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## Settling for \$194: Parties agree to raise monthly wage to \$192 with PM topping up \$2

Yin Soeum / Khmer Times



Factory workers buy food after leaving their workplace in Phnom Penh. KT/Siv Channa

The Ministry of Labour has set next year's minimum wage for garment workers at \$194 per month following days of the tripartite negotiations. This is a \$2 increase from this year's wages despite the industry being hard hit by the Covid-19 outbreak.

In the statement issued yesterday, the ministry said the unions proposed an increase to \$204, employers wanted \$188 while the government wanted \$192.

All parties finally agreed to an increase to \$192.

The statement said Prime Minister Hun Sen decided to add \$2 on top of the \$192 for all workers in the shoes, textile, and bag production industry.

“As of January 1, 2022, workers in garment, textile and bag production will receive \$192,” the statement said.

However, some garment workers yesterday voiced disappointment over the small wage increase, saying they expected more.

Drok Sovan, a garment worker in Yi Da factory in Kandal province told *Khmer Times* yesterday that she was “very shocked to hear about the little increase which the Ministry of Labour announced.

She said she could not believe in the new figure which had been agreed upon because previously she had been told that trade unions were demanding for \$214 and later reduced the amount to \$204.

Sovan said the final amount of only \$194 is hard to accept because the workers need to survive.

“Oh, my God, nowadays very high inflation is affecting all of us. We are already working very hard for low wages and with \$194 we cannot even pay for our food and taxi to go home every day and also rental,” Sovan said.

Another worker Mao Srey Mom, working in Te Yong factory in Kandal province, said that it was very bad news for all workers as they were expecting \$214, not \$204 or \$194, in order to survive.

She said that due to Covid-19 layoffs, her husband has been unemployed for two years and she was the only one working to support him and their two children.

Cambodian Labor Confederation president Ath Thorn told *Khmer Times* yesterday that he was among a few union leaders who voted against the \$192 wage increase.

He said he had been expecting from the beginning that through several rounds of negotiation they would succeeded in getting the \$214 that the workers wanted.

On a report that workers could go on strike if the wage increase was not satisfactory, Thorn said he would go down to the ground and ask members of the confederation what they wanted to do.

Center for Alliance of Labour and Human Rights programme manager Khun Tharo told *Khmer Times* yesterday, the wage increase for workers is very little because \$2 could only buy three meals from vendors in front of factories. He said that based on data from institutions such as the Asian Development Bank, that due to inflation alone, a more realistic wage increase would be in the region of \$4 to \$5.



Minister of Labour Ith Samheng (C) signs a document on setting the 2022 minimum wage for workers. Ministry of Labour

Garment Manufacturers Association in Cambodia (GMAC) deputy secretary-general Kaing Monika told *Khmer Times* yesterday that even a \$2 wage increase would have a negative impact on factory owners from the perspective of the global crisis they are undergoing and the need for Cambodia's economy to recover.

Monika said that with these extra costs, manufacturers will also have to pay for regular Covid-19 tests for workers and provide masks and sanitisers among others.

He noted that all these would push operational costs up by \$3.5 to \$4.per worker.