

Increase of Overtime Caps

1 April 2022

At a glance...

In order to implement various solutions to support businesses and workers after the heavy impacts of the COVID-19 pandemic, the Ministry of Labour and the Government have recently proposed a change to the national overtime policy, particularly to increase the maximum permitted OT hours per month and per year of an employee.

On 23 March 2022, the National Assembly Standing Committee partly approved this proposal and signed off Resolution 17/2022/UBTVQH15 to increase the OT caps.

In detail...

Under Resolution 17, the OT caps currently stated in the Labour Code are increased as follows:

- Effective from 1 January 2022, the OT cap per year of an employee is increased from 200 hours/year to 300 hours/year, which will be applicable for all jobs (rather than applicable only for certain cases as is currently stated under the Labour Code).
- Effective from 1 April 2022, the OT cap per month of an employee is increased from 40 hours/month to 60 hours/month, which will be applicable to those businesses eligible for applying OT cap of 300 hours/year.
- Employers must obtain employees' consent for any OT cap increase and comply with all other OT regulations under the Labour Code, including the requirement of sending notices to the provincial Department of Labour.
- These OT cap increases are not applicable to the following:
 - a) employees under 18;
 - b) disabled employees;
 - c) employees doing heavy/hazardous jobs;
 - d) female employees who are pregnant, from the seventh month (or from the sixth month in certain special cases);
 - e) female employees who are nursing children under 12 months.

Contact us

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