Human resources play a crucial role in determining business strategy.

Comprising more than 100 lawyers, Mayer Brown's global employment & benefits team advises on the full range of employment law issues, both contentious and non-contentious, from recruitment to termination to restructuring, and all matters in between. Our international practice is renowned for steering clients through complex, multi-jurisdictional legislation and for delivering shrewd commercial advice.

We operate in the world's principal financial centers—in the US, Europe, Asia and the Middle East—and collaborate with a carefully nurtured selection of internationally experienced lawyers in other countries with whom we have worked closely for many years.

Our advice extends from proactively anticipating and avoiding issues to navigating and resolving matters once they become concerns.

Our strengths in employment law include employment counselling, employment litigation, employee benefits, executive compensation, global restructuring, outsourcing of human capital, employment and severance agreements, pensions plans, including fiduciary duties of employers and plan trustees, employee stock ownership and other incentive-based compensation, labour relations and union matters.

We advise on employment-related topics such as HR regulation, risk management and compliance, personal data privacy, the use of social media in the workplace, global employee mobility, diversity and inclusion, immigration, mediation, arbitration and litigation.

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## MAYER BROWN

# **Termination**

Traffic Lights



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## **Asia Termination Traffic Lights 2023**



			Australia	*		China <sup>1</sup>	Hong Kong	India	Indonesia	Japan	Macau	Malaysia	Myanmar	New Zealand	Pakistan	Philippines	Singapore	South Korea	Taiwan	Thailand	Vietnam	
	Federal Law	New South Wales	Queensland	Victoria	Western Australia	*)	*	•		•	*	<u>•</u>	*	NK.	10		<b>(</b> :	# <b>O</b> #	*		*	
Overall risk level on termination of employee																						Overall risk level on termination of employee
Court attitude: employer/ employee friendly?																						Court attitude: employer/ employee friendly?
Degree of protection from termination																						Degree of protection from termination
Difficulty of following due process																						Difficulty of following due process
Ease of transfer of employee on a transfer of undertaking																						Ease of transfer of employee on a transfer of undertaking
Level of ex gratia payment																						Level of ex gratia payment
Reinstatement							*															Reinstatement
Risk of union involvement or collective bargaining requirement																		**				Risk of union involvement or collective bargaining requirement
Risk of government involvement																						Risk of government involvement

<sup>1</sup> This column was prepared with the assistance of Meng Bo Law Office, a PRC law firm based in Shanghai, with which Mayer Brown has a close working relationship. \*The Court has the right to order reinstatement in the event of unlawful termination without the employer's consent. \*Where there is a labour union at the company.

CRITERIA				CRITERIA
Overall risk level on termination of employee	High risk jurisdiction in which to terminate employees considering the 8 factors below.	Medium risk jurisdiction in which to terminate employees considering the 8 factors below.	Lower risk jurisdiction in which to terminate employees considering the 8 factors below.	Overall risk level on termination of employee
Court attitude: employer/ employee friendly?	Courts tend to be very employee friendly.	Courts tend to be reasonably employee friendly.	Only the very lowest level courts tend to be employee friendly.	Court attitude: employer/ employee friendly?
Degree of protection from termination	Broad categories of employee protected by unfair or unlawful dismissal legislation and consequences of breach can result in an offence being committed, a fine or an order for reinstatement or reengagement.	Certain categories of employees protected by unlawful or unfair dismissal legislation but not all.	Few (if any categories of employees) protected by unfair or unlawful dismissal legislation.	Degree of protection from termination
Difficulty of following due process	High level. This includes consultation obligations, requirement to put reason for termination to the employee and give him/her opportunity to improve. This process may take many months. A court process may be required.	Medium level.	Low level.	Difficulty of following due process
Ease of transfer of employee on a transfer of undertaking	Not easy.	Relatively easy.	Easy.	Ease of transfer of employee on a transfer of undertaking
Level of ex gratia payment	Often several multiples of monthly base salary required to achieve a mutual separation.	1 to 2 times monthly base salary usually required to achieve a mutual separation.	Not generally a requirement to achieve a mutual separation.	Level of ex gratia payment
Reinstatement	Mandatory reinstatement ordered by the Courts.	Reinstatement ordered on occasion but not always.	Very unlikely to be ordered.	Reinstatement
Risk of union involvement or collective bargaining requirement	Often union involvement in terminations or some form of collective negotiation/consultation required.	On certain occasions depending on the level and number of employees terminated.	Low risk.	Risk of union involvement or collective bargaining requirement
Risk of government involvement	High risk.	Medium risk.	Lowrisk.	Risk of government involvement