KPMG

Technical Update

November 2026



Implementation of the New Minimum Wage for 2027 in the Textile, Garment, Footwear, Travel Goods, and Bag Industries

The Ministry of Labour and Vocational Training ("MLVT"): Prakas No. 226/26 dated 30 September 2026 on the Determination of Minimum Wage for Workers/Employees in the Textile, Garment, Footwear, Travel Goods, and Bag Industries for 2027

On 30 September 2026, the MLVT issued the above Prakas, which sets the 2027 minimum wage for workers/employees in textiles, garments, footwear, travel goods, and bags.

Key Provisions

Effective Date: 1 January 2027

Minimum Monthly Wage:

- Regular workers/employees: USD 212 per month
- Probationary workers/employees: USD 210 per month

Piece - Rate Workers/Employees:

- Piece-rate workers/employees are paid based on their actual output. If their output-based earnings exceed the applicable minimum wage, they are entitled to a higher amount.
- If their output-based earnings fall below the applicable minimum wage, the employer must pay the difference so that each worker/employee receives at least:
  - USD 210 for probationary workers/employees
  - USD 212 for regular workers/employees

Additional Allowance: A temporary monthly allowance of USD 2.50 will continue to apply in 2027, in addition to the existing transportation and accommodation allowances.

Other Benefits: All other existing benefits and entitlements of workers/employees remain unchanged.

KPMG Commentary

This wage adjustment reflects the Royal Government of Cambodia's continued efforts to strengthen labour standards and improve living conditions for workers in key manufacturing industries. Employers in the affected industries should review their payroll arrangements and make the necessary adjustments to ensure compliance with the revised minimum wage by 1 January 2027.

© 2026 KPMG Cambodia Ltd., a Cambodian single member private limited company and a member firm of the KPMG global organization of independent member firms affiliated with KPMG International Limited, a private English company limited by guarantee. All rights reserved.

KPMG Cambodia can help businesses review their payroll processes and compliance frameworks in light of the updated requirements. Our team provides payroll compliance reviews and practical advisory support to help organizations meet their obligations under the Cambodian Labour Law and related regulations.

If you need help with minimum wage compliance in Cambodia, please contact us.

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

Try Kagna
Manager
E ktry@kpmg.com.kh

Chhorn Sreypov
Manager
E schhorn@kpmg.com.kh

The information contained herein is of a general nature and is not intended to address the circumstances of any particular individual or entity. Although we endeavour to provide accurate and timely information, there can be no guarantee that such information is accurate as of the date it is received or that it will continue to be accurate in the future. No one should act on such information without appropriate professional advice after a thorough examination of the particular situation.

© 2026 KPMG Cambodia Ltd., a Cambodian single member private limited company and a member firm of the KPMG global organization of independent member firms affiliated with KPMG International Limited, a private English company limited by guarantee. All rights reserved.

The KPMG name and logo are trademarks used under license by the independent member firms of the KPMG global organization.

Scan to visit our website: kpmg.com.kh