



臺灣勞工

Taiwan Labor E-Newsletter 簡訊

中華民國112年8月
August 2023



The Ministry of Labor is Calling for TWSE/TPEX listed Companies to Implement Information Disclosure Obligations Within Their Collective Agreements to Demonstrate the Value of Labor Rights Under Corporate Sustainable Development

In order to encourage enterprises to sign collective agreements with labor unions, the Ministry of Labor (MOL) is collaborating with the Financial Supervisory Commission (FSC), Taiwan Stock Exchange (TWSE), and Taipei Exchange (TPEX) to provide supervision and counseling to TWSE/TPEX listed companies that have established labor unions, urging them to comply with disclosure information about collective bargaining agreements, sustainability reports, and annual reports. In doing so, the MOL aims to include the signing of collective agreements as one of the indicators for the Labor Funds' investment choices, aiming to increase the willingness of TWSE/TPEX listed companies to sign collective agreements.

The MOL says it regularly carries out on-site consulting and negotiates employee training and incentives for labor unions to sign collective agreements in order to enhance their willingness and ability to negotiate. Although approximately 50 agreements are signed each year, many enterprises have yet to sign any such documents. TWSE/TPEX listed companies have higher self-regulation requirements regarding corporate social responsibility compared to normal enterprises. For this reasons, the MOL invited the FSC and other organizations in February 2023 to discuss specific ways to promote collective agreements among TWSE/TPEX listed companies with the following measures being implemented:

- I. Increasing the promotion of Corporate Governance Evaluation Indicator 4.9: whether a company's website and annual report disclose various employee welfare measures, retirement policies, and the implementation status of said measures and policies, including labor-management contracts such as collective agreements. TWSE/TPEX listed companies that have signed collective agreements can provide descriptions, which will be included in the scoring.
- II. Encouraging TWSE/TPEX listed companies to disclose the signing status of collective agreements in their sustainability reports. Letters have been sent to request enterprises to disclose this information in their sustainability reports and annual reports since May. Subsequently, labor unions will be asked to provide a list of companies that have not disclosed such information and offer suggestions for improvement to aid relevant departments in providing guidance to said companies.
- III. The signing of collective agreements by TWSE/TPEX listed companies will be included as one of the indicators for consideration for Labor Funds' investments.

The MOL emphasized that collective agreements serve to enhance employee welfare, stabilize labor-management relations, contribute to internal organizational development, and boost employee cohesion. This allows companies to focus on enhancing competitiveness and creates a win-win situation for both labor and management. If workers and management encounter difficulties in negotiations, the MOL is happy to provide assistance.



Post-Pandemic Labor Shortage Improvement and Employment Expansion Program, Employment and Training Incentives

To assist industries facing labor shortage due to the COVID-19 pandemic, the Workforce Development Agency (WDA) of the Ministry of Labor (MOL) has been implementing the Post-Pandemic Labor Shortage Improvement and Employment Expansion Program, which was launched on May 1, 2023, and will be in effect until June 30, 2024.

For industries affected by the pandemic and experiencing labor shortages, central competent authorities of relevant industries will gather data on job vacancies and send it to the WDA for matching after consulting with the MOL and confirming the scope of job vacancies to be included in the employment program, later deciding what is the reasonable salary for job vacancies. Unemployed workers will be recommended by Public Employment Service Institution for employment with workers that meet the relevant requirements able to apply for employment subsidies. In addition, those who participate in pre-employment training related with the labor shortage program will receive training incentives upon completion of training courses.

For workers who are hired through referral under the program, general unemployed individuals will be granted a monthly employment subsidy of NT\$6,000. If the workplace is in a remote or specially designated area, an additional NT\$3,000 will be provided per month. The maximum duration for receiving the subsidy is 12 months. Furthermore, for elderly persons and those specified in Article 24 of the Employment Service Act (e.g. senior or middle-aged persons, re-employment for displaced women etc.) a monthly subsidy of NT\$10,000 will be given for full-time employment. An additional NT\$3,000 will be provided per month for workplaces in remote or designated areas. For part-time workers, a monthly subsidy of NT\$5,000 will be given, with an additional NT\$1,500 in remote or designated areas.

Individuals who participate in pre-employment training related to the labor shortage program will receive a training subsidy of NT\$5,000 per person after the completion of the training. An additional NT\$3,000 will be provided for those in remote or specially designated areas. Furthermore, to assist employers in providing on-the-job training for positions that require workforce development through a hire-and-train approach, a subsidy for training of up to NT\$12,000 per person per month will be granted, with an additional NT\$3,000 in remote or specially designated areas.

The public can access the Post-Pandemic Labor Shortage Improvement and Employment Expansion Program section on the TaiwanJobs website for information on job vacancies and incentive regulations.



Post-Pandemic Labor Shortage Improvement and Employment Expansion Program Poster

Labor Occupational Accident Insurance and Protection Act Safeguards Workers, Employers Urged to Comply with Insurance Obligations

The Labor Occupational Accident Insurance and Protection Act (OAIP Act) was implemented on May 1, 2022, and has been in effect for over a year. The OAIP Act has expanded eligibility for insurance, which takes effect on the first day of employment.

According to the OAIP Act, workers aged 15 or above are required to be enrolled in the Labor Occupational Accident Insurance (hereafter referred to as OAI) by their employers, who must possess business licenses, completed legal registration, and are registered taxpayers or are authorized to hire employees by the central competent authority. Workers who are 65 years old and above or receiving old-age benefits from labor insurance and re-employed are also included in the mandatory insurance coverage.

The Bureau of Labor Insurance (BLI) further explained that an employer, even with just one employee, is required to provide mandatory employment insurance and OAI coverage, beginning on the employee's first day of work. Employers may also enroll employees in labor insurance on a voluntary basis. However, an employer with five or more employees is required to enroll them in labor insurance, employment insurance, and OAI. Failure to enroll employees in these insurance programs may result in penalties, including a fine of four times the labor insurance premium payable and ten times the employment insurance premium payable. In addition, according to the OAIP Act, a fine of NT\$20,000 to NT\$100,000 will be imposed, and the violation will be publicly disclosed.

In the event of an occupational accident for an employee of a registered business entity, but not yet enrolled in the insurance program, the employee may still apply for the relevant OAI benefits according to the OAIP Act. The BLI will then collect the amount paid in compensation from the employer.

The BLI urges employers to register employees for insurance coverage in accordance with regulations. The benefits of OAI not only provide a basic safety net for workers and their families in case of occupational accidents, but can offset compensation payable by employers for occupational accidents by sharing the burden of operational risk. Violation of the law can lead to irreparable losses! For more information on OAI-related regulations, please visit the BLI website.



First in Person Meeting between Heads of Taiwan and EU Labor Authorities: Jointly Hosting the 5th Taiwan-EU Labor Consultation

On June 29, 2023 (Belgium time), Minister Hsu Ming-Chun of the Ministry of Labor (MOL) led a delegation to attend the 5th Taiwan-EU Labor Consultation. The EU delegation was led by Mr. Joost Korte, Director-General of Employment, Social Affairs and Inclusion at the European Commission. Ambassador Remus Chen Li-Kuo, who represents Taiwan in the EU and Belgium, also attended the meeting.

During the meeting, Director-General Korte expressed that Taiwan is a partner of the European Union, and they are willing to continue ongoing dialogue with Taiwan on labor-related economic and social issues. He also mentioned that Europe is facing labor shortages and skill development challenges in industries such as AI, construction, transportation, and care services, especially in the post-pandemic era. Minister Hsu responded that Taiwan is also dealing with similar situations. With the easing of the COVID-19 pandemic and the domestic economy recovering, labor demand has exceeded supply. The recently announced unemployment rate for May was 3.46%, marking a 23-year low over the same period with some industries struggling to fill labor shortages. In response to this situation, the MOL is collaborating with other government agencies and providing employment incentives to encourage workers to join industries that face labor shortages. The MOL is also promoting special legislation for employment of middle-aged and elderly workers to bring more experienced individuals into the labor market and expand the workforce.

Regarding skill development, Minister Hsu stated that besides domestic policies promoting diversified training and assisting youth career development, Taiwan actively participates in WorldSkills International (WSI) competitions and has been selected to host the 2025 WorldSkills Asia Competition. Through involvement and hosting of international competitions, the MOL aims to raise awareness of vocational education and training among the public and enhance the vocational skills of young people.

This year's Taiwan-EU Labor Consultation focused on policies concerning labor practices in the global supply chain. Through exchanges and dialogues between Taiwan and the EU, valuable experience and recommendations from the EU on this issue can be gathered to serve as reference for future policy planning by Taiwan's MOL. Taiwan will host the Taiwan-EU Labor Consultation next year, and Minister Hsu invited Director-General Korte to lead a delegation to attend the meeting in Taiwan.



Group photo of the Taiwan-EU Labor Consultation delegations

"No Limits, No Boundaries" - Results of the 53rd National Skills Competition Announced Vice Premier Cheng Wen-Tsan Attends the Closing Awards Ceremony

The Ministry of Labor (MOL) hosted the 53rd National Skills Competition, the largest youth skills event in Taiwan. In 2023, the competition featured 55 skills for youth and 13 skills for juniors, with 1,181 participants showcasing their prowess at the Nangang Exhibition Center and Nangang Vocational High School. On July 17, Vice Premier Cheng Wen-Tsan of the Executive Yuan and Minister of Labor Hsu Ming-Chun visited Nangang Exhibition Center Hall II in Taipei to congratulate the winners of this year's competition.

In his speech, Vice Premier Cheng said that all 1,000-plus participants amazed spectators over the three days of intense competition while cultivating the spirit of professionalism. As future economic trends incorporate more elements of professional knowledge and technology, he encouraged everyone to continue bringing glory to Taiwan through achievements on the international stage.

Minister Hsu remarked that by completing the event, all competitors successfully challenged themselves and gained valuable experience. She said that life is not just about this particular competition as there are many challenges ahead, but as long as competitors stay true to themselves and remember their dreams, there will be no limits to their potential.

The MOL said this year's long-awaited National Skills Competition was held after a three-year break due to the COVID-19 pandemic. The top three competitors in each skill category will participate in the National Team Selection at the end of August. A national competitor will represent Taiwan in the 2023 WorldSkills Asia Competition held in November in Abu Dhabi, United Arab Emirates, and the 2024 WorldSkills Competition held in Lyon, France.

The MOL also presented gold and silver sponsor awards to eight sponsors. Gratitude was expressed towards these companies and educational institutions for their dedication to cultivating talent and developing a skilled workforce. This year's successful event was in part possible due to sponsor collaboration with the MOL.



Vice Premier of the Executive Yuan, Cheng Wen-Tsan, and Minister of Labor, Hsu Ming-Chun, with the gold medalists of the 53rd National Skills Competition's youth categories

Minister of Labor Leads Inspection of Danjiang Bridge Construction Site, Emphasizing Prevention of Occupational Accidents in Summer

On July 10, 2023, Minister of Labor, Hsu Ming-Chun, led personnel from the Occupational Safety and Health Administration (OSHA) and the Ministry of Transportation (MOT) to conduct a joint inspection at the Danjiang Bridge construction site. The inspection aimed to strengthen measures to prevent hazards such as heat exhaustion, heatstroke, falls, electrical incidents, and fires, which are especially prone to occur at construction sites in the summer. Minister Hsu said there's a high number of major construction industry accidents during the summer, and to prevent work-related accidents in high-temperature environments, labor inspections will be carried out simultaneously at construction sites nationwide.

Minister Hsu explained that the Danjiang Bridge construction project is part of a larger national transportation infrastructure plan. Due to its large scale, complex tasks, specialized division of labor, and extended construction period, the bridge project carries higher construction risks compared to other projects. In particular, it is currently mid-summer and the construction site located at the Tamsui River estuary where workers are exposed to high temperatures and heat hazards. To address this concern, OSHA conducted a thorough, comprehensive inspection at the site to urge the construction team to enhance construction safety management and prevent occupational accidents, emphasizing that "the goal is improvement, not punishment." OSHA also called for project organizers to effectively supervise business units ensuring health and safety management for the well-being of every worker.

During the construction site's safety inspection, Minister Hsu also inquired about the working and living conditions of foreign workers, particularly in light of recent soaring temperatures. She reminded employers in Taiwan's construction industry that, in addition to improving the safety and health facilities and management at construction sites, they should also pay attention to hazards posed by high-temperature environments. Employers should take effective preventive measures, including providing facilities for workers to cool down and shade themselves from the sun and appropriate beverages. They should also adjust work schedules, conduct educational and training programs to remind workers to monitor their physical condition, and establish emergency medical treatment and response mechanisms. The MOL will continue to expand inspections of summer hazard prevention and require labor inspection agencies to conduct inspections and impose penalties in order to maintain rigorous labor safety inspections.



Minister Hsu Ming-Chun asks about the living and working conditions of foreign workers. Here she presents small gifts, including water bottles, while reminding workers to be aware of the dangers of high summer temperatures