

Legal Update

JGP v JGQ [2026] SGECT 1 – The First Published Decision of the Employment Claims Tribunals on Wrongful Dismissal

25 June 2026



Background Facts

In December 2023, the respondent employer commenced a large-scale internal investigation into suspected misuse of its medical claims policy (“**MCP**”)¹. The investigation identified numerous employees who had submitted reimbursement claims for non-medical retail items purchased from a particular clinic without any accompanying medical consultation and were not claimable under the MCP².

The six claimant employees, including the principal claimant (“**Ms C**”), were among approximately 40 employees who were dismissed following disciplinary inquiries, after being assessed to have intentionally, wilfully, and/or dishonestly committed serious breaches of the MCP³.

Specifically, Ms C submitted 62 reimbursement claims over a seven-month period, amounting to S\$9,989.64, for items (including vitamins, supplements and skincare products) which were not prescribed and were purchased without any accompanying medical consultation⁴. Subsequently, Ms C’s employment was terminated with notice (and later salary in lieu) on the stated basis of “*intentional misconduct involving dishonesty*”⁵.

Ms C brought a claim in the Employment Claims Tribunals (“**ECT**”) under section 14(2) of the Employment Act 1968 (“**EA**”), asserting that her dismissal was without just cause or excuse⁶. Ms C denied dishonesty and contended *inter alia* that dismissal was not justified even if some misconduct was found⁷.



The Holding of the ECT

A. The Distinction between contractual termination and statutory wrongful dismissal

The Tribunal drew a distinction between (i) common law wrongful dismissal and (ii) statutory wrongful dismissal under section 14(2) of the EA.

At common law, the focus is contractual—typically, whether the employer complied with the notice requirements. By contrast, a statutory wrongful dismissal claim under section 14(2) of the EA centres on whether there was “just cause or excuse” for the dismissal, regardless of whether notice was given⁸.

¹ The Employment Claims Tribunals’ Grounds of Decision dated 15 May 2026 (“**GD**”) at [5].

² GD at [6].

³ GD at [7].

⁴ GD at [25].

⁵ GD at [30]-[31].

⁶ GD at [34].

⁷ GD at [36].

⁸ GD at [64].

To illustrate the divergence between the position at common law and a statutory wrongful dismissal claim under section 14(2) of the EA, the Tribunal raised the example of an employer who decides to terminate an employee purely out of spite or bias (perhaps, due to the employee's race or family responsibilities), but scrupulously follows the employment contract by giving one month's notice. In such an example, the termination would be considered lawful under the common law because the notice requirement was satisfied and motive would be irrelevant. However, such dismissal would likely be considered "*without just cause or excuse*" because it was based on a discriminatory or illegitimate reason⁹. In such a case, the employee would have no common law claim (breach of contract) but could succeed in a statutory wrongful dismissal claim¹⁰.

Accordingly, a dismissal may be contractually valid but still be wrongful under the statute.

B. The Two-Stage Framework of Truth and Sufficiency

The respondent employer submitted that in order to discharge its burden of showing that the dismissal was not wrongful, its task was to show that the reasons stated in its notice of dismissal to Ms C was "*not false*" and that once dishonesty was proved, nothing further was required¹¹.

On this, the Tribunal took the view that such an approach was "*incomplete*" and articulated a two-stage framework¹²:

- a. First, as to Truth – whether the employer proved the stated reasons (including mental element such as dishonesty); and
- b. Second, as to Sufficiency – whether the proven facts amount to just cause or excuse for dismissal, rather than a lesser sanction.

Notably, the framework adopted by the Tribunal is unprecedented. Instead, it was drawn from the Malaysian court's approach to section 20 of their Industrial Relations Act 1967 because the Tribunal found that it bore a resemblance with section 14 of the EA¹³.

Applying the framework, the Tribunal framed the question as whether the material particulars of the stated reason were proven by the employer on the balance of probabilities in addressing the first stage relating to truth¹⁴.

In the present case, the respondent employer's *own* characterisation of Ms C's alleged misconduct was dishonesty, wilful blindness and recklessness. The Tribunal found that dishonesty, wilfulness and recklessness were not proven and held that the evidence showed that there was a misunderstanding of policy on Ms C's part and reliance on workplace practice and threshold rules¹⁵. Crucially, the Tribunal observed that the respondent employer relied chiefly on patterns such as Ms C's counter purchases without consultations, repetition across months, clustering just under the itemisation threshold, and an aggregate quantum it thought high. The Tribunal held that while these facts warranted scrutiny, they did not by themselves prove the state of mind the respondent employer alleged¹⁶.

Accordingly, the Tribunal held that Ms C has committed the lesser wrong of negligence, but not dishonesty as alleged by the respondent employer¹⁷. Notwithstanding how the respondent employer had characterised Ms C's alleged misconduct, the Tribunal came to this finding because it found that Ms C's lesser wrong fairly sat within the same gravamen and could be considered¹⁸.

⁹ GD at [A.107].

¹⁰ GD at [A.107].

¹¹ GD at [72].

¹² GD at [73].

¹³ GD at [74] and [A.74].

¹⁴ GD at [73].

¹⁵ GD at [92] – [96].

¹⁶ GD at [92].

¹⁷ GD at [102].

¹⁸ GD at [79(k)] and [99].

While the appropriateness of borrowing from the Malaysian experience extends beyond the scope of this case note, the fact that the Tribunal has imported this framework into Singapore presents implications until this issue is decided on appeal.

As such, under the two-stage framework it would no longer be enough to prove misconduct *simpliciter* if the dismissal is framed as dishonesty or wilfulness. Employers are held to the reasons they choose to state and should be prepared to prove them if challenged. Of particular importance is where employers adopt aggravated descriptors which connote a necessary mental element because the mental element must also be proven¹⁹.

In this regard, where characterisations such as “*recklessness*” or “*wilful blindness*” are adopted in the employer’s findings following a due inquiry being conducted, the Tribunal would require the employer to show²⁰:

- (a) That the employee recognised a real risk but proceeded regardless in the case of recklessness;
- (b) That the employee made a conscious decision not to confirm what one strongly suspects in the case of wilful blindness.

Further, given that the Tribunal may still consider if a lesser wrong within the same gravamen is made out and fairly put to the employee before dismissal²¹, employers will have to take note of how their reasons for dismissal are recorded.

C. Role of Proportionality and Parity

The Tribunal held that once some misconduct is established, the next issue to consider is whether the dismissal was a proportionate response to the proved misconduct in its full context²². Prior to this, no such proportionality requirement existed under Singapore law as neither section 14(2) of the EA nor the Tripartite Guidelines on Wrongful Dismissal provided for the same.

The touchstone is comparability: like cases ought to be treated alike unless there is a principled distinction i.e, seniority and responsibility, degree and duration of participation, prior record, employee’s candour, cooperation and remorse, trust-sensitivities, safety or regulatory implications etc²³.

In Ms C’s case, the Tribunal found that she had committed a lesser wrong of negligence and that this pointed towards a lesser penalty (i.e., not dismissal) when proportionality across the cohort was considered. In coming to its conclusion, the Tribunal considered the widespread practice within the respondent employee’s workforce and the inconsistent treatment of employees, whereby others with comparable patterns were issued warnings or had their bonuses reduced rather than being dismissed²⁴.

Employers will thus have to take notice of such considerations and take particular care especially where cases of *multiple* employees being investigated for *similar* alleged misconduct at *similar* times arise.

¹⁹ GD at [73].

²⁰ GD at [96].

²¹ GD at [79(k)].

²² GD at [77].

²³ GD at [76].

²⁴ GD at [100].

D. Due Inquiry applies even where the Dismissal is with Notice

The Tribunal held that the statutory requirement of “due inquiry” (section 14(1) of the EA) is triggered whenever dismissal is based on misconduct, even if termination is effected *with* notice or salary in lieu²⁵.

The threshold for “due inquiry” is modest and fact-sensitive, including adequate notice of the case, a real opportunity to answer it, and open-minded consideration of that answer before fixing on misconduct as the ground²⁶. The inclusion of a disciplinary framework in the employment contract does not elevate or expand the standard of “due inquiry”, nor does it make the obligation to conduct such an inquiry more stringent²⁷.

While the Tribunal’s findings may suggest that strict adherence to the employer’s due inquiry policy where it goes over and beyond the threshold may not be fatal for the purposes of claims brought under section 14(2) of the EA, we would still caution employers to adhere to their internal policies as far as possible to avoid unnecessary litigation on the same.

**What the decision in *JGP v JGQ* [2026] SGECT 1 means for employers**

The decision in *JGP v JGQ* [2026] SGECT 1 (“**JGP v JGQ**”) represents a significant shift in ECT jurisprudence which materially raises the evidential and procedural standards for employers where claims are brought under section 14(2) of the EA. The key shifts in practice can be summarised below:

- a. Heightened evidential burden for employers– employers must prove the mental element e.g., dishonesty alleged and whether it is proportionate;
- b. Due inquiry becomes essential in practice – even where notice (or salary in lieu of notice) is given, employers must conduct due inquiry including giving the employee notice of the case and opportunity to answer;
- c. Consistency in disciplinary outcome – employers must ensure coherent sanction framework and document clear reasons for deviations; and
- d. Careful framing of reasons for dismissal – overstating reasons for dismissal e.g., allegations of dishonesty increase litigation risk. The decision arguably creates an incentive for employers not to state reasons to avoid the evidential burden.

JGP v JGO is currently pending appeal and it remains to be seen whether the higher court will endorse the two-stage framework articulated therein. However, until a decision is rendered for the appeal, employers will have to wrestle with these uncomfortable and novel developments and take note of the practice shifts as it conducts its business.

²⁵ GD at [66] – [67].

²⁶ GD at [79(f)].

²⁷ GD at [79(g)].

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