Title：Labor Standards Act
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Category：Ministry of Labor (勞動部)

Chapter Ⅰ General Provisions

Article 1 The Act is enacted to provide minimum standards for working conditions, protect workers' rights and interests, strengthen employee-employer relationships and promote social and economic development. Matters not provided for herein shall be governed by other applicable statutes. The terms and conditions of any agreement between an employer and a worker shall not be below the minimum standards provided herein.

Article 2 The terms used in the Act shall be defined as follows:
1. Worker means a person who is hired by an employer to work for wages.
2. Employer means a business entity which hires workers, the responsible person of business operations, or the person who represents the business owner in handling labor matters.
3. Wage means the remuneration which a worker receives for his/her services rendered, including wages, salaries and bonuses, allowances and any other regular payments regardless of the name which may be computed on an hourly, daily, monthly and piecework basis, whether payable in cash or in kind.
4. Average wage means the figure reached by taking the total wages for the six months preceding the day on which an event requiring that a computation be made occurs, divided by the total number of days in that period. In the case of a period of service not exceeding six months, the term "average wage" means the figure reached by taking the total wages for the service period divided by the total number of days of that period. In the case of wages which are computed on a daily, hourly, or piecework basis, if the "average wage" figure reached according to the preceding formula is less than sixty percent of a figure determined by dividing the total

wages for the particular service period by the actual number of work days, the "average wage" in this case shall be the sixty percent figure.
5. Business entity means any entity engaged in any of the business (or industries) that are governed by the Act, which employs workers to do work.
6. Labor contract means an agreement that establishes an employee-employer relationship.

Article 3 The Act shall be applicable to the following business (or industries):
1. Agriculture, forestry, fishery and animal husbandry,
2. Mining and quarrying,
3. Manufacturing,
4. Construction,
5. Water, electricity and gas supply,
6. Transportation, warehousing and telecommunications,
7. Mass communication, and
8. Other business (or industries) designated by the Central Competent Authority.
When making designation referred to in Subparagraph 8 of the proceeding paragraph, a portion of the workplace or part of workers in the business entity may be designated as applicable.
The Act shall apply to all forms of employee-employer relationships. However, this principle shall not apply, if the application of the Act would genuinely cause undue hardship to the business entities involved due to the factors relating to the types of management, the administration system and the characteristic of work involved and if it belongs to the business (or industries) or worker designated and publicly announced by the Central Competent Authority.
The total number of workers employed in the business entities which will encounter genuinely undue hardships and shall not be applicable to the Act, shall not exceed one-fifth of the total number of workers employed outside of the business (or industries) as listed in Subparagraphs 1-7 of Paragraph 1 to this article.

Article 4 The term "competent authority" referred to in the Act shall be the Ministry of Labor at the central level, the municipal government at the municipal level, and the county (city) government at the county (city) level.

Article 5 No employer shall, by force, coercion, detention, or other illegal means, compel a worker to perform work.

Article 6 No person shall interfere in the labor contract of other persons and obtain illegal benefits therefrom.

Article 7 An employer shall prepare and maintain a worker record card indicating the name, sex, birth date, place of ancestral origin, educational background, address, national identification card number, employment starting date, wage, labor insurance starting date, merits and demerits, injury and disease and other significant facts of each worker.

The worker record card referred to in the preceding paragraph shall be kept on file by the employer for at least five years after the date a particular worker ceases to be employed.

Article 8 An employer shall take precautions for the safety and benefit of his / her hired workers against occupational hazards, create a proper working conditions and provide welfare facilities. All safety, sanitation and welfare matters related thereto shall be governed by the regulations of applicable statutes.

Chapter Ⅱ Labor Contract

Article 9 Labor contracts may be divided into two categories: fixed term contracts and non-fixed term contracts. A contract in nature for temporary, short-term, seasonal or specific work may be made as a fixed term contract, but a contract for continuous work, should be a non-fixed term contract.

In any one of the following situations, a fixed term contract shall be deemed as to be a non-fixed term upon the expiration of the contract:

1. Where an employer raises no immediate objection when a worker continues his/her work.

2. Where, despite the execution of a new contract, the prior contract and the new one together cover a period of more than ninety days and the period of time between expiration of the prior contract and execution of the new one does not exceed thirty days.

The preceding paragraph shall not apply in the case of a fixed term contract for specific or seasonal work.

Article 9-1 An employer shall not make a after-resignation business strife limitation agreement with an employee unless the following requirements have been met:

1. The employer has proper business interests that require being protected.

2. The position or job of the employee entitles him or her to have access to or be able to use the employer's trade secrets.

3. The period, area, scope of occupational activities and prospective employers with respect to the business strife limitation shall not exceed a reasonable range.

4. The employer shall reasonably compensate the employee concerned who does not engage in business strife activities for the losses incurred by him or her.

The reasonable compensation referred to in Subparagraph 4 of the preceding paragraph shall not include the remuneration received by the employee during employment.

Any agreement in violation of any of the provisions of Paragraph 1 shall be null and void.

The period of business strife limitation shall not exceed a maximum up to two years. If such a period is more than two years, then it shall be shortened to two years.

Article 10 If a new contract is executed, or an existing contract is renewed, within three months after the expiration of a fixed term contract or the termination of a non-fixed term contract for cause, the service period accrued before the execution or renewal of the contract shall be combined with the service period of the new or renewed contract in any computation of service period.

Article 10-1 When transferring an employee, an employer shall not violate the provisions of labor contract and shall also satisfy the following principles:
1. The employee shall be transferred based on the needs of business operation and without improper motives or purposes. Matters not provided for herein shall be governed by other applicable statutes.
2. The wages and other working conditions shall not be changed to be unfavorable to the employee concerned.
3. The employee shall still be able to satisfactorily perform the duties required in terms of physical ability and skills after the transfer.
4. The employer shall provide necessary assistance if the relocated workplace where is too far away for the employee concerned
5. The livelihood interests of the employee and his or her family shall be considered.

Article 11 No employer shall, even by advance notice to a worker, terminate a labor contract unless one of the following situation arises:
1. Where the employers' businesses are suspended, or has been transferred.
2. Where the employers' businesses suffers an operating losses, or business contractions.
3. Where force majeure necessitates the suspension of business for more than one month.
4. Where the change of the nature of business necessitates the reduction of workforce and the terminated employees can not be reassigned to other suitable positions.
5. A particular worker is clearly not able to perform satisfactorily the duties required of the position held.

Article 12 In any of the following situations, an employer may terminate a labor contract without advance notice:
1. Where a worker misrepresents any fact at the time of signing of a labor contract in a manner which might mislead his/ her employer and thus caused him/her to sustain damage therefrom.

2. Where a worker commits a violent act against or grossly insults the employer, his /her family member or agent of the employer, or a fellow worker.
3. Where a worker has been sentenced to temporary imprisonment in a final and conclusive judgment, and is not granted a suspended sentence or permitted to commute the sentence to payment of a fine.
4. Where a worker is in serious breach of the labor contract or in serious violation of work rules.
5. Where a worker deliberately damages or abuses any machinery, tool, raw materials, product or other property of the employer or deliberately discloses any technical or confidential information of the employer thereby causing damage to the employer.
6. Where a worker is, without good cause, absent from work for three consecutive days, or for a total six days in any month.
Where an employer desires to terminate a labor contract pursuant to Subparagraphs 1 and 2, Subparagraphs 4 to 6 of the preceding paragraph, he/she shall do so within thirty days from the date he/she becomes aware of the particular situation.

Article 13 An employer shall not terminate a contract with a worker who is on leave from work pursuant to Article 50 or, is receiving medical treatment pursuant to Article 59, unless the employer cannot continue operating the business due to an act of God, catastrophe or other force majeure and a prior approval has been obtained from the competent authorities.

Article 14 A worker may terminate a labor contract without giving advance notice to the employer in any of the following situations:
1. Where an employer misrepresents any fact at the time of signing a labor contract in a manner which might mislead his/her worker and thus caused him/her to sustain damage therefrom.
2. Where an employer, his/her family member or his/ her agent commits violence or grossly insults the worker.

3. Where the work specified in a labor contract is likely to be injurious to the worker's health and the worker has requested his/her employer to improve working conditions but all in vain.
4. The employer, the agent of the employer, or co-worker suffers from a noted contagious disease that may infect employees working with the infected person and seriously endanger their health.
5. Where an employer fails to pay for work in accordance with the labor contract or to give sufficient work to a worker who is paid on a piecework basis.
6. Where an employer breaches a labor contract or violates any labor statute or administrative regulation in a manner likely to adversely affect the rights and interests of the particular worker.

If an employee intends to terminate the contract in accordance with Subparagraph 1 or 6 of the preceding Paragraph, he or she shall do so within 30 days of the date the employee became knowledgeable of the situation. However, the employee shall do so within 30 days of the date of the employee knowing the result of damages in the event the employer falls under any of the circumstances specified in Subparagraph 6.

An employee shall not terminate the contract under any of the circumstances specified in Subparagraph 2 or 4 of Paragraph 1 if the employer has terminated an agency contract, or if the party suffering from a noted contagious disease has received treatment in accordance with health regulations.

The provisions of Article 17 shall apply, mutatis mutandis, to the termination of labor contract pursuant to this article.

Article 15 In the case of a specific fixed term contract for a term of more than three years, a worker may, upon completion of three years' work, terminate the contract by giving the employer an advance notice thirty days before he/her severance.

In the case of a worker terminating a non-fixed term

contract, the provisions of Paragraph 1 of Article 16 pertaining to the prescribed time limit for serving an advance notice shall apply mutatis mutandis.

Article 15-1 An employer shall not make a minimum service period agreement with an employee unless one of the following requirements has been met:

1. The employer provides the employee with professional skills training at the employer’ s expense.
2. The employer provides the employee with reasonable compensation to comply with the minimum service period agreement.

The minimum service period agreement referred to in the preceding paragraph shall be considered in terms of the following conditions and shall be limited in a reasonable range:

1. Period and costs of the professional skills training provided by the employer to the employee concerned.
2.Possibility of replacing the employee concerned by other employees engaging in the same or a similar job.
3.Amount and scope of the compensation provided by the employer to the employee concerned.
4.Other matters influencing the reasonableness of the minimum service period.

Any agreement in violation of the preceding two paragraphs shall be null and void.

If the labor contract is terminated prior to the completion of the minimum service period due to any cause not attributable to the employee concerned, he or she shall not be deemed as violating the minimum service period agreement and shall not be obligated to reimburse the training expenses.

Article 16 Where an employer terminates a labor contract pursuant to Article 11 or the provisions of Article 13, the provisions set forth below shall govern the minimum period of advance notice:

1. Where a worker has worked continuously for more than three months but less than one year, the notice shall be given ten days in advance.

2. Where a worker has worked continuously for more than one year but less than three years, the notice shall be given twenty days in advance.
3. Where a worker has worked continuously for more than three years, the notice shall be given thirty days in advance.
After receiving the advance notice referred to in the proceeding paragraph, a worker may, during hours of work, ask for leave of absence for the purpose of finding a new job. Such leave of absence may not exceed two work days per week. Wages shall be paid during such leave of absence.
Where an employer terminates the contract without serving an advance notice within the time limit prescribed in the first paragraph of this article, he/she shall pay the worker wages for the advance notice period.

Article 17 An employer terminating a labor contract pursuant to the preceding Article shall issue severance pay to the worker in accordance with the terms set forth below.
1. If the worker continues to work for a business entity owned by the same employer, severance pay that is equal to one month' s average wage for each year of service;
2. The severance pay for the months remaining after calculation in accordance with the preceding subparagraph, or for workers who have been employed for less than one year shall be calculated proportionally; any period of employment less than a month shall be calculated as one month.
Employers shall issue the severance pay of the preceding Paragraph within 30 days after the labor contract is terminated.

Article 18 In any of the following situations, a worker shall not claim from the employer either additional wages for the advance notice period or severance pay:
1. A labor contract is terminated pursuant to Article 12 or 15.
2. The worker leaves his/her service upon expiration of a fixed term contract.

Article 19 Upon termination of a labor contract, neither an employer nor the employer's agent shall reject a request from the worker for proof of service record.

Article 20 When a business entity is restructured or changes ownership, except for those workers to be retained through negotiations between the old and the new employers, the employer shall terminate labor contracts with the remaining workers by giving the minimum advance notice prescribed by Article 16 and shall pay severance payment in accordance with Article 17. The new employer shall recognize the prior period of service of those workers to be retained.

Chapter Ⅲ Wages

Article 21 A worker shall be paid such wages as determined through negotiations with the employer, provided, however, that such wages shall not fall below the basic wage.

The basic wage referred to in the preceding paragraph shall be prescribed by the basic wage deliberation committee of the Central Competent Authority and submitted it to the Executive Yuan for approval.

The matters regarding the organization and procedure of proceeding of the aforesaid basic wage deliberation committee shall be regulated separately by the Central Competent Authority.

Article 22 Wages shall be paid in the statutory, circulating currency; provided, however, that part of such wages may, by custom or business nature, be paid partly in kind in accordance with the labor contract. If part of the wages is paid in kind, the conversion price of such wages in kind shall be fair and reasonable to meet the needs of both the worker and his/her family members.

Wages shall be paid in full directly to the worker, unless otherwise prescribed by applicable statutes or administrative regulations or agreed to by both the employer and the worker.

Article 23 Except as otherwise agreed to by the parties to a labor contract or when wages are paid in advance on a monthly basis, wages shall be paid on a regular basis at least twice a month; the details of wage computation must also be provided. This shall also apply to wages computed on the basis of piece by piece work.

An employer shall keep a worker payroll roster in order to record entries such as wages payable, the details of wage computation and the total sum of wages paid. This payroll roster shall be kept on file for at least five years

Article 24 An employer shall pay worker overtime wages using the following basis:

1. When the overtime work does not exceed two hours, the worker shall be paid, in addition to the regular hourly wage, at least an additional one-third of the regular hourly rate.
2. When the overtime work is over two hours, but the total overtime work does not exceed four hours, the worker shall be paid, in addition to the regular hourly wage, at least an additional two-thirds of the regular hourly rate.
3. When the overtime work requested is governed by Paragraph 4 of Article 32, the worker shall be paid two times the regular hourly rate.

In accordance with Article 36, an employer shall pay a worker overtime wages when required to work on the rest days. When the overtime work does not exceed two hours, the worker shall be paid, in addition to the regular hourly wage, at least an additional one and one-third of the regular hourly rate. When the overtime work is over two hours, the worker shall be paid, in addition to the regular hourly wage, at least an additional one and two-thirds of the regular hourly rate.

Article 25 An employer shall under no condition discriminate between the sexes in the payment of wages. Worker shall receive equal wages for equal work of equal efficiency.

Article 26 An employer shall not make advance deduction of wages as penalty for breach of contract or as indemnity

Article 27 If wages are not paid on schedule, the competent authority may order the employer concerned to pay them within the prescribed period.

Article 28 When an employer has suspended or liquidated its business or has declared bankruptcy, the following creditor rights of the workers shall be regarded equal to the creditor rights of those with mortgage rights, pledges or liens of the top priority, and the workers shall be paid in accordance with the proportion of their creditor rights; workers shall have top most priority to receive the remaining amounts owed to them:

1. Less than six months of wages to be paid to the workers according to the labor contract;
2. Retirement pensions that the employer has failed to disburse in accordance with the Act;
3. Severance pay that the employer has failed to disburse in accordance with the Act or the Labor Pension Act.

Employers are required to pay a certain amount to the Arrear Wage Payment Fund each month according to the total wages insured for the month and the statutory rate to provide the funds for the following payments:

1. The arrear wages specified in subparagraph 1 of the preceding Paragraph;
2. The owed pensions and severance pay specified in subparagraphs 2 and 3 of the preceding Paragraph; the total amount shall be no more than six months of average wage.

When the Arrear Wage Payment Fund has accumulated to a certain amount, the rate shall be reduced or the collection shall be suspended.

The central competent authority shall set the rate of Paragraph 2 at no more than 1.5 thousandths and present it to the Executive Yuan for approval.

Wages, pensions and severance pay owed by employers and remained unsettled after concerned workers have filed their requests shall be paid first from the Arrear

Wage Payment Fund according to Paragraph 2; such employers shall then repay the amounts to the Arrear Wage Payment Fund within a specified period.
The Arrear Wage Payment Fund shall be managed by a management committee set up by the central competent authority. The central competent authority may commission a labor insurance agency to be in charge of fund collection and payment. The central competent authority shall also establish the procedure for arrear wage payment from the Fund, as well as regulations regarding fund collection and payment, Fund management, the certain amount of Paragraph 3, and the organization of the management committee.

Article 29 After the closing of books of account at the end of the business year, a business entity shall, after paying taxes, covering losses for the previous year and setting aside stock dividends and legal reserves, pay allowances or bonus out of the balance of net profits, if any, to workers who have worked the entire preceding year without committing fault and misconduct.

Chapter Ⅳ Working Hours, Recess and Holidays

Article 30 The regular working time of workers may not exceed eight hours a day or 40 hours a week.
With the consent of a labor union, or if there is no labor union in a business entity, with the approval of a labor-management conference, an employer may distribute the regular working hours, referred to in the proceeding paragraph, of any two workdays in every two weeks, to other workdays, provided that no more than two hours shall be distributed to each of the other workdays. However, the total number of working hours shall not exceed forty-eight hours every week.
With the prior consent of the labor union, or if there is no labor union exists in a business entity, with the agreement of a labor-management conference, an employer may distribute the regular working hours, referred to in the Paragraph1, in every eight weeks,

provided that the regular working time shall not in excess of eight hours a day and the total number of working hours shall not exceed forty-eight hours every week.
The regulations set forth in the two preceding Paragraphs are only applicable to the business (or industries) designated by the Central Competent Authority.
Employers shall prepare and keep worker attendance records for five years.
The attendance records specified in the preceding Paragraph shall register the attendance of workers on a daily basis to the minute. Employers may not refuse when workers request for duplicates or photocopies of the attendance records.
Employers may not use the amendment to regular working hours of Paragraph 1 as reason for wage deduction.
Employers may, base on the needs of workers to tend to their family members, allow workers the flexibility to adjust their starting and finishing work time of up to one hour of the daily regular working hours specified in Paragraphs 1 to 3 and Article 30-1.

Article 30-1 For businesses (or industries) designated by the Central Competent Authority, upon the consent of its labor union, or if there is no labor union in a business entity, with the approval of a labor-management conference, an employer may change his/her working hours under the following principles:
1. The distribution of regular working hours to other work days in four weeks shall not exceed two hours a day and is not subject to the restrictions referred to in Paragraphs 2 to 4 of the preceding article.
2. When the regular workday is ten hours a day, the overtime work shall not exceed two hours for that particular day.
3. Female workers on night shifts, except for those who are pregnant or are in breastfeeding periods, are not subject to the restrictions referred to in Paragraph 1 of Article 49. However, the employer must provide

necessary safety and health facilities.
Businesses (or industries) that are governed by Article 3 (which was amended and took effect on December 27, 1996) are not governed by the preceding paragraph, except for agriculture, forestry, fishery, and pasturage industries referred to in Subparagraph 1 of Paragraph 1.

Article 31 The working hours of a worker operating in a pit or tunnel shall begin from the time of entrance to the pit or tunnel and shall end at the time of departure therefrom.

Article 32 When an employer has a necessity to have his/her employee to perform the work besides regular working hours, he/ she, with the consent of a labor union, or if there is no labor union exists in a business entity, with the approval of a labor-management conference, may extend the working hours.
The extension of working hours referred to in the preceding paragraph, combined with the regular working hours shall not exceed twelve hours a day; the total number of overtime shall not exceed forty-six hours a month; however, the extension of working hours, with the consent of a labor union, or if there is no labor union exists in a business entity, with the approval of a labor-management conference, shall not exceed fifty-four hours a month and one hundred and thirty-eight hours every three months.
When an employer having more than thirty employees needs to have his/her employee to perform work referred to in the preceding paragraph, he/she shall report it to the local competent authority for record.
Due to the occurrence of an act of God, an accident, or an unexpected event and when an employer has a necessity to have his/her employee to perform the work besides regular working hours, may extend the working hours. However, the employer shall notify the labor union within twenty-four hours after the beginning of the extension. If there is no labor union, shall report it to the local competent authority for record. Subsequent to the over time, the employer shall offer worker suitable time

off.

Except for supervisory duties or in any of the situations referred to in the preceding paragraph, the working hours of a worker in a pit or tunnel shall not be extended.

Article 32-1 When an employer extends the work according to Paragraphs 1 and 2 of Article 32 or requests the worker to perform work on rest days as prescribed in Article 36, the employer shall calculate the hours of compensatory leave based on the hours of work performed, as the worker chooses to take compensatory leave with the consent of the employer.

The period of the compensatory leave referred to in the preceding paragraph shall be agreed on by the employer and the worker; should compensatory leaves not be used by workers upon the expiration of the compensatory leaves or the termination of the contracts, wages shall be paid based on the day when working hours are extended or the rest day when the worker performs work; employers failing to pay the said wages will be punished for violating the provisions of Article 24.

Article 33 Where the living convenience of the public or other special cause necessitates the adjustment of regular working hours and overtime hours for business (or industries) under Article 3 other than manufacturing and mining in a manner not contemplated in Articles 30 and 32, the local competent authorities, may if necessary, by order permit such adjustment after having consulted both the competent authority with jurisdiction over the business (or industries) and the labor union.

Article 34 If a rotation system is adopted, workers on such shifts shall be rotated on a weekly basis except as otherwise consented to by the worker.

Workers who are on rotation in accordance with the preceding paragraph shall be granted a rest period of at least eleven hours continually; however, due to the characteristic of work or special cause, a rest period of at least eight continuous hours shall be granted after the

Central Regulatory Authority with jurisdiction over the business (or industries) has reviewed with the Central Competent Authority.
The change in the rest period referred to in the preceding paragraph shall be made with the consent of a labor union, or if there is no labor union exists in a business entity, with the approval of a labor-management conference. When an employer has more than thirty employees, he/she shall report it to the local competent authority for record.

Article 35 A worker shall be permitted to have a break for at least thirty minutes after having worked for four continuous hours; provided, however, that such break may be rescheduled by the employer to be taken within other working hours if a rotation system is adopted or work of a continuous or urgent nature is involved.

Article 36 A worker shall have two regular days off every seven days. One day is a regular leave and the other one is a rest day.
An employer shall not be subject to the restrictions of the preceding paragraph if one of the following conditions exists:
1. According to Paragraph 2 of Article 30, workers who adjust their regular working hours shall have a minimum of one day of regular leave every seven days and a minimum of four days' rest every two weeks consisting of the combined regular leaves and rest days.
2. According to Paragraph 3 of Article 30, workers who adjust their regular working hours shall have a minimum of one day of regular leave every seven days and a minimum of sixteen days' rest every eight weeks consisting of the combined regular leaves and rest days.
3. According to Article 30-1, workers who adjust their regular working hours shall have a minimum of two days of regular leaves every fourteen days and a minimum of eight days' rest every four weeks consisting of the combined regular leaves and rest days.
When an employer needs his/her employee to perform

the work in addition to regular working hours, it shall be added based on Paragraph 2 of Article 32 of the total of extension of working hours. However, if there is an act of God, an accident, or an unexpected event and an employer needs his/her employee to work in addition to regular working hours, then the working hours are not subject to the restrictions of Paragraph 2 of Article 32.
An employer may adjust the regular leave referred to in Paragraph 1 and Sub-paragraphs 1 and 2, Paragraph 2 every seven days with the consent of the Central Regulatory Authority with jurisdiction over the business (or industries) designated by the Central Competent Authority.
The regular leave referred to in the preceding paragraph shall be adjusted with the consent of a labor union, or if there is no labor union exists in a business entity, with the approval of a labor-management conference. When an employer has more than thirty employees, he/she shall report it to the local competent authority for record.

Article 37 Leaves shall be granted for national holidays, holidays, and Labor Day which are designated as holidays by the Ministry of the Interior and holidays designated by other Central Competent Authority.
The provisions of the preceding paragraph, which was amended on December 6, 2016, shall take effect on January 1, 2017.

Article 38 A worker who has worked continually for the same employer or business entity for a certain period of time shall be granted annual paid leaves on an annual basis based on the following conditions:
1. Three days for service of six months or more but less than one year.
2. Seven days for service of one year or more but less than two years.
3. Ten days for service of two years or more but less than three years.
4. Fourteen days for service of three years or more but less than five years.

5. Fifteen days for service of five years or more but less than ten years.
6. One additional day for each year of service over ten years up to a maximum of thirty days.
Annual paid leaves from the preceding paragraph are to be arranged by workers. The employer, however, in the light of urgent needs of the business operation or personal factors of workers, may consult and make adjustments with workers.
The employer shall inform the worker to arrange the annual paid leaves of the preceding two paragraphs when the employee meets the conditions for the annual paid leaves under Paragraph One.
Wages must be paid for annual paid leaves not used by workers because of the termination of annual or termination of contracts. For unused annual paid leaves extended until the following year according to the agreement reached by employers and workers, wages must be paid for those not used by workers at the end of the following year or upon the termination of contracts.
The employer shall record the dates of annual paid leaves of workers and the total amount of the wages paid for annual paid leaves have not been taken in the worker payroll roster designated in Article 23 and shall inform the worker in writing every year on a regular basis.
In the case of a claim of rights by workers under this Article, the employer shall bear the burden of proof if the employer considers that the workers' rights do not exist.

Article 39 Wages shall be paid by an employer to a worker for taking leaves for regular leaves and rest days as stipulated by Article 36, for holidays as stipulated under Article 37, and annual paid leaves as stipulated by Article 38. When an employer has obtained the consent of a worker to work on a holiday, the employer shall pay the worker at double the regular rate for such work. This shall also apply when, with the consent of the worker or

the labor union, the worker is required to work to meet seasonal needs.

Article 40 An employer may require workers to suspend all leaves of absence referred to in Articles 36 to 38, if an act of God, an accident or unexpected event requires continuance of work; provided, however, that the worker concerned shall receive wages at double the regular rate for work during the suspended leave, and then also be granted leave to make up for the suspended leave of absence.

In respect of the suspended leaves of absence referred to in the preceding paragraph, the employer shall, within twenty-four hours after the end off suspension, file a report stating details and reasons with the local competent authorities for the approval and record of the suspension.

Article 41 If it is deemed necessary by the local competent authorities, the annual paid leave of workers in public utilities referred to in Article 38 may be suspended, for which the employer shall pay wages at double the regular rate.

Article 42 An employer shall not compel a worker to accept work beyond regular working hours if the worker is unable to do so on account of poor health or other proper reasons.

Article 43 A worker may take time off for wedding, funeral, sickness or other proper causes. The duration of such leave and the wage standards for leaves other than unspecified casual leave shall be prescribed by the Central Competent Authority.

Chapter Ⅴ Child Workers and Female Workers

Article 44 A worker over fifteen years old, but less than sixteen years old, shall be considered as a child worker.

No child worker and no worker less than eighteen years old shall be permitted to do work that is potentially dangerous or hazardous in nature.

Article 45 No employer shall employ any person under the age of fifteen. This does not apply if the person has graduated from junior high school or the nature and environment of the work have been determined and authorized by the competent authority that no harm will result to the worker's mental and physical health. Provisions in child labor regulations shall apply, mutatis mutandis, to the employee of the preceding paragraph.
The Central Competent Authority shall stipulate the determination criteria, review procedures, and other measures governing the complying matters for determining the nature and environment of the work that will not do any harm to the worker's mental and physical health stated in the first paragraph based on factors such as the worker's age, nature of work, and the length of compulsory education received. For persons under the age of fifteen providing labor service to a third party through others, or directly providing labor service to receive remuneration with no employment relationship, the provision stated in the previous paragraph and child labor protection regulations shall apply, mutatis mutandis.

Article 46 Employer of workers who are less than eighteen years old shall keep the letters of consent from the legal guardians and age certificates of such workers on file.

Article 47 Child workers' daily working hours shall not exceed eight hours, weekly working hours shall not exceed forty hours, and working on regulated day off is not permitted.

Article 48 No child worker shall be permitted to work between eight o'clock in the evening and six o'clock in the following morning.

Article 49 An employer shall not make his /her female worker perform her work between ten o'clock in the evening and six o'clock in the following morning. However, with the consent of a labor union, or if there is no labor union in a business entity, with the approval of a labor-management conference, and the following requirements in each

subparagraph are met, the preceding restrictions are not applied:

1. The necessary safety and health facilities are provided.
2. When there is no public transportation facilities available, transportation facilities are provided or dormitories for female workers are arranged.

For the necessary safety and health facilities referred to in Subparagraph 1 of the preceding paragraph, their standards shall be determined by the Central Competent Authority. However, the safety and health facilities set forth in an agreement between the employer and the female worker are better than requirements in the Act, the said agreement shall be controlling.

When a female worker is unable to work between ten o'clock in the evening and six o'clock in the following morning due to health or other justifiable reasons, the employer shall not force her to work.

Due to the occurrence of an act of God, an accident, or an unexpected event, and so the employer has a necessity to make his/ her female worker perform her work between ten o'clock in the evening and six o'clock in the following morning, the requirements in the Paragraph1 shall not be applied.

For those female workers who are pregnant or are feeding their babies, the proviso clause of Paragraph 1 and the preceding paragraph shall not be applied.

Article 50 A female worker shall be granted maternity leave before and after childbirth for a combined period of eight weeks.

In the case of a miscarriage after the first three months of pregnancy, the female worker shall be permitted to discontinue her work and shall be granted maternity leave for a period of four weeks.

If the female worker referred to in the preceding paragraph has been employed for more than six months, she shall be paid regular wages during the maternity leave, while if her period of service is less than six months, she shall be paid wages at half of the regular payment.

Article 51 A female worker may apply to be transferred to less strenuous work during her pregnancy. The employer shall neither reject her application nor reduce her wage.

Article 52 Where a female worker is required to breast-feed her baby of less than one year of age, the employer shall permit her to do so twice a day, each for thirty minutes, besides the break period set forth in Article 35.
The breast feeding time referred to in the preceding paragraph shall be deemed as working time.

Chapter VI Retirement

Article 53 A worker may apply for voluntary retirement under any of the following conditions:
1. Where the worker attains the age of fifty-five and has worked for fifteen years.
2. Where the worker has worked for more than twenty-five years.
3. Where the worker attains the age of sixty and has worked for ten years.

Article 54 An employer shall not force a worker to retire unless any of the following situations has occurred:
1. Where the worker attains the age of sixty-five.
2. Where the worker is unable to perform his/ her duties due to mental handicap or physical disability.
A business entity may request the central competent authority to adjust the age prescribed in Subparagraph 1 of the preceding paragraph if the specific job entails risk, requires substantial physical strength or otherwise of a special nature; provided, however, that the age shall not be reduced below fifty-five.

Article 55 The criteria for payment of worker pensions shall be as follows:
1. Two bases are given for each full year of service rendered. But for the rest of the years over 15 years, one base is given for each full year of service rendered. The total number of bases shall be no more than 45. The Length of service is calculated as half year when it is less than six months and as one year when it is more than six

months;
2. As set forth in subparagraph 2 of Paragraph 1 of Article 54, an additional 20% on top of the amount calculated according to the preceding subparagraph shall be given to workers forced to retire due to mental disorders or physical disabilities incurred from the execution of their duties.
The retirement pension base as specified in subparagraph 1 of the preceding Paragraph shall be one month' s average wage of the worker at the time when his or her retirement is approved.
Employers shall pay the pensions specified in Paragraph 1 within 30 days from the day of retirement. Those unable to pay the amount in one lump sum may apply to the competent authority for approval to pay the amount in installments. If the retirement pension criteria established by business entities before the enforcement of the Act are better than those set forth in the Act, such criteria shall apply.

Article 56 Employers shall appropriate labor pension reserve funds ranging between 2% and 15% of the total monthly wages of their employees and deposit such amount in a designated account. The funds in said account may not be used as an assignment, seizure, offset or security object.
The central competent authority shall establish regulations on the proportion, procedure and management of the funds to be appropriated and present them to the Executive Yuan for approval.
Before the end of each year, employers shall assess the balance in the designated labor pension reserve funds account of the preceding Paragraph. If the amount is inadequate to pay pensions calculated according to the preceding Article for workers retiring in the same year according to Article 53 or subparagraph 1 of Paragraph 1 of Article 54, the employer is required to make up the difference in one appropriation before the end of March the following year and submit the statement to the Business Entity Supervisory Committee of Labor

Retirement Reserve for review.
The central competent authority shall set up the Labor Pension Fund Supervisory Committee to manage the Labor Pension Fund composed of the monthly appropriated labor pension reserve funds of Paragraph 1. The central competent authority shall also define the organization of said committee, its meeting procedures and regulations on related matters.
The central competent authority shall coordinate with the Ministry of Finance to commission a financial institution to be in charge of the collection and spending, custody and utilization of the Fund specified in the preceding Paragraph. The minimum earnings from the Fund may not be less than the two-year-term time deposit interest offered by local banks; in the event of a deficit, it shall be covered by the national treasury. The central competent authority shall establish the regulations regarding the collection and spending, custody and utilization of the Fund and present them to the Executive Yuan for approval.
The supervision of labor pension reserve funds appropriated by employers shall be supervised by the Supervisory Committee of Labor Retirement Reserve composed of representatives for workers and employers. Worker representatives on the committee may not be less than two thirds of the members in the committee; the central competent authority shall establish the regulations for the organization of the committee.
The decision or adjustment of the proportion of labor pension reserve funds to be appropriated each month by employers must be reviewed and approved by their Business Entity Supervisory Committee of Labor Retirement Reserve and presented to the local competent authority for approval.
When processing loan applications from businesses that require the investigation of the labor retirement reserve appropriation of such business entity, financial institutions may request the local competent authority to

provide such data.
Financial institutions acquiring the data of the preceding Paragraph are obliged to keep the data confidential and to also make certain that related data safety audits are conducted.
The central competent authority shall consult with the Financial Supervisory Commission to establish regulations regarding the content and range of the data of the two preceding Paragraphs as well as the application procedure and other rules to follow.

Article 57 Workers' years of service shall be limited to years of employment by the same business entity. In determining the years of service of a worker who is transferred to another business entity owned by the same employer, and in determining accumulated service years recognized by a new employer on a continued basis under Article 20 of the Act, the years of service at the different business entities shall be combined for calculation purposes.

Article 58 The right of a worker to claim retirement benefits shall be aborted if it is not exercised within five years from the month following the effective date of retirement.
The right to claim retirement benefits shall not be assigned, offset, mortgaged, or guaranteed.
Applicants claiming retirement benefits pursuant to this Act shall open a specific account with necessary documents at a financial institution for the deposit of retirement benefits.
The deposits in the specific account of the preceding Paragraph shall not be the objects of offset, mortgage, security or compulsory execution.

Chapter Ⅶ Compensation for Occupational Accidents

Article 59 An employer shall pay compensation to a worker who is dead, injured, incapacitated or sick due to occupational accidents according to the following provisions; provided that if, in respect of the same accident, the employer has already paid compensation to the worker concerned in accordance with the provisions of the Labor Insurance

Act or other applicable statutes and administrative regulations, The employer may deduct those already paid compensation therefrom:

1. When a worker is injured or suffers from any occupational disease, the employer shall compensate him the necessary medical expenses. The categories of occupation-related diseases and the scope of medical treatment covered shall be governed by the relevant provisions of the Labor Insurance Act.
2. When a worker under medical treatment is not able to work, the employer shall pay him compensation according to his/her pre-existing wage. The employer shall be released from such compensation obligation by giving to the worker a lump sum payment equal to forty months of average wage if the worker failing to recover after two years of medical treatment has been diagnosed and confirmed by a designated hospital as being unable to perform the original work and so does not meet the disability requirements under Subparagraph 3 hereof.
3. When after the termination of medical treatment the designated hospital has definitely diagnosed that the worker is disabled forever, the employer shall pay him a lump sum as disability compensation in accordance with he/her average wage and the degree of disability. The standards of disability compensation shall be prescribed in the applicable provisions of the Labor Insurance Act.
4. When a worker dies of occupational injury or disease, his/ her employer shall pay funeral subsidy equal to five months of average wage and a lump sum survivors compensation equal to forty months of average wage to his/her survivors. The said survivors compensation shall be paid to survivors in the following order:

a. Spouse and children,
b. Parents,
c. Grandparents,
d. Grandchildren, and
e. Brothers and sisters.

Article 60 The compensation paid by an employer in accordance with the preceding article may be deducted from the payment of compensation for damages arising out of the same accident.

Article 61 The statute of limitation for claim right to receive compensation prescribed in Article 59 shall not be within two years from the date of the employee becomes entitled to receive the said compensation.
The right to receive compensation shall not be prejudiced by the severance of service by the particular worker, nor shall it be used for transference, assignment, set-off, attachment, mortgage or guarantee.
Workers or his/her survivors claiming occupational accident compensation pursuant to this Act shall open a dedicated account with necessary documents at a financial institution for the deposit of occupational accidents compensation.
The deposits in the dedicated account of the preceding Paragraph shall not be the objects of offset, mortgage, security or compulsory execution.

Article 62 The owner of a business entity who contracts his/her work to a subcontractor who subsequently subcontracts, the contractor, the subcontractor, and the last subcontractor shall be jointly and severally liable to pay the compensation prescribed in this Chapter for occupational accidents related to the work performed by the workers hired by the contractor and the subcontractor.
When a business entity or contractor or subcontractor pays compensation for occupational accidents in accordance with the provisions of the preceding paragraph, each may claim reimbursement from the last subcontractor for the portion borne.

Article 63 Where a contractor's or subcontractor's work site is located within the scope of work site of the original business entity or is provided for by the same, the said original business entity shall supervise the contractor or subcontractor to provide their hired workers with such

labor conditions as prescribed in applicable statutes and administrative regulations.

A business entity shall be jointly and severally liable with the contractor or subcontractor for the compensation of occupational accidents caused to workers hired by the contractor or subcontractor for having violated the provisions of the Labor Safety and Health Act pertaining to obligations which the contractor or subcontractor are required to perform.

Chapter Ⅷ Apprentices

Article 64 No employer shall be permitted to recruit any apprentice of less than fifteen years of age, unless such apprentice has graduated from the junior high school.

For the purposes of the Act, the term apprentice shall refer to a person whose objective is to learn technical skills in a job category prescribed by the competent authorities for apprentice training, and who receives training from an employer in accordance with the provisions of this Chapter.

The provisions of this Chapter shall apply, mutatis mutandis, to foster workers and interns of a business entity, students under any business-education cooperation project, and other persons similar to apprentices in nature.

Article 65 In recruiting an apprentice, an employer shall sign a written training contract in triplicate with each apprentice, particularizing the training subjects, training period, boarding and lodging arrangements, living allowances, relevant teaching subjects, labor insurance, certificate of completion of training, the effective date of contract, the conditions for the termination of the contract, and other clauses relating to the rights and obligations of both parties to the contract. One copy of the contract shall be kept by each member of the parties thereto, and the remaining copy shall be forwarded to the competent authorities for recording.

Without the prior consent of his/her legal guardian, no

apprentice referred to in the preceding paragraph shall be allowed to sign an apprenticeship training contract if he/she is a minor

Article 66 No employer shall be permitted to collect training fees from an apprentice.

Article 67 An employer may retain an apprentice upon expiration of his/her training period and shall pay him the same wage rate payable to other workers doing the same work. The retention period, if specified in an apprenticeship training contract, shall not be longer than the training period

Article 68 The number of apprentices shall not exceed one fourth of the total number of workers. The number of workers shall be deemed four for calculation purposes even if it is below that number.

Article 69 The provisions of Chapter IV pertaining to working hours, recess and holidays, Chapter V pertaining to child workers and female workers, and Chapter VII pertaining to compensation for occupational accidents and other related labor insurance matters shall apply mutatis mutandis to apprentices.
The standards for calculating the wages of an apprentice in connection with compensation for occupational accidents shall not fall below the basic wage.

Chapter IX Work Rules

Article 70 An employer hiring more than thirty workers shall set up work rules in accordance with the nature of the business, and shall publicly display the said rules after they have been submitted to the competent authorities for approval and record. The rules shall specify the following subject matters:
1. Working hours, recess, holidays, annual paid leave of absence and the rotation of shifts for continuous operations,
2. Standards, method of calculation and pay day of payable wages,
3. Length of overtime work,
4. Allowances and bonuses,

5. Disciplinary measures,
6. Rules for attendance, leave-taking, award and discipline, promotions and transfer,
7. Rules for recruitment, discharge, severance, termination and retirement,
8. Compensation and consolation payment for accident, injury or disease,
9. Welfare measures,
10. Safety and health regulations to be followed and observed both the employer and the worker,
11. Methods for communication of views and enhancement of cooperation between employer and worker, and
12. Miscellaneous matters.

Article 71 The work rules shall be null and void if they violate any mandatory or prohibitive provisions of statutes, administrative regulations, or collective agreements applicable to a particular business entity.

Chapter X Supervision and Inspection

Article 72 To enforce the Act, other labor statutes and administrative regulations, the Central Competent Authority shall either establish a labor inspection agency or delegate this power to the competent authorities in the municipal cities. The local competent authority may also as necessary, dispatch staff members to conduct inspections.
The organizational structure of the labor inspection agency referred to in the preceding paragraph shall be prescribed by the Central Competent Authority.

Article 73 An inspector in the course of performing his official duties shall display the Labor Inspection badge. No business entity may reject such inspection. In the event the said business entity rejects inspection, the inspector may enforce the visit in concert with the local competent authority or the police.
An inspector in the course of performing official visit may request the business entity to produce necessary

reports, records, books of account and other relevant documents or written explanations as prescribed by the provisions of the Act. If it becomes necessary for the inspector to obtain any raw materials, supplies, samples, or information, a prior notice shall be given to the employer or his agent and a receipt shall be issued to acknowledge the materials given to him.

Article 74 A worker, upon discovery of any violation by the business entity of the Act and other labor laws or administrative regulations, may file a complaint to the employer, competent authorities or inspection agencies.

An employer may not terminate, transfer, reduce the wages of, or harm the rights and benefits in accordance with the law, contract or norm of such a worker nor take any unfavorable measures against the worker who files a complaint in accordance with the preceding paragraph. If the employer commits any of the actions mentioned in the preceding paragraph, that action shall be null and void.

Upon receipt of a complaint of the type from the first paragraph, the competent authority or the inspection agency shall conduct the necessary investigations and notify the worker in writing of its handling within sixty days.

The competent authority or the inspection agency shall keep the identity of the complainant confidential and shall not disclose any information which might reveal the identity of the complainant.

For those who violate the provisions of the preceding paragraph, in addition to civil servants being held liable to criminal laws and administratively responsible, shall be liable for damages to the worker.

The central competent authority shall establish the rules and regulations for competent authorities regarding the confidentiality of accepting reported complaints and other matters that must be complied with.

Chapter XI Penal Provisions

Article 75 An employer who violates the provisions of Article 5 shall be imprisoned for a term not exceeding five years, detained and/or fined a sum less than N.T.$ 750,000.

Article 76 Any person who violates the provisions of Article 6 shall be imprisoned for a term not exceeding three years, detained and/or fined a sum less than N.T.$ 450,000.

Article 77 An employer who violates Article 42, Paragraph 2 of Article 44, Paragraph 1 of Articles 45, Article 47, Article 48, Paragraph 3 of Article 49 or Paragraph 1 of Article 64 shall be sentenced to a maximum of 6 months imprisonment, detained, or fined a concurrent maximum amount of NT$300,000.

Article 78 Employers failing to pay severance pay or pensions in accordance with the criteria or timelines set forth in Articles 17 and 55 shall be subject to fines between NT$300,000 and NT$1.5 million and shall be ordered to make the payment within a given period; failure to make payments shall be fined consecutively.
Employers violating Articles 13, 26, 50 and 51 or Paragraph 2 of Article 56 shall be subject to fines between NT$90,000 and NT$450,000.

Article 79 Employers found to have any of the following conditions shall be subject to fines between NT$20,000 and NT$1,000,000:
1. In violation of Paragraph 1 of Article 21, Articles 22 to 25, Paragraphs 1 to 3, 6 and 7 of Article 30, Article 32, Articles 34 to 41, Paragraph 1 of Article 49, or Article 59；
2. Failure to pay wages within a given period as ordered by the competent authority in accordance with Article 27 or to adjust working hours as required by the competent authority in accordance with Article 33;
3. Failure to pay the minimum requirement of wages as defined by the central competent authority in accordance with Article 43 for work durations other than holidays and personal leave.
Employers violating Paragraph 5 of Article 30 or

Paragraph 5 of Article 49 shall be subject to fines between NT$90,000 and NT$450,000.
Those in violation of Article 7, Paragraph 1 of Article 9, Article16, Article19, Paragraph 2 of Article 28, Article 46, Paragraph 1 of Article 56, Paragraph 1 of Article 65, Articles 66 to 68, Article 70 or Paragraph 2 of Article 74, shall be subject to fines between NT$20,000 and NT$300,000.
For those having violations of any of the three preceding provisions, the competent authority, in accordance with the size of businesses, the number of those being violated or the circumstances of the violations, may increase the penalty by an additional 50% above the maximum amount of the legal fine.

Article 79-1 Penalty applying mutatis mutandis to violations to Paragraphs 2 and 4 of Articles 45, Paragraph 3 of Article 64 and Paragraph 1 of Article 69 is applicable to the Penal Provisions of this Act.

Article 80 Any person who refuses, avoids or obstructs a labor inspector in the performance of his/her official duties shall be punished by an administrative fine of no less than N.T.$ 30,000 but not exceeding N.T.$ 150,000.

Article 80-1 Business entity that is fined for violations of the Act, the competent authority shall publicly announce the name of such business entity or its owner(s), the person(s) in charge, and shall also order such business to make improvements within a given period; failure to make improvements shall be fined consecutively.
The competent authority may determine the amount of fine in accordance with the number of employees that the violation involves, the number of violations accumulated or the amounts to be paid according to law.

Article 81 If the representative of a legal entity, the agent of a legal entity or a natural person, an employee or any other staff member violates the Act in the rendering of his respective services, the violator shall be punished pursuant to this Chapter; in addition, the legal entity itself

or the natural person shall also be subject to punishment by such fine or administrative fine as prescribed in the respective articles of the Act; unless the representative of the legal entity or the natural person has done his best to avoid the occurrence of the violation.
The representative of a legal entity or the natural person shall be deemed as an offender, if he/she instigate or ignores the violation.

Article 82 Where an administrative fine remains unpaid after a demand for payment from the competent authority, the case shall be referred to the court for compulsory execution.

Chapter XII Supplementary Provisions

Article 83 A business entity shall hold meeting to coordinate worker-employer relationships and promote worker-employer cooperation and increase work efficiency. The regulations governing for labor-management conference shall be prescribed by the Central Competent Authority in concert with the Ministry of Economic Affairs and then reported to the Executive Yuan for approval.

Article 84 In the case of a civil servant who also has the legal status of a worker, civil service laws and regulations shall govern such matters as appointment, discharge, wage, salary, award and discipline retirement, survivors compensation and insurance (including that for occupational accidents). If the rest of the labor conditions are more favorable than the relevant provisions of the Act, the more favorable parts shall apply.

Article 84-1 After the approval and public announcement of the Central Competent Authority, the following types of workers may arrange their own working hours, regular days off, national holidays and female workers' night work through other agreements with their employers. These agreements shall be submitted to the local competent authorities for approval and record and shall not subject to the restrictions imposed by Articles 30, 32, 36, 37 and 49 of the Act:

1. Supervisory, administrative workers, and professional workers with designated responsibility,
2. Monitoring or intermittent jobs, and
3. Other types of job in special nature.
The agreement made under the preceding paragraph shall be in the form of written document. They shall use the basic standards contained in the Act as reference and shall not be detrimental to the health and well-being of the workers.

Article 84-2 The seniority of a worker is calculated from the first day of his/her employment. The standards of severance and retirement benefit for the seniority accumulated before the application of the Act shall be calculated in accordance with the applicable Acts and administrative regulations effective during that time. In cases there were no applicable Acts and administrative regulations, these standards shall be calculated in accordance with the rules promulgated by the respective business entities or the agreements reached by workers and employers themselves. After the application of the Act, the standards of severance pays and retirement benefits for the seniority accumulated shall be calculated in accordance with Articles 17 and 55 of the Act.

Article 85 The enforcement rules of the Act shall be prescribed by the Central Competent Authority and reported to the Executive Yuan for approval.

Article 86 This Act shall take effect from the day of promulgation. Amendments to Paragraphs 1 and 2 of Article 30, which were promulgated on June 28, 2000, however, entered into force from January 1, 2001; amendments to Paragraph 1 of Article 28, which were promulgated on February 4, 2015, shall take effect eight months after promulgation; amendments to the provisions of the Act, which were promulgated on June 3, 2015, shall take effect from January 1, 2016; the date on which Paragraph 2 of Article 34, which was amended and promulgated on December 21, 2016, takes effect shall be prescribed by

the Executive Yuan, Articles 37 and 38 shall take effect from January 1, 2017.

The provisions of the Act amended on January 10, 2018, shall take effect from March 1, 2018.