

# Garment workers get US\$6 raise to cope with inflation

**C**ambodian garment manufacturers and labor unions have agreed to a US\$6 monthly raise for factory workers, averting potential further strikes by employees struggling to make ends meet, officials said yesterday.

More garment workers had threatened to walk off their jobs this month unless they got a pay raise to keep up with the soaring food prices currently afflicting many poor Cambodians.

Employers and union representatives have been negotiating for weeks on how much to increase average monthly wages of US\$50. A breakthrough was found Monday when the government prodded manufacturers to increase the wage by US\$6 to keep workers on their production lines.

Chuon Mom Thol, president of the Cambodian Union Federation, which has more than 70,000 members, said he originally demanded an increase of up to US\$15 a month.

He said that although he found the US\$6 raise unsatisfactory, "it is still better than not getting anything at all."

Rang Chun, president of Cambo-

dian Confederation of Unions was worried about how long the raise would last. "Can the bonus be cut off by factory owners after goods price decrease or not?" he asked. "Trade Unions want the US\$6 bonus to be included in base salaries. This issue will be raised in the meeting Friday."

Van Sou Ieng, president of Garment Manufacturers Association of Cambodia, said employers had agreed to the government-proposed raise but "we will not go further than that."

He complained that the raise will add to production costs and make Cambodia "less competitive" in garment exports.

"Unions must also improve productivity rather than just asking for an increase of wages," he said.

In a statement issued Monday, Cambodian Social Affairs Minister Ith Sam Heng called on workers who have been striking at some factories to end their protests. He urged them to return to work for the "benefit of yourselves, of the factories and our whole nation."

Without a pay raise while prices keep climbing, factories would have

been likely to see a lot of workers walking off their jobs, said Chea Mony, president of the Free Trade Union of Workers.

He said many of his union's 80,000 members had already begun looking for other jobs but the US\$6 raise could be "sufficient enough" to make them stay on.

"It will help them with their daily spending and to avoid staging more strikes ... but only if food prices begin to drop," Chea Mony said.

The garment industry is the major export earner in Cambodia, where some 35 percent of the country's 14 million people live on less than US\$0.50 a day. The industry employs about 355,000 workers, mostly women.

Although high food prices alone are unlikely to pose a serious threat to Cambodia's economic growth, they are adversely affecting the country's poor, who spend approximately 70 percent of their total household consumption on food, according to the World Bank in its latest East Asian economic outlook update, issued yesterday. (AP)