



Technical Update

June 2020

Labor – Schedule of Minimum Wage negotiations in the textile, garment and footwear sector for the year 2021

Ministry of Labor and Vocational Training (MLVT) - Notification No. 019/20 dated 10 June 2020 on the schedule of Minimum Wage negotiations in the textile, garment and footwear sector for the year 2021.

According to the Law on Minimum Wage, the MLVT issued a notification to inform the public, workers and employees and employers and professional organizations, about the schedule for the Minimum Wage negotiations in the textile, garment and footwear sector for the year 2021, as follows:

- July 2020: start of each party's internal discussions on the Minimum Wage
- August 2020: start of bilateral and tripartite discussions on the Minimum Wage
- September 2020: opening of the meeting of the National Council on the Minimum Wage to decide on the Minimum Wage in the textile, garment and footwear sector for the year 2021
- 01 January 2021: effective date of the Minimum Wage.

The MLVT also stated that during negotiations, parties must use official data and scientific research according to social criteria (family status, inflation rate and cost of living) and economic criteria (productivity, competitiveness of the country, labor market status and profitability of the sector) as stated in article 5 of the Law on Minimum Wage as well as the poverty line as the basis for discussions, internal coordination and a joint stance.

Lastly, parties must comply with the instructions and measures of the Ministry of Health in their meetings to prevent Covid-19 in Cambodia.

Contact us

KPMG Cambodia Ltd.

KPMG in Cambodia and Vietnam is one of the leading professional services firms, with over 1,700 staff working from our offices in Phnom Penh, Hanoi, Ho Chi Minh City and Da Nang. We work with our colleagues across Asia and around the world to provide a broad range of services.

Please contact us if you have any questions:

Phnom Penh

PO Box 2352
4th Floor, Delano Center
No.144, Street 169, Sangkat Veal Vong,
Khan 7 Makara, Phnom Penh,
Kingdom of Cambodia

T: +855 23 216 899
F: +855 23 216 405
E: kpmg@kpmg.com.kh

Michael Gordon

Senior Advisor
T: +855 23 216 899 (ext. 7222)
E: mgordon@kpmg.com.kh

Neou Seyla

Manager
T: +855 23 216 899 (ext. 7426)
E: nseyla@kpmg.com.kh

Max Howlett

Director
T: +855 23 216 899 (ext. 7424)
E: mhowlett@kpmg.com.kh

Bun Pesey

Manager
T: +855 23 216 899 (ext. 7425)
E: bpesey@kpmg.com.kh

Follow us on:



The information contained herein is of a general nature and is not intended to address the circumstances of any particular individual or entity. Although we endeavour to provide accurate and timely information, there can be no guarantee that such information is accurate as of the date it is received or that it will continue to be accurate in the future. No one should act upon such information without appropriate professional advice after a thorough examination of the particular situation.

© 2020 KPMG Cambodia Ltd., a Cambodian limited liability company and a member firm of the KPMG network of independent member firms affiliated with KPMG International Cooperative ("KPMG International"), a Swiss entity. All rights reserved.

kpmg.com.kh