



Retrenchment Notification: Start the Five-Day Clock Right

Description

An employer must notify MOM within five working days after it informs any employee of retrenchment. The operational control is therefore the first employee-notification date, not the last day of work, board approval or payroll termination date.

A Singapore employer preparing a genuine retrenchment exercise faces a narrower question than the headline suggests: start the mandatory notification clock correctly and align communications, final pay and evidence. The table separates the branches that change the answer before the practical checks and worked example.

Choose the branch before acting

Situation	Practical next step
No employee informed yet	Complete alternatives, selection evidence and communications before the clock begins
First employee informed	Record date and submit the mandatory notification within five working days
Several notification waves	Track each affected group and do not reset the first statutory deadline casually
Disputed termination label	Obtain employment advice; substance and facts matter more than the chosen label

Identify when the clock begins

MOM states that retrenchment should be a last resort after employers consider other cost-saving measures. The business file should record options evaluated, why they were insufficient and which rolesâ??not personalitiesâ??were affected. This supports both governance and fair communication. [MOM cost-saving and retrenchment guidance](#).

Mandatory notification is due within five working days after the employer notifies any employee. The trigger is communication to the employee, so the project manager must capture the exact date and avoid building the calendar from the employee's final day. [MOM cost-saving and retrenchment guidance](#).

Show retrenchment was handled responsibly

Where announcements happen in stages, keep a person-by-person log of notice time, method and acknowledgement. Do not assume that a later town hall replaces an earlier individual notice. Submit early if the facts are clear rather than use the outer deadline as a target. [MOM cost-saving and retrenchment guidance](#).

Selection should be fair and objective, taking account of the organisation's needs and the tripartite guidance. Preserve the role criteria, decision-makers, moderation and conflict checks. Avoid language that suggests pregnancy, age, nationality or another protected or irrelevant factor drove the result. [MOM cost-saving and retrenchment guidance](#).

Coordinate money, documents and support

MOM's responsible-retrenchment guidance says salaries including unused annual leave and notice pay should be paid on the last day of work. Retrenchment benefit depends on contract, collective agreement and norms; calculate each component separately and explain it in writing. [MOM responsible retrenchment guidance](#).

Communicate the business reason, role impact, timeline, money and support route consistently. Give employees a contact for questions and enough privacy. A generic dismissal letter that omits the retrenchment context can create avoidable confusion about benefits and notification. [MOM responsible retrenchment guidance](#).

Preserve one auditable timeline

Connect affected staff to Workforce Singapore, NTUC's Employment and Employability Institute or other suitable job support. Referral is most useful when it arrives with accurate role and availability information, not as a link added after access has been cut. [MOM responsible retrenchment guidance](#).

Archive MOM acknowledgement, employee letters, selection records, final-pay computations and support referrals under restricted access. Personal data should be limited to people who need it. If facts change, update the notification or seek MOM guidance rather than altering the timeline retrospectively. [MOM responsible retrenchment guidance](#).

Put the numbers or sequence to work

A company tells one employee at 3pm on Monday and the remaining group on Wednesday. The compliance team starts the five-working-day count from Monday, not Wednesday or the eventual last day. It submits the notification, then reconciles each final-pay sheet and support referral against the

same controlled roster.

The example is a planning model, not a quoted price, official calculator result, medical instruction or promised outcome. Replace its assumptions with the issued notice, live service, signed contract, current timetable or professional advice that controls the real decision.

Before you commit

1. Document alternatives considered
2. Approve objective role-selection criteria
3. Record the first employee-notification time
4. File with MOM within five working days
5. Reconcile notice and final pay
6. Provide job-support routes
7. Archive acknowledgement and restricted evidence

A useful working note combines a **first-notification event timeline that prevents a late MOM filing** with a **selection-to-final-pay control sheet for each affected employee**. Enter only details that can be tied to a current document or live record.

Missteps that change the answer

- Counting from the final work date
- Resetting the clock for later waves
- Calling retrenchment a resignation
- Using undocumented subjective criteria
- Paying benefits without a clear breakdown

If one of these conditions appears, pause before payment, submission, travel or implementation and reconcile it through the relevant official service. Save the issued result or acknowledgement; a search snippet or forwarded screenshot cannot establish a current entitlement.

The decision to carry forward

Use the current official record to resolve start the mandatory notification clock correctly and align communications, final pay and evidence. Save the dated result and revisit it when the underlying rule, timetable, account or personal facts change.

Related next steps

Once this decision is settled, you may need to [map the annual-return deadline](#). The next adjacent check is to [review written employment terms](#).

Common questions

When does the five-day period start?

After the employer notifies any employee of retrenchment. [MOM cost-saving and retrenchment guidance](#).

Should salary be paid on the last day?

MOM's guidance says all salaries, including applicable unused leave and notice pay, should be paid then. [MOM responsible retrenchment guidance](#).

Is retrenchment the first cost-saving step?

No. MOM describes it as a last resort. [MOM cost-saving and retrenchment guidance](#).

Rules, service details and schedules can change. Reopen the linked official page before acting when the date, eligibility, payment destination, safety instruction or live availability is decisive.

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