

GARMENT WORKER DIARIES

SCRAPING BY: RESULTS FROM CAMBODIA

Sokhaeng is a 27-year-old garment worker who lives in the Meanchey district in the city of Phnom Penh, an area concentrated with garment factories.

She lives in a small, rented room with her husband, 29-year-old Pisen. Having only completed primary school, garment work is likely to pay the most of any profession she could pursue. Like hundreds of thousands of workers in Cambodia, Sokhaeng sits at a sewing machine for hours, turning pieces of cloth into garments destined for store shelves and mannequin displays in Western markets. She is also one of 187 women in Cambodia participating in the Garment Worker Diaries, a yearlong project capturing data on the lives of garment workers. As part of the project, a team of field researchers visits Sokhaeng, and the other participants, each week to ask detailed questions about her earnings and expenditures, working conditions, daily schedule, physical well-being, and major events that happened in her life.

The data collected from July to November 2016 show that Sokhaeng worked, on average, 51 hours per week. She earned about 3,300 riels per hour and her employer gave her a 4,000-riels meal allowance on the days she worked. While these averages suggest that Sokhaeng typically worked a legal number of hours and received the legal minimum wage, they mask the volatility that Sokhaeng experienced in her schedule and pay. For instance, she worked at least 60 hours in six weeks during July and August. By September, the number of hours she worked fell, staying comparatively low through October before briefly spiking in late November. There were periods when she worked substantially less or not at all.

For Sokhaeng, making ends meet was a continual struggle because of her low income, its volatility, and the demands on her and her husband's resources from a number of different directions. In addition to paying rent and buying food and household items for her and Pisen, Sokhaeng regularly had to send money back home to support the couple's child and aging and ailing parents. She also chose to attend beauty school with the hope of starting her own business one day, a decision that demands an investment of several million riels. To make ends meet from week to week, she needed to borrow large sums from her brother, buy and sell lotion as a side business, and, at times, cut back on major expenses like rent and food.

Sokhaeng's story is typical of the women participating in the Garment Worker Diaries study. The average age of workers in our sample is 28 years old, and most are married, though a sizable minority is single. Most workers have only completed some of their primary education, and like Sokhaeng, a majority of the sample works as sewers in their factories.

In addition to having similar demographic profiles as Sokhaeng, garment workers also faced similar working conditions as she did. Injuries within the factory were somewhat uncommon: only 49 injuries had been reported in the factories so far. Chronic pain was more rampant with over 1,200 instances of pain, such as eye soreness, arm and leg pain, and headaches, being reported. Most workers reported that they only felt safe at their factories some of the time. They also expressed concern regarding airborne pollutants and chemical smells within their factories, but only about half of those who expressed concerns had spoken with someone to try and ameliorate their situations.

Figure 1: How Safe Respondents Feel Inside their Factories

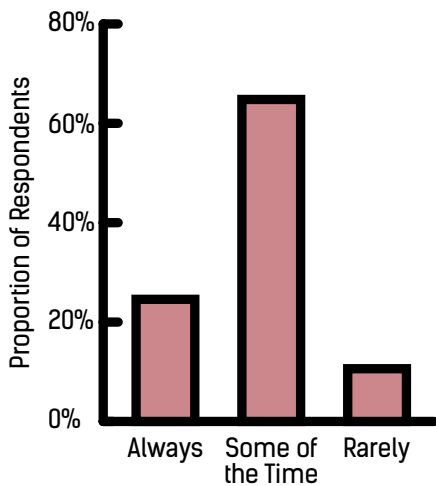


Figure 2: Respondents Receiving Minimum Wage

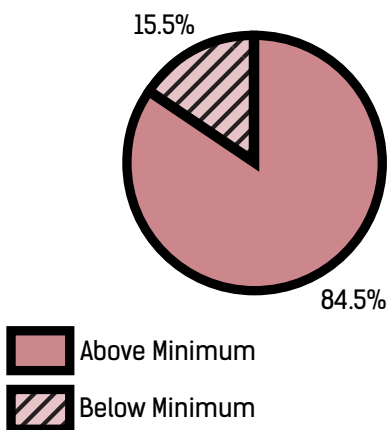


Figure 3: Household Expenditures by Spending Category

Spending Category	Share of Weekly Expenses
Food	59%
Housing Expenses	11%
Basic Services	6%
Household Items	6%
Health	5%
Agriculture & Construction	5%
Discretionary Spending	3%
Special Events	2.5%
Fuel	2.5%

Most garment workers worked an average of 48 to 60 hours per week in these conditions. However, this often fluctuated as changes in work orders and holidays shifted workers' schedules. Workers typically earned a wage that was above the minimum wage. However, about 15 percent of garment workers still reported earning less than minimum wage.

As we learned from Sokhaeng's story, the greatest struggle that workers faced was trying to spread their meager earnings over an entire month. On average, workers spent roughly 115,000 riels on household expenditures each week. They spent almost 60 percent of that on food, followed a distant second by housing expenses, which include both rent and utility payments. Generally, workers spent similar amounts of money per week on health-related items, such as medicine and hospital bills, and on basic services, such as transportation and airtime.

While the amount of money spent per week on housing seems small, it should be noted that many respondents, such as those living in Kampong Speu, did not pay rent. Looking just at rent payments, we see that the average size of rent payments made by the workers was 112,383 riels. Workers also spent an average of 33,372 riels per utility bill payment. In other words, the ability of workers to make ends meet had a lot to do with their housing costs, which varied considerably.

As workers juggled these many expenses, they used financial services to manage their money from paycheck to paycheck. Typically, workers used home savings and occasional cash transfers received from family and friends as a way to cover basic necessities when money was tight. At the same time, they were often obliged to send money to family members to help them make ends meet. Workers rarely made use of loans, but they did receive advances on their salaries from employers.

Despite the low pay, poor working conditions, and recurring expenses, workers in the study succeeded in finding ways to keep their households afloat. This, in part, was due to the high levels of financial capability among garment workers. In November 2016, we conducted a financial capability test, adapted from the Organization of Economic Development and Cooperation's (OECD's) survey, for all workers in our study. The test looked at financial knowledge as well as financial behaviors and attitudes. The sample's average score was 77 out of 100, placing them among the ranks of countries like France, Finland, and Hong Kong. It was these adept money management skills that enabled workers to navigate from paycheck to paycheck.

Sokhaeng and Pisen used all their money management skills to scrape by in the face of multiple challenges—poor work conditions, low wages, the erosion of the value of those wages through inflation and unfair practices by landlords, and demands from other family members who were themselves scraping by. Addressing those challenges requires the commitment of a number of different stakeholders, in particular the multi-national brands buying what Sokhaeng makes, the factories who employ her, and the government. Sokhaeng's story should be a powerful reminder to them and others of what is at stake.

*On April 3, 2017, one U.S. dollar equated to roughly 4,000 Cambodian riels; one British Pound equated to roughly 5,000 riels; and one Euro equated to roughly 4,300 riels.