

Annual Leave in Cambodia

Based on the principle of “no work-no payment of wage”, it is understood that employer pays wage to worker after the worker performs work or service for the employer. However, in realization of the right to life of workers under Constitution and the principle of good faith under the Civil Code, the Labor Law of Cambodia entitles workers to several leaves including weekly time off, public holiday, maternity leave, sick leave, special leave and annual leave. This article briefly discusses annual leave of the workers. Unless otherwise clearly stated in this article, article refers to article of the Labor Law.

Under the Labor Law, workers are entitled to paid annual leave at the rate of one and a half work days of paid leave per month of continuous service. Therefore, workers who have been working for continuous service of one year are entitled to 18 days of paid annual leave. The length of paid leave as stated above is increased according to the seniority of workers at the rate of one day per three years of service. (Article 166) The length of continuous service covers the entire period during which the worker has employment contract with the employer, even if the work was suspended without a termination of the contract. (Article 169) Provision of the collective agreement or employment contract that provides workers with number of annual leave more than 18 days per year is valid; and consequently it prevails over the provision of the Labor Law. (Article 166)

Furthermore, the right to use paid leave is acquired after one year of service. If the contract is terminated or expires before the worker has acquired the right to use his paid leave, an indemnity calculated on the basis as mentioned above is granted to the worker. During the life of employment contract, any collective agreement providing compensation in place of paid leave, as well as any agreement renouncing or waiving the right to paid annual leave is invalid. (Article 167)

Before the worker departs on leave, the employer must pay him an allowance that is at least equal to the average wage, bonuses, benefits, and indemnities, including the value of benefits in kind, but excluding reimbursement for expenses, that the worker earned during the twelve months preceding the date of departure on leave. This allowance is in no case less than the allowance that the worker would have received had he actually worked. (Article 168)

In principle, annual leave is normally given for the Khmer New Year unless there is a different agreement between the employer and the worker. In this case, the employer must inform the Labor Inspector of this arrangement. (Article 170) In practice, employers in most of the case include the arrangement on the use of annual leave in the internal regulations of the enterprises.

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