# SINGAPORE NEWSFLASH

# THINKING GLOBALLY

23 March 2020

Latest News on law, tax and business in Singapore

www.roedl.de/singapur | www.roedl.com/singapore



## SINGAPORE NEWSFLASH

# THINKING GLOBALLY

23 March 2020

### Read in this issue:

# → Coronavirus outbreak update - ADDITIONAL BORDER CONTROL MEASURES

- ENHANCED SAFE DISTANCING MEASURES
- IMPLEMENTATION OF COST-SAVING MEASURES
- GOVERNMENT SUPPORT SCHEMES
- COLLECTION OF PERSONAL DATA FOR COVID-19 CONTACT TRACING
- CONTACT FOR MORE INFORMATION

# → Coronavirus outbreak update

#### ADDITIONAL BORDER CONTROL MEASURES

As a result of the number of importation of Covid-19 cases into Singapore, the Government is taking additional border control measures.

## Can short term visitors enter or transit through Singapore?

As of 23 March 2020, 23.59 hours, all short term visitors – from anywhere in the world – will not be allowed to enter or transit through Singapore.

#### Can work pass holders enter/return to Singapore?

As of 23 March 2020, 23.59 hours, the Ministry of Manpower ("MOM") will only allow the entry/return of work pass holders – including their dependants, for those providing essential services, such as healthcare and transport. Please note that an Employment Pass holder falls within the definition of work pass holder.

Work pass holder and their dependants must obtain the MOM's approval before they can commence their journey to Singapore. Employers must file the application for approval with the MOM online.

Applications are processed on a first-come-first-served basis. Applications submitted by 12 pm will receive the outcome on the same day. Applications submitted after 12 pm will receive the outcome the next day.

### Must anyone entering/returning to Singapore serve a SHN?

Yes, Singapore citizens, Permanent Residents and Long Term Pass holders (including work passes, Student's Pass, Dependant's Pass, and Long-term Visit Pass) must serve a 14-day Stay-Home Notice ("SHN").

## As an employer, am I responsible to ensure that the SHN is observed?

Both the employer and the work pass holder are responsible to ensure that that the SHN is observed. The MOM will take enforcement measures against any parties who do not comply with the requirements, including criminal proceedings, work pass revocations and withdrawal of work pass privileges.

#### ENHANCED SAFE DISTANCING MEASURES

#### Can/should employees work from home?

Employers are now strongly advised to put in place measures to reduce the amount of close physical interactions between employees. Telecommuting should be facilitated so that employees can work from home. Instead of physical meetings, teleconferencing should be used, wherever possible.

### What if it is not feasible for an employee to work from home?

In the event that telecommuting is not feasible due to the role of the employee, employers should introduce (a) staggered working hours, (b) reduce duration and proximity of physical interactions, (c) defer non-critical events and scale down critical work events.

#### IMPLEMENTATION OF COST-SAVING MEASURES

### Can an employer introduce cost-saving measures short of retrenchment?

On 11 March 2020, the Tripartite Advisory on Managing Excess Manpower and Responsible Retrenchment (the "Tripartite Advisory") was updated. The Tripartite Advisory provides for alternatives to retrenchment, which employers should consider:

- send employees for training to upgrade their skills and employability;
- redeploy employees to alternative areas of work within the company;
- implement flexible work schedule, flexible work arrangements, shorter work-week, or temporary layoff;
- d. adjust wages in line with tripartite norms; and
- e. implement no-pay leave.

Please note that these measures do not need to be applied sequentially.

#### Must an employer notify the MOM of any costsaving measures taken?

Singapore-registered employers with 10 or more employees must notify the MOM of any cost-saving measures affecting employees' salaries within 7 days from implementation.

### Does an employer need to obtain the consent of his employees before implementing such measures?

Before implementing any cost-saving measures, employers should obtain consent from unions and affected employees. Employers should communicate all cost-saving measures and their impacts clearly to unions and employees.

## Does an employer need to inform the MOM if it reduces the salary of its employees on a work pass?

If the salaries of foreign employees on work passes are affected, employers would have to seek the MOM's approval on the salary adjustments before implementation.

## By how much can an employer reduce its employees' salary?

An employer could consider treating any cut in basic wages of up to 10 per cent as monthly variable component cut ("MVC"). An employer should set clear guidelines to restore the MVC cut through future wage increases or adjustments when their business recovers. In the case of managers/executives, the MVC set aside could be more than 10 per cent of basic wages, in line with the principle of leadership by example.

Therefore, it would be possible for an employer to reduce its employees' salary upon having communicated the impact of the measures clearly and sought the consent of the employees.

#### **GOVERNMENT SUPPORT SCHEMES**

#### Job Support Scheme

As previous announced in the Singapore's Budget 2020, a Job Support Scheme ("JSS") will be introduced to assist enterprises in retaining local employees (i.e. Singapore Citizens and Singapore Permanent Residents). It is a temporary scheme for 2020. For a period of three months (Oct 2019 – Dec 2019), the government will offset 8 per cent of the wages of every local employee, up to a monthly wage of SGD 3,600. Employers do not need to apply for the JSS. Payment from the government to the employers will be received by the end of July 2020.

#### LOA/SHN Support Programme for business

The MOM is providing support to help business who are affected by Leave of Absence ("LOA") and SHN requirements due to COVID-19. Employers may receive SGD 100 daily per affected employee for the required duration of the LOA or SHN granted to the employee.

#### COLLECTION OF PERSONAL DATA FOR COVID-19 CONTACT TRACING

# In view of the COVID-19, can an employer collect, use and disclose the personal data of my employees and visitors to its office?

Employers can collect, use and disclose relevant personal data (e.g. NRIC / Passport Number) from its employees and visitors to their offices without consent for the purpose of carrying out contact tracing and other response measures.

Consent is not required as such personal data are necessary to respond to an emergency that threatens the life, health or safety of other individuals. Employers should ensure that reasonable security arrangements are in place and that the personal data will not be used for other purposes without the consent of the individual or permitted under law).

#### CONTACT FOR MORE INFORMATION



Dr. Paul Weingarten
Partner
T +65 6238 6770
paul.weingarten@roedl.com

### **Imprint**

Singapore Newsflash, Corona Update, 23 March 2020

Publisher:

Roedl & Partner Singapore Pte. Ltd. 1 Scotts Road, #21-10 Shaw Centre Singapore 228208 Tel.: +65 6238 6770 | Fax:+65 6238 6630 www.roedl.com/singapore

Responsible for the content: Dr. Paul Weingarten paul.weingarten@roedl.com

Layout: Dr. Paul Weingarten paul.weingarten@roedl.com This Newsletter offers non-binding information and is intended for general information purposes only. It is not intended as legal, tax or business administration advice and cannot be relied upon as individual advice. When compiling this Newsletter and the information included herein, Rödl & Partner used every endeavour to observe due diligence as best as possible, nevertheless Rödl & Partner cannot be held liable for the correctness, up-to-date content or completeness of the presented information.

The information included herein does not relate to any specific case of an individual or a legal entity, therefore, it is advised that professional advice on individual cases is always sought. Rödl & Partner assumes no responsibility for decisions made by the reader based on this Newsletter. Should you have further questions please contact Rödl & Partner contact persons.