



FAIR, PROGRESSIVE AND COMPLIANT HR PRACTICES IN SINGAPORE

MODULE 1: AN OVERVIEW OF THE SINGAPORE EMPLOYMENT ACT

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AGENDA

- Introduction To The Singapore Employment Act
- Mandatory Practices
- Other Employment Related Legislations

SINGAPORE EMPLOYMENT ACT

- Singapore's main labour law
- Enforced by Ministry of Manpower (MOM)(www.mom.gov.sg)
- Basic terms and conditions at work
- Covers employee working under a Contract of Service
 - Local and foreign employees (Employment of Foreign Manpower Act)
 - Full-time, Part-time, Temporary, Contract
 - Hourly, Daily, Monthly or Piece-rated
 - Excludes Seafarer, Domestic Worker, Statutory Board Employee or Civil Servant

SINGAPORE EMPLOYMENT ACT

- Contract of Service vs Contract for Service

Contract of service	Contract for service
Has an employer-employee relationship	Has a client-contractor type of relationship
Employee does business for the employer	Contractor carries out business on their own account
May be covered by the Employment Act (Find out who is covered)	Not covered by the Employment Act
Includes terms of employment such as working hours, leave benefits, etc.	Statutory benefits do not apply

Ministry of Manpower (www.mom.gov.sg)

MANDATORY PRACTICES

- Part IV of the Employment Act
 - Rest days, hours of work and other conditions of service
- Key Employment Terms (KETs) & Itemised Payslips
- Mandated Time-Off
 - Public Holidays
 - Annual Leave
 - Sick Leave
 - Maternity/Paternity Leave
 - Childcare Leave
 - Adoption Leave
 - Unpaid Infant Care Leave
 - National Service

MANDATORY PRACTICES

- CPF Contribution
- Medical Reimbursement
- Retirement and Re-employment
- Termination of Employment

PART IV OF EMPLOYMENT ACT

- Coverage
- Hours of Work
- Overtime Pay
- Rest Day

PART IV- COVERAGE

- A Workman (doing manual labour) earning a Basic Salary of not more than S\$4,500
 - Including artisans and apprentices, but not seafarers or domestic workers
 - Operates or maintains commercial vehicles with passengers
 - Supervises manual workers but also performs the work more than half their working time
- Has a job specified in the First Schedule of the Employment Act (<https://sso.agc.gov.sg/Act/EmA1968>)

PART IV- COVERAGE

- A non-Workman earning a Basic Salary of not more than S\$2,600
 - In non-managerial nor executive role
 - Rank-and-file white-collar role
 - E.g. Personal Assistant, Clerk, Receptionist

PART IV- HOURS OF WORK

- Average 44 hours a calendar week
 - 9 hours per day for 5 days or less a week
 - 8 hours per day for more than 5 days a week
- Break time of at least 45-min daily for 8 hours or more daily
- Maximum 12 hours a day, 72 hours of overtime hours per month
 - Exceptional circumstances such as accident, national security, urgent maintenance etc
 - Work on rest day or public holiday not counted in the 72-hour overtime limit except for hours beyond the usual daily work hours on these days.
- Average of 44 hours over a continuous 3-week period for shift-workers

PART IV- OVERTIME PAY

- Hourly Rate of Pay

For this category of employee	Hourly basic rate of pay is
Monthly-rated employee	$(12 \times \text{Monthly basic rate of pay}) / (52 \times 44)$
Daily-rated employee	Daily pay at the basic rate / Working hours per day
Piece-rated employee	Total weekly pay at the basic rate of pay / Total number of hours worked in the week

Ministry of Manpower (www.mom.gov.sg)

- <https://www.mom.gov.sg/employment-practices/salary/calculate-overtime-pay>

PART IV- REST DAY

- 1 rest day per calendar week (Mon-Sun)
- Can be any day of the week
- Maximum interval allowed between 2 rest days is 12 days
- Pay for work on a rest day

If work is done	For up to half your normal daily working hours	For more than half your normal daily working hours	Beyond your normal daily working hours
At the employer's request	1 day's salary	2 days' salary	2 days' salary + overtime pay
At the employee's request	Half day's salary	1 day's salary	1 day's salary + overtime pay

Ministry of Manpower (www.mom.gov.sg)

• <https://www.mom.gov.sg/employment-practices/salary/calculate-pay-for-work-on-rest-day>

KEY EMPLOYMENT TERMS (KETS)

- Must be included in Employment Agreement or Contract
- Within 14 days of employment
- 14 days or more of contractual obligation
- Terms to include:
 - Full name of employer and employee
 - Job title, main duties and responsibilities
 - Start date of employment and the duration (for fixed-term employment)
 - Working arrangements (start time, number of days of work per week, rest day)
 - Salary period
 - Basic salary or basic rate of pay (for hourly, daily or piece-rated employment)

KEY EMPLOYMENT TERMS (KETS)

- Terms to include:
 - Other salary components, if any
 - Types of leave
 - Medical benefits, if any
 - Probation and Notice Periods
 - Overtime payment period and rate of pay (if applicable)

ITEMISED PAY SLIPS

- Together, or with in three working days of salary payment
- Given together with final payment for employees who are leaving
- Last 2 years of records to be kept (and for 1 year after last date)
- Items to include
 - Full name of employer and employee
 - Date or dates of payment
 - Basic salary + other components
 - Start and end date of salary period
 - Deductions
 - Overtime hours, pay and payment period (if applicable)
 - Net salary paid in total

MANDATED TIME-OFF

- **Public Holidays**

- 11 days in a year
- If it falls on a Sunday, following Monday is a public holiday
- If it falls on a non-workday, to be credited as an off-in-lieu

- **Annual Leave**

- At least 3 months of employment
- Pro-rated throughout the year
- Based on completed months
- Accrual is not compulsory

Year of service	Days of leave
1 st	7
2 nd	8
3 rd	9
4 th	10
5 th	11
6 th	12
7 th	13
8 th and thereafter	14

MANDATED TIME-OFF

- Sick Leave

- At least 3 months of employment
- 14 days of paid Outpatient Sick Leave, and 60 days of paid Hospitalisation Leave which includes the 14 days of Outpatient Sick Leave
- Must be medically certified unfit by a registered medical practitioner
- Hospitalisation Leave to be given only by hospitals, national specialty centres and ambulatory surgical centres
- Cosmetic procedures are not eligible

Number of months of service completed	Paid outpatient sick leave (days)	Paid hospitalisation leave (days)
3	5	15
4	8	30
5	11	45
6 and thereafter	14	60

MANDATED TIME-OFF

- **Maternity Leave**

- At least 3 continuous months of employment before the birth of the child
- Child is a Singapore citizen, and employee is legally married
- 16 weeks of paid maternity leave (co-payment or full-payment by Government)
- Flexible in scheduling the paid maternity leave
- www.profamilyleave.gov.sg

- **Paternity Leave**

- At least 3 continuous months of employment before the birth of the child
- Child is a Singapore citizen, and employee is legally married
- 2 weeks of paid paternity leave (\$2,500 max support by the Government)
- Flexible in scheduling the paid paternity leave, provision to share 1 week of maternity leave
- www.profamilyleave.gov.sg

MANDATED TIME-OFF

- **Childcare Leave**
 - At least 3 continuous months of employment
 - Child is a Singapore citizen and below 7 years of age
 - Maximum 6 days of paid childcare leave (last 3 days paid by Government, up to S\$500 per day)
 - Maximum of 42 days of paid childcare leave per parent
 - Cannot be carried forward
 - www.profamilyleave.gov.sg

MANDATED TIME-OFF

- Adoption Leave
 - At least 3 continuous months of employment
 - Below 12 months of age at the point of formal intent to adopt
 - Child is a Singapore citizen or would be one within 6 months of adoption
 - 12 weeks of paid adoption leave (co-payment or full-payment by the Government)
 - www.profamilyleave.gov.sg

MANDATED TIME-OFF

- **Unpaid Infant Care Leave**
 - At least 3 continuous months of employment
 - Child is a Singapore citizen, below 2 years of age
 - 6 days a year of unpaid infant care leave
- **National Service Leave**
 - For male employees with National Service Obligations
 - Up to 40 days of national service yearly
 - Fully paid for by the Government
 - Deferment can be granted, case-by-case basis

CPF CONTRIBUTION

- For all Singaporeans and Singapore Permanent Residents
- Similar to a pension-saving scheme
- Employer and Employee co-contribution rates

Employee's age (years)	Contribution Rates from 1 Jan 2016 (for monthly wages \geq \$750)		
	By Employer (% of wage)	By Employee (% of wage)	Total (% of wage)
55 and below	17	20	37
Above 55 to 60	13	13	26
Above 60 to 65	9	7.5	16.5
Above 65	7.5	5	12.5

Central Provident Fund Board (www.cpf.gov.sg)

MEDICAL REIMBURSEMENT

- At least 3 months of employment
- Reimburse only the medical consultation fee
- Cosmetic procedures are not eligible
- Medical certificate given by a registered medical practitioner
- Public Medical Institution or appointed by the company
- <https://www.mom.gov.sg/employment-practices/leave/sick-leave/medical-reimbursements-and-salary>

RETIREMENT AND RE-EMPLOYMENT

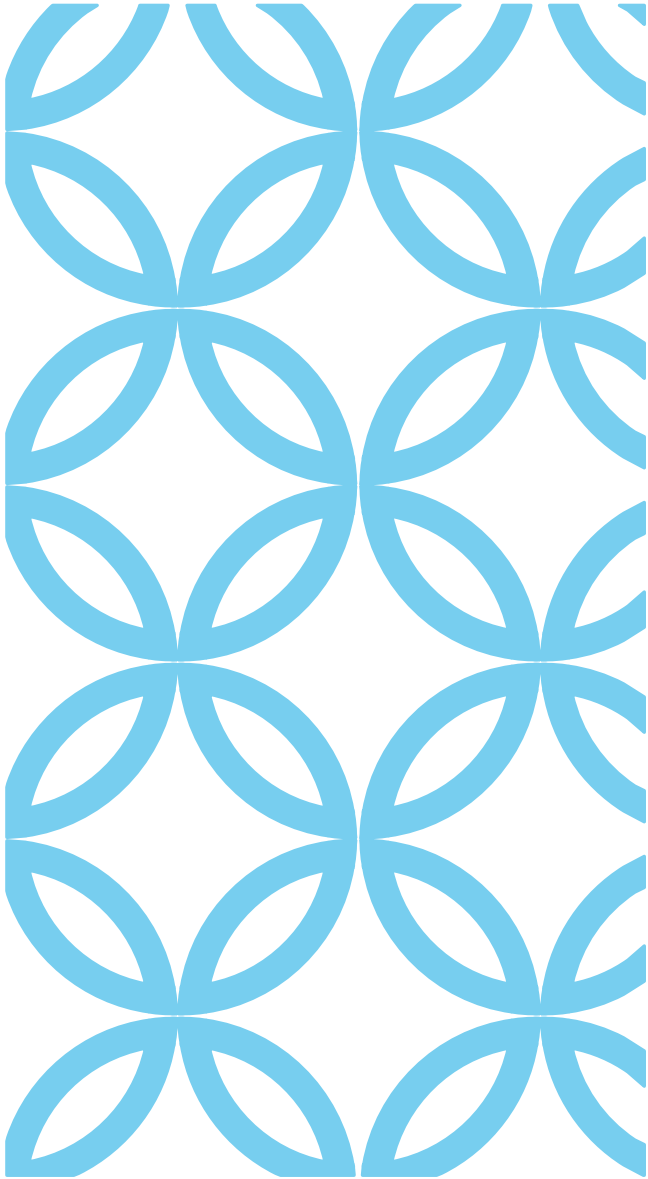
- Retirement Age at 62 years old
- Re-employment if employee has served at least 3 years of service
- Yearly contract, up to age 67
- Satisfactory work performance, medically fit to continue working
- If a role is not available
 - Transfer re-hiring obligation to another employer
 - Offer a one-off Employment Assistance Payment (3.5 months of salary, minimum S\$5,500 and maximum S\$13,000)

TERMINATION OF EMPLOYMENT

- Voluntary Termination
 - Notice period must be served or paid by the employee, or it can be waived by employer
- Involuntary Termination
 - Termination Without Cause - Notice period must be paid
 - Termination With Cause – Dismissal, notice period does not need to be paid but there must be evidence to support the cause
- There is no mandated redundancy compensation

OTHER EMPLOYMENT RELATED LEGISLATIONS

- Employment of Foreign Manpower Act
- Central Provident Fund Act
- Industrial Relations Act
- Retirement and Re-employment Act
- Workplace Injury Compensation Act



END OF MODULE 1
