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MACAU COURT'S RECENT RULING ALIGNS WITH GROWING TREND TO PROTECT NON-RESIDENT MIGRANT WORKERS IN ASIA

Insights
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A Macau court recently held in favor of non-resident Filipino workers who brought claims for unpaid wages against a cleaning service provider. The landmark ruling — finding the employer liable for multiple labor violations — sets significant precedent for safeguarding migrant workers' rights in Macau, China. Here's what you need to know about the ruling, which aligns with the growing trend in Asia to safeguard migrant workers' rights.

Migrant Workers Claim Wages Were Withheld

Tai Koo Cleaning Service Company (TKCSC) provides cleaning services to various clients in Macau, including hotels, casinos, and other private companies. According to the workers who sued, TKCSC normally pays its employees minimum wage, which is MOP \$32 (about \$4 USD) per hour or \$1,536 MOP (\$191 USD) per week. However, in 2022, TKCSC allegedly withheld wages from several non-resident migrant workers, which the workers argued was a violation of Macau labor relations laws. Some employees argued that they endured months of no wages despite having worked — sometimes without days off.

Specifically, the 35 non-resident Filipino workers who filed complaints with Macau's Labor Affairs Bureau (DSAL) alleged that TKCSC withheld their wages for three months. The DSAL — which is responsible for assisting in the formulation and implementation of policies on employment, labor, occupational safety and health, and vocational training — attempted to mediate the dispute. However, TKCSC offered to pay the aggrieved employees only one

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month's wages, and many employees refused to accept. They claimed that TKCSC proceeded to terminate 18 migrant workers without written notice for filing complaints with the DSAL.

Court Sides with Workers

After the unsuccessful attempts at mediation and following TKCSC's mass layoff, the migrant workers filed their complaints against the company in a local Macau court, which subsequently found that TKCSC violated several labor laws and illegally terminated 18 migrant workers. Macau labor relations law requires employers to provide employees with advanced written notice of termination without cause. The court also found that the company failed to provide compensation for overtime work and annual leave and forced employees to work on statutory holidays. Thus, TKCSC was ordered to pay compensation to all employees who were wrongfully terminated, as well as a fine of MOP \$240,000 (about \$30,000 USD).

Key Takeaways

The ruling shines a spotlight on the treatment of migrant workers in Macau, who accounted for about half the city's labor population in 2019. Notably, Filipino workers constitute the largest group of non-Chinese migrant workers in Macau, many of whom have alleged that they are subjected to labor violations.

Retaliation claims also appear to be on the rise. In 2022, Macau saw an increase in labor disputes filed by non-resident migrant workers who alleged they were terminated shortly after filing labor complaints with the DSAL. These employees also complained that they were provided no restitution because, as per the city's local laws, non-residents are required to leave the region in eight days if they do not find subsequent employment.

Macau has previously received international scrutiny for offering few benefits and protections to non-resident migrant workers, as well as employees in general. This ruling, however, aligns with a growing trend in Asia to safeguard migrant workers' rights. Most recently, in July 2023, the Association of Southeast Asian Nations [conducted a dialogue](#) with the European Union to explore ways better protect migrant workers in Southeast Asia. We expect more developments in this area to follow.

Conclusion

We will continue to monitor the increased protection of migrant workers in Asia and provide updates as warranted. If your company operates in Asia, contact your Fisher Phillips attorney, the authors of this Insight, or any attorney in our [International Practice Group](#) for additional information. Make sure you are signed up for [Fisher Phillips' Insight System](#) to receive the most up-to-date information direct to your inbox.