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Singapore
Employment and Labour Law

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This country-specific Q&A provides an overview of employment and labour laws and regulations applicable in Singapore.

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Singapore: Employment and Labour Law

1. Does an employer need a reason to lawfully terminate an employment relationship? If so, state what reasons are lawful in your jurisdiction?

The employer generally does not need to provide a reason if it terminates the employment relationship with notice or salary in lieu of notice.

Any such termination should be conducted in accordance with the employment agreement and the Employment Act 1968 ("EA") if it applies.

The Ministry of Manpower ("MOM") has provided guidance that a fixed-term contract may also be terminated by giving notice of termination or salary in lieu of notice.

Introduction to Singapore Employment Law

By way of background, the EA is Singapore's main employment legislation and was substantially amended on 1 April 2019. It covers most employees, but does not cover:

(a) Seafarers; (b) Domestic workers; and (c) 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:

(a) Workmen (doing manual labour) with a basic monthly salary not exceeding S$4,500; and (b) 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.

Other statutes and the common law may also apply in various situations. Finally, MOM, together with its tripartite partners, the National Trades Union Congress ("NTUC") and the Singapore National Employers Federation ("SNEF"), has issued various employment guidelines and advisories. While these guidelines and advisories are not legally binding, MOM may take steps against employers who do not comply.

2. What, if any, additional considerations apply if large numbers of dismissals (redundancies) are planned? How many employees need to be affected for the additional considerations to apply?

With effect from 1 November 2021, employers with at least 10 employees must notify MOM within 5 working days of any employee receiving notification of his/her retrenchment. A failure to notify within the required period is an offence and the employer may be liable on conviction to penalties, including a fine of up to S$2,000 per contravention. Guidance relating to this requirement is set out in MOM's Tripartite Guidelines on Mandatory Retrenchment Notifications.

In January 2023, MOM and the Tripartite Alliance for Fair and Progressive Employment Practices ("TAFEP") updated the Tripartite Advisory on Managing Excess Manpower and Responsible Retrenchment ("Tripartite Retrenchment Advisory") to include a checklist to guide businesses through cost-saving measures and retrenchment practices. Recommended measures include:

(a) making adjustments to work arrangements without wage cuts (e.g. redeploying workers to other areas of work or implementing flexible work schedules);

(b) making adjustments to work arrangements with wage cuts (e.g. implementing shorter work weeks and temporary layoffs);

(c) making direct adjustments to wages (e.g. reducing bonuses and other variable wage components); and

(d) putting employees on no-pay leave.

If employers still wish to implement their retrenchment exercises, 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. In this regard, employers should refer to what is stated in the collective agreement (for unionised companies) or the employment agreement. If there are no provisions, employers should refer to prevailing norms on the

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provision and quantum of retrenchment benefits. The Tripartite Retrenchment Advisory provides that employees with 2 years' service or more are eligible for retrenchment benefit, and depending on the financial circumstances of the employer at the point of retrenchment, employers are encouraged to pay between 2 weeks to one month salary per year of service.

3. What, if any, additional considerations apply if a worker's employment is terminated in the context of a business sale?

Under section 18A of the EA, if a trade or business is transferred in a business sale, all existing contracts of service are automatically transferred to the buyer, along with all rights, powers, duties and liabilities under the contract. The terms of employment should not be less favourable after the transfer. Additionally, the transfer of the employment does not break the continuity of the period of employment – the contract of employment continues as if it was originally made between the employee and the buyer.

If the buyer and seller intend to transfer employees other than pursuant to section 18A of the EA, the seller may terminate their services before the business sale and the buyer may subsequently hire them. Where the seller chooses not to transfer the affected employees, it would typically terminate their employment before the business sale. In this regard, please refer to our response to question 2 for more details on retrenchment exercises.

Should the seller wish to transfer foreign employees to the buyer, it would be important for the seller to consider if their work passes can be transferred to the buyer, or if the buyer can obtain fresh work passes for these employees.

Prior to the transfer, the seller should also allow for consultations between the affected employees and the seller. The seller must notify the affected employees of the transfer of business, the implications of the transfer and any measures that the seller and buyer may be taking with regard to the transfer.

4. Do employees need to have a minimum period of service in order to benefit from termination rights? If so, what is the length of the service requirement?

There is no minimum period of service before an employee can exercise their contractual right to terminate their employment.

The length of notice period may differ based on the period of employment. For instance, if notice period is not provided in the contract, the default notice period under the EA would increase proportionately based on the length of service. Further, if the employee is under a probationary period, he/she will typically be subject to a shorter notice period.

5. What, if any, is the minimum notice period to terminate employment? Are there any categories of employee who typically have a contractual notice entitlement in excess of the minimum period?

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.

Any termination by notice should be in accordance with the employment agreement. Where the EA applies, the notice period should at least be of the following length:

Length of employment	Notice period
Less than 26 weeks	1 day
26 weeks or more but less than 2 years	1 week
2 years or more but less than 5 years	2 weeks
5 years or more	4 weeks

In the absence of agreement between the employer and the EA employee, the notice period will be in accordance with the table above.

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

In general, employment contracts with employees in senior management or executive positions typically contain notice periods longer than the above statutory prescriptions.

Notice periods can be waived by mutual consent of both the employer and employee.

6. Is it possible to make a payment to a worker to end the employment relationship instead of giving notice?

It is generally possible to terminate a contract without waiting for the period of notice to end by paying the

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worker compensation in lieu of notice, which is money equivalent to the salary that the worker would have earned during the required notice period.

It would be advisable for an employer to clearly set out its right to pay salary in lieu of notice in the employment agreement.

7. Can an employer require a worker to be on garden leave, that is, continue to employ and pay a worker during their notice period but require them to stay at home and not participate in any work?

There is no prescribed right under the EA for the employer to require the worker to be put on garden leave. Employment agreements may specifically provide for this. For certainty, it would be advisable for the employer to clearly set out its right to put the employee on garden leave in the employment agreement. If not provided for in the employment agreements, employers may generally put an employee on garden leave if the employee continues to be paid his/her entitlements and salary.

However, the garden leave clause in the employment agreement should not be unreasonable. For example, the period of garden leave should not be so long as to render the employee's skills obsolete.

8. Does an employer have to follow a prescribed procedure to achieve an effective termination of the employment relationship? If yes, describe the requirements of that procedure or procedures. Is an employee entitled to appeal against their termination?

Generally, there is no statutorily-prescribed procedure if the employment is terminated by notice or salary in lieu of notice. It is common for employment agreements to prescribe a termination notice period and how notice may be given to the employee. In this regard, the employer should ensure that the employee is terminated and given notice (or salary in lieu of notice) in accordance with the employment agreement. Additionally, MOM has instructed that a termination letter (in writing) has to be given to the employee. Please see our response to question 5 for more details on notice periods.

We also set out some additional considerations:

Where applicable, a collective agreement might require the trade union to be notified/consulted.

In the event that any employee is retrenched, employers with at least 10 employees must notify MOM of the retrenchment. Please see our response to question 2 for more details on the retrenchment notification requirement. MOM instructs that employers should not discriminate against employees or groups of employees. Further, employers should treat all affected employees with dignity and respect and consider longer retrenchment notice periods. Employers should also pay all salaries on their employees' last days of work and help them look for alternative jobs.

If an employee covered under the EA has committed an act of misconduct, the employer should conduct an inquiry before deciding whether to dismiss the employee. The burden of proof is on the employer to show that there was indeed misconduct and that due inquiry has been conducted. If an employee is suspended during an inquiry, such suspension must not be longer than 1 week unless the approval of MOM is obtained and the employee must be paid at least half the employee's salary during the suspension. Furthermore, if the employer decides to terminate the employment, it should first disclose the outcome of the inquiry. In the case of Dong Wei v Shell Eastern Trading [2022] SGHC(A) 8, the Appellate Division of the High Court admonished the employer for failing to make such disclosures. Nevertheless, the court noted that the failure to do so did not give rise to a legally remediable claim.

If the employee is a foreigner holding a work pass, then the employer should cancel his/her work pass and seek tax clearance from the Inland Revenue Authority of Singapore.

Singapore law does not require employers to provide an internal appeal process for employees to appeal against their termination. However, please see our response to question 9 in relation to the recourse that an employee can take to challenge the termination.

9. If the employer does not follow any prescribed procedure as described in response to question 8, what are the consequences for the employer?

Such employees may challenge the termination by submitting a wrongful dismissal claim and attend a mediation session at the Tripartite Alliance for Dispute Management ("TADM"). If parties are unable to reach an agreement during the mediation, the TADM may issue a Claim Referral Certificate ("CRC"), and the claimant can file the unresolved claim with the Employment Claims Tribunals ("ECT") of the State Courts for a determination.

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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 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:

(a) require an employer to reinstate an employee who has been wrongfully dismissed and to pay the employee his loss of wages from the date of dismissal to the date of reinstatement;

(b) require an employer to pay compensation to any employee who has been wrongfully dismissed; or

(c) dismiss the claim.

10. How, if at all, are collective agreements relevant to the termination of employment?

Collective agreements are governed by the Industrial Relations Act 1960 ("IRA"). The IRA sets out processes for recognising a trade union, and for the employer and recognised trade union to negotiate and adopt a collective agreement.

If the collective agreement was adopted in accordance with the IRA, any termination of a unionised employee's services must comply with the collective agreement. In particular, collective agreements typically provide for termination and retrenchment benefits and procedures, and may require the trade union to be notified and/or consulted in advance.

Should a trade dispute arise in relation to termination or retrenchment benefits and procedures under a collective agreement, this may be resolved by conciliation by MOM. If the dispute cannot be resolved after conciliation and a deadlock has occurred in negotiations, the trade dispute may be referred to the Industrial Arbitration Court for arbitration as a last resort. Tripartite mediation of trade disputes involving managerial or executive employees may also be available.

11. Does the employer have to obtain the permission of or inform a third party (e.g local labour authorities or court) before being able to validly terminate the employment relationship? If yes, what are the sanctions for breach of this requirement?

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. For more details concerning the termination of employment in retrenchment situations, please see our response to question 2.

12. What protection from discrimination or harassment are workers entitled to in respect of the termination of employment?

There is statutory and common law protection from discrimination and/or harassment as follows:

(a) The Workplace Fairness Act 2025 ("WFA") is expected to come into effect in end-2027. The WFA will prohibit the making of any discriminatory employment decision, direction, instruction, or policy, including in respect of the termination of employment. Please see below.

(b) The Singapore courts recognise that an implied duty of mutual trust and confidence exists between employer and employee, and acts of discrimination or harassment may breach this duty.

(c) Employers cannot terminate the services of female employees who are absent due to their maternity leave benefits under the EA or the Child Development Co-Savings Act 2001. Female employees who have served their employer for 3 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 that they would (if not for the termination notice) have been entitled to receive as part of their maternity benefits on or before their confinement date.

(d) Employers are required under the Workplace Safety and Health Act 2006 to take reasonably practicable measures to ensure workplace safety and health. The Tripartite Advisory on Managing Workplace Harassment issued by TAFEP considers that "harassment and other psychosocial risks should be included in the overall workplace safety and health (WSH) risk management of the organisation". A breach of this duty may result in criminal liability, result in the employer being guilty of an offence and liable on conviction to a fine not exceeding S$5,000 or to imprisonment for a term not exceeding 6 months or to both.

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(e) An employee who suffers from harassment may seek recourse under the Protection from Harassment Act 2014.

In addition, there are administrative consequences in respect of discrimination and/or harassment as follows:

(a) The Fair Consideration Framework ("FCF") and Tripartite Guidelines on Fair Employment Practices contain provisions against discrimination at the workplace.

(b) The Tripartite Guidelines on Wrongful Dismissal (18 November 2022) ("Wrongful Dismissal Guidelines") provides that dismissing an employee because of discrimination e.g. against the employee's age, race, gender, religion, marital status and family responsibilities, or disability is wrongful.

(c) The Tripartite Retrenchment Advisory provides that when retrenching, employers should not discriminate against any particular group on the grounds of age, race, gender, religion, marital status and family responsibility, or disability.

Although the FCF, guidelines and advisory do not have the force of law, MOM will investigate complaints of discriminatory employment practices. If a complaint is substantiated, an employer may be placed on the FCF watchlist, receive closer scrutiny on its applications for Employment Passes (for foreign professionals, managers and executives earning at least S$5,000 a month) and for S Passes (for foreign mid-level staff earning at least S$3,150 a month), and/or have its work pass privileges curtailed.

Workplace Fairness Act (WFA)

Under the WFA, discrimination defined as making an adverse employment decision at any stage of employment because of any of the following protected characteristics: (a) age, (b) nationality, (c) sex, (d) marital status, (e) pregnancy status, (f) caregiving responsibilities, (g) race, (h) religion, (i) language ability, (j) disability, and (k) mental health condition. It is also discrimination for an employer to communicate any direction, instruction or policy, in writing, that discriminates based on an individual's protected characteristic.

An employer makes an employment decision if the employer dismisses or retrenches, or terminates the contract of service, of an employee. An employer also makes an employment decision if the employer hires or decides not to hire and individual or, during employment, (a) appraises, evaluates or measures the performance of any employee, (b) promotes, or decides not to promote any employee, (c) reduces the rank or status of any employee, or (d) provides or does not provide any training to any employee.

However, it is not discrimination:

- if the protected characteristic is a genuine requirement of a job;
- in the case of age, if the employer decides not to hire an individual because the individual is younger than the prescribed age;
- in the case of nationality, if the individual is neither a citizen nor a permanent resident of Singapore;
- in the case of religion, if a religious group restricts any office or employment relating to the affairs of the religion, any place of worship or religious institution to persons professing that religion; and
- in the case of disability, if the employer decides not to hire an individual because the individual does not have a disability.

A discriminatory employment decision may give rise to two legal consequences.

First, a discriminatory employment decision may be a civil contravention. The Ministry of Manpower may impose or seek a financial penalty, and/or issue a direction to an employer to bring the civil contravention to an end and, if necessary, to take any action to remedy, mitigate or eliminate any effects of the civil contravention, and to prevent the recurrence of the civil contravention.

Second, an individual who is the subject of an alleged discriminatory employment decision may bring a civil action for the statutory tort of discrimination against the employer. The WFA's dispute resolution provisions include the following procedural measures:

- Disputes should be resolved amicably between the worker and the employer.
- Employers must put in place grievance handling processes to facilitate dispute resolution at the firm level, and workers are strongly encouraged to raise disputes through these processes first.
- The worker and employer must attempt mediation via a third-party mediator before any workplace discrimination claim can proceed to the ECT or the High Court for adjudication.
- ECT will hear workplace discrimination claims

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up to and including $250,000. It will adopt a judge-led approach with simplified rules and procedures, and legal representation is not allowed.
- All workplace discrimination claims will be heard in private in both the ECT and High Court to create a safe space for parties to share their views and exclude third parties who may publicly misrepresent and sensationalise issues.
- There will be systemic safeguards to deter frivolous and vexatious claims, such as the ability to strike out such claims, and those who bring such claims may face adverse costs orders and be restrained from commencing further legal proceedings.

Taken together, the new WFA is a landmark legislation that adopts a balanced approach to address workplace discrimination. The Ministry of Manpower has announced that the WFA is expected to take effect in end-2027.

13. What are the possible consequences for the employer if a worker has suffered discrimination or harassment in the context of termination of employment?

In addition to the consequences stated above, an employer may be subject to a TAFEP investigation if a complaint is lodged against them. Depending on the outcome of the investigation and the employer's responses, the matter may be referred to MOM for investigation and action.

Employees may also bring civil claims in the courts against the employer for wrongful dismissal if it can be shown that such discrimination or harassment constitutes a breach of the implied term of mutual trust and confidence. Depending on the court's findings, the employer may be liable to compensate the employee in damages or reinstate the employee. Reputational consequences may also arise.

Please see our response to question 9 for the consequences of wrongful dismissal.

Please also see our response to question 12 for the consequences of workplace discrimination under the WFA.

14. Are any categories of worker (for example, fixed-term workers or workers on family leave) entitled to specific protection, other than protection from discrimination or harassment, on the termination of employment?

Please see our response to question 12.

15. Are workers who have made disclosures in the public interest (whistleblowers) entitled to any special protection from termination of employment?

There is no special protection against the termination of a whistleblower's employment. However, a whistleblower may bring a civil claim in the courts against his employer for wrongful dismissal or for a breach of the implied term of mutual trust and confidence.

There is legislation that provides for the confidentiality of the identity of an informers of specific offences. For example, the Prevention of Corruption Act 1960 states that where evidence liable to be inspected in court contains an entry that might disclose the identity of the informer, the entry must be concealed or obliterated.

The WFA (which is expected to come into effect in end-2027) will require employers to put in place grievance handling processes and protect the confidentiality of the identity of persons who report workplace discrimination and harassment, where possible. The WFA will also prohibit retaliation against individuals who report cases of workplace discrimination or harassment.

16. In the event of financial difficulties, can an employer lawfully terminate an employee's contract of employment and offer re-engagement on new less favourable terms?

An employer may terminate a contract of employment as long as notice or salary in lieu of notice is given. Please see the responses to questions 5 and 6.

If the employer is considering making a direct adjustment to wages, the Tripartite Retrenchment Advisory stipulates that unions and employees should first be consulted. The employer should reach an agreement with the unions and employees before implementing these measures.

However, to avoid such a drastic measure, companies may consider implementing variable wage components at the time of hiring the employees. These variable wage components are linked to the company's performance

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and will be reduced in the event that the company is facing financial difficulties.

Please also see our response to question 2 for the other measures that an employer can take in the event of financial difficulties.

17. What, if any, risks are associated with the use of artificial intelligence in an employer's recruitment or termination decisions? Have any court or tribunal claims been brought regarding an employer's use of AI or automated decision-making in the termination process?

The use of artificial intelligence ("AI") in an employer's recruitment and termination process is not directly regulated. Companies may adopt it as a tool to streamline its decision-making process.

However, it is cautioned that employers should ensure that their use of AI does not incidentally infringe on employment guidelines such as the Tripartite Guidelines on Fair Employment Practices. Both the recruitment and termination of employment process cannot be discriminatory and should be based on objective criteria. For example, any discrimination based on age, race, gender, religion, marital status and family responsibility, or disability is not allowed. MOM will investigate complaints of discriminatory employment practices. If an employer is found to be discriminatory, enforcement action will be taken against them. Furthermore, termination based on discriminatory grounds will constitute wrongful dismissal. Therefore, employers should ensure that the use of AI in any decision-making process is explainable, transparent, fair, and human-centric: see the Singapore Model AI Governance Framework issued by the Infocomm Media Development Authority (IMDA) and the Personal Data Protection Commission (PDPC).

Please also see our response to question 12.

There is no reported case in Singapore regarding an employer's use of AI or automated decision-making in the termination process.

18. What financial compensation is required under law or custom to terminate the employment relationship? How is such compensation calculated?

Save for salary in lieu of notice which is discussed above and any amounts that have vested in the employee prior to the termination of the employment relationship, there is no specific financial compensation required under law to terminate the employment relationship. The financial compensation payable would depend on the terms of the employment agreement and prevailing norms.

Where an employee's service is terminated due to redundancy or reorganisation, the Tripartite Retrenchment Advisory recommends that employers pay a reasonable sum to affected employees. While no retrenchment benefits are statutorily prescribed, the prevailing norm is to pay employees who have worked at least 2 years between 2 weeks to one month salary per year of service, depending on the financial position of the company and industry norms. According to MOM, employers who choose not to provide retrenchment benefits despite being in sound financial positions may be denied future government support or may have their work pass privileges suspended.

19. Can an employer reach agreement with a worker on the termination of employment in which the employee validly waives his rights in return for a payment? If yes, in what form, should the agreement be documented? Describe any limitations that apply, including in respect of non-disclosure or confidentiality clauses.

Yes, in general, employers may agree with employees on a waiver of their rights in exchange for payment. It would be advisable for such agreement to be in the written form signed by both parties and with the parties' rights and obligations clearly outlined, as the written document would be useful as evidence during enforcement.

Non-disclosure agreements and agreements containing confidentiality clauses are enforceable as ordinary contracts even if they are entered into on termination. However, if the employee purports to agree to waive his rights to disclose information but receives nothing beyond his existing entitlements, such agreements may be unenforceable for lack of consideration. Further, a non-disclosure agreement may not be enforceable if disclosure is required by operation of law or an order of a court of competent jurisdiction.

The following limitations apply in respect of certain agreements:

(a) the EA renders any contract of service void in so far as it purports to deprive female employees from maternity benefits or removes/reduces the liability of the employer

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to make the required payments pursuant to such benefits; and

(b) the RRA renders void any term of a contract of service which purports (i) to exclude or limit the operation of the RRA or (ii) to preclude any person from making a representation, claim or application under the RRA.

20. Is it possible to restrict a worker from working for competitors after the termination of employment? If yes, describe any relevant requirements or limitations.

Yes, it is possible. However, 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:

(a) there is a legitimate interest to be protected by the restrictive covenant; and

(b) 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 whether the restriction is reasonable in 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. There is no requirement that any payment must be made to the worker, but the courts will take into account any such payment in assessing the reasonableness of the restriction. 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.

21. Is it possible to restrict a worker from soliciting customers or clients, or employees of the employer, after the termination of employment? If yes, describe any relevant requirements or limitations (including any payments that must be made to the worker for the restriction to be valid and enforceable).

Yes, it is possible. Please see our response to question 20.

The employer would have to show that the employee has influence over the customers or employees, and period of the restriction should not be longer than is necessary for the employer to build up the goodwill with the customers or for the influence over the other employees to wane.

22. Can an employer require a worker to keep information relating to the employer confidential after the termination of employment?

Yes. The common law protects confidential information. Employers also frequently require their employees to expressly agree to protect employers' confidential information under the employment agreement.

23. Are employers obliged to provide references to new employers if these are requested? If so, what information must the reference include? What duties apply to employers giving references?

With the exception of certain industries, such as the financial advisory and insurance industry, there is no legal requirement for employers to provide references to new employers if requested. However, it is customary to do so and courts have recognised that where employers prepare such references, they should do so in a fair and accurate manner. Hence reasonable care must be exercised to ensure that:

(a) the facts stated in the reference are true;

(b) any opinions expressed are based on, and supported by, facts which are true;

(c) it does not give an unfair or misleading overall impression of the employee; and

(d) it contains all information that if withheld would render the information disclosed incomplete, inaccurate or unfair.

However, subject to the above, an employer is not required to give a full and comprehensive reference or to include every material fact about the employee.

24. What, in your opinion, are the most common difficulties faced by employers in your jurisdiction when terminating employment and how do you consider employers can mitigate these?

Employers often face difficulties in terminations where

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their termination clauses are absent or insufficiently specific. To mitigate these issues, employers should as a matter of priority review their employment agreements to confirm that these agreements contain termination clauses consistent with their commercial intentions. If amendments need to be made to the employment agreements of existing employees, these can be done via a supplemental agreement or the employment handbook.

The risk of the employee challenging the termination on the basis that it amounts to wrongful dismissal is also higher where the employer chooses to terminate for cause. In this connection, the Wrongful Dismissal Guidelines issued on 18 November 2022 provide guidance on what amounts or does not amount to wrongful dismissal. In particular, they clarify that termination due to misconduct may only be done after due inquiry, and the employer would bear the burden of proving the employee's misconduct.

25. Are any legal changes planned that are likely to impact the way employers in your jurisdiction approach termination of employment? If so, please describe what impact you foresee from such changes and how employers can prepare for them?

Following the amendments to the EA as of 1 April 2019, coverage under the EA has been extended to generally all employees, with limited exceptions. Managers and executives earning more than S$4,500 per month who were previously not covered under the EA can now avail themselves of recourse for wrongful dismissal under the EA.

In addition, while the TADM and ECT heard salary-related disputes and MOM heard wrongful dismissal claims prior to the amendments, the TADM and ECT now hear wrongful dismissal claims as well, providing a more convenient one-stop service to employers and employees who might otherwise have to approach two different parties to resolve their issues.

Further, in deciding wrongful dismissal claims, the ECT must now have regard to the Wrongful Dismissal Guidelines, as mentioned above.

The amended EA also clarifies that dismissal includes involuntary resignation by the employee due to any conduct or omission on the employer's part.

Additionally, the enactment of the Workplace Fairness Act and the introduction of the statutory tort of discrimination may further ensure that employers do not engage in discriminatory termination. For more information on the Workplace Fairness Act, please see our response to question 12 above.

In light of these changes, employers should carefully review their employment documents and termination processes, especially in relation to managers and executives, to ensure compliance with Singapore laws.

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