

Reading Time: 2 minutes

Providing the right level of compensation and benefits in Cambodia will make a difference for your employees and business. Employees want a position that meets Cambodia's compensation laws along with a competitive benefit management plan. Your company needs to provide these benefits to attract the right candidates to your open positions and encourage longevity with your company. However, it can be challenging to source these benefits and ensure you're meeting the right laws.

Globalization Partners can help by providing Cambodia compensation and benefit outsourcing services. Our experts understand all of Cambodia's labor laws, and we'll act as the Employer of Record to also handle all compliance. When you work with us, you'll only have to worry about running your company.

Cambodia Compensation Laws

Your employee's minimum wage depends on two factors — industry and collective bargaining agreements (CBAs). For example, the textiles and footwear industries increased their minimum wage to \$170 a month in 2018. However, different industries may have their own minimum wage, and CBAs will typically outline separate Cambodia compensation laws.

Employees who work more than the standard eight-hour day or 48-hour workweek should get paid for overtime at one and a half times their regular wage. If they work at night, on a Sunday, or on a holiday, they should make two times their regular rate.

Guaranteed Benefits for All Employees

All employees must receive statutory benefits required by law. You can start by providing a Cambodia benefit management plan with time off for holidays and paid annual vacation. Cambodia celebrates 19 public holidays, many of which extend for multiple days. You should include paid holidays in an employment contract to make sure employees know when they get the day off.

Employees should also receive one and a half days of annual paid leave for each month they work. After three years of work for your company, they should get an additional day off per year. Female employees who have worked for you for at least one year should get 90 days of maternity leave at half their normal salary. Fathers should get one day of paid paternity leave.



How to Disperse Benefits in Cambodia

Once you draft the right Cambodia benefit management plan, you need to discuss how you will give benefits to employees. It can help to provide supplemental benefits that aren't required by law but will make a difference in employee satisfaction. Most employees expect a seniority bonus between \$2-11 a month that corresponds to their length of service after working one year. After working 11 years, the bonus should get capped at \$11.

Cambodian employees often expect the following additional benefits as well:

- Health care allowances
- Housing allowances
- Transportation allowances
- Attendance bonuses

Restrictions Related to Benefits and Compensation

Traditionally, companies looking to expand to Cambodia have to establish a subsidiary in the country before providing compensation and benefits. However, Globalization Partners provides Cambodia benefit and compensation outsourcing services to help you start working faster. You don't have to set up a subsidiary when you choose us, as we can use our existing Cambodia subsidiary. We'll make sure you meet the country's compensation laws and provide the right level of benefits to stay compliant.

Partner With Globalization Partners

Globalization Partners will strive to help make your expansion easier through Cambodia benefit and compensation outsourcing. Contact us today to learn more.

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