

RESOLUTION OF LABOUR DISPUTES: COLLECTIVE DISPUTES

According to Article 302 of the Labour Law of the Kingdom of Cambodia 1997 ("**Labour Law**"), stipulated that: *"A Collective labour dispute is any dispute that arises between one or more employers and a group of their employees. It is usually about working conditions, using the rights given to professional organizations (unions), recognizing a union inside a company, or the general relationship between employers and workers. This kind of dispute may disrupt business operations or disturb social peace."* This means that a collective dispute refers to a dispute that occurs between one or more employers with a group of employees or workers, relating working conditions, the exercise of rights, or other related issues.

On 04 March 2025, the Ministry of Labour and Vocational Training issued a new Prakas (Similar to announcement) No. 074/25 concerning the procedures for resolving collective labour disputes to establish a clear process to replace the previous procedures for resolving collective labour disputes between employers and employees, which had been set out in Prakas No. 317 dated 29 November 2001, on the procedures for resolving collective labour disputes.

In this article, we will explain on: **1. Procedures for Resolving Collective Labour Disputes; 2. Legal Effect of the Conciliation Report; and 3. Differences between the Old and New Prakas.**

WHAT'S NEW

On 06 May 2026, the Ministry of Labour and Vocational Training issued **Prakas No. 112/25** NA on the Procedures and Conditions for overtime work on paid public holidays and the suspension of weekly rest days.

1. PROCEDURES FOR RESOLVING COLLECTIVE LABOUR DISPUTES

A. Filing a Complaint

- **Competent Authority for Disputes Resolution:** When a collective labour dispute arises between an employer and a group of employees or workers, prior proceeds to the court or the Arbitration Council (Resolve Labour Dispute), either party may file a complaint to conduct conciliation first with the Department of Labour Disputes or the Provincial/Municipal Department of Labour and Vocational Training under the Ministry of Labour and Vocational Training..
- **Labour Inspector's Action:** Upon receiving a complaint, the Labour Inspector shall review the case file in order to take conciliation measures or conduct a labour inspection.
- **Ministerial Decisions:** After reviewing the case file, the Labour Inspector must report to the Minister of Labour and Vocational Training to appoint a conciliator within 48 (forty-eight) hours.
- **Conciliator's Action:** the Conciliation shall be conducted within 15 (fifteen) days, calculated from the date of the appointment by the Minister of Labour and Vocational Training.

Note: Filing a complaint as mentioned above applies in cases of collective labour disputes, except where both parties have a collective agreement that clearly provides for procedures for resolving such collective labour disputes, in which case resolving must follow the procedures set out in that collective agreement. With respect to any collective labour dispute that affects public security and public order, the Labour Inspector must immediately report to the Minister of Labour and Vocational Training to appoint a conciliator and must immediately conduct conciliation by proceeding to the site to gather information and conduct conciliation after receiving notice of the incident.

B. Conciliation Stage

- **First Invitation to Dispute Party:** After the complaint has been filed, the conciliator will invite both disputing parties to provide relevant information and documents in order to identify the main points of dispute and seek solutions in the conciliation of collective labour dispute. The collection of information must be conducted separately meaning that the conciliator will interview each party individually. A record must be prepared and signed by the conciliator, as well as signed or fingerprinted by the party providing the information and a copy of the record shall be given to the party providing the information.
- **Second Invitation to Dispute Party:** Once sufficient information has been obtained, the conciliator shall issue another invitation to all disputing parties to attend a joint meeting to conduct conciliation during this conciliation process, the parties shall be settle all dispute measures.
- **Penalties for Non-Participating Parties:** The disputing parties are required to attend all meeting by the conciliator. In cases of absence without valid reason, non-participating parties shall be entitled the penalties as set out in Article 363 (monetary penalty from thirty-one days to sixty days of the daily salary) of the Labour Law.

Example: An employee receives a monthly salary of 600,000 Riel (USD 150), in which daily salary is 20,000 Riel (USD 5) per day. In case the employee did not attend the meeting without valid reason, he/she will be entitled the penalties from (20,000 Riel × 31 days = 620,000 Riel or USD 155) to (20,000 Riel × 60 days = 1,200,000 Riel or USD 300).

- **Nullity of the conciliation procedure:** In case the complainant fails to cooperate or refuses to sign or fingerprint documents required by the conciliator in the course of the procedure in accordance with applicable laws and regulations, the complaint shall be deemed null. All complaint shall be deemed null as in case above shall not be accepted for this conciliation procedure.

C. Failure of Conciliation Process

- **Joint Request to the Minister:** After the first conciliation of collective labour dispute conciliation fails to reach agreement within 2 (two) working days, the disputing parties may jointly submit a written request to the Minister of Labour and Vocational Training for re-conciliation. Upon receiving the request, the Minister may appoint or replace a conciliator to conduct the second conciliation as set out in the procedures.
- **Failure of the Second Conciliation:** If the second conciliation does not succeed, the disputing parties shall not be entitled to request another conciliation. In this cases the dispute shall proceed to the Arbitration Council (Resolve Labour Dispute) or to a competent court for resolving the labour dispute.
- **Next Steps After Failed Conciliation:** Within 48 (forty-eight) hours after the collective labour dispute remains unresolved, the conciliator shall report to the Minister of Labour and Vocational Training. Upon receiving the report, within 3 (three) working days, the Minister of Labour and Vocational Training shall proceed to the Arbitration Council for continued proceedings.

2. LEGAL EFFECT OF THE CONCILIATION RECORD

For all conciliation meeting, the conciliator must prepare report clearly indicating whether the disputing parties (agree or disagree to settle). The report must be signed by the conciliator and by the disputing parties, either by signature or fingerprint and copies must be provided to the parties. Once the conciliation record are prepared, they shall have the following legal effects:

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- **Trade Union as Representative:** The agreement shall have the same legal effect as a collective agreement. In this regard, the agreement may be applied in future collective labour disputes or applied to other person as well.
- **Non-Trade Union Representation:** Where the participating employee representatives are not trade unions, the agreement shall be binding only upon the employees whom they represent.

3. DIFFERENCES BETWEEN THE OLD AND NEW PRAKAS

Based on the content of Prakas No. 317 issue dated 29 November 2001 (Old Prakas) of the Ministry of Social Affairs, Labour, Vocational Training and Youth Rehabilitation (Old name of Ministry of Labour and Vocational Training), and Prakas No. 074 dated 4 March 2025 (New Prakas) of the Ministry of Labour and Vocational Training, The key differences between the old Prakas and the new Prakas are as follows:"

A. Time Limits and Remedies After Failed Conciliation

- **Old Prakas (2001):** There were no measures provided for parties who failed to participate in the conciliation process, no clearly defined timeline for subsequent proceedings, and did not provide for the competent authority responsible for continues resolving dispute.
- **New Prakas (2025):** Clear provisions are established, such as requiring a written request in cases of failed conciliation, setting specific timelines for proceedings, and provide authority to the Arbitration Council to continue resolving the dispute.

B. Modernization of Letter Delivery Methods

- **Old Prakas (2001):** Letters had to be delivered either by postal mail or hand delivery.
- **Old Prakas (2025):** Letters may be delivered through modern means, including electronic systems or social media platforms, in order to ensuring faster, safer and traceability of document delivery.

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