



EMPLOYMENT (MINIMUM WAGE) ORDER, 2023 HANDBOOK



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1. BACKGROUND

Wage policies are essential in promoting fair compensation and fostering an environment that supports equitable growth. This is reflected globally through the implementation of minimum wage and progressive wage systems, among others, to address income disparities and create a more balanced economy. This is in line with the United Nations Sustainable Development Goal 8, which aims to foster economic growth and decent work.

Brunei Darussalam recognises the significance of wage policies as a crucial tool to ensure workers receive a reasonable income to support their livelihoods, protect them from receiving unduly low pay and serve as a motivator to progress and enhance their productivity. With this in mind, the Government of His Majesty the Sultan and Yang Di-Pertuan of Brunei Darussalam has introduced the **Employment (Minimum Wage) Order, 2023**, which **came into effect on the 12th of July 2023** and will be implemented in phases. The Order is the **main legislation that regulates the minimum wage** for identified industries in Brunei Darussalam.

The implementation of a minimum wage policy represents a significant step towards promoting fair employment practices and decent pay within the country.

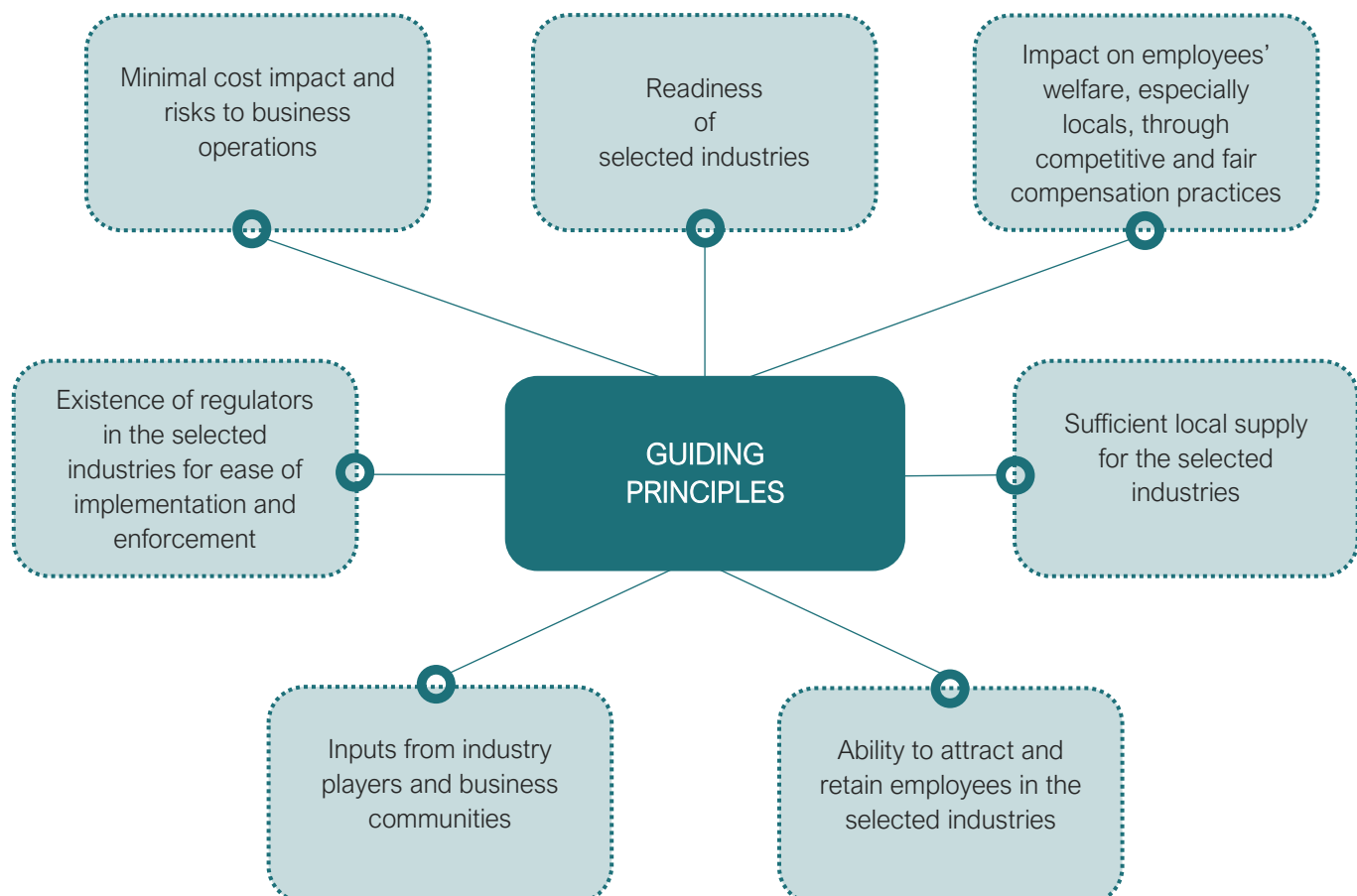
1.1

OBJECTIVES OF MINIMUM WAGE

- To establish a baseline wage that provides a fair and reasonable income to support decent livelihood;
- To protect workers against unduly low pay;
- To motivate local employees to progress and enhance work productivity; and
- To stimulate economic growth and boost consumer spending.

The minimum wage was developed through comprehensive studies, analysis, and inputs from various agencies, regulators, and stakeholders (including industry players and business communities). These approaches aim to strike a balance between the needs of workers as well as business operations and continuity. International best practices and benchmarking were also considered, allowing for a broader understanding of minimum wage policies, their impact and applicability to local setting. These approaches resulted in an Order that supports the objective to create a fair and balanced framework that benefits employees, employers and the overall society.

The minimum wage is to be implemented in phases to ensure that its implementation does not affect business continuity i.e. financial ability. Apart from this, careful consideration was given to the following guiding principles in identifying the industries to be implemented in the first phase:



2. EMPLOYMENT (MINIMUM WAGE) ORDER, 2023

2.1 DEFINITION OF 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 (*Skim Persaraan Kebangsaan* or SPK);
- the Employee Trust (*Tabung Amanah Pekerja* or TAP); or
- the Supplemental Contributory Pensions Trust (SCP).

2.2 TRANSITIONAL PERIOD



A transitional period is given for six months, starting from the 12th of July 2023


During the transitional period, an employer (according to the Employment (Minimum Wage) Order, 2023) is required to make necessary changes to an employee's existing contract of service, where applicable. The required changes are as outlined under 2.3 – Requirements.

EMPLOYMENT (MINIMUM WAGE) ORDER, 2023

2.3

REQUIREMENTS

During the transitional period, employers are required to make the following changes:

| If the employee's current wage is | Required Changes |
|-----------------------------------|---|
| Lower than the Minimum Wage Rate | <p>The employer is legally required to top-up with a rate that is equal to or higher than the minimum wage rates.</p> <p>Employers are also required to:</p> <ul style="list-style-type: none">✓ Provide new contract for employees (local or foreign) with the updated terms on the minimum wage rate. Re-signing is only necessary for salaries below the minimum wage✓ Keep the re-signed employment contract and provide a copy of the re-signed contract to the employee who is receiving the wages.✓ Fill in the Declaration Form by scanning the QR code and send to led@buruh.gov.bn  <p>The Department of Labour will conduct periodic inspections to ensure compliance.</p> |
| Higher than the Minimum Wage Rate | <p>No changes and there is no requirement to re-sign the contract.</p> <p><i>However, the employer cannot use the Employment (Minimum Wage) Order, 2023 as a justification to lower the wage of the employee from the amount stated in the existing contract.</i></p> |

The Order does not prevent an employer and employee from agreeing to a higher pay rate than the minimum wage rates stated in 2.6 – Minimum Wage Rates.

EMPLOYMENT (MINIMUM WAGE) ORDER, 2023

2.4 APPLICATION

For the first phase of implementation, the Employment (Minimum Wage) Order, 2023 applies to **all employees (local and non-locals), whether they are full-time or part-time employees**, who are under a contract of service for employment with the following:

- (i) a bank licensed under section 4 or 23 of the Banking Order, 2006 (S 45/2006) and an Islamic bank licensed under section 4 or 23 of the Islamic Banking Order, 2008 (S 96/2008);
- (ii) a finance company licensed under the Finance Companies Act (Chapter 89);
- (iii) a telecommunication system or service operator licensed under section 5 of the Telecommunications Order, 2001 (S 38/2001);
- (iv) Bank Usahawan Berhad;
- (v) the Perbadanan Tabung Amanah Islam Brunei established by section 3(1) of the Perbadanan Tabung Amanah Islam Brunei Act (Chapter 163).

As of the 12th of July 2023, the establishments fulfilling the above requirements which are included in the first phase of implementation can be seen as follows:

BANKING AND FINANCE

- Baiduri Bank Berhad
- Baiduri Finance Berhad
- Bank Islam Brunei Darussalam (BIBD)
- BIBD At-Tamwil Berhad
- Bank Usahawan Berhad
- Bank of China (Hong Kong) Limited
- Malayan Bank Berhad (Maybank)
- Perbadanan Tabung Amanah Islam Brunei (TAIB)
- RHB Bank Berhad
- State Street (Brunei) Sendirian Berhad
- Standard Chartered Bank (SCB)
- United Overseas Bank (UOB) Limited

INFOCOMMUNICATION TECHNOLOGY

- Arinc (Asia Pacific) Private Limited
- Bru-Haas (B) Sendirian Berhad
- Datastream Digital Sendirian Berhad (DST)
- Imagine Sendirian Berhad
- Network Integrity Assurance Technologies (NIAT) Sendirian Berhad
- Progresif Sendirian Berhad
- RigNet BRN Sendirian Berhad
- Sita B.V.
- Telehub Sendirian Berhad
- Unified National Networks Sendirian Berhad

EMPLOYMENT (MINIMUM WAGE) ORDER, 2023

2.5

NON-APPLICABLE

The Employment (Minimum Wage) Order, 2023 **does not** apply to the following individuals:

- (i) Government worker;
- (ii) any apprentice;
- (iii) any foreign employee who is on a 'Professional Visit Visa'* or 'Special Authorisation Work Pass,'** or
- (iv) any persons excluded from the definition of employee under the Employment Order 2009, such as:
 - domestic worker;
 - informal worker;
 - seaman; or
 - voluntary worker.

*'Professional Visit Visa' – A visa issued by the Controller of Immigration to any immigrant employee who work for the purpose of professional work or expertise required for a particular project awarded in Brunei Darussalam for a period of less than 3 months.

**'Special Authorisation Work Pass – A licence issued by the Commissioner of Labour to an employer to employ any immigrant employee who work for the purpose particular project awarded in Brunei Darussalam for a period of less than one year.

2.6

MINIMUM WAGE RATES

According to the Employment (Minimum Wage) Order, 2023, it is **mandatory** for employers in the following industries (as specified under 2.4 – Application) to pay their employees with a base salary rate that is equal to or higher than the minimum wage rate, as stated below. The minimum wage rate **does not include any additional allowances**.

| CLASS OF INDUSTRIES | | MINIMUM WAGE RATES | |
|---------------------|------------------------------|---------------------------------------|--------------------------------------|
| | | FULL-TIME EMPLOYEE Monthly Rate | PART-TIME EMPLOYEE Hourly Rate |
| 1 | Banking and Finance | BND500 | BND2.62 |
| 2 | Infocommunication Technology | | |

EMPLOYMENT (MINIMUM WAGE) ORDER, 2023

For part-time daily-rate employees, the calculation formula can be seen as follows:

$\text{BND2.62 (hourly rate)} \times \text{total no. of working hours per day}$

Note: According to the Employment Order 2009, a part-time employee is an employee who is required under his contract of service with an employer to work for **less than 30 hours a week**.

Example:

For part-time employee working for '7 hours per day for 4 days a week'. To calculate how much he or she should receive per day or per week is shown as below:

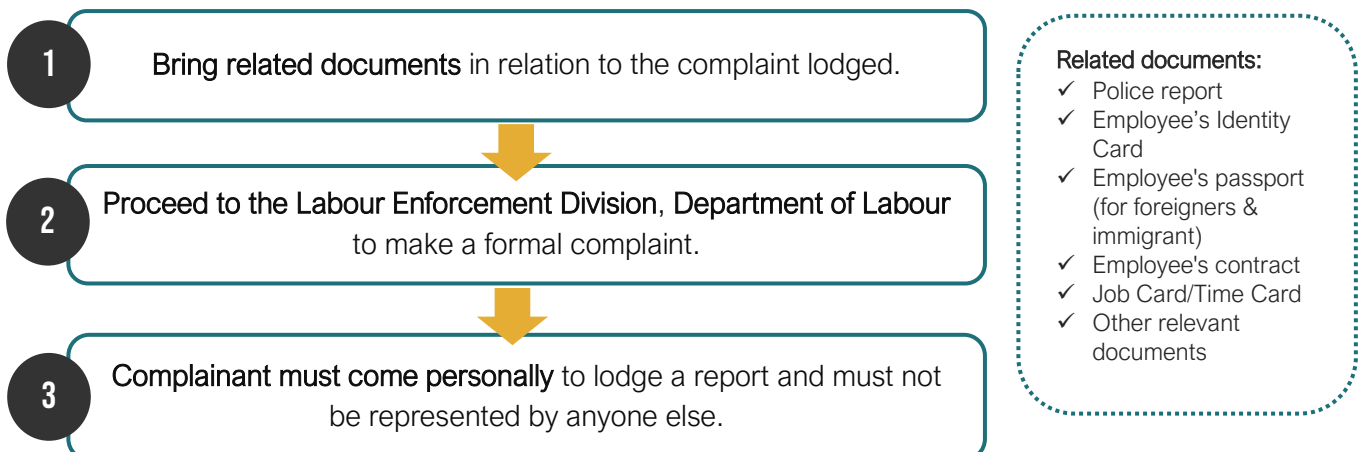
Working 4 days per week; 7 hours per day

$\text{BND2.62 (hourly rate)} \times 7 \text{ hours} = \text{BND18.34 per day or BND73.36 per week}$

2.7 NON-COMPLIANCE

Employers are **legally required** to pay a minimum basic wage of BND500 per month to employees working in the identified companies as specified under 2.4 – Application. Any employer who fails to comply to the Employment (Minimum Wage) Order, 2023 is guilty of an offence and liable on conviction in accordance with Section 148, Employment Order, 2009.

In a case of non-compliance, employees can lodge their complaints according to the following procedures:



3. OFFENCES



Any person who fails to comply to the Employment (Minimum Wage) Order, 2023 is guilty of an offence and liable on conviction in accordance with Section 148, Employment Order, 2009:

Fine not exceeding
BND3,000

OR

Imprisonment for a
period not
exceeding one year

OR

Both

Department of Labour shall conduct inspections and audits of companies. Complaints from employees may trigger investigations, and penalties, fines, or legal action may be taken against non-complying employers.

4. FREQUENTLY ASKED QUESTIONS (FAQS) – FOR EMPLOYERS

1. *What is the 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 (*Skim Persaraan Kebangsaan* or SPK);
- the Employee Trust (*Tabung Amanah Pekerja* or TAP); or
- the Supplemental Contributory Pensions Trust (SCP).

2. *Is the minimum wage rate inclusive of additional allowances and benefits?*

No, the minimum wage rate is not inclusive of additional allowances and benefits.

It is the base salary of each employee prior to the reduction of the employee's contribution (*Tabung Amanah Pekerja* (TAP)/ Supplemental Contributory Pension (SCP)/ *Skim Persaraan Kebangsaan* (SPK)) and other additional allowances and monetary benefits.

3. *Why do we need minimum wage?*

A minimum wage is essential to achieve the following objectives:

- (i) To establish a baseline wage that provides a fair and reasonable income to support a decent livelihood;
- (ii) To protect workers against unduly low pay;
- (iii) To motivate local employees to progress and enhance work productivity; and
- (iv) To stimulate economic growth and boost consumer spending.

FREQUENTLY ASKED QUESTIONS (FAQS) – FOR EMPLOYERS

4. *How was the minimum wage developed?*

The Employment (Minimum Wage) Order, 2023 was developed through comprehensive studies, analysis, and inputs from various agencies, regulators, and stakeholders (including industry players and business communities). These approaches aim to strike a balance between the needs of workers and business operations and continuity.

International best practices and benchmarking were also considered, allowing for a broader understanding of minimum wage policies, their impact and applicability to local setting. These approaches resulted in an Order that supports the objective to create a fair and balanced framework that benefits employees, employers and the overall society.

5. *When did the minimum wage come into force?*

The minimum wage came into force on the 12th of July 2023 and will be implemented in phases.

6. *Is there any transitional period given to employers to implement the Minimum Wage? As an employer, what actions do I need to take during the transitional period?*

Yes, a transitional period is given for six months commencing from 12 July 2023. According to the Employment (Minimum Wage) Order 2023, an employer is required to make necessary changes to an employee's contract of service within the transitional period, where applicable.

During the transitional period, employers are required to undertake the following actions:

- (i) To provide a new contract for employees (local or non-local) with the updated terms on the minimum wage rate, which both the employer and employee will need to sign. However, if the employee's current wage is already higher than the minimum wage rate, there is no requirement to re-sign a new contract; and
- (ii) Employer is obligated to keep the re-signed employment contract and provide a copy of the new contract to the employee who is receiving the wages.

FREQUENTLY ASKED QUESTIONS (FAQS) – FOR EMPLOYERS

7. *Are all industries applicable under the Employment (Minimum Wage) Order, 2023?*

No, only two (02) classes of industries are selected for the first phase of implementation, namely:

- (i) Banking and Finance; and
- (ii) Infocommunication Technology.

However, not all companies under the Banking and Finance and the Infocommunication Technology are included. As a start, only companies holding the following license(s) and registration are applicable to the minimum wage:

| Classes of industries | License and Registration |
|--|--|
| Banks and Finance companies | <ul style="list-style-type: none">(i) Bank(s) and finance company(s) registered under Brunei Darussalam Central Bank (BDCB), with the following licenses:<ul style="list-style-type: none">• a bank licensed under section 4 or 23 of the Banking Order, 2006 (S 45/2006) and an Islamic bank licensed under section 4 or 23 of the Islamic Banking Order, 2008 (S 96/2008);• a finance company licensed under the Finance Companies Act (Chapter 89);(ii) Bank Usahawan Berhad;(iii) Perbadanan Tabung Amanah Islam Brunei established by section 3(1) of the Perbadanan Tabung Amanah Islam Brunei Act (Chapter 163). |
| Infocommunication Technology companies | <ul style="list-style-type: none">(i) Infocommunication Technology company(s) licensed under Authority for Infocommunication Technology Industry (AITI), with the following licenses:<ul style="list-style-type: none">• A telecommunication system or service operator licensed under section 5 of the Telecommunications Order, 2001 (S 38/2001), excluding Radio Televisyen Brunei. |

For the list of companies, refer to Question 8.

FREQUENTLY ASKED QUESTIONS (FAQS) – FOR EMPLOYERS

8. *What are the companies under the two (02) selected classes of industries for the first phase of implementation?*

As of July 2023, the companies under the selected classes of industries are as follows:

| Banking and Finance | |
|------------------------------|--|
| 1 | Baiduri Bank Berhad |
| 2 | Baiduri Finance Berhad |
| 3 | Bank Islam Brunei Darussalam (BIBD) |
| 4 | BIBD At-Tamwil Berhad |
| 5 | Bank of China (Hong Kong) Limited |
| 6 | Bank Usahawan Berhad |
| 7 | Malayan Bank Berhad (Maybank) |
| 8 | Perbadanan Tabung Amanah Islam Brunei (TAIB) |
| 9 | RHB Bank Berhad |
| 10 | State Street (Brunei) Sendirian Berhad |
| 11 | Standard Chartered Bank (SCB) |
| 12 | United Overseas Bank (UOB) Limited |
| Infocommunication Technology | |
| 13 | Arinc (Asia Pacific) Private Limited |
| 14 | Bru-Haas (B) Sendirian Berhad |
| 15 | Datastream Digital Sendirian Berhad (DST) |
| 16 | Imagine Sendirian Berhad |
| 17 | Network Integrity Assurance Technologies (NIAT) Sendirian Berhad |
| 18 | Progresif Sendirian Berhad |
| 19 | RigNet BRN Sendirian Berhad |
| 20 | Sita B.V. |
| 21 | Telehub Sendirian Berhad |
| 22 | Unified National Networks Sendirian Berhad |

FREQUENTLY ASKED QUESTIONS (FAQS) – FOR EMPLOYERS

9. *On what basis are the two (02) industries selected?*

The two (02) industries were chosen based on the following guiding principles:

- (i) Considers the potential impact on businesses, striving to minimise adverse effects on their operations and ensure continuity while implementing the minimum wage requirements;
- (ii) Considers the preparedness of specific industries to adopt and comply with the minimum wage regulations. This includes evaluating factors such as market conditions and the capacity of businesses within those industries to implement the changes effectively;
- (iii) Leverages the presence of regulatory bodies already established in the identified industries. This enables smoother implementation and enforcement of the minimum wage regulations through existing mechanisms and processes;
- (iv) Focuses on enhancing the well-being of employees, particularly local workers, by ensuring equitable compensation practices. It aims to uplift their quality of life and create a more inclusive and supportive work environment;
- (v) Considers the availability of a suitable local workforce or necessary resources required for the identified industries. This ensures that businesses within those industries can effectively meet the minimum wage requirements without significant challenges or disruptions;
- (vi) Attract and retain skilled workers within the identified industries by offering reasonable wages. This helps to create a favorable labour market, stimulating growth, and fostering a skilled workforce in those industries; and
- (vii) Considers valuable insights and feedback from industry players and business communities during the development process to ensure that the minimum wage regulations align with the realities and dynamics of the respective industries, promoting effective implementation and stakeholder buy-in.

FREQUENTLY ASKED QUESTIONS (FAQS) – FOR EMPLOYERS

10. *What is the minimum wage rate for the identified industries under the first phase?*

The minimum wage rate for the identified industries under the first phase are as follows:

| CLASS OF INDUSTRIES | | MINIMUM WAGE RATES | |
|---------------------|------------------------------|------------------------------------|------------------------------------|
| | | FULL-TIME EMPLOYEE Monthly Rate | PART-TIME EMPLOYEE* Hourly Rate |
| 1 | Banking and Finance | BND500 | BND2.62 |
| 2 | Infocommunication Technology | | |

*Part-time employee is defined as an employee who is required under his contract of service with an employer to work for **less than 30 hours a week**.

11. *To whom does the minimum wage apply?*

The minimum wage is applicable to **all** employees (local and non-local), whether they are full-time, or part-time employees, in the Banking and Finance or Infocommunication Technology industry, who are under the payroll of the companies listed in Question 8.

12. *Who are excluded from the minimum wage?*

The minimum wage **does not** apply to the following individuals:

- (i) Government worker;
- (ii) Any apprentice;
- (iii) Any foreign employee who is on a 'Professional Visit Visa'* or 'Special Authorisation Work Pass;*** or
- (iv) Any persons excluded from the definition of employee under the Employment Order 2009, such as: domestic worker, informal worker, seaman, or voluntary worker.

*'Professional Visit Visa' – A visa issued by the Controller of Immigration to any immigrant employee who work for the purpose of professional work or expertise required for a particular project awarded in Brunei Darussalam for a period of less than 3 months.

***Special Authorisation Work Pass – A licence issued by the Commissioner of Labour to an employer to employ any immigrant employee who work for the purpose particular project awarded in Brunei Darussalam for a period of less than one year.

FREQUENTLY ASKED QUESTIONS (FAQS) – FOR EMPLOYERS

13. *Is the minimum wage mandatory?*

Yes, under the Employment (Minimum Wage) Order, 2023, employers are legally required to pay your employees the basic wage as specified under the Order. For rates, refer to Question 10.

14. *What will happen to existing employment contracts that are below the minimum wage? Do employers have to renew employment contracts?*

If an employee's employment contract specifies an **amount below the minimum wage rate**, the employer is legally required to replace the employee's wage with a rate that is equal to or higher than the minimum wage rate.

Before the end of the 6 months transitional period commencing from the 12th of July 2023, the employer is required to provide a written employment contract that includes the new minimum wage rate, which both the employer and employee will need to sign. However, if the employee's current wage is already higher than the minimum wage rate, there is no requirement to re-sign a new contract.

15. *How does this affect workers already earning above the minimum wage?*

If an employee's employment contract specifies an **amount above the minimum wage rate**, the employer cannot use the Employment (Minimum Wage) Order, 2023 as a justification to lower the wage of the employee from the amount stated in the existing contract.

The Order does not prevent an employer and employee from agreeing to a higher pay rate than the minimum wage rates specified in the Employment (Minimum Wage) Order, 2023.

16. *My part-time employee is working for '7 hours per day for 4 days a week'. How much should my employee receive under the new Employment (Minimum Wage) Order, 2023?*

The formula for part-time daily-rate employees can be calculated as follows:

$$\text{BND2.62 (hourly rate)} \times \text{total no. of working hours per day}$$

Note: According to the Employment Order 2009, a part-time employee is an employee who is required under his contract of service with an employer to work for **less than 30 hours a week**.

FREQUENTLY ASKED QUESTIONS (FAQS) – FOR EMPLOYERS

Example:

For part-time employee working for '7 hours per day for 4 days a week'. To calculate how much he or she should receive per day or per week is shown as below:

Working 4 days per week; 7 hours per day

BND2.62 (hourly rate) x 7 hours = **BND18.34 per day** or **BND73.36 per week**

17. *Why was the minimum wage rate set at BND500?*

The minimum wage rate was developed through extensive studies, analysis and inputs from various agencies, regulators, and stakeholders such as industry players and business communities, as well as surveys conducted among jobseekers and employees. To establish a fair and practical minimum wage, multiple factors were considered, including the cost of living and a wage that is reasonable enough to attract and retain employees in the job market. Additionally, the aim is to strike a delicate balance between the needs of workers and the smooth functioning and continuity of business operations.

Moreover, the Government shall conduct periodic review of the minimum wage rates and coverage to ensure its relevancy and effectiveness.

18. *How frequent will the coverage (i.e. rates and classes of industries) of the minimum wage be reviewed?*

The minimum wage rates and scope will be regularly reviewed to ensure that they remain relevant and efficient.

19. *Why are Securities Market Providers like BIBD Securities and Baiduri Capital excluded from the Minimum Wage Policy?*

In order to include Securities Market Providers within the scope of the Employment (Minimum Wage) Order, 2023, further information and in-depth analysis would be required.

FREQUENTLY ASKED QUESTIONS (FAQS) – FOR EMPLOYERS

20. *What happens if I fail to comply with the Employment (Minimum Wage) Order, 2023?*

Any employer who fails to comply to the Employment (Minimum Wage) Order, 2023 is guilty of an offence and liable on conviction in accordance with the provisions of the Employment Order, 2009:

Under Section 148, Employment Order 2009, any employer who commits an offense may be subject to a fine not exceeding \$3,000, imprisonment for a period not exceeding one year, or both.

Department of Labour shall conduct inspections and audits of companies. Complaints from employees may trigger investigations, and penalties, fines, or legal action may be taken against non-complying employers.

21. *Where can I find more information?*

For further information or clarification, employers can reach out to either the Department of Labour Department at www.labour.gov.bn or the Manpower Planning and Employment Council Secretariat at www.mpec.gov.bn

5. FREQUENTLY ASKED QUESTIONS (FAQS) – FOR EMPLOYEES

1. *What is the 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 (*Skim Persaraan Kebangsaan* or SPK);
- the Employee Trust (*Tabung Amanah Pekerja* or TAP); or
- the Supplemental Contributory Pensions Trust (SCP).

2. *Is the minimum wage rate inclusive of additional allowances and benefits?*

No, the minimum wage rate is not inclusive of additional allowances and benefits. It is the base salary of each employee prior to the reduction of the employee's contribution (*Tabung Amanah Pekerja* (TAP)/ Supplemental Contributory Pension (SCP)/ *Skim Persaraan Kebangsaan* (SPK)) and other additional allowances and monetary benefits.

3. *When did the minimum wage come into force?*

The minimum wage came into force on the 12th of July 2023 and will be implemented in phases.

4. *Is there any transitional period given to employers to implement the Minimum Wage? What actions do my employer need to take during the transitional period?*

Yes, a transitional period is given for six months commencing from 12 July 2023. According to the Employment (Minimum Wage) Order 2023, an employer is required to make necessary changes to an employee's contract of service within the transitional period, where applicable.

During the transitional period, employers are required to undertake the following actions:

- (i) To provide a new contract for employees (local or foreign) with the updated terms on the minimum wage rate, which both the employer and employee will need to sign. However, if the employee's current wage is already higher than the minimum wage rate, there is no requirement to re-sign a new contract; and
- (ii) Employer is obligated to keep the re-signed employment contract and provide a copy of the re-signed contract to the employee who is receiving the wages.

FREQUENTLY ASKED QUESTIONS (FAQS) – FOR EMPLOYEES

5. Are all industries applicable under the Employment (Minimum Wage) Order, 2023?

No, only two (02) classes of industries are selected for the first phase of implementation, namely: (i) Banking and Finance; and (ii) Infocommunication Technology.

However, not all companies under the Banking and Finance and the Infocommunication Technology are included. As a start, only companies holding the following license(s) and registration are applicable to the minimum wage:

| Classes of industries | License and Registration |
|--|--|
| Banks and Finance companies | <p>(i) Bank(s) and finance company(s) registered under Brunei Darussalam Central Bank (BDCB), with the following licenses:</p> <ul style="list-style-type: none">• a bank licensed under section 4 or 23 of the Banking Order, 2006 (S 45/2006) and an Islamic bank licensed under section 4 or 23 of the Islamic Banking Order, 2008 (S 96/2008);• a finance company licensed under the Finance Companies Act (Chapter 89); <p>(ii) Bank Usahawan Berhad;</p> <p>(iii) Perbadanan Tabung Amanah Islam Brunei established by section 3(1) of the Perbadanan Tabung Amanah Islam Brunei Act (Chapter 163).</p> |
| Infocommunication Technology companies | <p>(i) Infocommunication Technology company(s) licensed under Authority for Infocommunication Technology Industry (AITI), with the following licenses:</p> <ul style="list-style-type: none">• A telecommunication system or service operator licensed under section 5 of the Telecommunications Order, 2001 (S 38/2001), excluding Radio Televisyen Brunei. |

For the list of companies, refer to Question 6.

FREQUENTLY ASKED QUESTIONS (FAQS) – FOR EMPLOYEES

6. What are the companies under the two (02) selected classes of industries for the first phase of implementation?

As of July 2023, the companies under the selected classes of industries are as follows:

| Banking and Finance | |
|------------------------------|--|
| 1 | Baiduri Bank Berhad |
| 2 | Baiduri Finance Berhad |
| 3 | Bank Islam Brunei Darussalam (BIBD) |
| 4 | BIBD At-Tamwil Berhad |
| 5 | Bank of China (Hong Kong) Limited |
| 6 | Bank Usahawan Berhad |
| 7 | Malayan Bank Berhad (Maybank) |
| 8 | Perbadanan Tabung Amanah Islam Brunei (TAIB) |
| 9 | RHB Bank Berhad |
| 10 | State Street (Brunei) Sendirian Berhad |
| 11 | Standard Chartered Bank (SCB) |
| 12 | United Overseas Bank (UOB) Limited |
| Infocommunication Technology | |
| 13 | Arinc (Asia Pacific) Private Limited |
| 14 | Bru-Haas (B) Sendirian Berhad |
| 15 | Datastream Digital Sendirian Berhad (DST) |
| 16 | Imagine Sendirian Berhad |
| 17 | Network Integrity Assurance Technologies (NIAT) Sendirian Berhad |
| 18 | Progresif Sendirian Berhad |
| 19 | RigNet BRN Sendirian Berhad |
| 20 | Sita B.V. |
| 21 | Telehub Sendirian Berhad |
| 22 | Unified National Networks Sendirian Berhad |

7. Does the minimum wage apply to all employees in Brunei Darussalam?

The minimum wage is applicable to **all** employees (local and non-local), whether they are full-time, or part-time employees, in the Banking and Finance or Infocommunication Technology industry, who are under the payroll of the companies listed in Question 6.

FREQUENTLY ASKED QUESTIONS (FAQS) – FOR EMPLOYEES

8. Who are excluded from the minimum wage?

The minimum wage **does not** apply to the following individuals:

- (i) Government worker;
- (ii) Any apprentice;
- (iii) Any foreign employee who is on a 'Professional Visit Visa'* or 'Special Authorisation Work Pass;*** or
- (iv) Any persons excluded from the definition of employee under the Employment Order 2009, such as: domestic worker, informal worker, seaman, or voluntary worker.

* 'Professional Visit Visa' – A visa issued by the Controller of Immigration to any immigrant employee who work for the purpose of professional work or expertise required for a particular project awarded in Brunei Darussalam for a period of less than 3 months.

***Special Authorisation Work Pass – A licence issued by the Commissioner of Labour to an employer to employ any immigrant employee who work for the purpose particular project awarded in Brunei Darussalam for a period of less than one year.

9. Are apprentice / interns / i-Ready applicable to the minimum wage?

Apprentice, interns such as i-Ready apprentices are not applicable to the minimum wage.

10. What is the minimum wage rate for the identified industries under the first phase?

The minimum wage rate for the identified industries under the first phase are as follows:

| CLASS OF INDUSTRIES | | MINIMUM WAGE RATES | |
|---------------------|------------------------------|---------------------------------------|---------------------------------------|
| | | FULL-TIME EMPLOYEE Monthly Rate | PART-TIME EMPLOYEE* Hourly Rate |
| 1 | Banking and Finance | BND500 | BND2.62 |
| 2 | Infocommunication Technology | | |

*Part-time employee is defined as an employee who is required under his contract of service with an employer to work for **less than 30 hours a week**.

FREQUENTLY ASKED QUESTIONS (FAQS) – FOR EMPLOYEES

11. *I am a part-time employee working for '7 hours per day for 4 days a week'. How much should I receive under the new Employment (Minimum Wage) Order, 2023?*

The formula for part-time daily-rate employees can be calculated as follows:

$$\text{BND2.62 (hourly rate)} \times \text{total no. of working hours per day}$$

Note: According to the Employment Order 2009, a part-time employee is an employee who is required under his contract of service with an employer to work for **less than 30 hours a week**.

Example:

For part-time employee working for '7 hours per day for 4 days a week'. To calculate how much you should receive per day or per week is shown as below:

Working 4 days per week; 7 hours per day

$$\text{BND2.62 (hourly rate)} \times 7 \text{ hours} = \text{BND18.34 per day or BND73.36 per week}$$

12. *Will I be affected if I am already receiving higher than the specified minimum wage rate in the Employment (Minimum Wage) Order, 2023?*

No, if you are already receiving a wage higher than the specified minimum wage amount, your employer cannot use the Employment (Minimum Wage) Order, 2023 as a justification to lower your wage from the amount stated in your existing contract.

The Order does not prevent you and your employer from agreeing to a higher pay rate than the minimum wage rates specified in the Employment (Minimum Wage) Order, 2023.

13. *Can my employer reduce my pay to the minimum wage rate specified in the Employment (Minimum Wage) Order, 2023?*

If your employer attempts to reduce your wage to the minimum wage level, this would constitute a breach of contract, and you could lodge a complaint to the Department of Labour.

According to the Employment (Minimum Wage) Order, 2023, your employer cannot lower your wage to a rate that is lower than what was originally agreed upon or what you are currently earning.

FREQUENTLY ASKED QUESTIONS (FAQS) – FOR EMPLOYEES

14. What should I do if I am receiving less than the minimum wage after the transitional comes to effect?

You should raise the matter with your employer, and/or notify the Law Enforcement Division, Department of Labour. You can also submit a complaint at +673 2381848 (during office hours) or +673 7298989 (after office hours). Alternatively, email to led@buruh.gov.bn

15. Why are Securities Market Providers like BIBD Securities and Baiduri Capital excluded from the Minimum Wage Policy?

In order to include Securities Market Providers within the scope of the Employment (Minimum Wage) Order, 2023, further information and in-depth analysis would be required.

16. How do I lodge a complaint? And what documents do I need to bring?

Employees can lodge their complaints according to the following procedures:

- (i) Bring related documents:
 - ✓ Police report
 - ✓ Employee's Identity Card
 - ✓ Employee's passport (For foreigners & immigrant)
 - ✓ Employee's contract
 - ✓ Job Card/Time Card
 - ✓ Other relevant documents
- (ii) Proceed to the Labour Enforcement Division, Department of Labour to make a formal complaint.
- (iii) Complainant must come personally to lodge a report and must not be represented by anyone else.

17. Where can I seek legal advice on minimum wage?

You may contact the Prosecution and Legislation Division, Department of Labour at +673 2380256 ext. 4210 during office hours.

18. Where can I find more information?

For further information or clarification, employees can reach out to either the Department of Labour Department at www.labour.gov.bn or the Manpower Planning and Employment Council Secretariat at www.mpec.gov.bn

6. FOR MORE INFORMATION

DEPARTMENT OF LABOUR



Law Enforcement Division:
+673 2381848 (during office hours)
+673 7298989 (outside office hours)



Prosecution and Legislation Division:
+673 2380256 ext. 4210 (during office hours)



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