

Taiwan Country Report

March 1, 2012

A. Taiwan Key Economic and Employment Indices

Data Reference Date: March 2012

Items	2008	2009	2010	2011	2012 (projection)
Economic Growth Rate ⁽¹⁾	0.73%	-1.81%	10.72%	4.04%	3.85%
Per Capita GNP (US\$) ⁽¹⁾	17833	16901	19,175	20,713	21,397
Consumer Price Index (%) ⁽¹⁾	3.53%	-0.87%	0.96%	1.42%	2.37%
Local Company Salary Increase (%) ^{(1) (3)}	0.24%	-2.56%	1.58%	- 0.15%	0.9%
Government Employee Salary Increase (%) ⁽¹⁾	0%	0%	0%	3%	0%
Labor Force ⁽¹⁾	10.85M	10.92M	11.07M	11.20M	11.28M
Unemployment Rate (NT\$) ⁽¹⁾	4.14%	5.85%	5.21%	4.39%	4.18%
Employee Turnover Rate ^{(2) (3)} –Taiwan High Tech	11%	10%	17%	12%	19%
Employee Turnover Rate ^{(2) (3)} –Financial	12%	8%	12%	8%	13%

⁽¹⁾ Data source for Economic Indicators come from Directorate General of budget, Accounting & Statistics (as of February 2012)

⁽²⁾ Data come from Tower Watson Taiwan total Reward Survey, 2011 January HR Trend Update

⁽³⁾ Data reference date as of February 2012

B. Major Taiwan HR events

1. Along with economic recovery, the number of people applying unemployment payment is decreased. According to statistics of Bureau of Labor Insurance:

Items		Amount	Compared with 2010 Decreased by
No. of Applicants	Applied	66,000	22.99%
	Approved	64,000	23.78%
No. of Applications	Applied	290,000	40.92%
	Approved	286,000	42.10%
Amount to be Paid NT\$		\$590,985,000	40.37%

2. "TOSHMS" implemented by Council of Labor Affairs is officially recognized as National Standard by Ministry of Economic Affairs (MOEA). In order to prevent harms in the working environments and enhance company's risk control ability, Council of Labor Affairs recently promotes to implement Taiwan Occupational Safety and Health Management Systems, abbreviated as TOSHMS. With 3-year trial implementation, 668 entities have voluntarily passed external examination by third party. The related regulations have also been reviewed several times and modified as draft plan sent to Bureau of Standards, Metrology & Inspection, MOEA. In November 2011, MOEA announced the 2 National Standards of CNS15506 and CNS15507.
3. The limitation of years of employment service for foreign labors in Taiwan is adjusted from 9 years to 12 years. Legislative Yuan three reads through amendments to article 52 and 55 of Employment Services Act on January 19, 2012. The main amendment is to extend years of employment service of foreign labors performing jobs subject to article 46 to 12 years. This amendment does not change the requirement or procedure of hiring foreign labors. Therefore, it will not increase number of foreign labors and influence local labors' employment rights. It shall be beneficial to economic growth and social stability.
4. Effective from January 1, 2012, the basic salary is adjusted to NTD18,780 per month and NTD103 per hour. Around 1.7 million labors are benefited from this adjustment. The ordinary insurance premium rate for labor insurance is raised by 0.5%, from original 8% to 8.5%, effective from January 1, 2012.
5. Executive Yuan announced on Feb 23, 2012 the amendments of "Labor Insurance Act" as follows:
 - (1) Maternity benefits are payable pro-rated for the insured persons.
 - (2) Adjust payment of disability, old-aged, and descendant benefits. The amounts will be adjusted every 4 years on the basis of CPI growth rate.
 - (3) The above is effective from January 1, 2012.

C. Major Accomplishment of CHRMA in 2011

- Visitation of Associacao de Agencias De Emprego de Capital Da China (Macau)
- Mr. Weber Chung – Former Vice Chairman of CHRMA was invited by Taiwan Office of People's Government of Shanghai to attend "Human Resources Service and Industry Development Forum of Shanghai and Taiwan" in Shanghai on October 20, 2011.
- Media interview of CHRMA Council and Advisor:
 - How to coach the subordinates of management-level
 - When staff tenders resignation
 - How to get ready for new career after un-employment for a period of time
 - How schools help and train students and staffs' competencies through the learning map of

competencies development

- Working ladies should think of the consequence before speak out
- Attended forum of “The Impact of Implementation of Labor Dispatching Law”
- Conducted survey: The Intention of Taiwanese Talent when China Recruits Taiwanese Talent”
- Cooperated with “The International Research Foundation” to conduct survey of 【The Impact of English and Multi-languages in Global Enterprises】
- Co-work with Dialogue in the Dark TPE to conduct Dialogue in the Dark workshop to experience new training methodology and to promote employment opportunities of the blind.
- The 11th Council elected new Chairman, Vice Chairman and Executive Directors and Supervisor.
- Visitation of Mr. Hiroshi Ishikawa of Society of Human Resource Management of Japan.
- Visitation of Dr. Ronald Jacobs of University of Illinois, at Urbana-Champaign, and conducted a 2 hours speech – Performance Consulting: Helping HRD Professionals Move beyond Training.
- Organizing ASTD/SHRM annual conference delegation and in the process of free air tickets selection.