

# Myanmar's Draft Employment Compensation Law 2018

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The Draft Employment Compensation Law 2018 (the Draft), published on or around August 2018, aims to refine the existing Workmen's Compensation Act. The Workmen's Compensation Act was issued on 1 July 1924, and the Law Amending the Workmen's Compensation Act was issued on 11 May 2005.

Under the Draft, a committee will be established to oversee all employment compensation matters (the Committee).

## Responsibilities of the Employer and Rights of the Employee

The proposed amendments or clarification set out in the Draft include:

- a. where an injury is caused to an employee arising out of his or her employment, the employer shall be liable to pay compensation and pay for medical treatment of the injury;
- b. the injured employee shall be examined by a qualified doctor (with valid accreditation / recognition) within 30 days of the injury;
- c. where death of an employee occurs within the workplace and/or whilst the employee is carrying out his or her duties during the course of employment, the employer must inform the relevant township officer within 24 hours of the death;
- d. all incidences of death, injury or disease suffered whilst the employee is carrying out his or her duties during the course of employment and/or arising out of the employee's employment must be notified to the Committee;
- e. an employee can file a complaint to the Committee if his or her employer fails to provide compensation or pay for medical treatment for injury arising from his or her employment.

The Draft Employment Compensation Law 2018 specifically provides that an employer will not be liable for injuries sustained by the employee during the course of his or her employment under the following circumstances:

- a. where the employee sustained the injury under the influence of alcohol or restricted drugs (as set out by the Ministry of Health);
- b. where the employee has breached safety regulations and/or rules aimed at ensuring the employee's safety; and
- c. where the employee fails to take safety precautions (including failing to wear or use safety devices provided for purposes of ensuring safety).

The Draft also sets out the compensation guideline in the event of permanent or partial disability.

## Penalties

If compensation is not provided in accordance with the compensation guideline, the employer can face a fine of

500,000 to 3,000,000 Kyats or imprisonment of 3 months to 2 years, or both.

## Conclusion

Where an employee has a valid employment contract establishing the employer-employee relationship, he or she will most certainly be able to exercise his or her right to seek compensation under the Employment Compensation Law when it comes into effect.

An employer must be aware of their duties under the Employment Compensation Law when it comes into effect, and must comply with the same.

## Your Key Contacts



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