

**Baker
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The Busy Employer's Guide - Asia Pacific:

A quick reference guide to key employment law provisions in Australia, China, Hong Kong, Indonesia, Japan, Malaysia, Philippines, Singapore, Taiwan, Thailand and Vietnam

Introduction

Welcome to **The Busy Employer's Guide - Asia Pacific**, a quick regional reference tool for employers and human resources professionals providing summary overviews of key provisions covering important aspects of the employment life cycle.

Drawing from the expertise of our regional Employment & Compensation team, consisting of over 80 lawyers, based in 12 countries in Asia Pacific, this Guide provides a macro perspective on key employment laws across the region, enabling the reader to quickly gauge the complexity of a jurisdiction and factor in what challenges must be navigated as a result.

The Busy Employer's Guide - Asia Pacific is but one of our growing suite of sophisticated resources, developed exclusively for the benefit of our clients, as part of our constant goal of providing the highest quality of service.

We look forward to continuing our partnership with you in Asia Pacific and beyond, guiding you through this fascinating, complex and constantly evolving legal landscape.



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Transfers

A quick guide to conditions under which employees may transfer from a seller to a buyer, looking at which countries require the employees' prior consent; a buyer company's responsibilities in relation to recognition of prior service; and the offering of no less favorable terms to the employees of a seller company.

Consent to transfer

Employee consent required:

Vietnam, Taiwan, Philippines, Malaysia, Australia, Thailand, China, Hong Kong, Indonesia, Japan

Exceptions:

- **Japan** - if the asset transfer is done by way of a corporate split or a merger
- **Hong Kong** - if the ownership of an employing entity changes but the employment relationship is unaffected (no transfer, no consent required)
- **Singapore** - transfer is automatic for most employees
- **Vietnam** - transfer is automatic in a merger

Assumption of responsibilities

Is the buyer company required to recognize the prior service of employees with the seller?



Hong Kong
Malaysia¹
(EA Employees)
Taiwan
Indonesia⁴
Singapore
Thailand⁶



Australia
China²
Malaysia³
(Non-EA)
Japan⁵
Philippines
Vietnam

Is the buyer company required to offer "no less favorable terms" to the seller company's employees?



Hong Kong⁷
Indonesia⁸
Singapore
Thailand



Australia
China
Japan⁹
Philippines
Malaysia¹⁰
Taiwan¹¹
Vietnam

Must the offer from the buyer company be on "no less favorable terms" to avoid paying severance?



Hong Kong
Australia
Indonesia¹²
Malaysia¹³
Singapore



China
Japan
Philippines
Taiwan
Thailand¹⁴
Vietnam











- 1 Recognition of prior service is only required where severance is not paid and the employees agree to the transfer.
- 2 Recognition of prior service is only required where severance is not paid and the employees agree to the transfer.
- 3 It is recommended to recognize prior service in order to secure employee's consent.
- 4 Unless the seller terminates the employment and gives their termination pay before the seller hires them.
- 5 It is recommended to recognize prior service in order to secure employee's consent.
- 6 The new employer is legally required to assume all rights and responsibilities for the transferred employees.
- 7 A new offer of employment on terms which are "no less favorable" is only required where severance is not paid and the employees agree to the transfer.

- 8 Unless the seller terminates the employees and gives their termination entitlements before the seller rehires them.
- 9 It is recommended to offer no less favorable terms in order to secure employee's consent.
- 10 For EA Employees, if the buyer does not offer "no less favourable terms", the seller will need to make payment of statutory termination benefits. For Non-EA Employees, they will be less inclined to migrate to the buyer entity.
- 11 In practice, the buyer company will usually offer "no less favorable terms" to the seller company's employees.
- 12 If transferred without termination of employment.
- 13 For EA and Non-EA Employees.
- 14 Severance pay is required only when there is a termination of employment, i.e., when the employee does not consent to the transfer.

Employment Discrimination

An overview of prohibited grounds for employment discrimination per country. A risk heat map for prohibited discriminatory acts shows an overview of the regulatory levels per jurisdiction.

Countries with laws prohibiting employment discrimination on the following grounds:

										
	Age	Nationality / Race / Ethnicity	Immigration Status	Religion	Gender	Sexual Orientation	Infectious Disease ¹⁵	Marital Status	Pregnancy	Disability
AUSTRALIA	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
CHINA		✓		✓	✓		✓	✓	✓	✓
HONG KONG		✓			✓		✓ ¹⁶	✓	✓	✓
INDONESIA ¹⁷		✓		✓	✓					✓
JAPAN		✓		✓	✓				✓	✓
MALAYSIA ¹⁸										
PHILIPPINES	✓	✓		✓	✓		✓	✓		✓
SINGAPORE	✓	✓		✓	✓			✓	✓	✓
TAIWAN	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
THAILAND	✓	✓		✓	✓	✓		✓		✓
VIETNAM ¹⁹		✓		✓	✓		✓	✓		✓

 Colored tick boxes prohibit discrimination for individuals with HIV/AIDS only

¹⁵ The scope of infectious disease varies from country to country.

¹⁶ Hong Kong law does not include a specific protection in relation to HIV / AIDS, however the prohibition against disability discrimination expressly states that a person's HIV-positive status is not an infectious disease for which a person may lawfully be discriminated against.

¹⁷ Indonesia also prohibits employment discrimination on the grounds of political alliance.

¹⁸ The Malaysian Federal Constitution, which prohibits certain acts of discrimination, does not govern private agreements between individuals. There have been proposals to introduce employment discrimination laws in Malaysia but no bills have been logged in the gazette thus far.

¹⁹ No sophisticated set of anti-discrimination laws yet, except with regard to gender-based discrimination. The main policy prohibits discrimination on the ticked grounds.

Risk of regulation for instances of discrimination



Risk Rating

The following ratings will be used to represent each level of risk:

- **high risk** - significant implications, and can be difficult or costly to mitigate
- **medium to high risk** - significant implications, but with mitigations can be managed
- **medium risk** - some degree of risk and mitigations required but these are generally reasonable and achievable
- **low to medium risk** - potential area of risk and some mitigations required, but these are reasonable and achievable
- **low risk** - limited or no degree of risk and limited / no mitigations required

AUSTRALIA	Employees may bring claims against an employer for discrimination on unlawful grounds. Such compensation is uncapped in most jurisdictions.
CHINA	While discrimination cases may be reported in the press, successful claims are rare and the damages awarded are generally very low.
HONG KONG	An employer who is found guilty of discrimination will be liable for damages, including injury to feelings. High awards for discrimination claims (up to almost HKD 3 million) have been made in Hong Kong, but are relatively rare.
INDONESIA	While Indonesia does not have a specific law on discrimination, the Labor Law imposes administrative sanctions for violation of provisions prohibiting workplace discrimination, which may include temporary closure or revocation of license to operate.
JAPAN	Discrimination may potentially have quite a significant impact on an employer's reputation. Gender discrimination claims are not very common but would draw media attention if filed.
MALAYSIA	There are currently no equal pay or employment-discrimination-related statutes, however workplace discrimination could result in a constructive dismissal claim. There have been proposals to introduce employment discrimination laws in Malaysia but no bills have been logged in the gazette thus far.
PHILIPPINES	While discrimination is generally prohibited, discrimination claims are not common in the Philippines. In most cases, an employee may instead lodge a complaint for illegal dismissal or constructive dismissal.
SINGAPORE	The Ministry of Manpower adopts the twin approach of advisory and deterrence with the cooperation of its Tripartite Partners. Complaints of alleged discriminatory workplace practices have been met with warnings and revocation of work pass privileges, albeit on a limited number of cases.
TAIWAN	This is an important topic in Taiwan although there are not many significant examples/cases relating to discrimination. There is a significant reputational risk if claims are brought against an employer for discrimination as well as potential personal liability for wrongdoers. Significant fines (between NT\$ 300,000 and NT\$ 1,500,000) may be imposed.
THAILAND	Criminal penalties including a fine of up to THB 20,000 may be imposed for violations.
VIETNAM	Employers who breach anti-discrimination regulations are subject to administrative sanctions. However, Vietnam has not yet developed a sophisticated legal framework to address discrimination, leading to low enforcement in practice.

Bullying

A quick guide to which countries have and do not have specific legislation prohibiting workplace bullying. A risk heat map for workplace bullying shows an overview of the regulatory levels per jurisdiction.



Risk Rating

The following ratings will be used to represent each level of risk:

- **high risk** - significant implications, and can be difficult or costly to mitigate
- **medium to high risk** - significant implications, but with mitigations can be managed
- **medium risk** - some degree of risk and mitigations required but these are generally reasonable and achievable
- **low to medium risk** - potential area of risk and some mitigations required, but these are reasonable and achievable
- **low risk** - limited or no degree of risk and limited / no mitigations required

AUSTRALIA	Claims may be brought under the Fair Work Act 2009 (Cth) in relation to bullying or harassment. Employers may be vicariously liable for the acts of their employees absent proper policies and training in place.
CHINA	There are no specific legal rules on bullying, although such behavior has serious effects on employee morale. There are some multinational companies in China that have implemented anti-bullying policies, but very few have grievance procedures.
HONG KONG	There is no anti-bullying legislation in Hong Kong.
INDONESIA	While there are no specific legal rules on bullying, an employee may have cause to terminate his/her employment if the employer commits certain prohibited acts, e.g., assault / humiliation of employee.
JAPAN	Japanese courts do not tend to award a large amount of damages for harassment/bullying. However, such harassment/bullying claims have caused significant reputational damage to companies in a number of cases. A new law which sets forth obligations for the employers to take measures against workplace bullying is expected to be enacted.
MALAYSIA	There are no harassment/bullying-specific laws in Malaysia. However, if complaints by employees are not properly addressed, the employer may be exposed to constructive liability risk.
PHILIPPINES	While there is no specific law prohibiting workplace bullying, an employee who is subjected to harassment/bullying may claim that he/she is being constructively dismissed and expose the employer to liability for illegal dismissal.
SINGAPORE	Harassment within and outside the workplace is an offense under the Protection from Harassment Act (POHA), which protects employees from harassment and related anti-social behaviour through the imposition of criminal sanctions, and also provides a range of self-help measures and civil remedies for victims of harassment. The Tripartite Advisory on Managing Workplace Harassment (TAMWH) serves as a guide for employers and employees to manage workplace harassment.
TAIWAN	According to the Occupational Health and Safety Act (OSHA), employers should implement adequate safety and health measures to prevent their employees from suffering wrongful physical or mental harm caused by the actions of others. Significant fines may be imposed.
THAILAND	Although there is no specific legislation on work place bullying, there is still a risk that the employees may file a claim in court against the wrongdoer based on the general civil and criminal laws.
VIETNAM	Vietnam's main policy generally prohibits maltreatment of employees but there are no specific regulations addressing bullying at the workplace, leading to low enforcement in practice.

- Countries WITH legislation prohibiting workplace bullying
- Countries WITHOUT legislation prohibiting workplace bullying

Sexual Harassment

A quick guide to which countries have and do not have specific legislation prohibiting sexual harassment. A risk heat map for sexual harassment shows an overview of the regulatory levels per jurisdiction.



Risk Rating

The following ratings will be used to represent each level of risk:

- **high risk** - significant implications, and can be difficult or costly to mitigate
- **medium to high risk** - significant implications, but with mitigations can be managed
- **medium risk** - some degree of risk and mitigations required but these are generally reasonable and achievable
- **low to medium risk** - potential area of risk and some mitigations required, but these are reasonable and achievable
- **low risk** - limited or no degree of risk and limited / no mitigations required

AUSTRALIA	Claims may be brought under the Fair Work Act 2009 (Cth) or anti-discrimination legislation in relation to sexual harassment. Employers may be vicariously liable for acts of their employees absent proper policies and training in place. Such compensation is uncapped in most jurisdictions.
CHINA²⁰	Successful sexual harassment claims are still rare, and damages awarded are generally very low. However, they are occasionally reported in the press and generally impact employee relations.
HONG KONG	While sexual harassment is prohibited in Hong Kong and the risk for damages is substantial (no maximum cap), the low frequency of claims and relatively high evidentiary threshold qualify this jurisdiction as low risk.
INDONESIA	While there are no specific legal rules on sexual harassment, an employee may have cause to terminate his/her employment if the employer commits acts which may fall under the definition of sexual harassment. Criminal penalties may apply.
JAPAN	Japanese courts do not tend to award a large amount of damages for harassment/bullying. However, such harassment/bullying claims have caused significant reputational damage to companies in a number of cases. NB: Japan is not a common law jurisdiction.
MALAYSIA	The Employment Act requires all employers to investigate any sexual harassment complaints made by an employee. If sexual harassment is proven, disciplinary action may be taken against the wrongdoer.
PHILIPPINES²¹	The Philippines has an anti-sexual harassment law and requires employers to have an anti-sexual harassment policy in the workplace, including a procedure for investigating cases of sexual harassment. Criminal penalties and fines may apply.
SINGAPORE	Harassment within and outside the workplace is an offense under the Protection from Harassment Act (POHA), which protects employees from harassment and related anti-social behaviour through the imposition of criminal sanctions, and also provides a range of self-help measures and civil remedies for victims of harassment. The Tripartite Advisory on Managing Workplace Harassment (TAMWH) serves as a guide for employers and employees to manage workplace harassment.
TAIWAN	In Taiwan, employers with 30 or more employees are legally required to have an anti-sexual harassment policy and complaints procedure in place. Significant penalties for violation and risk of personal liability for employer may apply.
THAILAND	Thai labor laws prohibit sexual abuse, sexual intimidation and sexual nuisance toward employees. Under the Labour Protection Act, a fine of up to THB 20,000 may be imposed to offenders.
VIETNAM	Vietnam's Labor Code prohibits sexual harassment at the workplace. However, there is no sophisticated set of anti-harassment laws yet.

- Countries WITH legislation prohibiting sexual harassment
- Countries WITHOUT legislation prohibiting sexual harassment

²⁰ Sexual harassment laws are gender-specific, designed to protect women.

²¹ Sexual harassment laws are position-specific, designed to protect subordinates.

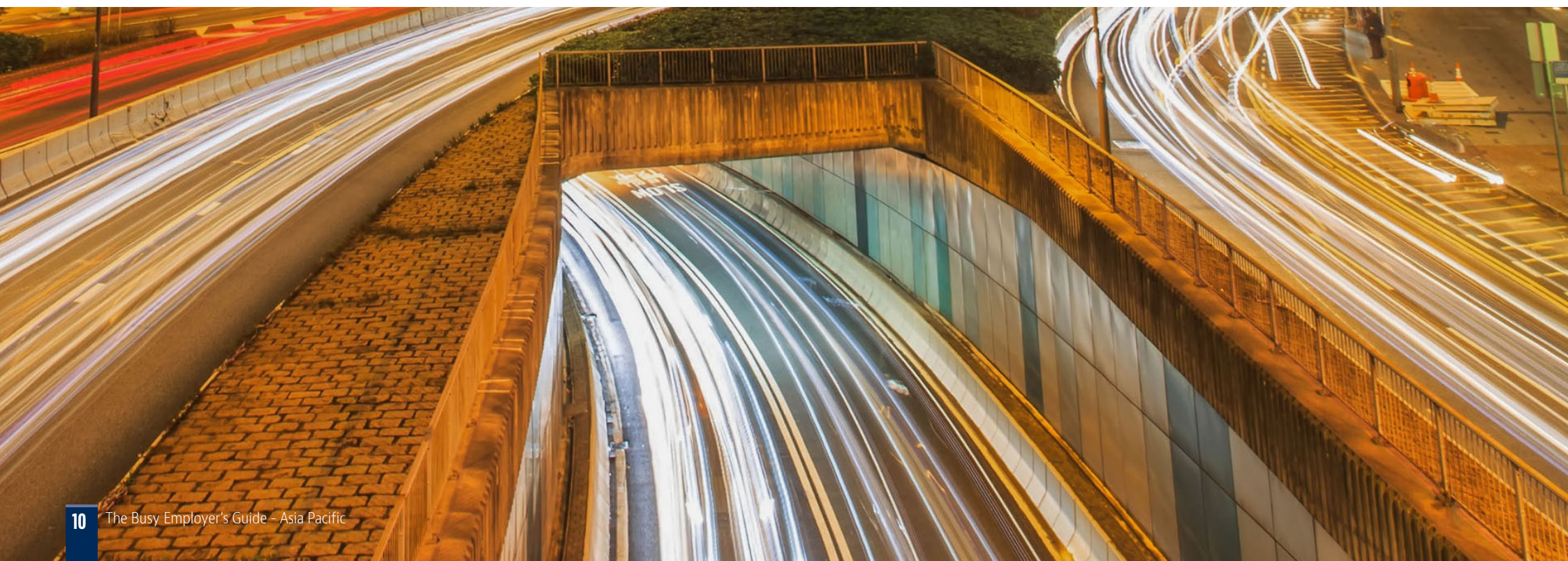
Sickness and Injury

A quick guide to statutory sick leave entitlements, work injury insurance requirements, and protection from termination during sickness/injury leave.

	STATUTORY ENTITLEMENTS DURING SICKNESS	WORK INJURY INSURANCE REQUIRED?	PROTECTED FROM TERMINATION DURING LEAVE?
AUSTRALIA	<ul style="list-style-type: none"> 10 days per year 	✓	✗
CHINA	<ul style="list-style-type: none"> Depends on employee's years of service: 1) in the Chinese workforce and 2) with the current employer; local regulations may apply 	✓	✓
HONG KONG	<ul style="list-style-type: none"> 2 paid sickness days per completed month of employment during the first 12 months, then 4 paid sickness days for each completed month thereafter (to a maximum of 120 days) 	✓	<ul style="list-style-type: none"> ✓ Except for summary dismissal due to serious misconduct
INDONESIA	<ul style="list-style-type: none"> Sickness pay is allowed as such: <ul style="list-style-type: none"> 1st four months of illness: 100% of salary 2nd four months of illness: 75% of salary 3rd four months of illness: 50% of salary each subsequent month of illness: 25% of salary (until termination of employment) 	✗	<ul style="list-style-type: none"> ✓ An employer may terminate an employee who has been continuously sick for 12 months.
JAPAN	<ul style="list-style-type: none"> No statutory sick leave; depends on employer's discretion 	✓	<ul style="list-style-type: none"> ✓ Only for work related injury/ illness
MALAYSIA	<p>Protected Employees²²</p> <ul style="list-style-type: none"> Hospitalization recommended - 60 days paid sick leave per year including non-hospitalization leave Hospitalization not recommended - 14 to 22 days paid sick leave depending on length of service <p>Non-Protected Employee - sick leave depends on the terms of the employment contract</p>	✓	<ul style="list-style-type: none"> ✓ Only for maternity leave unless the termination is pursuant to a closure of business

²² Employees in Malaysia are generally divided into two categories — those who fall within the ambit of the Malaysian Employment Act (EA) for West Malaysia; and those who fall within the ambit of the Ordinances for East Malaysia (collectively, the EA and the Ordinances will be referred to as "Legislation"). Those covered by the Legislation are referred to as "**Protected Employees**", and those falling outside the Legislation are referred to as "**Non-Protected Employees**". A Protected Employee is an individual: (i) whose wages do not exceed the prescribed threshold amount (MYR 2,000 for West Malaysia and MYR 2,500 for East Malaysia) per month, irrespective of occupation; or (ii) who is engaged in specific work (e.g., manual laborer, manual labor supervisor or commercial motor vehicle operator), regardless of wage amount.

	STATUTORY ENTITLEMENTS DURING SICKNESS	WORK INJURY INSURANCE REQUIRED?	PROTECTED FROM TERMINATION DURING LEAVE?
PHILIPPINES	<ul style="list-style-type: none"> No statutory sick leave but is common practice to provide 10-15 days of paid sick leave 	✘	✔
SINGAPORE	<ul style="list-style-type: none"> Outpatient non-hospitalization leave - 5 to 14 days Hospitalization leave - 15 to 60 days 	✔ <ul style="list-style-type: none"> employees doing manual work, regardless of salary level employees doing non-manual work, earning SGD 1,600 or less a month 	✔
TAIWAN	<ul style="list-style-type: none"> Half pay for the first 30 days of sick leave; no sick pay thereafter 	✔	✔
THAILAND	<ul style="list-style-type: none"> 30 paid working days of sick leave per year 	✘	✘
VIETNAM	<ul style="list-style-type: none"> The state social insurance fund pays for the employees' sick days using a formula which factors in the employee's salary and number of sick leave days 	✘	✔ Except for long-term disease/injury where the employee's capacity to work does not recover after a statutory treatment period.

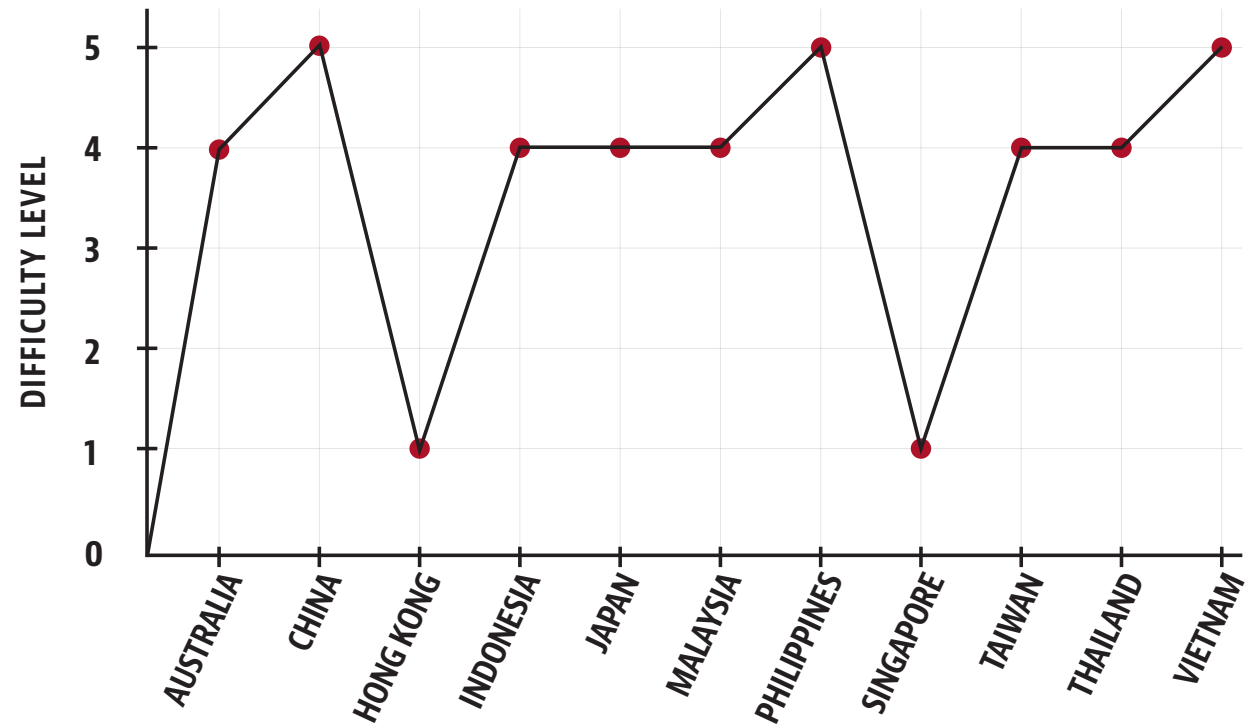


Terminations

A quick guide to employee terminations, identifying lawful grounds for termination, statutory notice periods, acceptability of payments in lieu of notice, protections from termination and consultation requirements for redundancy.










	Is a valid reason required to terminate employees?	Is "payment in lieu of notice" (PILON) allowed?
AUSTRALIA	✓	subject to agreement of the parties
CHINA	✓	✓
HONG KONG	✓	✓
INDONESIA	✓	subject to agreement of the parties and does not replace statutory termination payment
JAPAN	✓	✓
MALAYSIA	✓	✓
PHILIPPINES	✓	✗
SINGAPORE	✗	✓
TAIWAN	✓	✓
THAILAND	✗	✓
VIETNAM	✓	✓ ²³

How difficult is it to terminate employees in Asia Pacific?



²³ For termination, the employer is explicitly required to serve prior statutory notice, such that whether an employer can pay employees in lieu of notice is uncertain. PILON is generally accepted as long as there is no challenge from the employees.

Lawful grounds for termination

	 Serious misconduct	 Breach of contract / employer's policies	 Willful disobedience to lawful orders	 Gross neglect of duties	 Incompetence / poor performance	 Commission of criminal offense	 Disease / Injury	 Redundancy	 Fraud against employer
AUSTRALIA	✓	✓	✓	✓	✓	✓		✓	
CHINA	✓	✓		✓	✓	✓	✓ ²⁴		✓
HONG KONG	✓	✓	✓	✓	✓	✓	✓	✓	✓
INDONESIA		✓				✓ ²⁵	✓	✓ ²⁶	
JAPAN	✓	✓	✓	✓	✓	✓	✓	✓ ²⁷	✓
MALAYSIA	✓	✓	✓	✓	✓	✓ ²⁸	✓ ²⁹	✓	✓
PHILIPPINES	✓	✓	✓	✓	✓	✓ ³⁰	✓	✓	✓
SINGAPORE	No reason required to terminate an employee as long as requisite notice period or payment in lieu of notice is given.								
TAIWAN	✓	✓		✓	✓	✓		✓	✓
THAILAND	The employer can generally terminate an employee at any time for justifiable reasons subject to compliance with the required procedures and statutory payments.								
VIETNAM³¹	✓	✓	✓	✓	✓	✓ ³²	✓ ³³	✓	✓

24 Only if non-work-related and still cannot come back to work after statutory medical treatment period expires.

25 Upon finding of guilt by a court within 6 months of detention by the authorities.

26 Termination for efficiency measures (which is the reason closest to "redundancy" in the law) requires the company to be closed down. The commonly understood "redundancy" (i.e. reducing the number of workforce while keeping the company running) is not a reason for termination stated in the Labor Law.

27 In very limited situations, i.e., if there is economic hardship.

28 Depends on the offense committed, i.e., impacts the position or tarnishes the reputation of the company.

29 Employee's condition must be such that it severely cripples the employee's ability to perform his job responsibilities.

30 Must be committed against the employer or immediate member of the employer's family or duly authorized representative.

31 Grounds under columns 1-4 and 8 apply if listed as a cause for dismissal under the company's Internal Labor Regulations (ILRs).








32 Must have been sentenced by a court to prison or capital punishment.

33 Must be a long-term disease/injury where the employee's capacity to work does not recover after a statutory treatment period.

Notice periods for termination

AUSTRALIA	1 to 4 weeks depending on employee's length of service. No notice required for instances of summary dismissal.
CHINA	30 days - termination with severance payable. No notice - termination without severance payable.
HONG KONG	1 month unless otherwise stated in the employment contract (but not less than 7 days), with option to give payment in lieu of notice. No notice - Within 1st month of probationary period. 7 days - After the 1st month of the probationary period but before the completion of the probation period.
INDONESIA	None stipulated in the law. Employers must either reach a mutually agreed termination with the employee or obtain court approval to terminate an employee. Consider period required to conduct bipartite negotiations with employee/labour union, mediation (if needed) and submission of the decision to the Industrial Relations Court for approval.
JAPAN	30 days , with option to give payment in lieu of notice.
MALAYSIA	Notice period is based on the agreement of the parties. Except: 1. Protected Employees - in cases involving a change in the ownership of business or redundancy, minimum notice periods under the EA (depending on employee's length of service) apply. 2. Dismissal due to misconduct - no notice or payment in lieu of notice.
PHILIPPINES	Termination due to Just Cause 1. 1 written notice of charge/s to the employee with opportunity to explain (at least 5 calendar days for employee to submit explanation). 2. Hearing or conference with employee. 3. 1 written notice of termination, which can be with immediate effect. Termination due to Authorized Cause - 1 month prior notice to employee and labor authority.
SINGAPORE	Either the employer or the employee can terminate the employee's employment by serving the other party the required amount of notice as set out under the Employment Act and/or the employment agreement. Any notice period provided beyond the statutory requirements would be on a contractual basis.
TAIWAN	Termination without cause - 10 to 30 days depending on employee's length of service, with option to give payment in lieu of notice. Termination with cause - no notice or payment in lieu of notice required.
THAILAND	Indefinite Period Employee - Prior notice of termination given at least one pay period in advance , on or before any payday. No notice or payment in lieu of notice for termination due to statutory causes.
VIETNAM	3 working days to 45 calendar days depending on the type of labor contract and cause of termination. Payment in lieu of notice may be agreed upon by the parties.

Protected employees

	 Pregnancy / maternity leave	 Disability	 Sick Leave due to disease or injury	 Vacation / annual leave	 Union membership / non-membership	 Filing of complaint against employer / Has outstanding compensation claim	 Within 5 years from retirement age
AUSTRALIA	✓	✓	✓		✓	✓	✓
CHINA	✓	✓	✓ ³⁴		✓		✓ ³⁵
HONG KONG	✓	✓	✓	✓	✓	✓	
INDONESIA	✓	✓	✓		✓	✓	
JAPAN	✓		✓ ³⁶	✓	✓		
MALAYSIA	P M ³⁷	✓	✓ ³⁸	✓ ³⁹	✓	✓	✓ ⁴⁰
PHILIPPINES	✓	✓ ⁴¹			✓	✓	
SINGAPORE	✓				✓	✓	
TAIWAN	P M ⁴²		✓		✓		
THAILAND	✓				✓	✓	
VIETNAM ³¹	✓		✓ ⁴³	✓	✓		

P - Pregnancy **M** - Maternity Leave

Legends:

An employee may not be terminated: ■ By reason of | ■ During | ■ Both by reason of and during

³⁴ Only for work injury; if due to non-work-related injury/illness, protected only during statutory medical treatment period.

³⁵ Applies only if employee has at least 15 years of service with the company.

³⁶ Only for work-related injury/illness.

³⁷ Termination during maternity leave is not allowed except for closure of business.

³⁸ Unless it is due to prolonged illness such that the employment contract can no longer be fulfilled.

³⁹ Unless frequent unauthorised vacation is taken without reasonable excuse.

⁴⁰ Unless it is with employee's consent.

⁴¹ If employee can perform the work.

⁴² Except if the employer cannot continue business operations due to force majeure events and with prior approval from a competent authority.

⁴³ Except for long-term disease/injury where the employee's capacity to work does not recover after a statutory treatment period.

Redundancies: Consultation requirements

Complexity

■ High ■ Medium ■ Low

China	<ul style="list-style-type: none"> ➤ 30 days prior to termination - consult with company union or all employees if no union in case terminating 20 or more employees, or 10% or more of the workforce. If this threshold is not met, then company would have to consult with individual impacted employee about ways to amend the contract so it can continue to be performed and then may only terminate if consultation fails.
Vietnam	<ul style="list-style-type: none"> ➤ 30 days prior to termination - consult with union regarding the labor use plan and submit written notice of the redundancy to the local labor authority, providing mandatory details of the redundancy (supporting documents may be required)
Taiwan	<ul style="list-style-type: none"> ➤ 60 days prior to termination - may have to submit a severance plan if certain thresholds are met (depending on size of company and number of redundancies)
Indonesia	<ul style="list-style-type: none"> ➤ Labor authorities may need reason for redundancy exercise (supporting documents may be required). ➤ Bipartite negotiations for settlement with each employee within 30 days of notification ➤ Court approval is required if employee refuses a mutual termination.
Japan	<ul style="list-style-type: none"> ➤ No requirement to consult but redundancy is not a valid reason for dismissal unless there is exceptional economic hardship and legal procedures are followed, which includes consultation with employees/union. Generally, voluntary resignation is safer and recommended than a unilateral termination.
Singapore	<ul style="list-style-type: none"> ➤ Notice to at least 5 employees of their retrenchment within any 6-month period ➤ Notice to labour authority within 5 working days of notice to employee
Australia	<ul style="list-style-type: none"> ➤ Depends on industrial instruments (enterprise agreements or modern awards)
Thailand	<ul style="list-style-type: none"> ➤ No specific requirements on termination based on redundancy. General notice periods will apply. ➤ 60 days prior to termination - notification requirements to labour authority and employees (for introduction of new technology and machinery resulting in redundancy) ➤ Court approval required if employee is an employee committee member
Malaysia	<ul style="list-style-type: none"> ➤ No standalone consultation requirements unless stated in collective bargaining agreement. Consultation is recommended. ➤ The Malaysian Code of Conduct for Industrial Harmony ("Code") sets out guidelines for retrenchment.
Hong Kong Philippines	<ul style="list-style-type: none"> ➤ No statutory consultation requirements but recommended that redundancies are communicated effectively to employees

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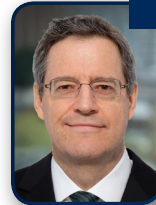
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