

# EMPLOYMENT (MINIMUM WAGE) ORDER 2023



### **Minimum Wage**

Minimum wage is defined as the lowest amount of base salary that an employer is required to pay the employee for the work performed during a given period, which cannot be reduced by a collective agreement (between employer and group of employees) or an individual contract (between employer and employee).

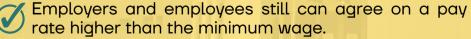
The amount of the minimum wage is before any reduction of the employee's contribution to the National Retirement Scheme (SPK), Employee Trust (TAP) or Supplemental Contributory Pensions Trust (SCP).



## **Implications**

After the commencement of this Order, any wage may be affected by:

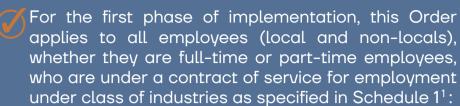
CURRENT WAGE	REQUIRED CHANGES
Lower than Minimum Wage	Top-up wage equal to or higher than the Minimum Wage.*
Higher than Minimum Wage	No reduction to a lower rate than the agreed-upon rate in the contract.



\*Employers must make any necessary changes to an employee's existing contract of service within a 6 months transitional period starting from 12 July 2023.



## **Application**



- 1 Banking and Finance;
- 2 Infocommunication technology.
- This Order does not apply to:
  - 1 The Government;
  - 2 Any apprentice;
  - 3 Any foreign employee who is;
    - i. issued a Professional Visit Visa; or
    - ii. employed by an employer through a Special Authorisation Work Pass.
  - Any persons excluded from the definition of employee under the Employment Order 2009, such as:
    - i. domestic worker:
    - ii. informal worker;
    - iii. seaman; or
    - iv. voluntary worker.

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### **Minimum Wage Rates**

CLASS OF <sup>2</sup> INDUSTRIES	FULL-TIME EMPLOYEE (monthly)	PART-TIME EMPLOYEE (hourly)
Banking and finance	BND500	BND2.62
Infocommunication technology		

<sup>&</sup>lt;sup>1</sup> See Schedule 1 under Employment (Minimum Wage) Order 2023

<sup>&</sup>lt;sup>2</sup>See Schedule 2 under Employment (Minimum Wage) Order 2023



### Requirements

- Employer must provide a **new contract** for employees, whether local or foreign, with updated terms on the minimum wage rate. Re-signing is only necessary for salaries below the minimum wage.
- Employer and employee must keep a copy of the new contract.
- Employer must fill in the **Declaration Form** by scanning the QR code and send to led@buruh.gov.bn.



The Department of Labour will conduct periodic inspections to ensure compliance.





### Offences<sup>3</sup>

Any person who is guilty of any breach of or of any offence against this Order, is liable on conviction:

Fine not exceeding BND 3,000

Imprisonment for a term not exceeding one year

<mark>or</mark> Both







Bring related documents in relation to the complaint lodged.





Proceed to the
Labour
Enforcement
Division to make
a formal
complaint.



Complainant
must come
personally to
lodge a report
and must not be
represented by
anyone else.



### **Contact Us**

Department of Labour, Ministry of Home Affairs

COMPLAINT HOTLINE:
LED JB



**2381848** (Office Hour) **7298989** (After Office Hour)

LEGAL ADVICE: BPP JB



**2380256** EXT **4210** (Office Hour)

**FURTHER INFO / FAQ:** 



INFO@BURUH.GOV.BN WWW.LABOUR.GOV.BN @LABOUR.BN Manpower Planning and Employment Council Secretariat

**HOTLINE:** MPEC PMO



**2444100** (Office Hour) **7291785** (Office Hour)

**FURTHER INFO / FAQ:** 



MPEC@JPM.GOV.BN WWW.MPEC.GOV.BN @MPEC\_SECRETARIAT





Scan to get the Employment (Minimum Wage) Order 2023 Handbook.

<sup>&</sup>lt;sup>3</sup>See Section 148 of the Employment Order 2009