



Full Coverage: Singapore Employment Act to Be Expanded to All Employees

Professionals, managers, and executives soon will have access to basic employee benefits.

On October 2, 2018, a widely anticipated bill to amend the Singapore Employment Act ("EA") was introduced into parliament.

The most significant proposed change is the expansion of the core provisions of the EA to all professionals, managers, and executives ("PME"), regardless of salary level. Currently, PMEs earning more than S\$4,500 a month have no protection under the EA, and employers have been able to determine the terms of their employment largely through contract. PMEs will now be entitled to basic statutory benefits such as annual leave, medical and hospitalization leave, and protection against wrongful dismissal.

The bill also includes the following key changes:

- **Increase in Salary Threshold for Additional EA Protections.** The salary cap for employees (other than workmen and PMEs) who are entitled to additional protection and benefits under Part IV of the EA, such as overtime and rest days, will be increased from S\$2,500 a month to S\$2,600 a month.
- **Statutory Annual Leave Applicable to all Employees.** The annual leave provisions in the EA have been moved so that they are now applicable to all employees. Previously only those covered under Part IV were entitled to statutory annual leave.
- **Enhancement of Dispute Resolution Services.** The forum for the hearing of wrongful dismissal claims will be changed from the Ministry of Manpower to the Employment Claims Tribunal.
- **Expanded Definition of "Dismissal."** Dismissal will now include "the 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."
- **Obligation to Provide Additional Information on the Retrenchment of Employees.** Employers must, if required by the Commissioner of Labour, provide information on the retrenchment of any employee. Currently, employers with 10 or more employees must notify the Ministry of Manpower if five or more employees are retrenched within any six-month period.

The bill is expected to come into effect in April 2019. Employers should prepare for the changes by reviewing their policies and contracts for all employees.



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