

New Minimum Wage for the Textile, Garment, Footwear, Travel Goods, and Bag Sectors for 2025

(The Ministry of Labour and Vocational Training (MLVT) has issued Prakas No. 211/24, dated 20 September 2024, concerning the new minimum wage for workers in the textile, garment, footwear, travel goods, and bag sectors for the year 2025)

The Ministry of Labour and Vocational Training (MLVT) has issued a Prakas establishing the new minimum wage for 2025 for workers in the textile, garment, footwear, travel goods, and bag sectors. The minimum wage is set at US\$208 per month, representing a US\$2 increase from the 2024 wage.

For probationary workers, the minimum wage is US\$206 per month, which will increase to US\$208 per month after successfully completing the probation period.

For piece-rate workers, their compensation is based on production levels. If their earnings from production exceed the minimum wage, they are entitled to the higher amount. However, if their earnings fall below the minimum wage, employers must adjust their pay to ensure it meets the minimum wage of US\$208 for regular workers and US\$206 for probationary workers.

This wage standard applies solely to the textile, garment, footwear, travel goods, and bag industries and will take effect on 1 January 2025.

Commentary

Minimum wage discussions are held annually unless otherwise determined by the National Council on the Minimum Wage. The final minimum wage is established through a Prakas issued by the MLVT.

As a trusted professional firm, KPMG Cambodia is pleased to discuss how these updates may impact your business. For more information or any related inquiries, please feel free to contact us.

Contact us

Phnom Penh

PO Box 2352 35th Floor, GIA Tower, Sopheak Mongkul Street, Diamond Island, Sangkat Tonle Bassac, Khan Chomkarmon, Phnom Penh, Kingdom of Cambodia

T +855 (17) 666 537 | +855 (81) 533 999

Scan to visit our website: kpmg.com.kh Email: info@kpmg.com.kh So Dary Partner

T +855 17 666 537 E daryso@kpmg.com.kh Richard Nuttall Director

T +855 17 666 537 E richardjosephnuttall@kpmg.com.kh Neou Seyla Associate Director

T +855 17 666 537 E nseyla@kpmg.com.kh



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