



Understanding Bangladesh's Labour Law and Employment Regulations

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Organiser : **BIPO** | Make Life Easier.

Speaker



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Saddam have almost 10 years of experience as a HR professional in HR transformation projects, HR strategies, processes and structures, HR operations, and functional HR expertise areas.

Saddam's academic qualifications includes:

1. Executive MBA, Institute of Business Administration, University of Dhaka
2. MBA in HRM from Faculty of Business Studies, University of Dhaka
3. BBA in Management, Faculty of Business Studies, University of Dhaka

About Us

Established in 2010 and headquartered in Singapore, BIPO is a global payroll and people solutions provider.

Our enterprise-ready HR Management System automates HR processes, simplifies workflows, and delivers actionable insights. Complemented by our payroll outsourcing and global PEO services, we support your global workforce needs through a network of 30+ offices, four R&D centres, and business partners in 100+ countries.

30+

Global Offices

3,300+

Clients

460,000+

Users



Global Footprint

Legend

○ BIPO Offices (37)

◆ BIPO Business Partners (145)

Coming Soon (15)

Argentina
Bosnia and Herzegovina
Chile
Denmark
Egypt
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Italy
Ivory Coast
Kenya
Nigeria
Portugal
Romania
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An **Asia-Based** Global HR Tech & Service Provider.

BIPO



Awards & Recognition

HR Magazine
**AWARDS
2021/22**

Hong Kong

- Best HR Vendor (HRIS) – **Gold**



Singapore

- Best Payroll Software – **Gold**

Hong Kong

- Best Consultancy of the Year – **Grand Prize Winner**
- Best HR Outsourcing Service Provider – **Gold**



HRM Asia Readers' Choice Awards 2021

- Best HR Tech
- HRIS – **Gold**
- Time & Attendance Management System – **Gold**

Malaysia

- Best HRMS (Enterprise) - **Gold**
- Best HRMS (SMB) - **Gold**
- Best Employer of Record Service Provider - **Gold**
- Best Payroll Software - **Silver**
- Best Employer of Record Service Provider - **Silver**



Singapore Business Review

Management Excellence Awards 2020

- COVID Management Initiative of the Year – HR Tech

Hong Kong Business

Management Excellence Awards 2020

- COVID Management Initiative of the Year – HR Tech



ISO27001

Information Security Management System

certification

BIPO

Awards & Recognition



The Global Service Provider Program The HR Service Project Partner

Presented by the Shanghai Municipal Human Resources and Social Security Bureau and Jing'an District People's Government



Best Human Resources Service Award in Greater China in 2021

Awarded by HRTech China



Top 100 Human Resource Service Institutions in China –Top 30

Awarded by Tophr



China's Top 10 Best Compensation Management and Outsourcing Solution Providers 2021

Awarded by HR Excellence Centre (China)



BIPO HRMS 2021 Digital HRTech Awards (Best HRTech Providers/ Best HRTech Products)

Awarded by HRTech China



2021 Best overseas human resources service organization

Awarded by HRSalon

Scale Up Your Business with BIPO



Globalisation

- Professional Employer Organisation (PEO)
- Employer of Record (EoR)
- Global Payroll Outsourcing
- Enterprises Going-Global
- Enterprises Global Mobility Solutions



Digitalisation

- **BIPO HRMS + Workio**
Cloud and mobile-based platform
- Supports the **Employee Lifecycle** from onboarding to off-boarding
- **Payroll and Reporting**
 - > Payslips
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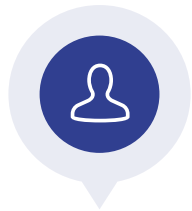
Compliance

- Employment practices and labour regulations
- Payroll, Statutory Benefits & Tax Submission
- Visa & Work Permit applications
- Data security and privacy
 - > ISO 27001 certification
 - > Hosted on AWS and Ali Cloud

About BIPO

- Supported by a professional team of experienced local talents, BIPO's service network **Enterprises and SMEs** scale with ease, **with or without a local HR**.
- Our integrated, one-stop HR service model offers comprehensive solutions for businesses – from global recruitment options, outsourced HR functions, local HR legal consulting to HR compliance management. Stay compliant, achieve efficiency and simplify overseas deployment and global mobility process with cost control.

Without Overseas Business Entity Established



Professional Employment Organisation (PEO/EoR)



HR Compliance Consultancy



Dedicated local support and communication



Work Permit Application

With Overseas Business Entity Established



Local salary computation



HR Compliance Consultancy



Dedicated local support and communication



Work Permit Application

Service As You Order, Data to Manage People



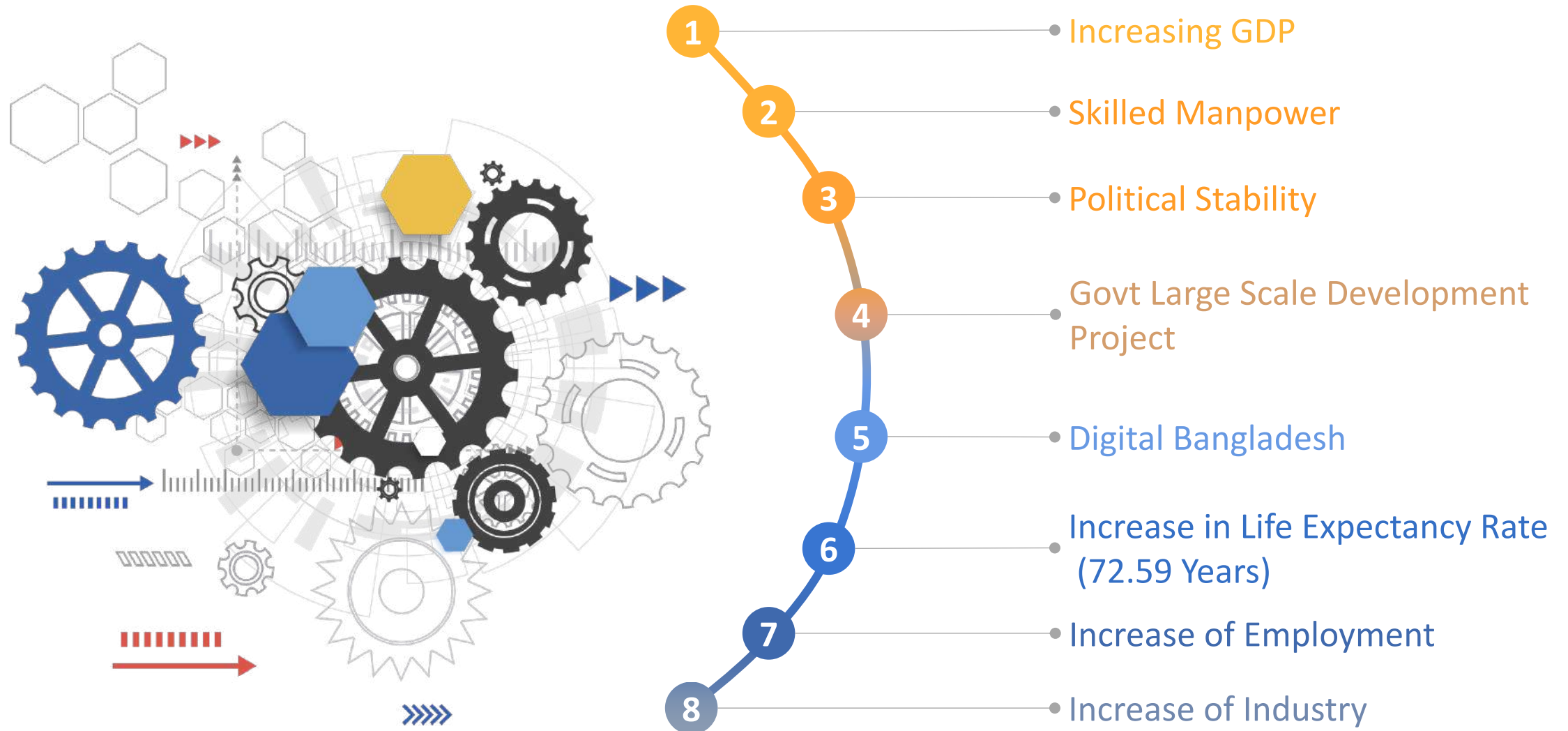
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01

Bangladesh's Economic Prospect

Prospect of Bangladesh's Economy



02

Organisation/Entity Registration

How to Register Organisation/Entity in Bangladesh

Overview of Legal Entities in Bangladesh

Type of Entity	Maximum Allowed Foreign Ownership	Minimum Paid-Up Capital	Minimum no. of shareholders
Private Limited Company	100%	USD 1*	2
Public Limited Company	100%	USD 1*	7
Subsidiary Company	51%-100%	USD 1*	2
Branch Office	100%	N/A	N/A
Representative Office	100%	N/A	N/A

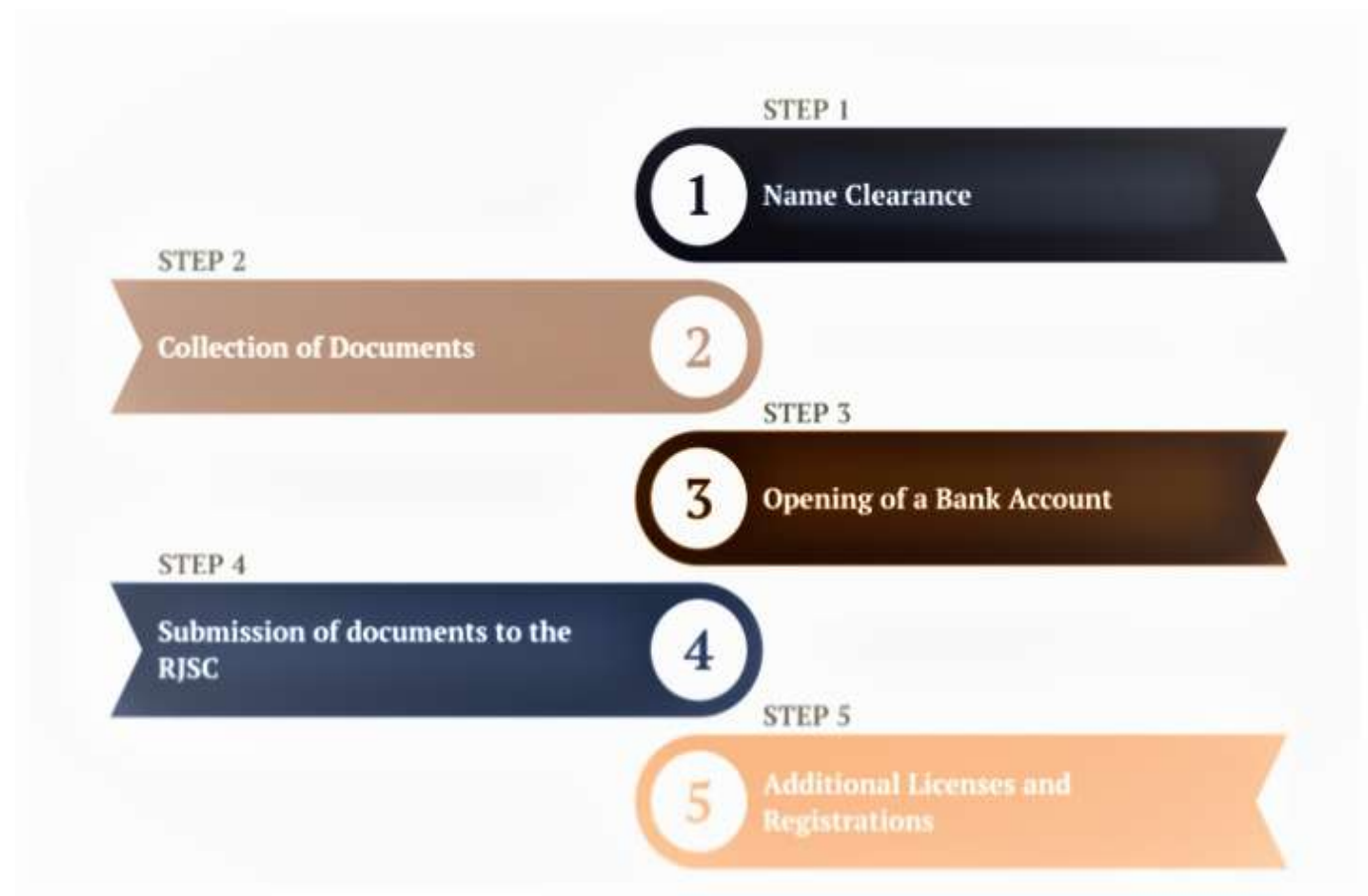
How to Register Organisation/Entity in Bangladesh

- **Private Limited Company:**
Any person who is above 18 is eligible to register a company. Furthermore, the law prescribes a minimum of **2** and a maximum of **50** shareholders, and **2** directors. Also, note that you can form a joint venture with a local entity to share the strengths and lessen the risks
- **Public Limited Company:**
In contrast, a public limited company can invite the public to hold shares and is usually registered on a stock exchange. A public limited company has a minimum of 7 members, 3 directors, with no maximum number of shareholders. Its shareholders can be any legal person or any individual who is above the age of 18, qualified by Bangladesh Law.
- **Branch Office:**
A branch is an extension of its parent company and not a separately incorporated entity. In other words, the parent company is responsible for its branch's liabilities.
- **Representative / Liaison office:**
Just like a branch, a liaison, also called a representative office. It must have a parent company abroad, and its activities are limited since it only serves as a communication or coordination instrument of the business resources in Bangladesh.
- **Subsidiary Company:**
A subsidiary company is an LLC that is independent of its parent foreign corporate. A corporate foreign investor is eligible to register a subsidiary company in Bangladesh. It shall also be treated as private limited company.

How to Register Organisation/Entity in Bangladesh

The Step-by-Step Process of Company Registration in Bangladesh

The average estimated timeline of full registration in Bangladesh is 45- 60 days.



How to Register Organisation/Entity in Bangladesh

The Step-by-Step Process of Company Registration in Bangladesh

Step 1: Name clearance

Firstly, you need approval for your company's name from The Registrar of Joint Stock Companies and Firms (**RJSC**).

Step 2: Drafting of required documents

Secondly, you need to draft the Article of Association (**AoA**) and Memorandum of Association (**MoA**). While preparing those, you need to draft it along with other forms as requirements for compliance to **RSJC**.

Step 3: Opening of bank account

Thirdly, need open a bank account in the proposed name of the company and make an inward remittance of at least USD 50,000 if you plan on hiring foreign employees.

Step 4: Submission of documents to the RSJC

In this step, you have to submit all the required papers to the **RJSC** and pay the registration fees. You can also look into **RSJC** for the incorporation certificate during the standard process time.

Step 5: Post-registration compliance

By this time, you have the certificate of incorporation, Articles of Association (**AoA**) and Memorandum of Association (**MoA**), and you have a newly registered company in Bangladesh.

How to Register Organisation/Entity in Bangladesh

Also Need to Proceed to Some Additional Licenses and Registrations

- Trade License
- Tax Identification Number (TIN)
- Value Added Tax (VAT) Registration Certificate
- Fire Certificate (if necessary)
- Environmental Clearance Certificate (if necessary)

03

Expatriates and Foreigners in Bangladesh

Expatriates and Foreigners in Bangladesh

- According to police's Special Branch (SB), a total of **245,775** Expatriates/Foreigners are working at over 1,000 local and multinational companies in Bangladesh.
- **Quota/Ratios Limit To Hire Foreign Full-Time Employees In Bangladesh:** For industrial projects Expat workers ratio of **10:1** (local worker: foreign worker) at the initial stage and then **20:1** during the operational stage.

For Commercial organization Expat workers ratio of **5:1** (local worker: foreign worker).

- Tax rate for Expatriates in Bangladesh is **30%** of gross income. But after 182 days working in Bangladesh expat Tax rate will be same as local.
- Expatriates/Foreigners can get work Permit within 20-25 days in Bangladesh.
- Expatriates/Foreigners can Invest Under PI (private investor) VISA.

04

Overview of Bangladesh's Labour Law

Overview of Bangladesh Labour Law

- Bangladesh Labour Law means – The Bangladesh Labor Act , 2006 (Ammendment in 2013, 2015, 2018)
- Bangladesh Labour Rules means – Bangladesh Labor Rules, 2015

Purpose Of Bangladesh Labour Law



Overview of Bangladesh Labour Law

Which Organisations under Labor Act & Rule?

- Save as otherwise specified elsewhere in this Act, it extends to the whole of Bangladesh.
- Application of Chapter II, any shop or industrial or commercial establishment owned and directly operated by the Government where the workers are governed by the conduct rules applicable to the Government servants.
- Any worker whose recruitment and terms and conditions of service are governed by the Acts or rules made under article 62, 79, 113 or 133 of the Constitution, but in the case of application of Chapters XII, XIII and XIV, the workers employed in the following establishments shall not be subject to this prohibition.

05

Employment Policies

Employment Policies – 1 (General Terms)

- **Law means – the Bangladesh Labor Act , 2006**
- **Rules means – Bangladesh Labor Rules, 2015**
- **Definition (Section 2)**
 - ❑ (63) **“child”** means a person who has not completed 14th (fourteenth) years of age;
 - ❑ (8) **“adolescent”** means a person who has completed fourteenth year but has not completed eighteenth year of age;
 - ❑ (36) **“adult”** means a person who has completed eighteenth year of age;
 - ❑ (19) **“day”** means a period of 24 (twenty four) hours beginning at 6.00 am;
 - ❑ (45) **“wages”** means all remuneration, expressed in terms of money or capable of being so expressed; but does not include the following money, namely:
 - (a) the value of any house accommodation, light, water, medical facilities or other amenity or the value of any service excluded by general or special order by the Government;
 - any subscription paid by the employer to any pension fund or provident fund;
 - any travelling allowance or the value of any travelling concession;
 - any sum paid to a worker to defray special expenses entitled to him by the nature of his employment;

Employment Policies – 2 (Employment Types)

- **Classification of Workers and Probation Period (Section 4)**

☐ (1) Workers employed in any establishment may be classified in any of the following classes according to the nature and condition of work, namely:

- a) **Apprentice:** A worker may be called an apprentice if he is employed in an establishment as a trainee and paid allowances during the period of his training.
- b) **Substitute:** A worker may be called a substitute if he is employed in an establishment in the post of a permanent worker or of a probationer for the period of his temporary absence.
- c) **Casual:** A worker may be called a casual worker if he is employed on ad-hoc basis in an establishment for work of a casual nature.
- d) **Temporary:** A worker may be called a temporary worker if he is employed in an establishment for a work which is essentially of temporary nature and is likely to be finished within a limited period.;
- e) **Probationer:** A worker may be called a probationer if he is employed for the time being in an establishment in a permanent post and the period of his probation is not ended.
- f) **Permanent:** A worker may be called a permanent worker if he is employed in an establishment on a permanent basis or if he has completed the period of his probation satisfactorily in the establishment.
- g) **Seasonal worker:** A worker may be called a seasonal worker if he is employed in an establishment for seasonal works during any work season and remain in employment up to the end of that season.

Employment Policies – 3 (Employment Contract)

- **Giving Letter of Appointment and Identity Card and Maintaining the Confidentiality (Rule 19)**

- (1) No owner can appoint any worker without giving the letter of appointment.
- (4) The appointment letter should mention the following information of the worker under the section 5, such as:
 - **(a)** Name of worker; **(b)** Father's Name; **(c)** Mother's Name; **(d)** Spouse Name (as applicable); **(e)** Address: Present & Permanent; **(f)** Designation, type of work, date of joining; **(g)** Class of worker;
 - **(h)** Wages or pay scale (Wages or salary and the rate of the increase of annual salary, if any); **(i)** Other payable financial facilities (house rent, medical, education, food, conveyance, festival and attendance allowances and gratuity if any; and
 - **(j)** It is to be mentioned hereby that all appointment conditions, existing service rules (if any), will be complied with existing labor act.
- (5) Each owner will provide identity card with the photograph to each worker working in the firm at the costs of the owner as per Form-6.
- (8) Notwithstanding anything contained in these rules, any worker engaged in the factory or firm or any person with administrative and management responsibility will maintain the confidentiality of the business strategy of the firm in case of performing the duties or changing the job.

Employment Policies – 4 (Probation)

- **Classification of Workers and Probation Period (Section 4)**

- (8) The period of probation for a worker whose function is of clerical nature shall be 6 (six) months and for other workers such period shall be 3 (three) months:
 - Provided that in the case of a skilled worker, the period of probation may be extended for a further period of three months if, for any reason, the quality of his work within first 3 (three) months of his probation is not possible to ascertain
 - Provided further that a worker shall be deemed to be permanent in accordance with the provision of sub-section (7) notwithstanding he has not been issued any confirmation letter after completion of his probationary period or extended period of 3 (three) months.

Employment Policies – 5 (Working Hour)

- **Daily Working Hours (Section 100)**

- No adult worker shall ordinarily work or be required to work in an establishment for more than 8 (eight) hours in a day: (Provided that subject to the provisions of section 108, any such worker may work in an establishment up to 10 (ten) hours also in a day.)

- **Weekly Working Hours (Section 102)**

- (1) No adult worker shall ordinarily work or be required to work in an establishment for more than 48 (forty-eight) hours in a week.
- (2) Subject to the provisions of section 108, an adult worker may work for more than 48 (forty-eight) hours also in a week: Provided that the total working hours of such worker shall not exceed 60 (sixty) hours in a week, and on the average 56 (fifty-six) hours per week in a year.

- **Spread Over (Section 105)**

- The period of work of an adult worker in an establishment shall be so arranged that inclusive of his interval for rest or meal under section 101 shall not spread over for more than ten hours.

Employment Policies – 6 (Hours of Rest & Weekend)

- **Interval for Rest or Meal (Section 101)**

- In an establishment no worker shall be liable to:

- (a) work for more than 6 (six) hours in a day, unless he is given an interval of 1 (one) hour for rest or meal during that day;
- (b) work for more than 5 (five) hours in a day, unless he is given an interval of half an hour for the said purpose during that day; or
- (c) work for more than 8 (eight) hours in a day, unless he is given 1 (one) interval under clause (a) or 2 (two) intervals under clause (b) for the said purpose during that day²;

- **Weekly Holiday (Section 103)**

- Every worker employed in an establishment: (a) shall be entitled to 1 (one and a half) day holiday in a week in the case of a shop or commercial establishment or an industrial, establishment and 1 (one) day in a week in the case of a factory and establishment;

Employment Policies – 7 (Overtime Calculation)

- **Extra-allowance for Overtime (Section 108)**

- ☐ (1) Where a worker works for more hours than the hours fixed under this Act in an establishment on any day or in a week he shall, for overtime work, be entitled to allowance at the rate of twice his ordinary rate of basic wage and dearness allowance and ad-hoc or interim wage, if any.

- **Method of Calculating the General Rate of Overtime Allowance (Rule 102)**

- ☐ 1) As per Section 108, if there are not different agreements, the general rate of overtime allowance per hour shall be calculated in the following ways:
 - a) $1/8$ of daily wage amount in case of the workers employed in terms of daily Wage;
 - b) $1/48$ of weekly wage amount in case of the workers employed in terms of weekly Wage;
 - c) $1/208$ of monthly wage amount in case of the workers employed in terms of monthly wage;
- ☐ NB: $52 \times 12 \times 48$ hours 208 hours shall be calculated as one month period. The rate of overtime allowance per hour monthly basic wage and allowance and ad hoc or interim wage (if any) $\times 2 \times$ overtime hours/208 hours.

Employment Policies – 8

(Maternity Benefits & Calculation)

- **(Section 2) (34) “maternity benefit”** means the sum of money payable under the provisions of Chapter IV to a woman worker with leave on the ground of her being a mother;
- **Right to Maternity Benefit and Liability for Its Payment (Section 46)**
 - ❑ 1) Every woman worker shall be entitled to maternity benefit from her employer for the period of 8 (eight) weeks preceding the expected day of her delivery and 8 (eight) weeks immediately following the day of her delivery, and her employer shall be bound to give her this benefit:
 - Provided that a woman shall not be entitled to such benefit unless she has worked under her employer for a period of not less than 6 (six) months immediately preceding the day of her delivery.
 - ❑ (2) No such benefit shall be payable to a woman if at the time of her delivery she has 2 (two) or more surviving children, but in that case she may enjoy any leave which is due to her.
- **Amount of Maternity Benefit (Section 48)**
 - ❑ (2) The daily, weekly or monthly average wages shall be calculated by dividing the total wages earned by the concerned woman during 3 (three) months immediately preceding the date on which she gives notice under this Chapter by the number of days she actually worked during that period.

Employment Policies – 9 (Type of Termination)

- (Section 2) Different Types of Termination

- ❑ (1) “Retirement” means the normal termination of employment of a worker on attaining the particular age under section 28 of this Act, provided that voluntary retirement by a worker from service on completion of 25 years of service in any establishment shall also be deemed to be retirement;
 - (Section 28) (1) Notwithstanding anything contained elsewhere in this Chapter, a worker employed in any establishment shall retire from employment on the completion of 60 (sixty) years of his age.
- ❑ (11) “Retrenchment” means the termination of services of workers by the employer on the ground of redundancy;
- ❑ (17) “Discharge” means the termination of service of a worker by the employer for reasons of physical or mental incapacity or continued ill health;
- ❑ (39) “Dismissal” means the termination of service of a worker by the employer for misconduct;
- ❑ (58) “Lay-off” means the failure, refusal or inability of an employer to give employment to a worker on account of shortage of coal, power or raw material or the accumulation of stock or the break-down of machinery;

Employment Policies – 10

(Termination by Employer & Benefits)

- **Termination by an Employer (Section 26)**

- ❑ (1) The employment of a permanent worker may be terminated by an employer, by giving him a notice in writing, of
 - (a) 120 (one hundred and twenty) days, if he is a monthly rated worker;
 - (b) 60 (sixty) days, in case of other workers.
- ❑ (2) The employment of a temporary worker may be terminated by an employer, and if it is not due to the completion, cessation, abolition or discontinuance of the temporary work for which he was appointed, by giving him a notice in writing, of
 - (a) 30 (thirty) days, if he is a monthly rated worker;
 - (b) 14 (fourteen) days, in case of other worker.
- ❑ (3) Where an employer intends to terminate the employment of a worker without any notice, he may do so by paying the worker wages for the period of notice, in lieu of the notice, under sub-section (1) or (2).
- ❑ (4) Where the employment of a permanent worker is terminated under this section, he shall be paid by the employer compensation at the rate of 30 (thirty) days wages for his every completed year of service or gratuity, if payable, whichever is higher, and this compensation shall be in addition to any other benefit which is payable to such worker under this Act.

Employment Policies – 11

(Termination by Employer & Benefits)

- **Termination by a Worker (Section 27)**

- ❑ (1) A permanent worker may resign his service by giving the employer 60 (sixty) days notice in writing.
- ❑ (2) A temporary worker may resign his service by giving the employer a notice, in writing, of
 - (a) 30 (thirty) days, if he is a monthly rated worker;
 - (b) 14 (fourteen) days, in case of other workers.
- ❑ (3) Where a worker intends to resign his service without any notice, he may do so by paying the employer an amount equal to the wages for the period of notice, in lieu of notice under sub-section (1) or (2).
- ❑ (4) Where a permanent worker resigns his service under this section, he shall be paid by the employer compensation,
 - (a) at the rate of 14 (fourteen) days' wages for his every completed year of service, if he completes 5 (five) years of continuous service or more but less than 10 (ten) years under the employer;
 - (b) at the rate of 30 (thirty) days' wages for every completed year of service if he completes 10 (ten) years of continuous service or more under the employer;
or gratuity, if payable, whichever is higher, and this compensation shall be in addition to any other benefit payable to such worker under this Act.

Employment Policies – 12 (Death Benefit)

- **Compensation for Death (Section 19)**

- If a worker dies while in service for at least more than 02 (two) years continuously under an employer, such employer shall pay as compensation 30 (thirty) days wages or, in the case of his death while working in the establishment or in the case of his death following an accident while working in the establishment 45 (forty five) days wages for every completed year of his service or any part thereof exceeding 6 (six) months or gratuity, whichever is higher, to the nominee of the deceased worker or, in the absence of the nominee, to his dependent and this money shall be in addition to the retirement benefit to which the deceased worker would have been entitled had he retired from service.

Employment Policies – 13 (Gratuity & Provident Fund)

- **(Section 2) (10) “gratuity”** means the wages of at least 30 (thirty) days, at the rate of the wages a worker received last, for every completed year of his service or for a period of his service exceeding 06(six) months or, in the case of his service of more than 10 (ten) years, the wages of 45 (forty five) days at the rate of the wages he received last, which is payable to such worker on the termination of his employment;
- **Provident funds for workers in private sector establishments (Section 264)**
 - ❑ (9) Every permanent worker shall, after completion of 1 (one) year of his service in the establishment, where the provident fund is constituted, subscribe to the provident fund, unless otherwise agreed upon, in every month a sum, not less than seven percent and not more than eight per cent of his monthly basic wages; and the employer shall contribute to it an equal amount.

Employment Policies – 14 (Workers Participation, Welfare & Welfare Foundation Funds)

- **(Section 232) (1)** This Chapter shall apply to a company or establishment which fulfils any one of the following conditions, namely:
 - (a) the amount of its paid up capital on the last day of an accounting year is not less than taka 1 (one) crore;
 - (b) the value of its permanent assets on the last day of an accounting year is not less than taka 2 (two) crore.
- **(Section 233) Special definitions (1)** In this Chapter, unless there is anything repugnant in the subject or context,
 - (a) **“Participation Fund”** means the Workers Participation Fund established under this Chapter;
 - (b) **“Welfare Fund”** means the Workers Welfare Fund established under this Chapter;
- **(Section 234) (1)** Every company to which this Chapter applies shall
 - (a) establish a Workers Participation Fund and a Workers Welfare Fund in accordance with the provisions of this Chapter within 1 (one) month of the date on which this Chapter becomes applicable to it; and
 - (b) pay, within 9 (nine) months of the close of every year, five percent (5%) of the net profit of the previous year at the proportion of 80:10:10 to respectively the Participatory Fund, Welfare Fund and Workers Welfare Foundation Fund established under section 14 of the Bangladesh Workers Welfare Foundation Act, 2006

Employment Policies – 15 (Workers Participation, Welfare & Welfare Foundation Funds)

- **(Section 241)** Eligibility to benefits
 - (1) All beneficiaries shall be eligible to get all benefits in equal proportions under this Chapter and to participate in the Funds.
 - (2) No beneficiary without completing 6 (six) months of service in a company during a year of account shall participate in the Funds in respect of that year.
- **(Section 242)** Utilization of Participation Fund
 - (1) Two-thirds of the total amount deposited in the Participation Fund in every year shall be distributed in equal proportion to all 1[beneficiaries] in cash, and the remaining one-third shall be invested in accordance with the provisions of section 240(11), whose profit shall also be distributed in equal proportion to all 2 beneficiaries.

06

Employment Types and Regulations

Employment Types and Regulations

- **Classification/Employment Types in BD And Probation Period (Section 4)**
 - a) Apprentice:** A worker may be called an apprentice if he is employed in an establishment as a trainee and paid allowances during the period of his training.
 - b) Substitute:** A worker may be called a substitute if he is employed in an establishment in the post of a permanent worker or of a probationer for the period of his temporary absence.
 - c) Casual:** A worker may be called a casual worker if he is employed on ad-hoc basis in an establishment for work of a casual nature.
 - d) Temporary:** A worker may be called a temporary worker if he is employed in an establishment for a work which is essentially of temporary nature and is likely to be finished within a limited period.;
 - e) Probationer:** A worker may be called a probationer if he is employed for the time being in an establishment in a permanent post and the period of his probation is not ended.
 - f) Permanent:** A worker may be called a permanent worker if he is employed in an establishment on a permanent basis or if he has completed the period of his probation satisfactorily in the establishment.
 - g) Seasonal worker:** A worker may be called a seasonal worker if he is employed in an establishment for seasonal works during any work season and remain in employment upto the end of that season.

07

Employment Contracts

Employment Contracts

- **Giving letter of appointment and identity card and maintaining the confidentiality (Rule 19)**
 - ❑ (1) No owner can appoint any worker without giving the letter of appointment.
 - ❑ (4) The appointment letter should mention the following information of the worker under the section 5, such as:
 - **(a)** Name of worker; **(b)** Father's Name; **(c)** Mother's Name; **(d)** Spouse Name (as applicable); **(e)** Address: Present & Permanent; **(f)** Designation, type of work, date of joining; **(g)** Class of worker;
 - **(h)** Wages or pay scale (Wages or salary and the rate of the increase of annual salary, if any); **(i)** Other payable financial facilities (house rent, medical, education, food, conveyance, festival and attendance allowances and gratuity if any; and
 - **(j)** It is to be mentioned hereby that all appointment conditions, existing service rules (if any), will be complied with existing labor act.
 - ❑ (5) Each owner will provide identity card with the photograph to each worker working in the firm at the costs of the owner as per Form-6.
 - ❑ (8) Notwithstanding anything contained in these rules, any worker engaged in the factory or firm or any person with administrative and management responsibility will maintain the confidentiality of the business strategy of the firm in case of performing the duties or changing the job.

08

Types of Leave

Leave Types

01



Casual Leave

Every worker shall be entitled to casual leave for **10 (ten)** days with full wages in a calendar year.

02



Sick Leave

Every worker shall be entitled to sick leave with full wages for **14 (fourteen)** days in a calendar year.

03



Annual leave with wages

Every adult worker who has completed 1 (one) year of continuous service in an establishment, shall be allowed to get 1 (one) day leave for every 18 (eighteen) days of work.

04



Festival Holidays

Every worker shall be allowed in a calendar year **11 (eleven)** days of festival holiday with wages.

05



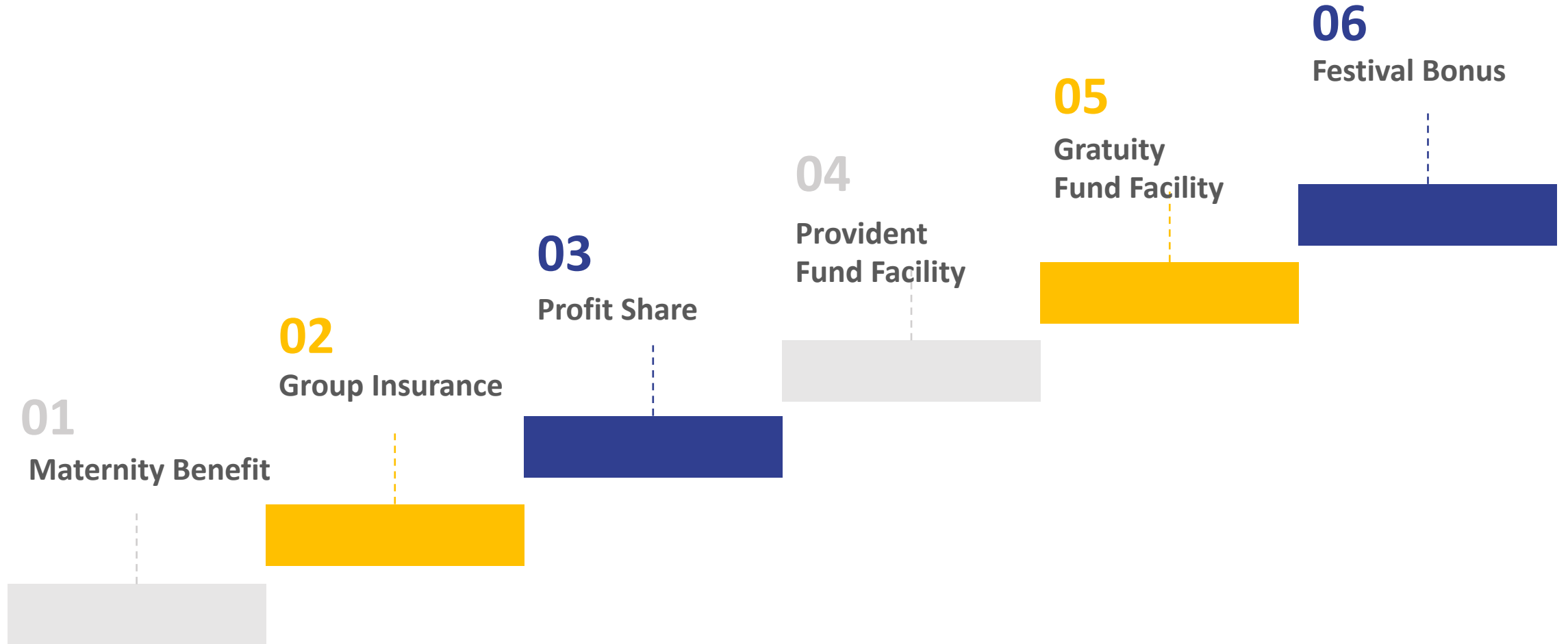
Maternity Leave

16 Weeks for Private Organizations & Export Processing Zone, **6 Month** for Bank Employees, Government Employees, News Agency & Educational Institutions.

09

Statutory Contributions

Statutory Contributions



10

Statutory Benefit Types and Calculations

Statutory Benefit Types and Calculations

- Increment
- Overtime
- Compensation for Lay-Off
- Compensation for Death
- Compensation for Retrenchment
- Compensation for Discharge
- Compensation for Termination
- Compensation for Resignation
- Compensation for Retirement
- Leave & Encashment
- Compensation for Permanent & Temporary Disability

Group Insurance

- **Introduction of compulsory group insurance (Section 99)**

- ❑ (1) In an establishment where at least 100 (one hundred) permanent workers are employed, the employer shall introduce group insurance under the existing insurance laws.
- ❑ (2) The amount claimed as insurance shall be in addition to the other dues of a worker under this Act: Provided that the recovery of the insurance claim due to death of a worker shall be the responsibility of the employer and he shall make arrangement for payment of the amount so recovered from such insurance claim directly to the dependents: Provided further that notwithstanding anything contrary contained in any other law, where any insurance claim is made under this section, it shall be settled by joint initiatives of the insurance company and the employer within 120 (one hundred and twenty) days from the date of raising such claim.

- **Section 160**

- ❑ (11) Where in any establishment at least 10 (ten) workers are working, the employer of such establishment may introduce and implement an insurance scheme against accident under group insurance program for the workers, and the benefits or money received from such accident insurance scheme shall be spent for the treatment of the workers

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老挝劳动法和雇佣条例解读

Lao Labour Law & Employment Regulations

概述

老挝人民民主共和国是东南亚快速发展的经济体之一，其国家经济主要依赖于农业、矿产和旅游业。在2023年，在高速增长的生产总值(GDP)下，该国增长率达到15%，通货膨胀率为4.9%，服务业的占比为40.2%。该国经济受益于湄公河和铜矿及金矿开采，以及其他项目。

货币
万象

人口
750万

货币
老挝基普
LAK (1美元=10000基普)

人均GDP
USD 2,629.79
(名义GDP)

一、雇佣条例

在老挝，雇佣合同必须以书面形式签订，并应包含以下条款：

- 职位名称、工作地点、试用期、工资、福利和雇佣期限。
- 雇佣合同应包含试用期条款。
- 雇主应承担社会保险。
- 雇佣合同应包含：
- 试用期条款。
- 工资及福利条款(及试用期)。
- 工作时间和休息时间。
- 雇佣合同应包含试用期条款。
- 试用期条款。
- 试用期条款。

条款	内容
试用期	试用期不得超过30天。
工资	工资不得低于最低工资标准。
福利	雇主应提供社会保险。
雇佣期限	雇佣合同应明确雇佣期限。

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Overview

Laos

The Lao People's Democratic Republic is one of the fastest-growing economies in East Asia. The country is rich in natural, agricultural commodities, and forestry.

In terms of gross domestic product (GDP) by sector, agriculture contributed 30.22%, the industry sector contributed 33.20%, and services contributed about 46.73% in 2020. The country's economy has also benefited from foreign direct investments (FDI) in hydropower dams along the Mekong river and copper and gold mining, among other projects.

Capital
Vientiane Capital

Population
75 million

Currency
Lao KIP (LAK)

GDP Per Capita
USD 2,629.79
(名义GDP)

1. Lao Labour Law

The Lao Labour Law provides the minimum standards of operations for organisations to establish their system of governance, monitoring, recruitment, evaluation, and labour protection.

The labour law is a guideline for both employer and employee relations under the specific employment, as it is tailored to the organisational purposes. Organisations, however, typically have their own practice, giving enhanced benefits while still respecting the implications of the Lao labour law.

2. Employment Contract

Employment contracts have to be in written format. The employer has to give at least 15 days' notification for fixed-term contracts before the contract expires. The extension will have to commence within 60 days of the contract's expiration.

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THANKS



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