



## Update: East and Southeast Asia Labour Law & Employment Regulations

### Overview

Several countries across East and Southeast Asia have updated their labour law and employment regulations since the year started. Some regulations have been implemented, while others will be implemented in early 2023.

### 1. Cambodia

#### Social Security Contribution

Cambodia announced on 5 July 2022 that a new scheme – the Pension Scheme, will be implemented as a part of **The National Social Security Fund (NSSF)**. Pension contributions will officially begin on 1 October 2022.

#### Contribution Rate

Employers and employees have the joint responsibility to contribute an equal amount monthly. From October 2022 to September 2027, each party will pay 2% of the employee's monthly wage to the NSSF. From October 2027 to September 2032, the contribution rate will be increased to 8%.

Starting from October 2032 to September 2042, the contribution rate is raised to 10.75%. Every subsequent 10 years, 2.75% will be added to the contribution rate.

The payment for the pension scheme will be made with the Occupational Risk and Health Care contributions.

Year	Total Contribution Rate (Employee + Employer)
Oct 2022 – Sept 2027	4%
Oct 2027 – Sept 2032	8%
Oct 2032 – Sept 2042	10.75%

#### Contributory Wage

The minimum contributory wage is 400,000 KHR, while the maximum is 1,200,000 KHR.

#### Age

If an employee is 60 years old as of 1 July 2022, the employee is not required to comply and participate in the compulsory pension scheme. However, if the employee intends to contribute to the pension scheme, they must submit a request to the NSSF within 12 months from 5 July 2022.

## 2. Hong Kong

### Employment Act

Due to the government's COVID-19 anti-epidemic measures, the Employment (Amendment) Bill 2022 ("Bill") was proposed to address employment-related issues. It was passed on 15 June 2022 and took effect on 17 June 2022 ("Ordinance").

The Ordinance strengthens employees' employment rights and benefits when they are absent from work due to complying with the government's anti-epidemic measures.

### Amendments to the Employment Ordinance

1. Employees who fail to comply with a "legitimate vaccination request" from their employer —constitute a "valid reason" for dismissal or change of an employment contract.

#### Legitimate Vaccination Request

- Must be in writing.
- Must request the Legitimate Vaccination Request from other employees who works with the employee that has contracted COVID-19, as the other employees may have been exposed to the risk of infection.
- Must request the employee to produce to the employer within 56 days from the request:
  - i. If the place of work is a public transport carrier or a premise subjected to the current Vaccine Pass requirement, a document, information, or a record showing that the employee has complied with the Vaccine Pass requirements is needed.

Employees exempted from the Vaccine Pass requirements do not have to comply.

- ii. If there are any other requirements or recommendations by the government that persons who perform a particular type of work are to be (or should be) vaccinated aside from the requirements under the Vaccine Pass. A document, information, or record showing that the employee has complied is required.

Employees exempted from the Vaccine Pass requirements do not have to comply.

- iii. If the employee does not fall within categories (i) and (ii), the employer must request proof that the employee has received one dose of the vaccine.

However, the request must not be made to employees in the categories:

1. Pregnant
2. Breastfeeding
3. Has a medical exemption under the Vaccine Pass Regulation
4. Has proof of discharge or recovery from COVID-19 and the date of diagnosis falls within six months before the date when the request is made.

2. If an employee is absent from work due to compliance with a Cap 599 requirement – this will not constitute as a valid reason for dismissal or a variation in the employment contract.
3. The definition of "sickness day" in the Employment Ordinance has been expanded to include a day on which an employee is absent from work due to an employee's compliance with a Cap 599 requirement. This includes an employee's compliance with an isolation or quarantine order or a requirement under the restriction-testing declaration, which restricts movement.

## 3. Malaysia

### Employment Act

Effective from 1 September 2022, the Act now applies to all employees irrespective of their wage, with only certain excepted sections exempting employees earning more than RM4,000 monthly.

#### List of Excepted Sections

- 60(3): Overtime for working on rest days
- 60A(3): Overtime for working outside of normal working hours
- 60C(2A): Shift work allowance
- 60D(3): Overtime and allowance for working on public holidays
- 60D(4): Overtime for working on holidays or half-working days
- 60J: Termination, lay-off, and retirement benefits

### Changes in Employment Act

#### 1. Maternity Leave

Paid maternity leave has been increased from 60 days to 98 days.

#### 2. Paternity Leave

Married male employees are entitled to 7 days of paid paternity leave for up to 5 confinements – regardless of the number of spouses.

##### To Attain the Paternity Leave

- The male employee must be employed for 12 months prior to the leave
- The male employee must tell his employer about his spouse's pregnancy 30 days before the expected pregnancy due date or as soon as possible after the birth

#### 3. Restriction on the Termination of Pregnant Employees

Employers are prohibited from terminating a,

- Pregnant employee;
- Employee suffering from illnesses due to pregnancy

The employer can only terminate a pregnant employee if the employee breaches their employment contract, performs misconduct, or in the event of company closure.

#### 4. Working Hours

Maximum weekly working hours have been reduced from 48 hours to 45 hours.

#### 5. Working Arrangements

Employees can request for a flexible working arrangement. Should the employer refuse, they are to provide grounds of refusal within 60 days of the application.

#### 6. Sexual Harassment Notice

Employers are to exhibit conspicuously a notice on sexual harassment in the workplace to raise awareness on the matter.

#### 7. Employment of Foreign Workers

Employers must obtain the prior approval of the Director General before employing a foreign worker. The employer is liable to a fine not exceeding RM100,000 or to imprisonment not exceeding five years, or to both.

Before the amendment, employers are only required to submit the foreign employee's details to the Director General within 14 days of employment.

## Minimum Wage

The national minimum wage was raised from RM1,100 to RM1,500. Companies with five or more employees are to adopt the wage effective from 1 May 2022, while companies with less than five workers can implement the new minimum wage on 1 January 2023.

## 4. Singapore

### Social Security

From January 2023, there will be an increase in the Central Provident Fund (CPF) contributions for employees aged 55 to 70.

Employee's Age	2022		2023		Increase (%)	
	Employer Contribution Rate	Employee Contribution Rate	Employer Contribution Rate	Employee Contribution Rate	Employer Contribution Rate	Employee Contribution Rate
≤ 55	17%	20%	No Change			
> 55 to 60	14%	14%	14.5%	15%	0.5%	1%
> 60 to 65	10%	8.5%	11%	9.5%	1%	1%
> 65 to 70	8%	6%	8.5%	7%	0.5%	1%
> 70	7.5%	5%	No change			

Source: Budget 2022 Annex E-2

### Basic Retirement Sum (BRS)

The Basic Retirement Sum (BRS) provides a monthly payout to CPF members, enough to sustain and cover basic living expenses in retirement. The BRS is increased yearly to keep up with rising costs, longer-term inflation, and improved living standards.

Year	Basic Retirement Sum
2022	SGD96,000
2023	SGD99,400
2024	SGD102,900
2025	SGD106,500
2026	SGD110,200
2027	SGD114,110

Source: CPF Website

## Retirement Age

With effect from 1 July 2022, the retirement age was increased from 62 to 63, and in tandem, the re-employment age has also increased from 67 to 68. Employees hired at 55 and above will qualify for re-employment if they have worked at the same company for the same employer for a minimum of two years.

## Work Passes

From September 2022, foreign employees with Employment Pass and S Pass will see a rise in their minimum qualifying salary.

	Employment Pass		S Pass	
	Non-financial Services Sector	Financial Services Sector	Non-financial Services Sector	Financial Services Sector
Before 1 September 2022	SGD4,500	SGD5,000	SGD2,500	SGD2,500
1 September 2022	SGD5,000	SGD5,500	SGD3,000	SGD3,500

Source: Ministry of Manpower Website

There will be further changes to the S Pass minimum qualifying salary on 1 September 2023 and 1 September 2025 onwards. The finalised qualifying salary will be announced closer to the implementation date, based on local associate, professional, and technician (APT) wages.

With the rise in S Pass holders' minimum qualifying salary, levy rates will also increase.

On 1 September 2023, Tier 1 levy rates will increase from the current SGD450 to between SGD450 to SGD550. 1 September 2025 will see another rise between SGD550 to SGD650.

## 5. South Korea

### Minimum Wage

South Korea's minimum wage is updated yearly, with the new minimum wage figure decided by August of that year and taking effect on 1 January of the next year. Compared to 2022's minimum wage, the 2023 minimum wage increased by 5%.

Year	Minimum Wage	
	Hourly	Monthly (209 Hours)
2022	KRW9,160	KRW1,914,440
2023	KRW9,620	KRW2,010,580

## Statutory Contributions

The statutory contributions rate increased on 1 July 2022 but will increase further on 1 January 2023. Details regarding the increased rate will be disclosed on a closer date.

With effect from 1 July 2022,

Year	National Pension		Contribution Rate	
	Minimum Salary	Maximum Salary	Employer	Employee
2021	KRW330,000	KRW5,240,000	4.5% monthly	4.5% monthly
2022	KRW350,000	KRW5,530,000		

The National Health Insurance (NHI), Long-term Care Insurance (LTCI), and Employment Insurance (EI) rates have also increased in 2022.

Year	NHI (Employer/Employee)	LTCI	Employer	Employee
2021	3.43 % of Gross	11.52% of NHI	1.05% of Gross	0.8% of Gross
2022	3.495% of Gross	12.27% of NHI	1.15% of Gross	0.9% of Gross
Increase date	1 Jan 2022	1 Jan 2022	1 Jul 2022	1 Jul 2022

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### Hong Kong: 7 September

HKIHRM Annual Conference and Exhibition 2022 with team BIPO Hong Kong



### Vietnam: 15 September

Vietnam HR Summit 2022



### Singapore: 8 September

hrtech.sg Demo Hour with Marjorie Tay



### Indonesia: 21 September

FYIstival – FYI: Business X Indonesia, Explore Indonesia Potential Business Growth with Mario Widjaja



### Singapore: 15 September

A Guide to Overseas Expansion with Alex Lau and Felix Ji



### Singapore: 22-23 September

Lockton Global Benefits Forum, Presentation with Albert Liew



### Singapore: 28-29 September

The Singapore Business Show, Keynote with Henry Liew



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