

International Comparative Legal Guides

Employment & Labour Law 2026

A practical cross-border resource to inform legal minds

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1 Terms and Conditions of Employment

1.1 What are the main sources of employment law?

The Employment Act 1968 (“EA”) is the main legislation governing employment in Singapore. The common law may also apply in various situations.

Other sources of employment law include, but are not limited to, the following:

- The Child Development Co-Savings Act 2001 (“CDCSA”).
- The Employment of Foreign Manpower Act 1990.
- The Retirement and Re-employment Act 1993 (“RRA”).
- The Work Injury Compensation Act 2019.
- The Workplace Safety and Health Act 2006 (“WSHA”).

Guidelines and advisories on employment-related issues are regularly issued by the tripartite partners of the Tripartite Alliance for Fair and Progressive Employment Practices (“TAFEP”), namely the Ministry of Manpower (“MOM”), the National Trades Union Congress and the Singapore National Employers Federation. Although these guidelines and advisories are strictly not legally binding, employers who do not abide by them may face scrutiny from the MOM and have their work pass privileges curtailed.

1.2 What types of worker are protected by employment law? How are different types of worker distinguished?

The EA generally covers all employees, but does not cover the following:

- seafarers;
- domestic workers; and
- statutory board employees or civil servants.

Part IV of the EA, which sets out rest days, hours of work and other conditions of service, only applies to the following categories of employees (“Part IV Employees”):

- workmen (doing manual labour) with a basic monthly salary not exceeding S\$4,500; and
- employees who are not workmen but are covered by the EA with a basic monthly salary not exceeding S\$2,600.

Part IV of the EA does not cover all managers or executives, regardless of their salaries.

Guidelines and advisories issued by TAFEP are generally applicable to all employees and employers.

1.3 Do contracts of employment have to be in writing? If not, are employers required to give employees specific information in writing?

Employment contracts can be in writing, verbal, expressed or implied. However, the MOM recommends that employment contracts be in writing to minimise disputes on the agreed terms and conditions. In practice, employees are typically employed under written employment contracts.

Further, employers must issue a written record of key employment terms (“KETs”) to all employees covered under the EA who enter into an employment contract on or after 1 April 2016 and are employed under that contract for 14 days or more.

The KETs include:

- The employer’s full name and trade name.
- The employee’s full name.
- The job title.
- A description of main duties and responsibilities.
- The first day of employment.
- The duration of employment.
- Working arrangements, such as the daily working hours, number of working days per week and rest days.
- The salary period.
- The basic rate of pay.
- The fixed allowance.
- The fixed deduction.
- The payment period for overtime pay (if different from the salary period).
- The rate of overtime pay.
- Other salary-related components, such as bonuses and incentives.
- Leave entitlement.
- Medical benefits.
- The probation period.
- The notice period for dismissal or termination.

The MOM also strongly encourages that the employee’s place of work should be included, especially if this differs from the employer’s address.

1.4 Are there any minimum employment terms and conditions that employers have to observe?

Yes. Employers of Part IV Employees must abide by the conditions set out in Part IV of the EA relating to the following:

- Minimum number of rest days.
- Maximum hours of work.
- Minimum overtime pay.

- Eligibility for retrenchment benefits in certain circumstances for Part IV Employees who have worked for the employer for at least two years.

The EA also prescribes the minimum number of days of paid public holidays, annual leave and sick leave that all employees covered under the EA are entitled to.

Further, employees who are parents, and who meet the eligibility criteria, are entitled to paid maternity, paternity, adoption, childcare, and parental leave in Singapore. The number of days of such leave depends on factors such as the nationality of the child, the age of the employee's youngest child, and the number of children the employee has. Please see our response to section 4 for details on maternity and family leave rights.

Employers shall also refrain from implementing incentive schemes that are tied to statutory sick leave utilisation. Since 1 January 2023, employers with incentive schemes that consider statutory sick leave utilisation face enforcement action. For illustration, the following incentive schemes are disallowed:

- Providing incentives to employees for not taking any statutory paid sick leave for any period of time.
- Offering the encashment of unused statutory paid sick leave.
- Using the number of paid sick leave days taken as "demerit points" during appraisal and promotion.

However, employers may provide incentives for not taking no-pay leave, offer flexible benefits (e.g. covering medical treatment) that are encashed at the end of the year if unused, and/or provide incentives for hitting key performance indicators (e.g. an incentive for handling at least X calls per month, incentive for selling Y quantity of products).

1.5 Are terms and conditions of employment normally agreed through collective bargaining? Does bargaining usually take place at company or industry level?

Typically, terms and conditions of employment are agreed between the employer and employee on an individual basis. However, if a company is unionised and has entered into a collective agreement with a union, there may be minimum employment terms and conditions contractually imposed on the employer by the collective agreement.

Over the past 15 years, there have been about 350 to 480 certified collective agreements per year. Either the employer or the trade union can initiate the collective bargaining process by serving a notice to the other party.

Bargaining typically takes place at the company level. That said, in certain industries, such as the banking industry, industry unions conduct negotiations with several major employers while taking into consideration their respective circumstances.

2 Employee Representation and Industrial Relations

2.1 What are the rules relating to trade union recognition?

Before a trade union can represent its members in collective bargaining, it must be accorded recognition by the employer.

The rules relating to trade union recognition are stated in the Industrial Relations (Recognition of a Trade Union of Employees) Regulations. A trade union may serve on an employer a claim for recognition.

An employer shall, within seven working days after the service of the claim, either give recognition to the trade

union or notify the MOM in writing of its reasons for disputing the claim.

If the MOM has been notified, the MOM may, in its discretion, take a secret ballot in which the employees may vote for the purposes of determining whether the majority of the employees are members of the trade union. If the results of the secret ballot show that the majority of the employees are members of a trade union, the employer must give recognition to that trade union within three working days of receiving the results.

2.2 What rights do trade unions have?

Trade union rights are set out in the Industrial Relations Act 1960. A trade union that has been accorded recognition by an employer may set out proposals for a collective agreement in relation to any industrial matter and invite the employer to negotiate with a view to arriving at a collective agreement.

However, trade unions may not negotiate on the following matters:

- Promotion.
- Transfer of an employee within the organisation that does not adversely affect the employment terms.
- Employment of any person in the event of a vacancy arising.
- Termination by reason of redundancy or reorganisation.
- Dismissal and reinstatement of an employee in certain circumstances.
- Assignment or allocation of duties consistent with the employment terms.

According to the Trade Unions Act 1940 ("TUA"), no legal proceedings may be brought against any registered trade union or any officer or member of such registered trade unions with reference to any act carried out in furtherance of a trade dispute unless and only on the grounds that:

- the act induces some other person to break an employment contract; or
- it interferes with the trade, business or employment of some other person or with the right of another to dispose of his capital or labour as he wills.

Further, a suit against a registered trade union or any of its officers or members with reference to any tortious act by or on behalf of the trade union would not be entertained by any court.

2.3 Are there any rules governing a trade union's right to take industrial action?

The TUA prohibits a registered trade union from commencing, promoting, organising or financing any strike or any form of industrial action affecting its members without obtaining the consent of the majority of the members affected by a secret ballot.

Further, a registered trade union with a majority comprising non-executive employees is not permitted to commence, promote, organise or finance any strike or industrial action in relation to any trade dispute between members who are executive employees represented by the trade union and their employer.

2.4 Are employers required to set up works councils? If so, what are the main rights and responsibilities of such bodies and do they have co-determination rights?

No, employers are not required to set up works councils in Singapore.

2.5 Are employees entitled to representation at board level?

There are no express statutory provisions entitling employees to be represented at board level.

3 Discrimination

3.1 Are employees protected against discrimination? What types of discrimination are unlawful and on what grounds?

Yes. The RRA prohibits employers from dismissing any employee below the age of 63 (or the prescribed minimum retirement age) on the ground of age. The Minister for Manpower can prescribe a minimum retirement age and re-employment age of up to 65 and 70, respectively.

Employers cannot terminate the services of female employees who are absent due to their maternity leave benefits under the EA or the CDCSA, or provide them with notice of termination that will expire during the aforementioned absence. Further, female employees who have served their employer for three months or more and who are dismissed without sufficient cause or on the ground of redundancy or restructuring would be statutorily entitled to all maternity leave payments (but for the termination notice) that they would have been entitled to receive as part of their maternity benefits.

The following general protections against discrimination may also apply in the employment context:

- The Tripartite Guidelines on Fair Employment Practices (“**Fair Employment Guidelines**”) stipulate that employers must recruit and select employees on the basis of merit such as skills, experience or ability to perform the job, regardless of age, race, gender, religion, marital status and family responsibilities or disability. The Prime Minister announced in his National Day Rally Speech on 29 August 2021 that the government intends to enshrine the Fair Employment Guidelines into law.
- Further, according to the Tripartite Guidelines on Wrongful Dismissal, dismissing an employee on the basis of the aforementioned grounds is also considered wrongful.
- The Singapore Workplace Fairness Act 2025 (“**WFA**”) was passed on 8 January 2025 and sets out provisions to protect against certain discriminatory behaviour relating to employment and to establish fair employment practices. At the time of writing, the WFA has not yet taken effect and is expected to come into force at the end of 2027.

Under the WFA, discrimination is defined as making an adverse employment decision because of any protected characteristic, which includes the following: (i) age; (ii) nationality; (iii) sex, marital status, pregnancy, caregiving responsibilities; (iv) race, religion, language ability; and (v) disability and mental health conditions (“**Protected Characteristics**”). Hence, using age, gender, race, religion, nationality or marital status as a selection criterion without a valid reason would generally be considered discriminatory.

In addition to the above, the Workplace Fairness (Dispute Resolution) Bill was introduced in Parliament on 14 October 2025 and sets out the process for making claims for workplace discrimination. Should this second Bill be passed by Parliament, the MOM intends for both parts of

the Workplace Fairness Legislation to be implemented at the end of 2027.

- There is also some judicial recognition of the implied duty of mutual trust and confidence between employer and employee, which may require the employer to redress complaints of discrimination. Under the WFA, employers must develop a grievance handling process for any grievances, which is defined to mean any grievance, allegation or complaint raised by an employee to his or her employer in relation to any discrimination by the employer or any harassment by the employer or by another employee of the employer.

Once the WFA takes effect, employers who are found to have committed civil contraventions, such as committing an act of discrimination against an individual, may be liable to penalties depending on the nature and seriousness of the civil contravention.

3.2 Are there any special rules relating to sexual harassment (such as mandatory training requirements)?

Employers are required under the WSHA to take reasonably practicable measures to ensure workplace safety and health. In this regard, the Tripartite Advisory on Managing Workplace Harassment (“**Harassment Advisory**”) issued by TAFEP considers that harassment and other psychosocial risks should be included in the overall workplace health and safety risk management of the organisation.

The Harassment Advisory also provides guidance on what employers can do to manage the risk of sexual harassment in the workplace. Employers should abide by the following principles:

- Zero-tolerance.
- Leadership commitment.
- Everyone plays a part.
- Holistic management.
- Early prevention.
- Confidentiality.
- Neutrality.
- Non-retaliation.
- Accountability.

Employers are also encouraged to develop a harassment prevention policy, provide information and training on workplace harassment, and implement reporting and response procedures. As discussed above, under the Workplace Fairness (Dispute Resolution) Bill, employers must develop a grievance handling process for any grievance, allegation or complaint raised by an employee to his or her employer in relation to any harassment by the employer or by another employee of the employer.

More generally, victims of sexual harassment may seek protection orders under the Protection from Harassment Act 2014.

3.3 Are there any defences to a discrimination claim?

In relation to the recruitment of employees, the Fair Employment Guidelines suggest wording that employers may adopt to avoid a discrimination claim. Generally, a discrimination claim is unlikely to succeed if an employer recruits on the basis of merit such as skills, experience or ability to perform the job and/or has a valid reason for stipulating certain selection criteria. For example, if the job requires the applicant to

perform religious functions, the employer may state so and use religion as a selection criterion.

In relation to the dismissal of employees, if an employer decides to provide a reason for dismissal, a true valid reason such as redundancy would be a defence against a claim against wrongful dismissal on the grounds of discrimination. However, under the WFA, where an adverse employment decision is made on the ground of two or more reasons, and one of which is a Protected Characteristic of the individual, it would still be discrimination. Hence, this would only be a defence if the employer can show that the dismissal was done with no reference to any Protected Characteristics.

The WFA also sets out some exceptions that would not be considered discrimination, such as:

- If the Protected Characteristic is a genuine requirement of the job.
- If an employer decides not to hire an individual because the individual is younger than the prescribed age.
- If the employer makes an employment decision that adversely affects an individual on the ground that the individual is neither a citizen of Singapore nor a permanent resident of Singapore.

3.4 How do employees enforce their discrimination rights and what remedies are available? Can employers settle claims before or after they are initiated?

In relation to discriminatory hiring, presently, a job applicant may file a complaint with TAFEP online.

In relation to wrongful dismissal, an employee may file a wrongful dismissal claim with the Tripartite Alliance for Dispute Management (“TADM”) within one month from the last day of his or her employment. If the wrongful dismissal cannot be resolved at the TADM, it will be referred to the Employment Claims Tribunal (“ECT”).

Managers and executives dismissed with notice or salary *in lieu* of notice may only file a wrongful dismissal claim if they have served their employer for at least six months.

Employers may settle claims before they are initiated. Claims may also be settled via mediation facilitated by the TADM.

If the ECT decides that a dismissal is wrongful, the employer may be ordered to either reinstate the employee to his or her former job and pay the employee for any income loss due to the wrongful dismissal or pay the employee a sum of money as compensation.

In addition to the above, and as briefly mentioned in question 3.1 above, there will be a second Bill released in relation to claims for workplace discrimination, i.e. the Workplace Fairness (Dispute Resolution) Bill.

The government will also likely create a tribunal to deal with workplace discrimination, such as discrimination based on nationality, age, race, religion and disability.

Further, on 26 August 2025, the MOM published a consultation paper on the approach for resolving workplace fairness disputes and procedures for making workplace fairness claims, which seeks the public’s views in relation to the following:

- the approach for amicable and expeditious resolution of workplace fairness disputes;
- the judicial forum to hear workplace fairness claims; and
- the representation of parties by unions for workplace fairness claims.

The Workplace Fairness (Dispute Resolution) Bill will likely account for the responses obtained from the public consultation.

More generally, employers that do not comply with the Fair Employment Guidelines may have their work pass privileges curtailed. The MOM will also hold culpable key decision makers such as the CEO, chief HR Officer or line managers responsible and may name such officers publicly or revoke their work passes if they are foreigners.

In relation to resolving grievances and disputes with respect to discrimination, the WFA sets out specific provisions in relation to grievance handling. Employers are required to put in place proper grievance handling processes so that aggrieved employees and their employers can try to resolve disputes amicably within the firm in the first instance. Similar to salary and wrongful dismissal claims, the Tripartite Committee on Workplace Fairness (“Committee”), which was formed in July 2021 to study policy options to strengthen workplace fairness, has recommended that TAFEP shall continue to serve as the first port of call outside the firm for workers who experience discrimination. The Committee has also recommended that claims of workplace discrimination in respect of the Protected Characteristics undergo compulsory mediation at the TADM first, with adjudication at the ECT as a last resort, which will likely be further addressed in the Workplace Fairness (Dispute Resolution) Bill.

The Committee has also recommended that remedies at the ECT be limited to monetary compensation and reinstatement to the job for end-of-employment claims, and for the ECT to be allowed to order a compensation amount up to: (a) S\$5,000 for pre-employment (recruitment) claims; and (b) S\$20,000 for non-union members and S\$30,000 for union-assisted claims in recognition of the role of unions in the claims process for (i) in-employment (e.g. promotion) claims, and (ii) end-of-employment (e.g. dismissal) claims. These amounts mirror the ECT’s current limits for wrongful dismissal claims.

Under the WFA, employers who are found to have committed a civil contravention may be liable to administrative penalties, fines, and civil penalties for serious civil contraventions.

3.5 Are there any specific rules or requirements in relation to whistleblowing/employees who raise concerns about corporate malpractice?

In the context of workplace harassment, the Harassment Advisory stipulates that employers should create a safe environment for reporting and ensure that whistle-blowers will not be penalised. This can include providing multiple reporting channels and anonymous reporting channels, creating a safe environment for employees to speak up about their concerns.

In relation to EA violations, employees may lodge an anonymous report on such violations with the MOM.

Further, the Prevention of Corruption Act 1960 provides that no witness shall be obliged or permitted to disclose the name or address of any informer or state any matter that might lead to his or her discovery.

The WFA presently sets out specific provisions in relation to prohibition against retaliation. Employers are prohibited from retaliating against those who report cases of workplace discrimination or harassment, which provides assurance to those who face workplace discrimination or harassment. Under the WFA, it is a civil contravention to retaliate against an employee, and a serious civil contravention to retaliate against an employee by dismissing the employee or refusing to offer re-employment to an eligible employee who has reached retirement age and may result in payment of an administrative or civil penalty.

3.6 Are employers required to publish information about their gender, ethnicity or disability pay gap, or salary or other diversity information?

No, there is no requirement for employers to publish information on their employees' gender, ethnicity, disability or other diversity information. Employers are also not subject to any pay gap/salary transparency obligations.

4 Maternity and Family Leave Rights

4.1 How long does maternity leave last? Is a woman entitled to return to the same job after maternity leave?

Based on the CDCSA, the duration of maternity leave depends on the citizenship of the child and other criteria.

An employee is eligible for 16 weeks of paid maternity leave if:

- the child is a Singapore citizen; and
- she has been employed by that employer for a continuous period of at least three months before the birth of her child.

If the child is not a Singapore citizen, an employee covered under the EA is nonetheless entitled to a total of 12 weeks of maternity leave, of which eight weeks are paid and four weeks are unpaid.

If the employee has not been employed for at least three months, an employee covered under the EA is nonetheless entitled to a total of 12 weeks of unpaid maternity leave.

Under the EA, it is an offence to dismiss an employee who is on statutory maternity leave, or to provide an employee with notice of termination that will expire while she is on statutory maternity leave. Under the EA, dismissal includes the involuntary resignation of an employee if the employee can show, on a balance of probabilities, that the employee did not resign voluntarily but was forced to do so because of any conduct or omission, or course of conduct or omissions, engaged in by the employer.

In this regard, if a woman returns to a job that is substantially different from her job prior to her maternity leave, the woman may be able to claim that she was forced to resign because of the change in her job responsibilities and may bring a claim against the employer for wrongful dismissal. Please see our response to question 3.4 for details on wrongful dismissal claims.

4.2 What rights, including rights to pay and benefits, does a woman have during maternity leave?

Please see our response to question 4.1 for details on maternity leave entitlement.

Where the child is a Singapore citizen and the mother is entitled to 16 weeks of maternity leave, she must be paid at her gross rate of pay for 16 weeks.

Where the child is not a Singapore citizen, a working mother who is entitled to 12 weeks of maternity leave must be paid at her gross rate of pay for the first eight weeks of leave if she:

- is covered under the EA;
- has been employed by that employer for a continuous period of at least three months;
- currently has fewer than two children; and
- has given sufficient notice.

Further, employers are not permitted to dismiss an employee while she is on maternity leave.

4.3 Do fathers have the right to take paternity leave?

Yes. An employee is entitled to four weeks of paid paternity leave for children born/adopted on or after 1 April 2025 if:

- the child is a Singapore citizen;
- the employee is lawfully married to the child's mother between conception and birth; and
- the employee has been employed by that employer for a continuous period of at least three months.

Further, employers are not permitted to dismiss an employee while he is on paternity leave.

4.4 Are employees entitled to other types of parental leave or time off for caring responsibilities?

Each parent is entitled to six days per year of childcare leave until the child turns seven years old, regardless of the number of children. Childcare leave is capped at 42 days for each parent.

Under the CDCSA, working parents are entitled to six weeks of paid shared parental leave. By default, each working parent will be allocated half of the shared parental leave entitlement. Based on their individual caregiving needs, working parents can reallocate their share of the shared parental leave.

From 1 April 2026, working parents will be entitled to 10 weeks of paid shared parental leave.

Working parents are eligible for shared parental leave if:

- the child is a Singapore citizen; and
- the employee gives the employer at least four weeks notice before they go on maternity leave, paternity leave, or shared parental leave, but should endeavour to inform the employer as soon as possible when they are expecting a child.

Working parents are also eligible for 12 days of unpaid infant care leave per parent per year if:

- the child is a Singapore citizen;
- the child is below two years of age; and
- the employee has been employed by the employer for a continuous period of at least three months.

A mother of an adopted child is also entitled to 12 weeks of paid adoption leave if:

- the adopted child is below the age of 12 months at the point of the formal intent to adopt;
- the adopted child is a Singapore citizen or one of the adoptive parents is a Singapore citizen and the child becomes a Singapore citizen within six months of the adoption;
- the mother has been employed by that employer for a continuous period of at least three months; and
- the adoption order is passed within one year from the formal intent to adopt.

4.5 Are employees entitled to work flexibly or remotely, for example if they have responsibility for dependants?

The EA does not entitle employees to work flexibly or remotely. However, the recommendations by the tripartite partners comprising the MOM, the National Trades Union Congress, and the Singapore National Employers Federation on the Tripartite Guidelines on Flexible Work Arrangement ("FWA") Requests came into effect on 1 December 2024. The Tripartite Guidelines on FWA Requests make it a requirement for employers to fairly and properly consider FWA requests by employees. In the same vein, employers shall retain the

prerogative to assess and decide on FWA requests based on their business and operational needs.

In addition, employees may be contractually entitled to do so depending on the provisions of the employment contract or employee handbook.

5 Business Sales

5.1 On a business sale (either a share sale or asset transfer), do employees automatically transfer to the buyer?

Yes. The EA provides that a transfer does not operate to terminate the employment contract between any person employed by the transferor and that such employment contract will have the effect as if originally made between the employee and the transferee.

A “transfer” includes the disposition of a business as a growing concern and a transfer affected by sale, amalgamation, merger, reconstruction or operation of law.

The following are not transfers:

- Transfer of assets only.
- Transfer of shares.
- Transfer of operations outside Singapore.
- Outsourcing of supporting functions.
- An incoming service provider taking over an outgoing service provider during competitive tendering.

5.2 What employee rights transfer on a business sale? How does a business sale affect collective agreements?

Please see our response to question 5.1. An employee’s contractual rights in the original employment contract with the transferor remain the same following the transfer. The corresponding employer’s obligations will be transferred to the new employer.

The new employer is required to take over the previous employer’s rights, powers, duties and liabilities that are part of any agreement with the employees’ union before the transfer.

5.3 Are there any information and consultation rights on a business sale? How long does the process typically take and what are the sanctions for failing to inform and consult?

Employees have the right to:

- be notified of the transfer and the matters relating to the transfer;
- have no break in employment during the transfer;
- be given the opportunity to consult their employer; and
- preserve the original terms of the employment contract.

To enable consultations to take place, employers are required to:

- notify the employees or their union of the transfer and the implications of the transfer within reasonable time;
- inform the employees about the terms of the transfer in order for them or their union to hold consultations with the company;
- ensure there is no break in employment during the transfer; and
- ensure that the terms of employment are not less favourable after the transfer.

Either party may refer any disagreements relating to the transfer to the Commissioner for Labour, which may delay or prohibit the transfer of the employee, or order the transfer of the employee on terms that are considered just.

It is an offence for any employer to enter into a contract of service or collective agreement contrary to the above requirements.

5.4 Can employees be dismissed in connection with a business sale?

Both the employer and employee have the right to terminate the employment with notice if they are unable to agree to the new terms.

5.5 Are employers free to change terms and conditions of employment in connection with a business sale?

New employers must keep the same terms of employment for the transferred employees unless the transferred employees agree to a change of the terms.

6 Termination of Employment

6.1 Do employees have to be given notice of termination of their employment? How is the notice period determined?

According to the MOM’s website, a termination letter is mandatory. Any notice of termination, either by the employee or employer, must be in writing.

It is generally possible to terminate a contract without waiting for the period of notice to end by paying the employee compensation *in lieu* of notice, which is money equivalent to the salary that the employee would have earned during the required notice period.

The notice period should be found in the employment contract. For employees covered by the EA who enter into the employment agreement on or after 1 April 2016 and are employed for a continuous period of 14 days or more, a written record of the notice period must be given to the employees. In the absence of an agreement between the employer and the employee, the following notice periods stipulated in the EA will apply:

Length of employment	Notice period
Less than 26 weeks	One day
26 weeks or more but less than two years	One week
Two years or more but less than five years	Two weeks
Five years or more	Four weeks

Where the EA does not apply, and in the absence of an express termination notice clause, common law generally requires that reasonable notice be given before terminating the employment relationship. What is considered to be reasonable is determined on the facts of the case.

6.2 What protection do employees have against dismissal? Do employers have to get consent from a third party before dismissing an employee?

An employee may bring a claim for wrongful dismissal. Please see our response to question 6.5 for more details.

There is generally no requirement to obtain the permission of or to inform a third party before being able to validly terminate the employment relationship, unless the termination of the employment relationship is due to retrenchment, or a collective agreement requires the employer to notify and/or consult the trade union in advance.

6.3 Do any categories of employee enjoy special protection against dismissal?

Employers cannot terminate the services of female employees who are absent due to their maternity leave benefits under the EA or the CDCSA, or serve on such employees notice of termination that will expire during their statutory maternity leave. Under the CDCSA, this protection is also extended to male employees and employees who are adoptive parents, who are on paid paternity leave or adoption leave, and employees who are on shared parental leave.

The RRA also prohibits employers from dismissing any employee below the age of 63 (or the prescribed minimum retirement age) on the ground of age. Employers must offer re-employment to eligible employees who turn 63, up to age 68. If the employer is unable to offer that employee a position, the employer must transfer the re-employment obligation to another employer, with the employee's agreement, or offer the employee a one-off Employment Assistance Payment ("EAP").

The EAP is a one-off payment equivalent to three-and-a-half months' salary, subject to a minimum of S\$6,250 and maximum of S\$14,750. For employees who have been re-employed for at least 30 months since age 63, a lower EAP amount of two months' salary could be considered, subject to a minimum of S\$4,000 and maximum of S\$8,500.

In addition to the EAP, employers are encouraged to provide outplacement assistance to help employees find alternative employment.

At present, the minimum retirement age is 63 and re-employment age is 68. From 1 July 2026, the retirement age will be raised to 64 and the re-employment age will be raised to 69.

6.4 When will an employer be entitled to dismiss for: 1) reasons related to the individual employee; or 2) business-related reasons? Are employees entitled to compensation on dismissal and if so, how is compensation calculated?

An employer is not required to provide a reason for dismissal if the employee is terminated in accordance with the notice provisions of his or her employment contract.

If an employer wishes to provide a reason for termination, certain categories of reasons will trigger the application of relevant rules. For example, dismissal for reasons related to the individual employee, such as misconduct or poor performance, requires the employer to conduct due inquiry. Further, dismissal for business-related reasons such as redundancy may trigger notification requirements, among others.

An employer who terminates *in lieu* of notice must compensate the employee with the salary that the employee would have earned during the required notice period.

An employer who terminates an employee on the grounds of misconduct would generally not be required to provide compensation if a case of misconduct can be established after due inquiry.

An employer who terminates an employee due to redundancy may be required to provide retrenchment benefits depending on the provisions of the employment contract or collective agreement. If there is no contractual provision, such retrenchment benefits should be negotiated between employer and employee. While retrenchment benefits are not mandated by law, the MOM strongly encourages employers to adhere to the advisories and provide retrenchment benefits to help affected employees while they search for employment. The prevailing norm is to pay a retrenchment benefit varying between two weeks to one month of salary per year of service, depending on the financial position of the company and taking into consideration the industry norm.

6.5 What claims can an employee bring if they are dismissed? What are the remedies for a successful claim and can employers settle claims?

An employee may challenge the termination by either submitting a mediation request to the TADM before filing a claim in the ECT for wrongful dismissal or bringing a civil action in the courts.

The normal measure of damages that the employee may recover against the employer for wrongful termination is the amount the employee would have earned during the notice period, less than the amount he could reasonably be expected to earn in other employment. Depending on the circumstances of the termination, there may also be reputational consequences for the employer.

In relation to claims brought to the ECT, the ECT may:

- require an employer to reinstate an employee who has been wrongfully dismissed and to pay the employee his or her loss of wages from the date of dismissal to the date of reinstatement;
- require an employer to pay compensation to any employee who has been wrongfully dismissed; or
- dismiss the claim.

Generally, employers can settle claims either before or after they are initiated.

6.6 Does an employer have any additional obligations if it is dismissing several employees at the same time?

An employer with businesses registered in Singapore with at least 10 employees must notify the MOM within five working days of the employee receiving notification of his or her retrenchment if the employer retrenches any employee. The requirement to notify the MOM of retrenchment applies to permanent employees, as well as contract employees with full contract terms of at least six months. A failure to notify within the required period is an offence and the employer may be liable on conviction to penalties, including a fine not exceeding S\$5,000 and other potential penalties. Guidance relating to this requirement is set out in the MOM's Tripartite Guidelines on Mandatory Retrenchment Notifications.

The Tripartite Advisory on Managing Excess Manpower and Responsible Retrenchment provides that employers should carry out the following before retrenching:

- research on government assistance schemes to support the restructuring;
- obtain employment facilitation for employees;

- consider available alternatives such as redeployment, temporary layoffs (subject to some mandatory conditions), and implementing a shorter work week;
- take a long-term view of manpower needs;
- consult with the relevant trade unions if employees are unionised;
- not discriminate against employees and instead make selections based on objective factors, such as the ability to contribute to the company's future business needs;
- treat affected employees with dignity and respect; and
- consider having a longer retrenchment notice period (i.e. in excess of that provided for under the EA) for all affected employees.

If employers still wish to implement their retrenchment exercise, they are advised to communicate their intentions early to their employees and before public notice of the retrenchment is given.

Other additional considerations include whether employees should be given retrenchment benefits. Employees with two years of service or more are eligible for retrenchment benefits. In this regard, employers should refer to the provisions in any collective agreement or employment agreement and consider the prevailing norms on the quantum of retrenchment benefits.

Employees with less than two years of service could be granted an *ex gratia* payment.

6.7 How do employees enforce their rights in relation to mass dismissals and what are the consequences if an employer breaches its obligations?

Please see our response to question 6.6 – an employer with at least 10 employees must notify the MOM, within five working days of the employee receiving notification of his or her retrenchment, of all retrenchments regardless of the number of employees affected. A failure to notify within the required period is an offence and the employer may be liable on conviction to penalties, including a fine not exceeding S\$5,000 and other potential penalties. Guidance relating to this requirement is set out in the MOM's Tripartite Guidelines on Mandatory Retrenchment Notifications.

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7 Protecting Business Interests Following Termination

7.1 What types of restrictive covenants are recognised?

Generally, non-compete and non-solicitation clauses in respect of employees, businesses and suppliers have been recognised under Singapore law. Please see our response to question 7.2 for more details.

7.2 When are restrictive covenants enforceable and for what period?

Any restrictive covenant imposed by the employer that acts as a restraint of trade is *prima facie* unlawful and unenforceable unless the employer is able to show that:

- there is a legitimate interest to be protected by the restrictive covenant; and
- the restrictive covenant is reasonable in the interests of the parties and the public.

The restrictive covenant should not be wider than necessary to protect the legitimate interest of the employer.

In determining its enforceability, the courts would consider all the circumstances of the case, including, but not limited to: the nature of the interests sought to be protected; the period of restraint; the geographical restriction; as well as the seniority of the employee in question. The burden of proof is on the employer who is seeking to rely on such restrictive covenants to establish that the restrictive covenants are reasonable.

7.3 Do employees have to be provided with financial compensation in return for covenants?

It is not strictly necessary to provide employees with financial compensation in return for restrictive covenants. However, employers do make such provisions to increase the reasonableness of such restrictive covenants and the likelihood of enforceability.

7.4 How are restrictive covenants enforced?

Employers may commence legal proceedings and seek an injunction or other appropriate remedies to enforce restrictive covenants.

8 Data Protection and Employee Privacy

8.1 How do employee data protection rights affect the employment relationship? Can an employer transfer employee data freely to other countries?

The Personal Data Protection Act 2012 ("PDPA") governs the collection, use and disclosure of personal data by organisations.

Generally, employers must seek the employee's consent before collecting, using and disclosing an employee's personal data. That said, under the PDPA, the collection of personal data from employees that is reasonable for the purpose of managing or terminating the employment relationship, and the use or disclosure of such personal data for consistent purposes, would not require the consent of their employees.

Section 26 of the PDPA provides that organisations must not transfer personal data to other countries except if the transfer is carried out in accordance with the requirements prescribed under the PDPA to ensure that organisations provide a standard of protection to personal data transferred as such that is comparable to the protection under the PDPA.

According to the Advisory Guidelines on Key Concepts (revised 17 May 2022), employers may transfer personal data overseas if they have taken appropriate steps to ensure that the overseas recipient is bound by legally enforceable obligations to provide a comparable standard of protection.

8.2 Are employers entitled to carry out pre-employment checks on prospective employees (such as criminal record checks)?

Employers may carry out pre-employment checks on prospective employees.

Where personal data of the employee is publicly available or is collected for an evaluative purpose, including the purpose of determining the suitability and eligibility of an individual for employment, the employer may collect such information without the employee's consent.

8.3 Are there any restrictions on how employers use AI in the employment relationship (such as during recruitment or for monitoring an employee's performance or productivity)?

There are no legal provisions restricting how employers use artificial intelligence ("AI") technologies in the employment relationship, provided that employers comply with the relevant obligations under the PDPA.

9 The Future

9.1 What are the most significant labour market developments on the horizon in the next 12 months?

On 4 August 2025, it was announced that a Tripartite Workgroup ("TWG") formed by the tripartite partners convened its first meeting to develop recommendations for the review of the EA, to ensure that Singapore's labour compact remains fit for purpose. The TWG will study and develop recommendations to update the EA to account for the changing labour force profile, evolving forms of work, and challenging economic landscape, including ensuring adequate protections for different groups of workers, and streamlining the EA to reduce regulatory and compliance costs for businesses.

As discussed in question 3.1 above, the Workplace Fairness Legislation is also expected to take effect some time at the end of 2027.

As discussed in question 4.4 above, under the CDCSA, from 1 April 2026, under the new shared parental leave scheme, working parents will be entitled to 10 weeks of paid shared parental leave. As discussed in question 6.3 above, the CDCSA also introduces protections from dismissal for fathers and adoptive parents who are on leave. For completeness, we highlight that the CDCSA also stipulates a minimum notice period for employees who wish to take paid parental leave (i.e. maternity leave, paternity leave, adoption leave, or shared parental leave) in a continuous block.



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Drew & Napier LLC is consistently recognised as a leader in the employment field. We represent clients in every aspect of employment practice, including employment, benefits, ethics and governance issues, and in transactional, advisory and contentious work. Clients seek our help to develop broad, strategic employment advice, and assist with specific issues. We recognise that your organisation's method of recruiting and retaining the right people is constantly changing. We provide creative, realistic and commercial solutions tailored to suit your needs. In contentious situations, our long-standing reputation for excellence in disputes work means that we always stand ready to advance our clients' best cases in every forum, while acting for some of the biggest and most well-known employers means that we are always conscious of practical, reputational considerations.

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