

APAC: A Snapshot of 2025's Key Employment Law Topics

As we progress through 2025, significant legal and regulatory developments are taking shape across the globe. This article provides an overview of key employment law trends across the APAC region, focusing on recent legislative changes and anticipated developments.

Australia

- **Restraints and Non-Compete Clauses:** changes in this area are expected throughout 2025 as the Australian government continues to examine concerns that non-compete and similar clauses may be restricting job mobility, innovation, and wage growth in certain industries. While it is not yet clear what further policy measures may be introduced, this issue remains a significant point of discussion in Australia.
- **The Right to Disconnect:** with the right to disconnect for employees of larger businesses having taken effect last August, we anticipate key legal rulings in 2025 that will clarify how this entitlement should be applied in practice. Employees are now entitled to refuse work-related contact outside of their normal hours unless their refusal is deemed unreasonable. Factors influencing what constitutes an unreasonable refusal will be assessed on a case-by-case basis. Meanwhile, employees of small business employers will gain this right from 26 August 2025.
- **New Protections for Labour Hire Workers:** the introduction of new legislation in November 2024 means that employees engaged through labour hire agencies must receive the same pay and conditions as directly employed staff if the host company has a collective enterprise agreement that would otherwise apply to the role. A key legal test is set for early 2025, with the Fair Work Commission expected to rule on whether BHP's internal labour hire providers are supplying labour or an outsourced service. This decision will have significant implications for businesses using labour hire arrangements.
- **AI in the Workplace:** as in many other jurisdictions, artificial intelligence remains a major focus for 2025. Following a recent Federal Parliamentary inquiry, new laws are expected to regulate high-risk AI applications, particularly in relation to employee rights and workplace safety. There is increasing attention on how AI could pose psychosocial risks at work, and upcoming legislative changes may extend workplace health and safety laws to address these concerns. Businesses should stay informed on developments in this rapidly evolving field.

China

The below reforms in China reflect their efforts to address the issues caused by an aging workforce and make their pension system more sustainable.

- **Gradual Increase in Retirement Ages:** new regulations will gradually raise the statutory retirement age. For men (previously 60) and women (previously 55), the age will increase by one month every four months until reaching 63 and 58, respectively. Women who previously retired at 50 will see an increase of one month every two months until reaching 55. From 2030, the minimum pension contribution period will extend from 15 to 20 years, increasing by six months annually.
- **Flexible Retirement Options:** new Provisional Measures will allow early retirement up to three years before the adjusted statutory age, provided employees have met the minimum pension contribution period and surpassed the previous retirement age (50 or 55 for women, 60 for men). Employees may also extend their retirement by up to three years with employer approval.
- **Updated Disability Benefits:** employees deemed completely unfit for work due to illness or non-job-related injury before reaching the adjusted statutory retirement age will receive monthly benefits from the pension scheme. These replace previous rules, though existing beneficiaries will continue receiving payments under the prior system.

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Hong Kong

- **Potential Revision to the Definition of “Continuous Contract”:** measures have been proposed to modify the criteria for a “continuous contract.” Currently, an employee must work at least 18 hours per week for four consecutive weeks to meet the threshold. The suggested change would instead require a total of 68 working hours over the same four-week period. The government plans to introduce a bill for review by the Legislative Council in the first half of 2025. Revising this definition could impact employees’ eligibility for various entitlements, including rest days and paid annual leave.
- **Abolition of the Mandatory Provident Fund (MPF) Offsetting Mechanism:** under existing laws, employers in Hong Kong can offset their statutory severance or long service payment obligations by using their contributions to employees’ Mandatory Provident Fund (MPF) accounts. This offsetting mechanism will be abolished for future liabilities starting 1 May 2025, with no retrospective impact. To ease the transition, the government has announced a 25-year subsidy scheme to support employers. The subsidy amount will depend on factors such as an employer’s annual statutory severance and long service payment costs and the number of years since the offsetting rules were eliminated.
- **New Diversity Requirements for Hong Kong-Listed Companies:** from 1 July 2025, the Hong Kong Stock Exchange will introduce additional diversity-related obligations for listed companies. Which include:
 - Ensuring that the nomination committee includes at least one director of a different gender.
 - Conducting an annual assessment of the company’s board diversity policy implementation.
 - Establishing and publicly disclosing a workforce diversity policy.
 - Providing separate disclosures on gender representation within both senior management and the broader workforce.

Singapore

- **Implementation of the First Workplace Fairness Bill:** new workplace fairness legislation is being introduced through two separate bills. The first Workplace Fairness Bill was introduced in November 2024 and successfully passed in Parliament on 8 January 2025. It now awaits the President’s Assent before becoming law, with its enforcement date to be announced in the Gazette. Once enacted, the Workplace Fairness Act will mark Singapore’s first dedicated anti-discrimination legislation for workplaces. It will prohibit unfair employment decisions based on protected characteristics and require employers to implement proper grievance-handling procedures for workplace discrimination claims. The protected characteristics covered under the Act include:
 - Age;
 - Nationality;
 - Sex, marital status, pregnancy status, and caregiving responsibilities;
 - Race, religion, and language; and
 - Disability and mental health conditions
- **Second Workplace Fairness Bill and Accommodations for Persons with Disabilities:** the second Workplace Fairness Bill aims to introduce additional rights for individuals to file private claims under the Act and will also expand the jurisdiction of the Employment Claims Tribunal. This second bill is expected to be tabled later this year.
- **Tripartite Guidelines on Restrictive Covenants in Employment Contracts:** new Tripartite Guidelines on the appropriate use of restrictive covenants in employment contracts are currently being developed. These guidelines will outline how and when such clauses should be applied, but further details are awaited from the authorities.
- **Launch of the 'SkillsFuture' Jobseeker Support Scheme:** Singapore will introduce the 'SkillsFuture' Jobseeker Support Scheme from 1 April 2025. Initially, it will be available to Singaporean citizens aged 21 and above, with eligibility extending to Singaporean permanent residents in the first quarter of 2026.

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The scheme will provide qualifying jobseekers with financial assistance of up to SG\$6,000 over six months. Further details are expected to be released as the implementation date approaches.

- **Enhancements to Paternity and Shared Parental Leave:** the following changes to parental leave entitlements will take effect from 1 April 2025:
 - Fathers of Singaporean children born on or after this date will see their government-paid paternity leave (GPPL) doubled from two to four weeks. This enhancement will be mandatory.
 - The existing shared parental leave scheme, which allows mothers to transfer a portion of their government-paid maternity leave to fathers, will be replaced. The new shared parental leave will be in addition to both government-paid paternity and maternity leave entitlements. Under the new system, parents will be entitled to:
 - Six weeks of shared parental leave for children born between 1 April 2025 and 31 March 2026
 - Ten weeks for children born on or after 1 April 2026

This is a high level general update only. Legal advice should be obtained on specific circumstances.