Tripartite Guidelines on Mandatory Retrenchment Notifications

Introduction

Notification of retrenchments will enable Workforce Singapore (WSG), the tripartite partners – the Ministry of Manpower, the National Trades Union Congress (NTUC) and the Singapore National Employers Federation (SNEF) – and other relevant agencies to help affected employees find alternative employment and/or identify relevant training to enhance employability.

This set of guidelines provides guidance to employers on the requirement on Mandatory Retrenchment Notifications under the Employment Act.

Who should submit retrenchment notifications?

Employers with businesses registered in Singapore who employ at least 10 employees are required to notify MOM if 5 or more employees are retrenched within any 6-month period.

What constitutes a retrenchment?

For the purpose of this guidelines, retrenchments are defined as dismissal on the ground of redundancy or by reason of any reorganisation of the employer's profession, business, trade or work. This applies to permanent employees, as well as contract workers with full contract terms of at least 6 months.

When should I submit the notification?

The notification must be submitted within 5 working days after the employee¹ is notified of his/her retrenchment.

What information do I need to submit in the notification?

Please go to http://www.mom.gov.sg/notify-retrenchment to submit the notification. You will need to submit the following information:

- Company name and UEN
- Company contact person details
- Name of union (if company is unionised), and whether union was consulted

¹ For the first 4 employees who were notified of their retrenchment, the notification must be submitted within 5 working days <u>after the 5th employee is notified</u>. Thereafter, the notification must be submitted within 5 working days after each employee is notified of his or her retrenchment in any 6-month period.

- Number of employees on the date of submission of the retrenchment notification to MOM. This includes all employees, i.e. Singaporeans, Permanent Residents and foreigners
- Details of employees to be retrenched (i.e. name, NRIC or FIN, residential status, job title, date of effective retrenchment, date of notification of retrenchment to employees)
- Payment of retrenchment benefits and quantum
- Provision of employment facilitation assistance

What is the penalty for non-compliance?

Failure to comply with the requirement on Mandatory Retrenchment Notifications under the Employment Act is a civil contravention, for which administrative penalties can be imposed. Employers who wilfully do not comply with the requirement may be guilty of an offence, for which strong enforcement action may be taken.

Where to seek further assistance

For assistance on employment facilitation services, employers can contact the following:

Workforce Singapore (WSG)

www.wsg.gov.sg Tel: 6883 5885

NTUC's Employment and Employability Institute (e2i)

www.e2i.com.sg Tel: 6474 0606

Email: followup@e2i.com.sg

For further clarification on the Mandatory Retrenchment Notifications, employers may approach MOM.

Ministry of Manpower (MOM)

Tel: 6438 5122