



APAC Employment Law Forecast 2024

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Overview

DLA Piper's APAC Employment Team has prepared the annual employment law forecast featuring a summary of the major legislative changes and top trends in 2023 that impacted the region, and which also explores significant trends in APAC for employers to have on their radar for 2024.

This publication covers 16 jurisdictions in Asia Pacific including Australia, Cambodia, China, Hong Kong, India, Indonesia, Japan, Macao, Malaysia, Myanmar, New Zealand, Singapore, South Korea, Taiwan, Thailand and Vietnam.

This guide does not contain any legal advice but instead is intended to be a general overview and discussion of the subjects dealt with. If you require employment-related advice, please contact the DLA Piper professionals listed in this guide.



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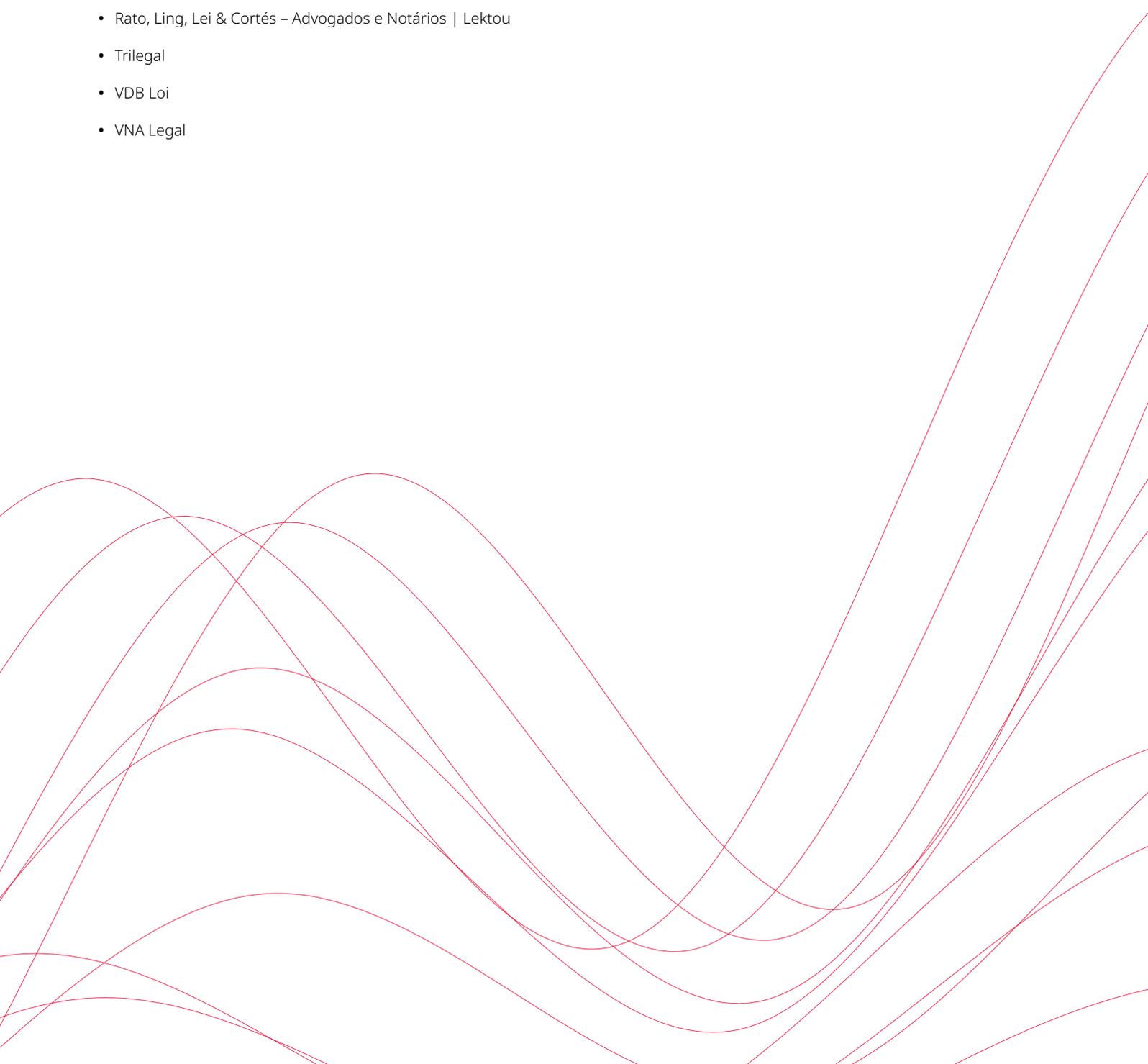
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Australia

Significant changes will impact all employers with employees in Australia in 2024.

Respect@Work

- The *Anti-Discrimination and Human Rights Legislation Amendment (Respect at Work) Act 2022* (Cth) ("**Respect@Work Act**") commenced in late 2022.
- From December 2023, the Respect@Work Act has introduced a positive duty for employers to take "reasonable and proportionate measures" to eliminate unlawful sex discrimination, sexual harassment and victimisation, as far as possible. Employers will now need implement additional measures beyond policies and staff training to satisfy this duty.
- The Respect@Work Act also:
 - introduces a prohibition on conduct creating a 'hostile' workplace environment on the basis of sex (i.e displaying obscene or pornographic materials, sexual banter, or making offensive jokes);
 - empowers the Australian Human Rights Commission to investigate and enforce compliance with the positive duty and inquire into systemic discrimination; and
 - lowered the threshold for what will constitute sexual harassment.
- Given the positive duty is now in force, we expect regulators to begin scrutinising workplace practices and workplaces will need to be far more proactive to ensure compliance with these provisions.

Secure Jobs, Better Pay Act

- The *Fair Work Legislation Amendment (Secure Jobs, Better Pay) Act 2022* (Cth) introduced a range of changes to Australian employment laws. This includes the following key changes:
 - *fixed-term employees*

from December 2023, fixed and maximum term contracts are now capped at 2 years, with limited exemptions. There is also a requirement to give the new Fixed Term Contract Information Statement to fixed-term employees. Employers will now need to ensure that any provisions to this end are removed from their template agreements and, if they are included, they will be void and may subject employers to civil penalties.

- *flexible work arrangements*

employers now have greater obligations in responding to a request for flexible work arrangement (including certain work from home requests). Where requests are denied, employees can bring an application in the Fair Work Commission for arbitration of those disputes).

- *pay secrecy*

employees now have rights to discuss their remuneration with colleagues. Employers cannot prohibit discussion. Importantly, these rights extend to a right to discuss any terms and conditions of employment that are reasonably necessary to determine remuneration outcomes.

Closing the Loopholes Legislation

- The first part of the Closing the Loopholes legislation passed in December 2023 and included the following changes:
 - criminalising wage theft, including to impose prison sentences for deliberate underpayment of workers;
 - increasing protections for employees who experience domestic and family violence, including prohibiting discrimination against these employees; and
 - same job, same pay for labour hire workers, meaning that labour hire workers must be paid the 'full rate of pay' received by employees of the host employer who are performing, broadly, the same work.
- The second part of the Closing the Loopholes legislation passed in February 2024 and included the following:
 - the right to disconnect, allowing employees to refuse to engage with the employer's out-of-hours contact in certain circumstances;
 - a definition of casual employees, requiring an analysis of how the employee works, in practice, rather than how the parties define the relationship;
 - a definition of employment, requiring an assessment of the substance and practical operation of the relationship to distinguish between employees and independent contractors with a related changes to the sham contracting provisions;

- regulation of the gig economy including new protections for 'employee-like workers' and ability for the Fair Work Commission to establish minimum standards for these workers; and
- significant increase to financial penalties for breaches of employment laws, covering both individuals and companies who are subject to these penalties.

Ongoing modern award compliance focus

- Australian regulators and trade unions have indicated an intention to continue to scrutinise compliance with Australia's modern award system.
- Non-compliance continues to be prevalent in various workforces, including failure by employers to ensure tracking of working hours for employees covered by a modern award. Time tracking is required by applicable regulations and is critical to be able to defend an underpayment claim.



Cambodia

Implementation of voluntary National Social Security Fund contributions

- From 14 November 2023 onward, individuals under the care of the public officer, workers under the labour law, and independent fee earners are eligible to voluntarily contribute to the National Social Security Fund (“**NSSF**”) to enjoy the same benefits as other workers.

Increase in NSSF monthly allowances for retired civil service workers and military officers

- Starting from 1 January 2023, the NSSF monthly allowances for retired civil service workers and military officers will increase as follows:

Level	Previous Allowance	Amended Allowance
1	From KHR690,000 (approx. USD172.50)	KHR770,000 (approx. USD192.50)
2	From KHR770,001 to KHR1,000,000 (approx. USD192.50 to USD250.00)	Add an additional KHR20,000 (approx. USD5.00)
3	From KHR1,000,001 to KHR1,010,000 (approx. USD250.01 to USD252.50)	KHR1,020,000 (approx. USD255.00)
4	From KHR1,010,001 (approx. USD252.50)	Add an additional KHR10,000 (approx. USD2.50)

Minimum wage for 2024

- Effective from 1 January 2024, there is a new minimum wage for the textile, garment, footwear, travel product, and bag industries, as follows:
 - for regular workers: USD204 per month.
 - for workers during their probationary period: USD202 per month.
 - for workers who are paid on a piece-rate basis: if their productivity is higher than the minimum wage, the higher amount applies instead of the minimum wage; if their productivity is lower than the minimum wage, the minimum wage applies.

Public holidays for 2024

- The Ministry of Labour and Vocational Training (“**MLVT**”) announced 23 public holidays for 2024.
- Employers in certain industries and businesses that require work on a regular, non-stop basis are allowed to have workers work on public holidays,

with the caveat that workers are given days off in lieu of the holiday on a rotating schedule. A list of the employees working on a rotating schedule for holidays must be maintained for regular inspection by the labour inspectors.

- The hiring of workers to work on public holidays requires the MLVT’s approval.

Notification on 2024 foreign employee quota application deadline

- The deadline for the foreign employee quota application start from 1 September 2023 to 30 November 2023.
- Using of foreign employees without quota approval will be punishable under the Labour Law including penalties (with the amount equivalent to 60 – 90 day of such employees’ wage) or imprisonment (from 6 days to a month).

China

Company Law amendment

- The Company Law of the People's Republic of China was revised in December 2023, and the revised Company Law will come into effect on 1 July 2024. The following aspects of the revised Company Law relating to labour and employment are important for employers to be aware of:
 - the revised Company Law requires that, for limited liability companies with more than 300 employees, there should be employee representatives among the board members (unless the company has a board of supervisors and there are employee representatives on the board of supervisors), and the employee representatives should be democratically elected.
 - the revised Company Law emphasises the duties of loyalty and diligence of directors, supervisors, and senior managers to the company. It also pointed out that if directors and senior managers cause damage to others during performing their duties, the company shall bear liability for compensation.

Trial Opinions on the participation of work-related injury insurance by employees exceeding the statutory retirement age and interns in Shanghai

- In November 2023, Shanghai issued the "Trial Opinions on the participation of work-related injury insurance by employees exceeding the statutory retirement age and interns in Shanghai", and the Trial Opinion came into effect on 1 December 2023. The Trial Opinion allows employers in Shanghai to participate in work-related injury insurance for their staffs exceeding the statutory retirement age and interns voluntarily on monthly basis with the contribution base being the monthly remuneration. Other provinces and cities have also introduced similar local regulations, such as Zhejiang, Chongqing, Hainan, Sichuan, and Beijing. However, the limits on the scope of personnel who can participate work-related injury insurance vary from place to place.

Tax Bureau starts to manage social insurance instead of social insurance bureau

- Tax Bureau started to collect social insurance instead of social insurance years ago, but Tax Bureau was just responsible for collection of social insurance,

while the social insurance centre was still responsible for the calculation of the amount then passes the data to the Tax Bureau for collection. Starting from 1 July 2023, Chongqing, Zhejiang, Jiangxi, and Yunnan have updated this mode by requiring employers and employees to make social insurance declaration to Tax Bureau directly instead of social insurance centre, Beijing, Shanghai, Hainan, and Shanxi have also implemented the same practice. HRs should be aware of this and monitor the compliance in social insurance contribution. Under such mode, it would be much easier for the Tax Bureau to detect the non-compliance in social insurance contribution.

Average salary and minimum wages in Shanghai and Beijing

- Average salary
 - the average salary in Shanghai has been increased to RMB12,183, so that the cap applicable to monthly average wages that used to calculate statutory severance has been increased to RMB36,549.
 - in Beijing, the average salary has been increased to RMB14,873, and the cap on monthly average wages used to calculate statutory severance has been increased to RMB44,619.
- Minimum wage
 - from July 2023, Shanghai increased the minimum wage to RMB24 per hour and RMB2,690 per month.
 - from September 2023, Beijing increased the minimum wage to RMB26.4 per hour and RMB2,420 per month.

Preferential policies on individual income tax

- The preferential policies on (1) tax-exempt fringe benefits granted to foreign employees, (2) annual one-off bonuses and (3) income from equity incentive schemes of listed companies was set to expire on 31 December 2023, has now been further extended to 31 December 2027.

Hong Kong SAR

Abolishment of the MPF offsetting mechanism

- The Government announced that the abolition of mandatory provident fund (“MPF”) offsetting arrangement will take effect on 1 May 2025. When effective, it will abolish the longstanding arrangement which allows employers to use the accrued benefits derived from employers’ mandatory MPF contributions to offset employees’ statutory severance or long service payment (“SP/LSP”). That said, accrued benefits derived from employers’ voluntary MPF contributions as well as gratuities based on length of service will generally still be able to be used to offset SP/LSP. The offsetting arrangement will not have retrospective effect, as such, employers will generally be able to continue to use the accrued benefits derived from their MPF contributions (whether such contributions are made before or after the effective date and irrespective of whether the contributions are mandatory or voluntary) to offset employees’ SP/LSP in respect of any employment commenced before the effective date.
- The Government will be assisting employers with the transition by implementing a 25-year Government subsidy scheme, which will permit employers to apply for a disbursement from the Government to share their expenses resulting from a payment of SP/LSP following the effective date. Although there were proposals to introduce a Designated Savings Account Scheme as another support measure (which would have required employers to save up for their future SP/LSP liabilities), the Government confirmed in July 2023 that it would not pursue such measure further due to cost-effectiveness reasons.

Statutory holiday increase

- Starting from 2024, the first weekday after Christmas Day has been added as an additional statutory holiday, and as such, in 2024 there are 14 statutory holidays in total.
- Easter Monday, Good Friday and the day following Good Friday will also be added as a statutory holiday in 2026, 2028 and 2030 respectively.

Review of the “continuous contract” definition under the Employment Ordinance

- The Government has been reviewing the definition of “continuous contract” under the Employment Ordinance, which is currently defined as continuously employed by the same employer for four or more

weeks and working 18 hours or more each week.

Currently, employees who are employed under a “continuous contract” are entitled to further benefits such as paid statutory holidays, statutory annual leave, statutory sickness allowance, statutory maternity/paternity leave and statutory severance payment and statutory long service payment.

- On 1 February 2024, it was announced that the Labour Advisory Board reached a preliminary consensus that such definition will be changed to the aggregate of 68 working hours over four weeks. The Government will commence the relevant legislative amendment work on this basis and an Amendment Bill will be introduced into Legislative Council once drafted.

Relaxation of various immigration measures and requirements, and implementation of Capital Investment Entrant Scheme

- At the end of 2023, the Government announced relaxation of the eligibility criteria for various immigration and visa schemes. For example:
 - for GEP and ASMTMP, which are the two key employment visa schemes, relaxation measures include e.g. allowing Vietnamese talents to apply for an employment visa etc.
 - for Top Talent Pass Scheme, which allows eligible individuals to work without obtaining an employment visa under GEP and ASMTMP, relaxation measures include e.g. expanding the list of eligible universities to include additional Mainland China and overseas institutions, allowing Vietnamese talents to apply etc.
- The Government also announced its plan to revive the Capital Investment Entrant Scheme (suspended back in 2015), which allows eligible investors to gain entry into Hong Kong by investing at least HKD30 million into various assets (e.g. stocks, funds bond, etc.). It is anticipated that the scheme will be launched in mid-2024.

Discontinuance of special arrangement for applications for extension of stay

- On 29 June 2023, the Immigration Department announced that starting from 1 January 2024, the special arrangement allowing visa holders to apply for an extension of stay outside Hong Kong would be discontinued and applicants will be required to be physically in Hong Kong at the time of the application and the collection of visa.

India

Karnataka Government mulling withdrawing exemptions given to the tech sector

- The Karnataka Government announced in December 2023 that it could potentially end the exemption from the Industrial Employment (Standing Orders) Act of 1946 (“SO Act”) for the IT/ITeS sectors. This exemption, first introduced in 1999 and periodically renewed, allowed IT/ITeS companies flexibility by exempting them from the requirement to draft and certify standing orders which outline formal employment conditions, in compliance with model standing orders. The current exemption expires in March 2024.
- The impact of this withdrawal may not be significant from the perspective of substantive compliances as many practices are mandated by the model standing orders are already covered under existing laws applicable to the tech sector. However, challenges could arise from the procedural requirements of certifying standing orders, which not only includes a process akin to collective bargaining (which would provide a platform for employee grievances) but also requires companies to conduct comprehensive assessments to identify employees categorised as ‘workmen.’
- It remains to be seen whether the exemption will be renewed or not. As stakeholder negotiations continues, IT/ITeS companies are, nonetheless, proactively planning for any potential revocation.

Employees have a right to vent: A. Lakshminarayanan v. The Assistant General Manager – HRM/ Disciplinary Authority, Tamil Nadu Grama Bank

- In an era of increasingly blurred lines between personal and professional life due to digital communication, the High Court of set a significant precedent. It affirmed employees’ rights to express workplace grievances in private settings, such as WhatsApp groups, without facing disciplinary action. The court distinguished between public expressions that could damage an organisation’s reputation and

private conversations that are safeguarded under the right to privacy and free speech. This judgment prompts a reevaluation of corporate social media guidelines to ensure they are in harmony with the evolving digital landscape and employees’ rights.

Karnataka implements Mandatory Gratuity Insurance Scheme

- The Karnataka Government has introduced the Karnataka Compulsory Gratuity Insurance Rules, 2024, which requires companies operating solely within Karnataka to secure an insurance policy to cover their gratuity liabilities by March 2024. This move brings Karnataka with other states like Andhra Pradesh, Telangana, and Kerala, who have also imposed such requirements on companies operating solely within those respective states.
- As part of the requirements, employers will now need to obtain a gratuity insurance policy from a duly recognised insurer, make timely payment of premiums and policy renewals, alongside submitting renewal notifications to the authorities. Employers must register their establishments and maintain an up-to-date list of employees covered under the gratuity insurance policy. Any changes in employer information must be promptly reported to the authorities to ensure continuous compliance.
- This new requirement would impact the traditional ‘pay-as-you-go’ approach to gratuity liabilities – where employers allocate funds for gratuity payments only as they arise. However, companies with a presence in multiple states will not be affected by this, as they are governed by Federal/Central laws as far as gratuity obligations are concerned.

All quiet on the labour codes front

- The implementation of the labour codes that will subsume and consolidate 29 existing central labour laws, continue to be delayed. With the General Elections set to complete in May 2024, there would be some clarity in the second half of the year. However, no official date for implementation has yet been announced.

Indonesia

Workplace sexual harassment

- In May 2023, the Ministry of Manpower issued Decree No. 88 of 2023 on Guidelines on the Prevention and Handling of Workplace Sexual Harassment.
- The Decree introduced, among other things, new requirements that companies must comply with such as to establish a sexual harassment prevention task force, and guidelines on handling sexual harassment in the workplace as well as sanctions (up to termination) to be imposed on perpetrators.
- The above sanctions do not eliminate the right of employees who wish to take action against sexual harassment in the workplace by filing a lawsuit under the Civil Tort Law or reporting the perpetrator to the police.

Visa entry rules

- In August 2023, Indonesian Government issued Government Regulation No. 40 of 2023 on the Fourth Amendment to Government Regulation No. 31 of 2013 on the Implementing Regulation of Law No. 6 of 2011 on Immigration ("**GR 40/2023**").
- GR 40/2023 eliminates the 30-day temporary validity period for entry permits issued to foreigners holding a limited stay visas to be deemed a limited stay visa. Therefore, entry permits now serve the same purpose as limited stay permits.
- GR 40/2023 allows foreigners to obtain a limited stay permit to reside in Indonesia, including for work, for a longer time, i.e. up to 10 years. Previously, the initial time allowed under a limited stay permit was

only 5 years, extendable for up to a total of 10 years. The Government introduced the golden visa policy to target high-value foreign citizens and it remains to be seen how extensively the Minister will implement this policy.

National public holidays

- On 12 September 2023, the Indonesian Government announced that in 2024 Indonesia will have 17 days of public holidays and 10 days of collective leave.

Minimum wages

- In December 2023, the Indonesian Government issued Government Regulation No. 51 of 2023 on the Amendment to Government Regulation No. 36 of 2021 on Wages ("**GR 51/2023**").
- GR 51/2023 amends the minimum wage calculation formula, which now includes three components: inflation, economic growth, and a certain index.
- Previously, the minimum wage calculation formula only considered decent living needs, productivity and economic growth. However, under the new GR, minimum wages are no longer determined based solely on decent living needs.
- Unlike the 2023 minimum wages, which were increased up to 10% above the 2022 minimum wages, the Indonesian Government decided not to limit the increase in the 2024 minimum wages under GR 51/2023.
- Effective from 1 January 2024, an increase of 3.38% has applied to the minimum wage in DKI Jakarta province, so it is now IDR5,067,381.

Japan

Obligation to notify of working terms and conditions

- When a company hires an employee, it must notify them in writing of their salary, working hours, holidays, and other items required by law as important working conditions.
- Effective 1 April 2024, the following items will be added to the list of working conditions for which companies must provide written notification:
 - I. for all employees
 - the extent to which the employee's job description or work location will change in the future.
 - II. for fixed-term employees
 - whether there is any upper limit regarding renewal of the contract (i.e., maximum total duration or number of renewals) and its details; and
 - (for employment agreements which would result in a total contract period exceeding 5 years) Granting the opportunity to convert to a permanent employment agreement and working conditions after the conversion to a permanent employee.

Changes to the discretionary work system

- If a company intends to implement a professional discretionary work system on or after 1 April 2024, the company will need to:
 - provide procedures in the labour-management agreement for obtaining the subject employees' consent and allow for withdrawal of such consent; and
 - obtain individual consent for the application of the discretionary work system from the subject employee themselves.
- Under current law, when a company implements a professional discretionary work system, it is sufficient for the company to conclude a labour-management agreement with an employee representing a majority of all employees (who are not necessarily subject to the discretionary work system), and it is not necessary to obtain individual consent from the employees who are subject to the discretionary work system.

- However, on and after 1 April 2024, unless a company obtains individual consent from subject employees for the discretionary work system, it will no longer be able to apply the system to them. Also, even once the subject employees have consented to the system's application, they may withdraw their consent without any reason and discontinue the application of the discretionary work system at any time.

Increase in the statutory employment rate of persons with disabilities

- Effective 1 April 2024, the statutory employment rate for persons with disabilities will increase from 2.3% to 2.5%. This means that companies with 40 or more employees must employ at least one person with a recognised disability.

Issuance of special visas for digital nomads

- On 2 February 2024, the Japanese Government announced a new scheme to grant "Designated Activities" visas to so-called digital nomads.
- Currently, there is no status of residence designed for digital nomads. If the purpose of their entry to Japan is for a business trip or conference, they can enter with a "Temporary Visitor" status, but their stay is limited to up to 90 days. However, if they obtain a "Designated Activities" visa, they can stay in Japan for up to 6 months.
- The requirements for a digital nomad to obtain a "Designated Activities" visa are as follows:
 - nationals of countries or regions that have concluded tax treaties with Japan (e.g., the U.S., the U.K., Australia, South Korea, Taiwan);
 - annual income of JPY10 million or more; and
 - private medical insurance.
- The Japanese Government will amend the relevant ministerial ordinances and public notices regarding this new visa system by the end of March 2024, and will begin accepting applications.

Expansion of the scope of social insurance coverage obligation for part-time employees

- Companies are required to enroll full-time employees and part-time employees who work at least 75% of the full-time employee's working hours in social insurance (i.e., health insurance and welfare pension).
- Part-time employees who work less than 75% of the working hours of full-time employees (so-called "short-time workers") are required to be covered by social insurance only if the following conditions are met:
 - the company has 101 or more employees;
 - the prescribed weekly working hours are at least 20 hours;
 - monthly salary is at least JPY88,000;
 - their employment is expected to continue for more than 2 months; and
 - they are not a student.
- Effective 1 October 2024, the requirement regarding company headcount above will change from "more than 100 employees" to "more than 50 employees."



Macao SAR

Despite the unemployment rate dropping by 1 percentage point compared to 2022, to 2.7% in 2023, Macao is still experiencing a shortage of human resources, especially in sectors such as catering, cleaning, and maintenance.

As for 2024, the Macao SAR Government has repeatedly stressed that difficulties in hiring labour are a problem because non-resident workers prefer other jurisdictions to Macao SAR. These statements were not elaborated on, but it is expected that measures will be taken to improve the labour conditions of non-resident workers.

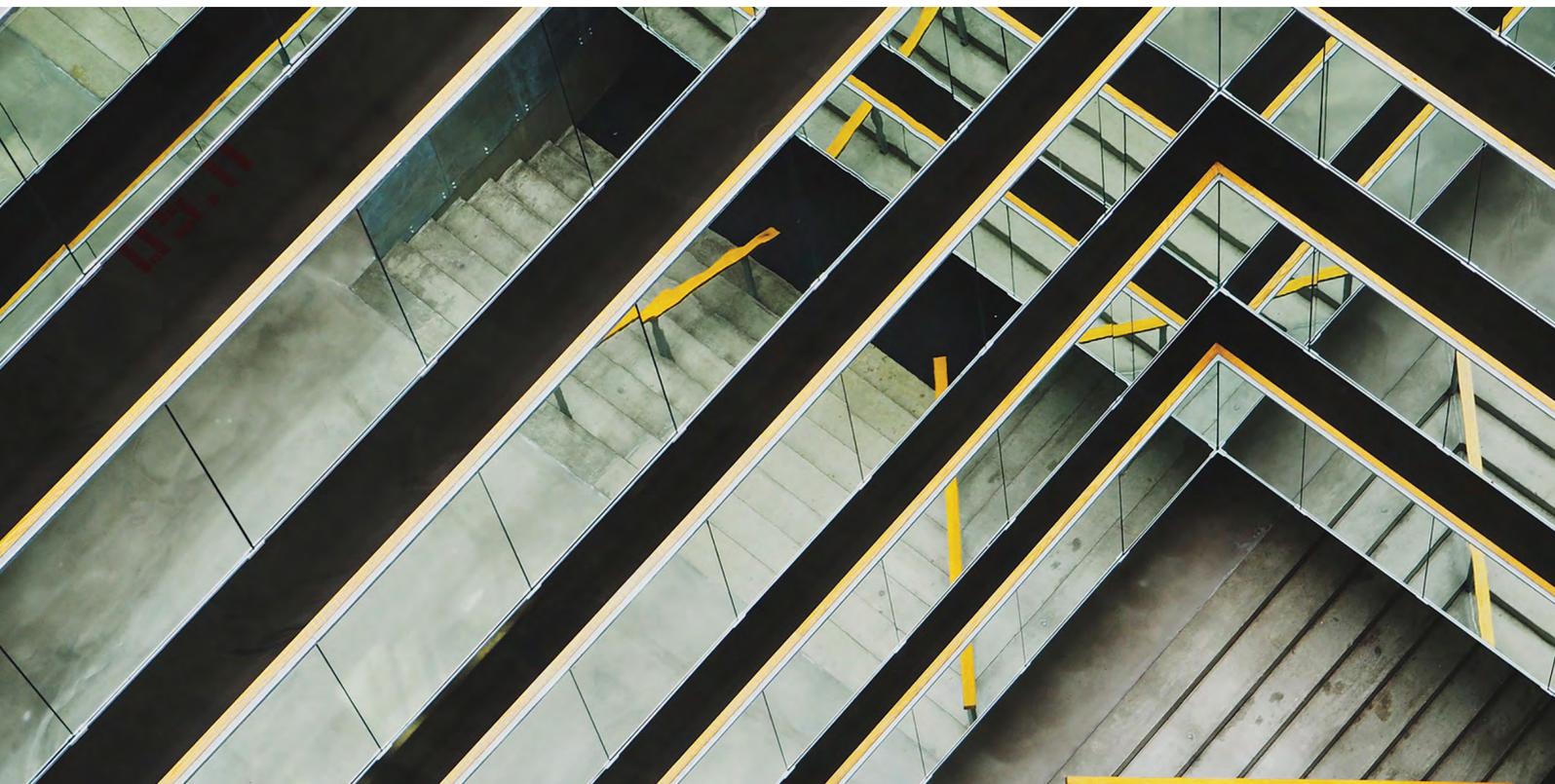
Increase in Macao's minimum wage

- By the end of 2023, the Government revised the values of the minimum wage, which was set in Law no. 19/2023, to the following values:
 - MOP7,072 per month, for monthly remuneration;
 - MOP1,632 per week, for weekly remuneration;
 - MOP272 per day, for daily remuneration; and
 - MOP34 per hour for hourly pay.
- the minimum wage is currently MOP34 per hour, calculated according to the result actually produced

- Employers must pay employees, including non-resident workers, a remuneration not less than the minimum wage referred to above, from 1 January 2024. Failure to do so will constitute an offence and result in a fine of between MOP20,000 and MOP50,000 for each worker in respect of whom the offence occurs.

Trade Union Law proposal (under consultation during 2021, likely to be enacted in 2024)

- The Macao Trade Union Law may change 20 years of conceptual relationships with employers and employees, since sets out the objectives and guiding principles of trade union associations, which should strive to protect labour rights and interests, considering the Principle of Freedom of Association, the Principle of Equality among unionised workers, and the Principle of Legality of the activities pursued by trade union associations.
- Restrictions to the freedom of union association for some sectors of activity were stipulated, as it is understood that public and security functions of the state should not pursue union activities against it – specifically, the proposal addresses the case of public employees, including agents of public security forces.



Malaysia

Trade Unions (Amendment) Act 2024

- The Trade Unions (Amendment) Act 2024 (“**Trade Unions Amendment Act**”) has been gazetted on 12 January 2024, but no implementation date has been fixed. The Trade Unions Amendment Act amends the Trade Unions Act 1959, effectively abolishing existing restrictions on the formation of trade unions. It is anticipated that the Trade Unions Amendment Act will come into force in the second half of 2024.
- Currently, the formation of trade unions is restricted to being based on a specific employer or establishment, or a similarity in trade, occupation, or industry. The Trade Unions Amendment Act will allow greater diversity, and the ability to form multiple trade unions within establishments, trades, occupations, or industries. The Human Resource Minister says the amendments are in line with the principle of freedom of association, ensuring the quality of the protection of workers’ rights in Malaysia by taking into account the principles outlined under international labour standards.
- Several trade unions and industry groups have expressed their disapproval of the amendments, warning that multiplicity of unions creates the danger of inter-union rivalry and irresponsible trade unionism, which would harm the solidarity of unions and weaken their bargaining power.

Occupational Safety and Health (Amendment) Act 2022

- The Occupational Safety and Health (Amendment) Act 2022 (“**OSHA Amendment Act**”) was gazetted on 16 March 2022, but a commencement date has not been fixed. It is anticipated that the OSHA Amendment Act will come into force in the second half of 2024.
- The OSHA Amendment Act introduces significant and wide-ranging amendments to the existing Occupational Safety and Health Act 1994, introducing 27 new sections and revising 35 existing sections.
- Of particular significance is the fact that the statutory workplace health and safety obligations following the implementation of the OSHA Amendment Act will apply to all employers and all workplaces. The existing law only applies to specific industries.
- The OSHA Amendment Act also introduces new duties and obligations on employers, including the requirement to appoint an occupational safety and health coordinator, and increased penalties for non-compliance.



Myanmar

Announcement on the amendment of minimum wage

- In October 2023, the National Committee for Establishing the Minimum Wage (the “Committee”) announced a long-awaited adjustment to the daily minimum wage rate, increasing it to MMK5,800 (approximately USD2.77), effective from 1 October 2023.
- This marks a significant development, as it represents the first increase in the daily minimum wage rate in the past five years.
- The previous adjustment occurred in 2018 when the Committee, through Notification 2/2018, set the minimum wage at MMK4,800 (approximately USD2.30) for an eight-hour workday.
- While this change necessitates a review and adjustment of compensation structures, it also presents an opportunity to improve employee satisfaction and productivity. Businesses with more than ten employees will need to incorporate this increment into their payroll.
- The incremental rise in labour costs is not expected to significantly affect the overall financial standing. The business remains committed to ensuring fair compensation for all employees and will continuously monitor and adjust for the payroll increment.



New Zealand

Change in Government

- Due to the change in Government in October 2023, some bills currently before Parliament are not likely to proceed any further in light of the new Government's priorities. Some policy priorities the Government has indicated are as follows:
 - moderate increases to the minimum wage each year. Minimum wage is set to increase from NZD22.70 to NZD23.15 on 1 April 2024;
 - reform of health and safety laws and regulations;
 - simplification of the personal grievance process through removal of eligibility for remedies where the employee is at fault and setting an income threshold for raising a personal grievance – this would reflect Australian law to a certain extent; and
 - disallowing contractors who have explicitly signed up for a contracting agreement from challenging their employment status with the Employment Court.
- Government has indicated that a review of the Holidays Act 2003 is one of its legislative priorities in the employment space. This review has been anticipated since 2021 when all 22 recommendations made by the Holidays Act Taskforce Report were accepted by the Government. Government has also indicated it intends to further consider the introduction of modern slavery legislation as initiated by the previous Government. However, as the form of such legislation is undetermined, it is difficult to predict the priority of this legislation relative to other proposals. Pay transparency legislation and pay gap reporting is also on the radar as the Government has indicated it intends to decide whether to progress with developing a pay gap reporting system and explore the role of the regulator in any such framework.

Falling priorities

- The new Government has indicated clear priorities that do not align with many of the proposed bills currently before Government, meaning we may not see them progress as quickly as was indicated or at all. Bills and potential legislation impacted may include:

- the Employment Relations (Restraint of Trade) Amendment Bill which proposes to significantly limit the use of restraints of trade; and
- legislation that changes the definition of "employee" to include "dependent contractors". This followed the Tri-Partite Working Group on Better Protections for Contractors making the recommendation in 2021.

Extended time for personal grievances

- The Employment Relations (Extended Time for Personal Grievance for Sexual Harassment) Amendment Act 2023 has extended the time for raising personal grievances involving sexual harassment from 90 days to 12 months. This allows victims of sexual harassment more time to consider raising a claim. Personal grievances for all other claims must still be made within 90 days.

Trial periods

- In December 2023, the Government reinstated the ability for all employers to employ workers under 90-day trial periods. A trial period clause allows an employer to dismiss an employer within the first 90 days of employment without the employee being able to raise a personal grievance in respect of their dismissal.

Repealing of the Fair Pay Agreements Act 2022

- In December 2023, the Fair Pay Agreements Act 2022 was repealed by the new Government. Fair Pay Agreements were large-scale agreements covering all employees and employers within a particular sector. No Fair Pay Agreements were finalised prior to the repeal.

Singapore

Immigration

- The minimum qualifying salary for S Pass applications were increased from SGD3,500 to SGD3,650 from 1 September 2023 for new applications, and are expected to be increased further from SGD3,650 to SGD3,800 from 1 September 2025 onwards (subject to further finalisation).
- The S Pass Basic/Tier 1 levy will be increased from SGD450 to SGD550 effective from 1 September 2023 and from SGD550 to SGD650 from 1 September 2025.
- A new points-based immigration system called Complementarity Assessment Framework (“COMPASS”) was introduced for new Employment Pass (“EP”) applications from 1 September 2023. Under the COMPASS framework, EP applications will be scored depending on whether the application exceeds or meets or does not meet expectations across four foundational criteria (with eligibility to score extra points under bonus criteria). A minimum score of 40 points is required to pass COMPASS and employers are required to provide mandatory verification proof for all post-secondary diploma and above qualifications declared in an EP application.
- On 1 September 2023, the salary threshold for being exempt from COMPASS/the job advertising requirement, as well as the minimum qualifying salary for the Personalised Employment Pass, was increased to SGD22,500.

Diversity & Inclusion

- On 4 August 2023, following the Tripartite Committee on Workplace Fairness’ (“Committee”) final report containing 22 recommendations for the proposed Workplace Fairness Legislation (“WFL”), the Ministry of Manpower announced that the Singapore Government accepted the Committee’s recommendations, which are to be implemented in 2024. The WFL will provide employees, for the first time, a direct legal remedy beyond a wrongful dismissal claim against employers for discriminatory practices.
- Starting 1 January 2024, Government-Paid Paternity Leave has been doubled from 2 to 4 weeks for eligible fathers of children born from 1 January 2024 onwards. Such leave is voluntarily granted by employers and can be reimbursed by the Government. To be eligible, the following requirements must be met:

- the child is a Singapore citizen;
- the father is or was lawfully married to the child’s mother between conception and birth; and
- the father has served at his employer for a continuous period of at least 3 months before the birth of the child.

Retirement

- On 6 November 2023, the Central Provident Fund (“CPF”) (Amendment) Bill 2023 (“Bill”) was passed by the Singapore Parliament. The key changes implemented by the Bill are (i) starting from 1 April 2024, all CPF accounts not belonging to Singapore citizens or permanent residents will be automatically closed and (ii) further clarification and streamlining of the administration of CPF schemes for better service delivery (e.g. providing an electronic service platform to access documents).
- Furthermore, the following changes will also be made for deceased CPF members:
 - from 1 February 2024, disclosure of deceased member’s CPF information will be granted to their respective nominees and (upon application) beneficiaries under relevant intestacy laws; and
 - transactions which arise or follow from obligations which preceded the deceased CPF’s members’ demise (e.g. refunds to employers where excess CPF contributions were made) will be processed.

Platform workers

- In July 2023, the Government accepted recommendations by the Tripartite Workgroup to Enhance Representation for Platform Workers. The recommendations include creating a framework where platform workers are not classified as employees, requiring companies to provide the same level of work injury compensation insurance as employees, improving housing and retirement protections, and enhancing representation through collective bargaining frameworks. The recommendations are expected to be implemented from the second half of 2024.

South Korea

Minimum hourly wage for 2024: KRW9,860 (The Minimum Wage Act/effective as of 1 January 2024)

- The total amount of regular bonuses and cash welfare benefits will be included in the calculation of minimum wage.

Strengthening employee welfare fund to reduce the welfare gap (Article 46 of the Enforcement Decree of the Framework Act on Labour Welfare/effective as of 1 January 2024)

- If a company uses contributions from the employee welfare fund for welfare projects related to subcontracted workers (subcontractor employees and dispatched workers) within the company's fiscal year, the company can use such contributions up to 90% (currently 80%) of the total amount of the contributions.
- If the employer's employee welfare fund foundation supports the improvement of welfare benefits for subcontracted workers, (1) the amount of the foundation's basic assets that can be utilised will be reduced to KRW2 million or more (currently KRW3 million or more) per employee, and (2) the range of use regarding the foundation's basic assets that can be used will be increased up to 30% of total basic assets regardless of disasters or business crises (currently 20%, but in case of disasters or business crises, 30%).

Additional contents required for disability awareness improvement training ("respect for differences among disabilities") and mitigation of the reporting obligation for hiring plan regarding disabled workers (from twice a year to once a year in January)(Articles 5-2 and 27 of the Enforcement Decree of the Employment Promotion and Vocational Rehabilitation of Disabled Persons Act/effective as of 1 January 2024

Strengthening transparency of labour union financial information (Articles 11-7 and 11-8 of the Enforcement Decree of the Trade Union and Labour Relations Adjustment Act/effective as of 1 January 2024)

- When a union member of a labour union conducts an accounting audit of the union, his/her qualifications have been specified and such accounting auditor shall be a person who has experience in financial or accounting related affairs or has extensive expertise or experience. In addition, a certified public accountant who is not a union member can conduct an accounting audit of the labour union's financials.
- A representative of the labour union shall announce
 - i) the results of the settlement of accounts and
 - ii) the status of operations on the labour union's bulletin board within two (2) months after the end of each fiscal year. In addition, the representative of the labour union or affiliated organisation shall announce the above results through the public disclosure system by 30 April of each year.

If a worker dies due to an occupational accident, the age of eligibility for his/her grandchildren to receive compensation pension for bereaved families will be raised from 19 to 25 years old (Articles 63 and 64 of the Industrial Accident Compensation Insurance Act/effective as of 9 February 2024)

The tax exemption limit for childcare allowances will be increased from KRW100,000 to KRW200,000 per month (Article 12 of the Income Tax Act/effective as of 1 January 2024)

Obligation to submit details of foreign stock-based compensation transactions (Article 164-5 of the Income Tax Act and Article 216-5 of the Enforcement Decree thereof/effective as of 1 January 2024)

- Pursuant to a provision newly enacted under the Income Tax Act to strengthen the identification of income, we note that, in case executives or employees of a domestic place of business of domestic or overseas corporations who receive stock-based compensation (such as stock options, bonuses paid in money equivalent to stock or stock value) from the foreign parent company (or the head office/branch/controlling shareholder, etc.), the domestic place of business to which such officer or employee belongs to must submit the following:
 - details of the grant, exercise and payment of stock-based compensation;
 - profits arising from such exercise and payment; and
 - personal information of such executives or employees.
- The submission deadline is 10 March of the year following the year of the taxable period in which the date of exercise or payment of stock-based compensation belongs. This provision will be effective as of 1 January 2024, and will be applied to those who have exercised or received stock-based compensation on or after 1 January 2024.



Taiwan

Minimum wage hike and new Minimum Wage Act

- Taiwan's monthly minimum wage was increased from TWD26,400 (USD842) to TWD27,470 (USD876) on 1 January 2024, with the hourly minimum wage raised from TWD176 (USD5.62) to TWD183 (USD5.84). This is the eighth year in a row the minimum wage has been increased.
- The new Minimum Wage Act forms a minimum wage commission made up of employer representatives, government officials, and scholars to meet annually on minimum wage adjustments. The legislation further mandates that employers discovered remunerating below stipulated wages may incur fines of up to TWD1.5 million (USD47,900). Additionally, there is the potential consequence of publicising the names of such non-compliant employers.

Guidelines on Subsidising Administrative Agencies in implementing legal aid for labour-management disputes revised

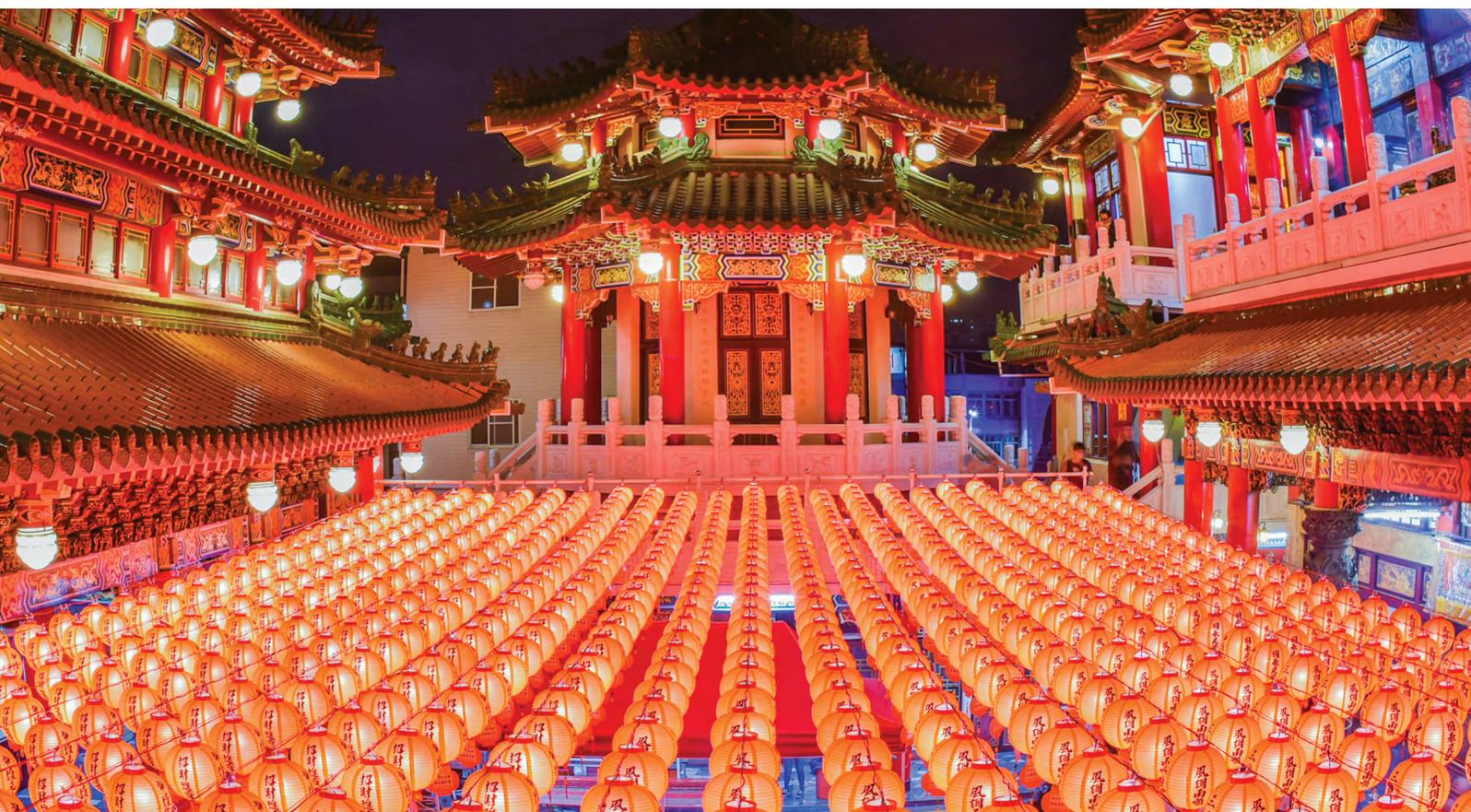
- The revised guidelines expand the scope of legal aid for employees in mediation with employers. For complex matters, such as those involving occupational accidents, the Ministry of Labour has long provided attorneys for employees in these

mediation sessions. Wages and job transfer issues are now included in the scope of legal assistance during employer-employee mediation sessions.

- There is no longer a limit on subsidies for mediation matters involving workers belonging to Taiwan's indigenous community, the disabled, or foreigners (including PRC, Hong Kong and Macau nationals) married to Taiwan citizens.

Gender equality in Employment Act amended

- The Gender Equality in Employment Act has recently been amended, with provisions set to come into effect in March this year that will cover sexual harassment outside of work hours or from different business divisions of the same company. It also defines abuse of authority and sets stricter punishment on those in positions of power who sexually harass employees.
- The statute of limitations to report sexual harassment has been extended from six months to two years. In sexual harassment cases that involve abuse of authority, this timeframe has been extended to up to seven years.



Thailand

Social Security Act

- The Election of Social Security Board was done in December 2023 for the first time since 2015. The Social Security Board's roles and responsibilities cover an issuance of policies and measures in relation to a management of the social security fund. It is likely that there will be an amendment to the contribution to the social security fund which a percentage of the contribution has never been adjusted for a while.

Draft Independent Workers Protection Act

- The Thai Labour Protection Act, the primary regulation providing fundamental protection to independent workers, is deemed to be insufficient in protecting those who provide their services in a "new normal" way of life, in particular workers who provide their service to multiple platform-based companies in transportation and logistics business, e.g., food and package delivery. Thus, the Draft Independent Workers Protection Act intends to provide greater protection to independent workers. There was a development of the Draft Independent Workers Protection Act in 2023 since there were amendments to the Draft and, under the lately amended Draft, there will be an establishment of the fund for independent workers, similar to the social security fund, which was established for non-independent workers, and a requirement to have an employment agreement to be made in writing which all particulars as required by law shall be agreed.



Vietnam

Personal Data Protection Decree

- From 1 July 2023, the Government's Decree 13/2023/ND-CP ("**Decree 13**") dated 17 April 2023 on personal data protection came into effect, which sets out personal data protection obligations and responsibilities for domestic and foreign organisations and individuals that are involved in activities of processing personal data in Vietnam (with processing personal data defined under the Decree 13 as one or more activities affecting personal data, such as: collecting, recording, analysing, confirming, storing, editing, publicising, combining, accessing, retrieving, revoking, encrypting, decoding, copying, sharing, transmitting, supplying, transferring, deleting, and destruction of personal data or other related actions). Decree 13 also applies to employers who are involved in activities of processing the personal data of their employees and imposes various obligations on employers to protect the personal data of their employees (including obligations on notification of processing personal data to the employees, obtaining the employees' consent, notification of a personal data breach, and impact assessment reports to authorities for processing personal data and cross border transfer of personal data, etc).

Recruitment of foreign employees working in Vietnam

- From 1 January 2024, if employers want to recruit foreign employees for a job position, the employer must first make an announcement for the recruitment of Vietnamese employees for that job position via the

Electronic Information Portal of the Ministry of Labour, Invalids and Social Affairs or an Electronic Information Portal of the Employment Service Centre established by the Chairman of the provincial People's Committee (i.e. generally in the province where the foreign employee is expected to work), for at least 15 days prior to the date on which the employer expects to submit an explanation report on the employer's need to employ foreign employee(s) to the relevant labour authority. An employer can only employ a foreign employee for a job position if the employer is unable to recruit Vietnamese employees for that job position.

Proposal on minimum wage increase

- The minimum wage varies depending on geographical areas where the employer operates. The minimum wage per month is now: (i) for Area I – VND4,680,000; (ii) for Area II – VND4,160,000; (iii) for Area III – VND3,640,000; and (iv) for Area IV – VND3,250,000. The list of regions within Area I, Area II, Area III and Area IV to which the minimum wage applies is provided by the Government. Generally, inner-city districts of Hanoi and Ho Chi Minh City are subject to Area I. The National Wage Council has recently voted and agreed to propose increasing the minimum wage in 2024 by 6%, which proposal has been submitted to the Government for approval. If approved, the minimum wage increase will take effect on 1 July 2024.

DLA Piper in Asia Pacific



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