministry of Labour and Vocational Training, Kingdom of Cambodia

Copy: Members of the National Council on Minimum Wage

Subject: Joint Trade Union Position on the 2027 Minimum Wage for Workers in the Garment, Textile, Footwear, Travel Goods and Bag Sectors

Your Excellency,

We, the undersigned trade unions representing workers in Cambodia's garment, textile, footwear, travel goods, and bag sectors, respectfully submit this joint letter to present our unified position on the determination of the 2027 minimum wage.

We have agreed on a common proposal to set the 2027 minimum wage at USD 250.66 per month. This represents an increase of USD 40.66, a concrete step toward protecting purchasing power and meeting essential household needs. The proposed increase should be part of an ongoing process to progressively close the gap between the statutory minimum wage and a living wage.

This demand responds to the ongoing difficulty workers face in meeting their families' daily needs and maintaining financial security. Successive worker surveys, supported by government, United Nations, and other Cambodian research, indicate that current earnings remain insufficient for many workers and their families to afford adequate food, meet other essential needs, and cope with unexpected costs.

Renewed cost pressures after the pandemic

Pandemic-era research documented garment workers reducing food consumption to meet debt repayments during factory suspensions.¹ The 2022 and 2024 surveys capture later stages of recovery. In 2026, workers face renewed pressure as the Middle East conflict raises fuel, transportation, and production costs. The World Bank reports that inflation reached 5.8% in April, disproportionately affecting low-income households.² The minimum wage rose by only USD 2 to USD 210 in 2026.³ With the IMF projecting average inflation of 5.6% for the year, workers face further erosion of purchasing power.⁴

¹ CATU, CENTRAL and LICADHO, Worked to Debt: Over-indebtedness in Cambodia's Garment Sector (June 2020). Survey of 162 garment workers at three factories experiencing partial or complete work suspension during March–May 2020; not nationally representative. [Report](#).

² World Bank, Cambodia Economic Update: Navigating Shocks, June 2026. [Official summary](#).

³ [iii] Ministry of Labour and Vocational Training, Prakas 214/25, 17 September 2025, effective 1 January 2026. The minimum wage is USD 210 for regular workers and USD 208 for probationary workers. [English translation](#).

⁴ IMF, Staff Completes 2026 Article IV Mission to Cambodia, July 2026. The 5.6% figure is an annual-average inflation projection, not a January-to-January price change. [Statement](#).

Government, suppliers, and brands must share responsibility for protecting workers' livelihoods. Families cannot continue to absorb these shocks by eating less, borrowing more, or working longer hours.

Higher earnings have not secured adequate household consumption

The 2022 survey recorded average monthly individual earnings of USD 260 and household expenditure of USD 434.⁵ Preliminary findings from the June–August 2026 survey of 422 garment workers put these figures at approximately USD 300 and USD 504.⁶ Earnings rose by about 15% between these snapshots, while expenditure rose by about 16%, widening the gap from USD 174 to USD 204.

In both surveys, one worker's earnings covered only around 60% of household expenditure, consistent with the 61% reported in 2024.⁷ Although the samples differ, they reveal a persistent shortfall. A separate 2025 survey reinforces this concern, reporting take-home earnings of USD 287 against median expenditure of USD 391.⁸

Even combined family income offers limited reassurance. The preliminary 2026 survey reports average family income of USD 550, just USD 46 above household expenditure, with 58% of households comprising four to six members. This difference between averages does not demonstrate that families can meet their needs, save, or withstand unexpected costs.

Nutritional findings reinforce this concern. Reported average calorie consumption was 2,521 kcal per person per day in 2022, 2,162 kcal in 2024, and approximately 1,985 kcal in the preliminary 2026 findings. These progressively lower estimates raise concerns about adequate food intake, although samples and measurement methods may differ. The latest estimate is 10% below the 2,200-kcal reference used to construct Cambodia's official food-poverty line, reinforcing concerns about adequate food intake.⁹

Recorded expenditure cannot be treated as the cost of an adequate standard of living. It reflects what families can spend, including when they eat less or postpone essential purchases. Wage determination should account for the full cost of food, housing,

⁵ AFWA, Towards a Woman-Centred Living Wage Beyond Borders (2023), reporting findings from the 2022 survey. [Report](#)

⁶ AFWA with partner unions, Cambodia Living Wage Union Briefing, preliminary findings from the June–August 2026 survey of 422 workers.

⁷ AFWA, 2024: Path to a Living Wage, based on a survey conducted during December 2023–February 2024. The approximately 61% coverage ratio is calculated from the report's original-currency earnings and expenditure figures and does not depend on exchange-rate conversion. [Report](#)

⁸ CNV Internationaal, Wages That Work: Closing the Living Wage Gap in Cambodia's Garment Industry (2025).

⁹ World Bank, Cambodia Poverty Assessment 2022, discussion of Cambodia's official poverty-line methodology, p. 146. The 2,200 kcal reference is used in constructing a monetary food-poverty line. [Report](#).

healthcare, education, and other necessities, including needs that constrained budgets leave unmet.

Debt repayments and overtime limit financial security

Debt remains widespread: 65% of respondents in a 2025 survey and 75% in the preliminary 2026 survey reported having debt. Although the samples differ, both findings indicate that debt is a significant concern for workers' financial security.

Pandemic-era research at three factories found that average combined debt payments and food expenses exceeded workers' salaries, prompting borrowers to eat less to make repayments. Later research among borrowing households in Kampong Speu also documented reduced food consumption after borrowing.¹⁰ These studies illustrate how repayment pressures can squeeze spending on essential needs.

Workers also rely on overtime. The preliminary 2026 survey reports that 56% of respondents receive regular overtime, while the 2025 survey documents its widespread use. Our USD 250.66 demand concerns the statutory basic wage; the approximately USD 300 reported in the preliminary survey includes overtime and other payments. Total earnings therefore do not establish that wages are adequate for normal working hours.

The ILO's agreed understanding of a living wage is based on meeting workers' and families' needs within normal working hours.¹¹ Essential needs should not depend on working longer hours. For women, who make up the majority of survey respondents, additional paid hours also compete with unpaid household and care responsibilities, further pressuring rest, health, and family well-being.

A shared responsibility to deliver higher guaranteed wages

Our demand for USD 250.66 per month is an immediate step toward greater income security and wages that meet workers' and families' needs. Effective implementation requires coordinated action.

We respectfully call on the Ministry of Labor and Vocational Training and the National Council on Minimum Wage to:

1. Set the 2027 minimum wage at USD 250.66 per month for workers in the garment, textile, footwear, travel goods, and bag sectors.
2. Give meaningful weight to worker evidence on household costs, food consumption, debt, overtime, and family responsibilities, alongside economic indicators.
3. Assess wages against the cost of meeting essential needs, recognizing that constrained household spending may leave needs unmet.

¹⁰ LICADHO and Equitable Cambodia, Debt Threats (August 2023). Among 717 households with MFI/bank loans in Kampong Speu, 18.3% reported eating less after taking a loan; most reported no change. The sample covered different occupations and is not a garment-sector estimate. [Report](#).

¹¹ ILO, agreement on living-wage concepts and principles, 2024. [Living wages](#).

4. Publish the sector-specific data and assumptions used to assess productivity, competitiveness, employment, and profitability.
5. Ensure workers receive the full increase, without unlawful deductions or loss of existing entitlements.
6. Ensure meaningful participation by independent trade unions and a continuing process toward a living wage.

We call on suppliers to fully implement the increase, protect existing entitlements, and work with unions to improve working conditions. Higher wages must not be offset by excessive production targets or pressure to work longer hours.

International brands and buyers must support the increase through prices that cover higher labour costs, predictable orders, and timely payments. OECD guidance on purchasing practices that enable living wages reinforces these responsibilities.¹²

Higher guaranteed wages support workers' health, family well-being, and industry stability. We respectfully ask the Ministry to support our united proposal for USD 250.66 per month in 2027.

We remain committed to constructive dialogue with the Ministry, the Council, employers, and brands to secure a wage outcome that recognizes workers' contributions and meets their families' needs.

Thank you for your consideration.

Respectfully,

The Presidents of 11 Trade Union Federations

1. Mr. Kong Athit, Coalition of Cambodian Apparel Workers' Democratic Union (C.CAWDU)
2. Mrs. Yang Sophorn, The Cambodia Alliance of Trade Unions (CATU)
3. Mrs. Touch Seur, Free Trade Union of Workers of the Kingdom of Cambodia (FTUWKC)
4. Mr. Ry Sithyneth, Independent Trade Union Federation (INTUFE)
5. Mr. Soy Chanthou, Federation Union of Free and Independent (FUFU)
6. Ms. Chhim Sithar, Labor Rights Supported Union of Khmer Employees of NagaWorld (LRSU)
7. Mrs. Ou Tephallin, Cambodia Food and Service Workers' Federation (CFSWF)
8. Mr. Sal Kimsan, Cambodia Independent Trade Union Federation (CITUFED)
9. Mr. Sao SokSan, Federation Union of Labor Influence (FULI)
10. Mrs. Morm Chantha, Worker's Heart Union Federation (WHUF)

¹² OECD, Handbook on Due Diligence for Enabling Living Incomes and Living Wages in Agriculture, Garment and Footwear Supply Chains (2024). [Handbook](#).

11. Mr. Seang Rithy, Cambodian Youth Power Union Federation (CYPUF)