

Technical update

October 2025

Implementation of New Minimum Wage for 2026 in the Textile, Garment, Footwear, Travel Goods, and Bag Industries

Effective Date: 1 January 2026

Ministry of Labour and Vocational Training (MLVT) – Prakas No. 214/25

On 17 September 2025, the MLVT issued Prakas No. 214/25, officially setting the minimum wage for workers/employees in the textile, garment, footwear, travel goods, and bag industries for the year 2026.

Key Provisions:

- **Effective Date:** 1 January 2026
- **Minimum Monthly Wage:**
 - Regular workers/employees: USD 210
 - Probationary workers/employees: USD 208
- **Piece-Rate Workers/Employees:**
 - Wages are based on actual output. If output-based earnings exceed the minimum wage, workers/employees are entitled to the higher amount.
 - If earnings fall below the applicable minimum wage, employers must top up wages to meet:
 - ❖ USD 208 for probationary workers/employees
 - ❖ USD 210 for regular workers/employees
- **Other Benefits:** All existing benefits and entitlements remain unchanged.

Commentary

This latest wage adjustment reflects the Royal Government of Cambodia's continued commitment to enhancing labor standards and improving the livelihoods of workers/employees in key manufacturing sectors. Employers are encouraged to review their current payroll practices and ensure full compliance with the updated wage requirements by the effective date.

How KPMG Can Help:

KPMG Cambodia is well-positioned to assist businesses in reviewing their payroll systems and ensuring compliance with the latest labor regulations. Our team offers payroll compliance reviews and advisory services to help ensure your company remains fully aligned with Cambodian labor law and all relevant regulatory requirements.

Contact us

Email: info@kpmg.com.kh **Tel:** +855 (17) 666 537

So Dary

Partner

E daryso@kpmg.com.kh

Richard Nuttall

Director

E richardjosephnuttall@kpmg.com.kh

Neou Seyla

Associate Director

E nseyla@kpmg.com.kh

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