



មជ្ឈមណ្ឌលអប់រំច្បាប់សម្រាប់សហគមន៍

COMMUNITY LEGAL EDUCATION CENTER

មជ្ឈមណ្ឌលអប់រំច្បាប់សម្រាប់សហគមន៍ ខ្នងផ្លូវជាតិលេខ១ ភ្នំពេញ ទូរស័ព្ទ: ០៩៣ ២១៥ ៥៩០ ទូរស័ព្ទ/ទូរសារ: ០៩៣ ២១១ ៧២៣ ប្រអប់រំប្រគល់ឈ្មោះ ១១២០ ភ្នំពេញ
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Have you ever thought of any type of employment contract, before signing it?

The Cambodian Labor Law 1997 defines two types of employment contracts. They are: **fixed duration employment contract** (FDC) and **Undetermined duration employment contract** (UDC) depending on the terms and conditions agreed upon the contract.

Now, in this article we discuss only **fixed duration employment contract**.

What are the criteria for fixed duration employment contract?

Cambodia's Labor Law states that the criteria for a contract which is a specific fixed duration employment contract is a contract which is made in a form that is *agreed upon by the contracting parties in writing with a specific starting and ending date and shall not be over two years*.

Article 67, paragraph 2 of the Labor Law says: "The labor contract signed with consent **for a specific duration cannot be for a period longer than two years. It can be renewed one or more times, as long as the renewal does not surpass the maximum duration of two years.**

Article 73, paragraph 5 of the same law determines that the employer shall inform workers of the expiration of the contract. If there is no prior notice, the contract shall be extended for a length of time equal to its initial duration or deemed as a contract of unspecified duration **if its total length exceeds the time limit specified in Article 67.**

According to the above Articles, **a fixed duration employment contract** can be made for any period of less than or equal to two years. However, if the duration of the contract initially signed continues over two years, the contract automatically becomes an **undetermined duration employment contract**.

Example: **Sok** signed an employment contract with his employer for a period of six months. At the end of this contract, **Sok** and his employer (the boss) agreed to renew that contract for another six month. This renewal continued five times. The total time for these five renewals was 30 months; this is more than two years. **Sok's** employment contract therefore, became an **undetermined duration employment contract**.

In a practical application of this, the Arbitration Council issued Award Case # 64/07, Award Case #02/04, and Award Case #10/03. These decisions were made based on the ILO's directive, 1982, No. 166, paragraph 3 and Article 67, paragraph 2 of the Cambodia's Labor Law. This means a contract can be renewed many times when the period of the renewal does not exceed two years. The calculation is based on the **total length** of the renewals not the length of each renewal.

In conclusion, we can say that **a fixed duration employment contract** will legally become an **undetermined duration employment contract** when the **total length of the renewals exceeds two years**. On the contrary, it is not valid for an execution, if the period of the performance exceeds two years, and the employee and the employer intend to change the undetermined duration employment contract to the fixed duration employment contract. To do so is not executable because it is against the Labor Law of the Kingdom of Cambodia.

In a later article we will discuss the legal consequences of a fixed duration employment contract.