
Labour Law

MLVT Issues Labour Law Directions

This update sets out the recent legal developments in Cambodia on labour law.

Minimum Wage Determination for Workers in Textile, Garment and Footwear Industries for 2020

On 20 September 2019, the Ministry of Labour and Vocational Training (“MLVT”) issued Prakas N389/19 on the Minimum Wage Determination for Workers in Textile, Garment and Footwear Sector for 2020 (“Prakas N389/19”). It will come into effect on 1 January 2020.

Based on Prakas N389/19, the minimum wage of workers in the textile, garment and footwear industries will be US\$ 190 per month. The minimum wage of workers on probation will be US\$ 185 per month. They will receive the prescribed minimum wage when they successfully complete the probationary period and become regular workers.

Piece-rate workers shall be paid based on the actual piece of work produced, if their current wage is greater than the prescribed minimum wage. However, in the event that their current wage is lower than the prescribed minimum wage, the employers must add the balance to make it equivalent to the prescribed minimum wage.

All other monetary benefits enjoyed by the workers remain the same.

Prakas N389/19 states that any stipulation agreed to by the employers and the affected workers that is contrary to it shall be null and void.

Types of Prohibited Work and Occupations for Foreigners

On 28 August 2019, the Ministry of Labour and Vocational Training issued Prakas N360/19 on the Determination of Types of Work and Occupation Prohibited to Foreigners (“Prakas N360/19”).

Based on Prakas N360/19, self-employed foreigners are banned from taking on the following work:

1. driver of all types of vehicles as a business (including two-wheeled drive, three-wheeled drive, motorcycle rickshaw (*tuk tuk*), all-terrain vehicle, passenger-carrying vehicle, goods-loading vehicle);
2. vendor selling goods in public area either on foot or using all types of vehicles;
3. massage service provider in public area;
4. barbers, hairdressers or beauticians;

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5. sewing service provider or shoes polishing service provider;
6. tailor or dressmaker;
7. tyre repairer or mechanic,
8. producer of Khmer souvenirs;
9. producer of Khmer musical instruments, monk's alms bowls or Buddha statues; and
10. goldsmith or processors of precious stones.

The MLVT will not issue or extend work permit or employment card to self-employed foreigners performing the above listed occupation.

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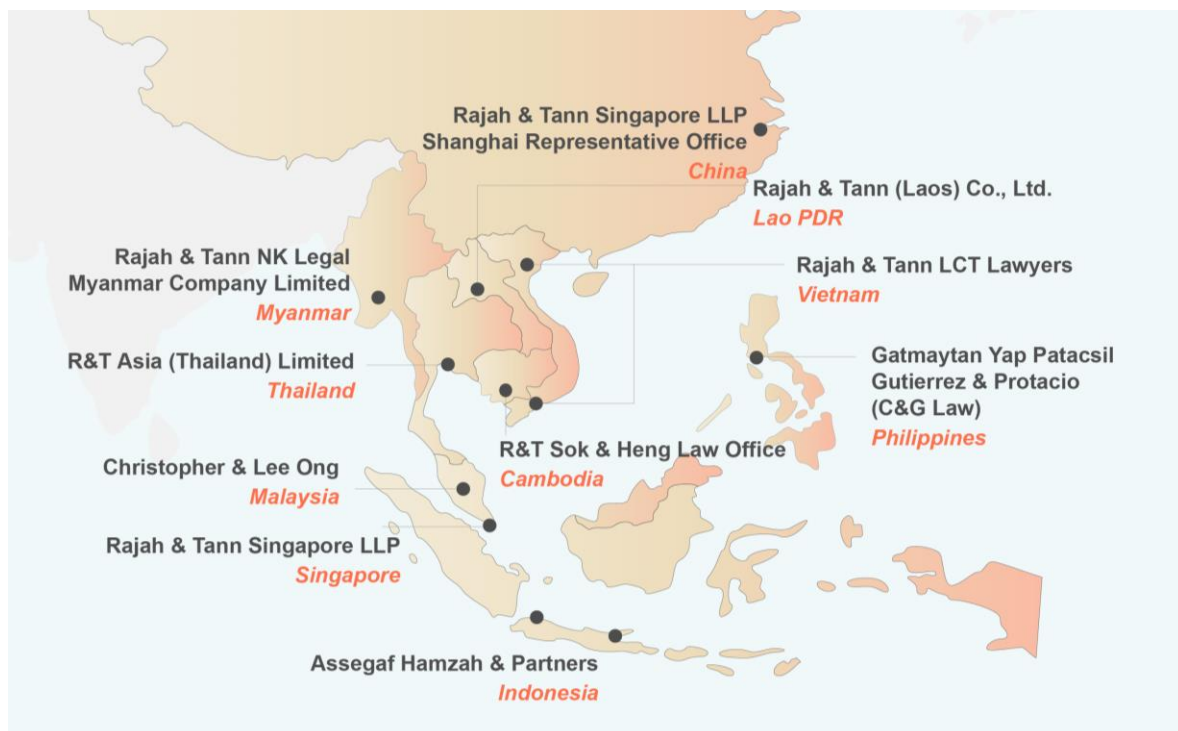
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