

**KINGDOM OF CAMBODIA
NATION-RELIGION-KING**

**Ministry of Labour and Vocational Training
No: 443 MoLVT**

**Prakas
On
Seniority Payment**

Minister of Labour and Vocational Training

- Having seen the Constitution of the Kingdom of Cambodia
- Having seen Royal Decree No. NS/RKT/0918/928, dated September 06, 2018 on Appointment of the Royal Government of the Kingdom of Cambodia
- Having seen the Royal Code No. NS/RKT/0618,012, dated May 28, 2018 on the promulgated of Law on Organizing and Functioning of Office of Council Minister
- Having seen the Royal Code No. NS/RKM/0105/003 dated January 17, 2005 on the promulgated the Law on Establishment of Ministry of Labour and Vocational Training
- Having seen the Royal Code No. JS/RKM/0397/01, dated on March 13, 1997 on the promulgated on Labour Law
- Having seen Royal Code No. NS/RKM/0707/020, dated July 20, 2007 promulgated the Law on Amendment to Article 139 and Article 144 of the Labour Law
- Having seen Royal Code No. NS/RKM/0618/010, dated June 26, 2018 promulgated the Law on Amendment to Article 87, Point "C", Section 3 of Chapter 4, Article 89, Article 90, Article 91, Article 94, Article 110, Article 120 and Article 122 of the Labour Law promulgated by Royal Code No. Ch.S/RKM/0397/01, dated March 13, 1997
- Having seen Sub-Decree No. 283 OrNKR.BK, dated November 14, 2014 on Organization and Functioning of the Ministry of Labour and Vocational Training.

DECIDE

Article 1

This Prakas governs to all enterprises, establishments and those who are covered by the provisions of the Labour Law.

The seniority payment as stipulated in Article **89 (New)** of the Labour Law shall apply to workers (employees) whose contract is Undetermined Duration Contract only.

For workers/employee who have fixed duration contract, the employer shall provide the worker/employee with severance pay which is proportional to both wages and length of the contract and the amount of severance pay is stipulated in the collective agreement. If nothing is set in such agreement, the severance pay is at least equal to 5% (Five Percent) of the wages paid during the length of the contract.

Article 2

The seniority payment will be made 2 times per year and shall be implemented from 2019 in accordance with the following formalities:

1. The employer shall provide the employees (workers) who are working with a seniority payment equals to 15 (Fifteen) days per year of their wages and other benefits. This payment shall be paid to workers (employees) as following:
 - Equal to 7.5 (seven and a half) shall be made in June of every each year; and
 - Equal to 7.5 (seven and a half) shall be made in December of every each year.
2. For workers (employees) who have been employed in the first year and have worked consecutively from 1 (one) month to 6 (six) months, the employer shall provide the workers (employees) with 7.5 (seven and a half) days of seniority payment.

Article 3

The back pay of seniority payment before 2019 for the employees (workers) who is working in in the enterprise/establishment, shall be calculated as following:

1. For Textile, Garment and Footwear enterprise/establishment, the employer shall settle pay back of 30 (Thirty) days of total seniority in every one year:
 - Equal to 15 (Fifteen) days shall be made in June each year
 - Equal to 15 (Fifteen) days shall be made in December each year
2. For enterprise/establishment in other sectors beside Textile, Garment and Footwear sector, the employer shall settle the back pay of 15 (Fifteen) days of total seniority in every one year:
 - Equal to 7.5 (Seven and Half) days shall be made in June each year
 - Equal to 7.5 (Seven and Half) days shall be made in December each year

The maximum back pay of seniority payment that shall be paid to employees/workers shall not exceed than 6 (Six) months of the average net wages of each year.

For the first year of employment, the basis to settle the seniority payment are: the employer shall settle the seniority payment equal to 7.5 (seven and a half) days to the workers/employees have worked consecutively from 1 (one) month to 6 (six) months. If the length of the service is more than 6 (six) months, it is considered as one year and the employer shall settle seniority payment equals to 15 (fifteen) days.

The employees/workers who have seniority before 2019 from 1 (One) month up, shall receiving seniority payment from 2 (Two) sources: seniority payment before 2019 and the seniority payment each year.

For workers/employees who resign shall not receive the back pay of the remaining seniority.

Article 4

Any provision contrary to this Prakas shall be abrogated.

Article 5

Cabinet chief, Director General of General Department of Administration and Finance, Director General of General Department of Labour, Director of Labour Inspection Department, Director of Labour Dispute Department and units under the supervision of the Ministry of Labour and Vocational Training, Director of Municipal/Provincial Department of Labour and Vocational Training shall be highly implement this Prakas according to their respective duties from the date of signature.

Phnom Penh, September 21, 2018
Minister

(Signed and Stamped)
Ith Samheng

Recipients

- Office of the Council Ministers
 - General Secretary of the Royal Government
 - Cabinet of Samdech Techo Prime Minister
 - Cabinet of Samdech, Excellency, Lok Chumteav Deputy Prime Minister
 - Relevant ministries and institutions
 - All level of unions and associations
- “be notify”***
- In accordance to Article 5
- “be implement”***
- Royal gazette