

LEGAL ALERT

Cambodia
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Proposed Labour Reforms in Cambodia

On 29 March 2019, the Royal Government of Cambodia hosted the 18th Government-Private Sector Forum (“G-PSF”).

At the initiative of the Prime Minister of the Royal Government of Cambodia, the G-PSF was formed in 1999 aiming to “build a mutual and strong relationship between the government and private sector to improve the investment climate in Cambodia”. The G-PSF and its correlating Private Sector Working Groups (“PSWGs”) provide a platform for the business community to engage in dialogue with Government to resolve problems ranging from long-term policy issues to day-to-day operations.

Throughout the year, ten PSWGs, covering a range of investment sectors, hold regular meetings with their Government counterparts to resolve arising problems. These meetings culminate in the G-PSF chaired by the Prime Minister.

During the Prime Minister’s Keynote speech, several proposed reforms pertaining to the labour legal framework were made including:

1. Reducing the number of public holidays: 7 holidays to be removed – effective in 2020;
2. Determination of duration and number of days for seniority payments;
3. Determination of the National Social Security Fund’s (“NSSF”) employment pension scheme contribution payment rates for both employers and employees;
4. Minimum wages in the garment, footwear and textiles sector; and
5. Reviewing the Labour Law in line with the new economic context.

Please note that these reforms will need to be addressed for implementation by the Ministry. We will continue to report when implementation takes place.

In the meantime, please see the summary of key details in the Prime Minister’s speech [here](#).

Should you have any questions or require any additional information, please contact [Matthew Rendall](#), [Phirum Ol](#), [Shan Berg Liew](#) at SokSiphana&associates.

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