FACT SHEET

Cambodia: The Garment Sector and Poverty Wages

LOW PAY, FEW RIGHTS

- One-third of Cambodians live on <u>less than one dollar per day</u>, making Cambodia one of the world's poorest countries.
- Garment-making is Cambodia's largest industry, accounting for 80 percent of exports.
- The majority of the 600,000 garment workers in Cambodia <u>are women</u>. Their labor generates \$5 billion annually for the Cambodian economy.
- Yet Cambodia has among the lowest minimum monthly wages in the industry.
- Garment workers risk injury or even death from lack of safety and health protections on the job. Factories often lock emergency exits or are located in unsafe buildings. In May 2013, two workers at a shoe factory lost their lives when part of the building collapsed.
- 90 percent of garment workers have no permanent contracts and are instead employed under fixed-duration contracts.
- Without formal employment, workers on contract fear they will lose their jobs if they demand better working conditions.
- Garment workers on contract also are prevented from accruing seniority and related benefits, and women workers suffer discrimination when taking maternity leave or tending to other family-related duties.
- Cambodian workers who collectively demand better working conditions through unions are frequently fired, intimidated, arrested and subject to violence, often leading to serious injuries and death, according to the International Trade Union Confederation (ITUC).

WORKERS DEMAND CHANGE

- In late 2013, a government-appointed committee announced that a minimum living wage should be between \$167 to \$177 a month. The minimum wage for garment workers at the time was \$80 a month.
- In December 2013, tens of thousands of garment workers demanded the government double the minimum wage, which then stood at \$80 per month. Their demand was rejected by the manufacturers association, their employers.
- Protests continued in January 2014 as the government announced a \$15–\$20 per month increase, with workers saying the new wage was still below the \$120 per month poverty line determined by the International Labor Organization.
- During the January 2014 protests, Cambodian security forces shot into crowds of striking workers, killing at least five, injuring more than 60 and resulting in the arrests and dismissals of dozens of workers and union leaders.
- In September 2014, garment workers began another series of protests, demanding \$177 per month and directing their protests at global clothing brands.
- Following the protests, a handful of global brands, including H&M and Zara, <u>said</u> they would pay more for clothing manufactured in Cambodia.
- In November 2014, the Cambodia government raised garment workers' minimum wage to \$128 per month, just \$8 above the poverty line. Workers and their unions say it is not enough for workers to support themselves and their families.