

RIETI BBL Seminar Handout

“Tripartism in Singapore”

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***As per the author's request, this handout is not for quotation.**

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TRIPARTISM IN SINGAPORE

Research Institute of Economy, Trade and Industry (RIETI)
Brown Bag Lunch (BBL) Seminar
16 October 2013



MINISTRY OF
MANPOWER

A Great Workforce A Great Workplace

A Great Workforce A Great Workplace

Outline

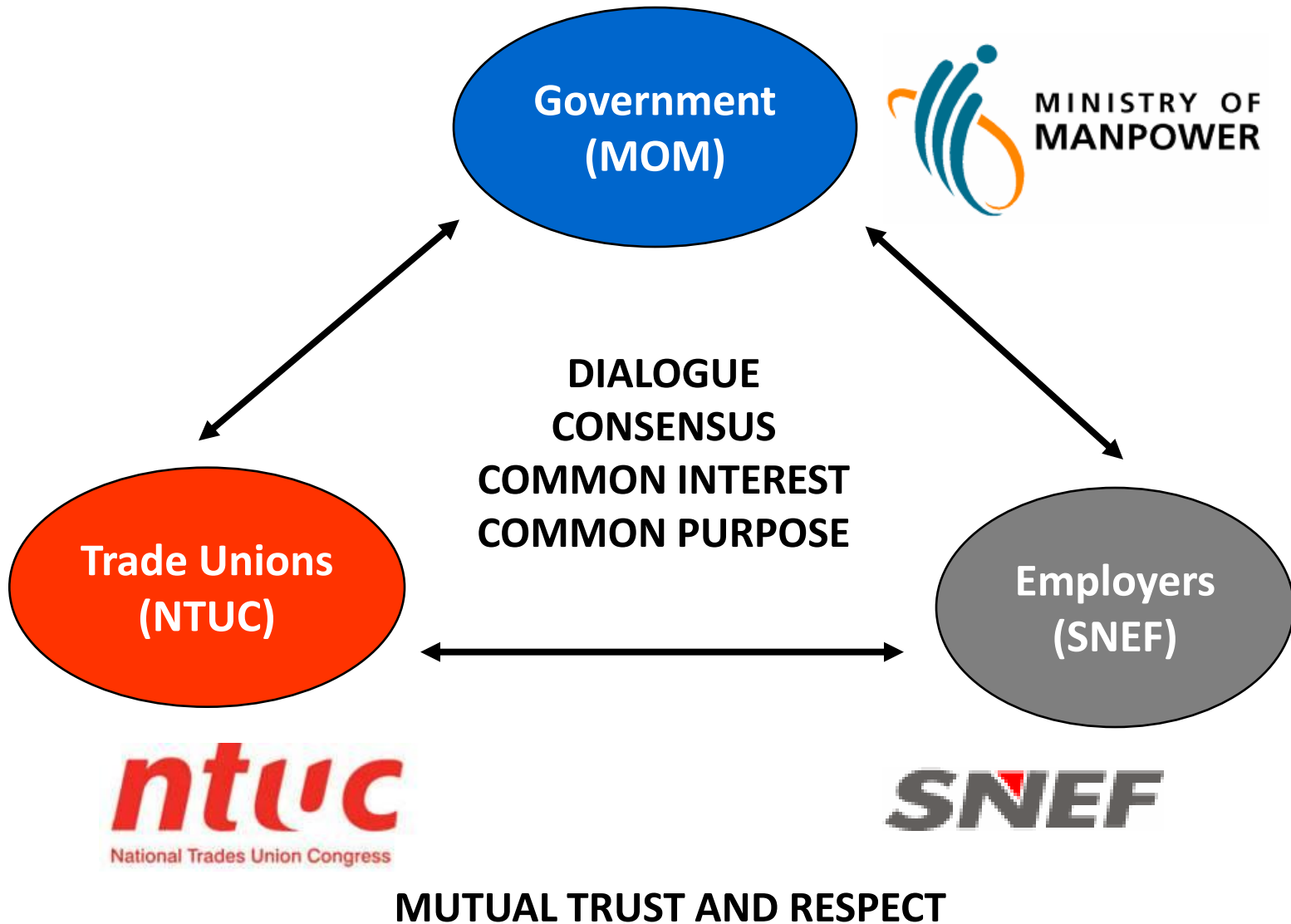
- Tripartite Partnership Approach
- Tripartite Cooperation at Work
- Enhancing Employability of Older Workers in Singapore:
The Re-employment Approach



Tripartite Cooperation

**An effective
mechanism
to promote
Industrial
Harmony**

Tripartite Framework



Government



MINISTRY OF
MANPOWER

Vision

A Great Workforce
A Great Workplace

Mission

To develop a productive
workforce and progressive
workplaces, for Singaporeans
to have better jobs and a
secure retirement

Perspective on Tripartism - MOM

- Provide structure to promote industrial harmony and productivity
- Construct legislative framework to ensure peaceful resolution of disputes
- Conduct relationship based on trust, respect and common interest
- Build consensus based on fair play, common purpose and mutual gains
- Form alliance with unions and build a symbiotic relationship
- Help professionalise the Trade Union Movement

Employers



The national trade union of employers, representing the interests of all sectors of the economy.

Vision

To be the employers' vanguard in enhancing harmonious industrial relations and responsible employment practices thereby enabling companies to stay competitive

Mission

- To help employers achieve excellence in employment practices in order to enhance their productivity and competitiveness as well as the quality of their employees' worklife;
- Strengthen the employers' role in the tripartite partnership to enhance industrial harmony in Singapore.

Perspective on Tripartism - SNEF

- Industrial relations is based on the principles of tripartism
- Relations of 3 social partners is based on mutual trust and understanding
- Policy formulation to address each other's concerns and interest
- Consensus is built based on shared purpose and objectives
- Resolution of disputes is based on fair play and mutual gains

Trade Unions

ntuc

National Trades Union Congress

A Federation of
trade unions of employees

Vision

A better and more meaningful life where working people of all collars, all ages, and all nationalities can live, work and play together in Singapore

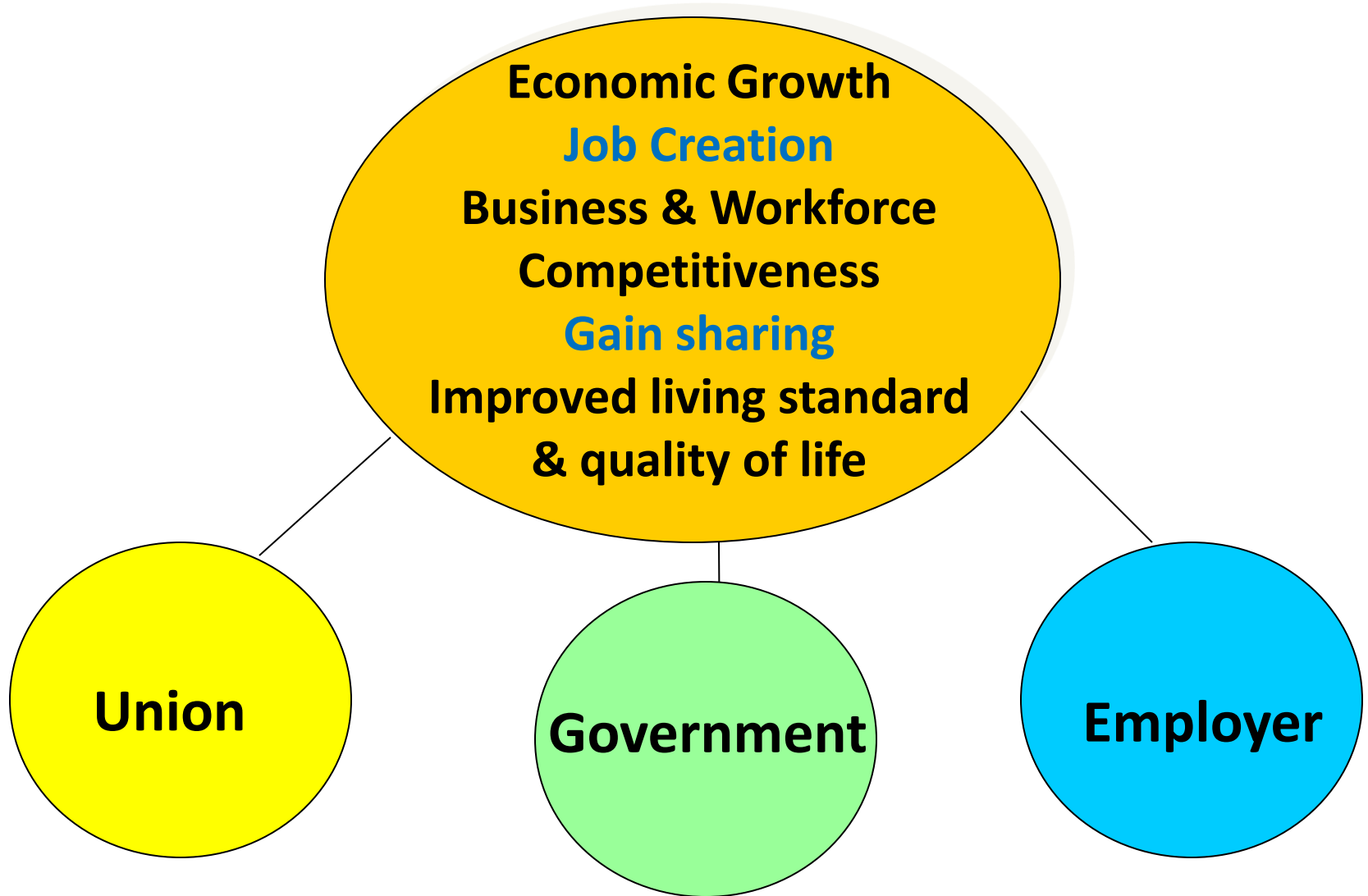
Mission

We help working people to earn a better living and live a better life

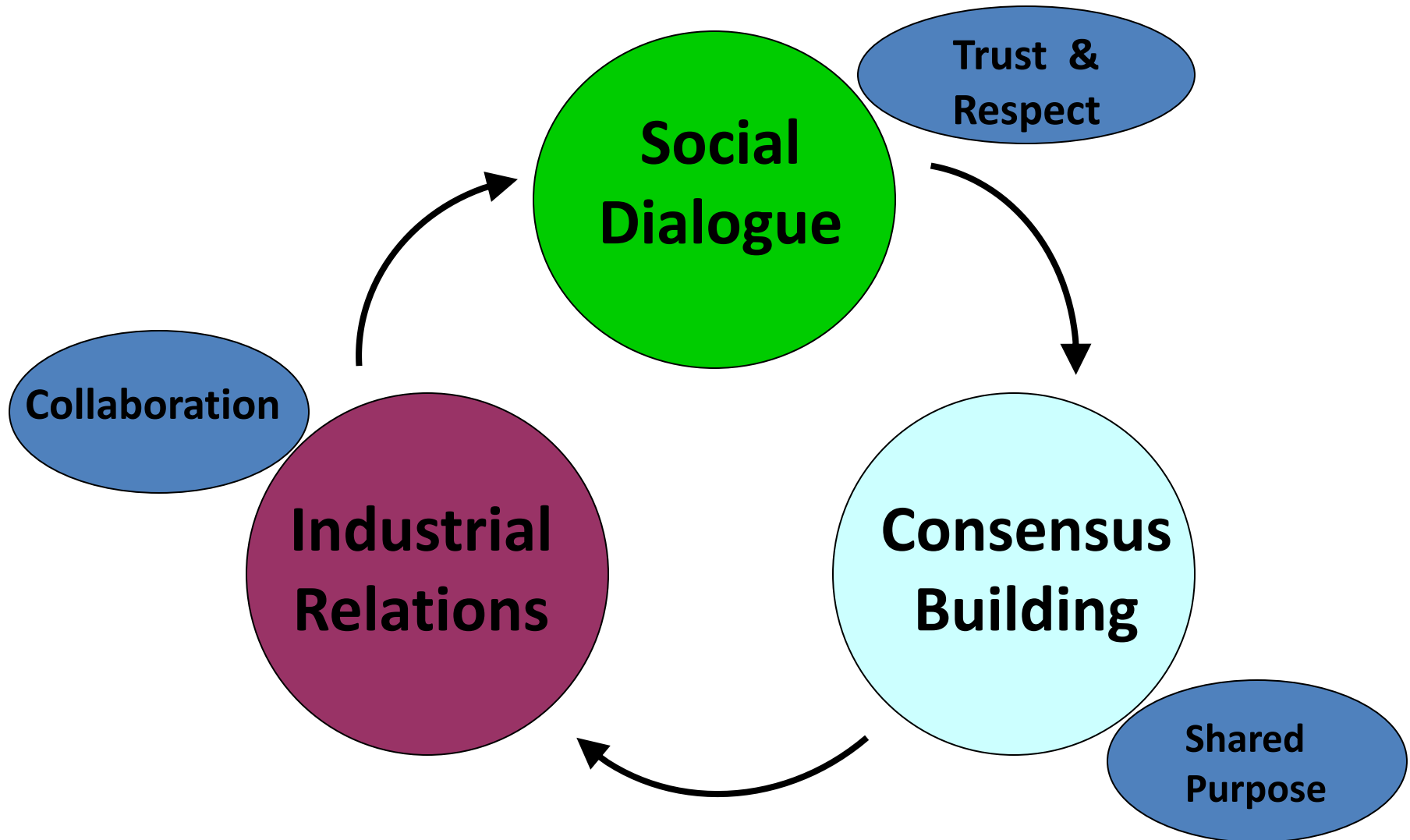
Perspective on Tripartism - NTUC

- Tri-partite cooperation is the core strength and a competitive advantage for Singapore
- It is built on high level of trust and confidence born out of working for mutual benefit and overcoming crisis
- Tripartite ethos of consultation and communication should be embedded as part of the industrial relations culture
- There is a need to broaden, deepen and strengthen tripartism amidst :
 - Generational change in leaders
 - Faster pace of change
 - Socio-economic challenges

Tripartite Approach – Shared Purpose



Tripartite Approach – Process



Tripartite Approach - Activities

Formulate employment and wage-related policies through tripartite collaboration



- Legislation
- Advisories
- Guidelines
- Code of Practice

- Singapore Tripartite Forum
- Tripartite IR Retreat
- Singapore Human Capital Summit



Promote enlightened management & positive trade unionism



- Tripartite Golf
- Bowling



Social & informal activities to promote understanding and rapport

How Tripartite Partners Tackled Ageing Workforce Issue

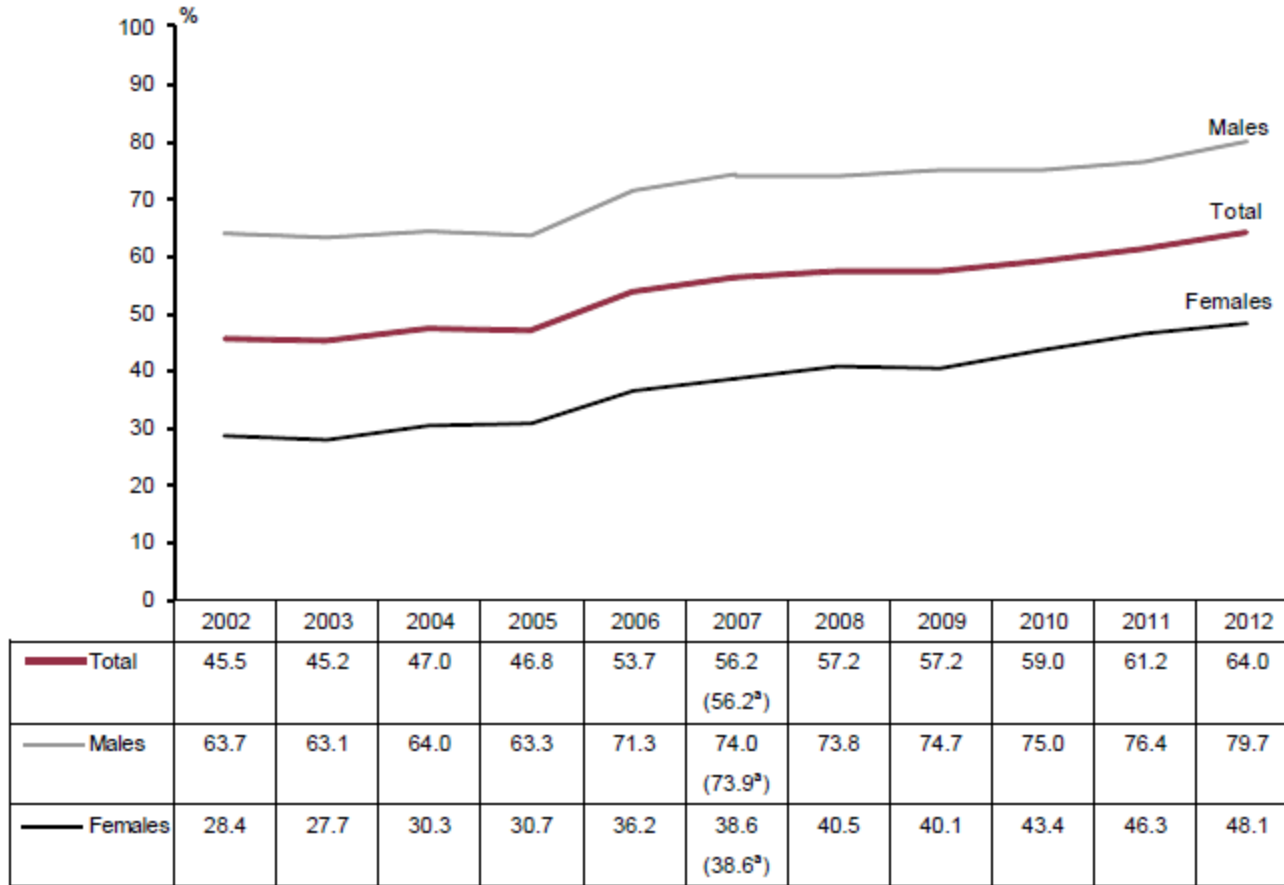
- Given Singapore's ageing workforce, as well as the need to better utilise our limited manpower resources → crucial to ensure that older workers work longer and stay economically active
- Balanced approach required to achieve this
 - Provide flexibility in the implementation so that employers would be receptive
 - Workers can continue to work, earn a regular income and build up retirement adequacy
- **Tripartite Committee on Employability of Older Workers** - set up in 2005 to recommend measures to enhance the employability of older Singaporean workers

Tripartite Committee on Employability of Older Workers

- **Reviewed Retirement Age Act (RAA)**
 - RAA was enacted in 1993 to introduce a statutory minimum retirement age of 60 and amended in 1999 to raise the statutory minimum retirement age to 62
- **Adopted re-employment concept from Japan**
- **Introduced Tripartite Advisory and Guidelines to shape employment practices**
 - Tripartite Advisory for Re-employment, 2008 was updated and expanded to Tripartite Guidelines on Re-employment of Older Employees in 2011
- **Introduction of Retirement and Re-employment Act (RRA) in 2012**
 - Amended legislation to Retirement and Re-employment Act
 - Require employers to offer re-employment to employees with satisfactory performance and who are medically fit, from the ages of 62 to 65

Employment Rate for Older Residents aged 55-64

- Employment rate for older residents aged 55 to 64 rose to a new high of 64.0% in 2012, up from 61.2% in 2011



Source: Labour Force Survey 2012, MOM

Tripartite Cooperation at Work – Tripartite Committees on Employment & IR Issues

- Tripartite Committee on Extension of Retirement Age, 1997
- Tripartite Panel on Retrenched Workers, 1998
- Tripartite Committee on Executives joining the Rank and File Unions, 1999 – 2000
- Tripartite Committee on Portable Medical Benefits, 2000 – 2001
- Economic Review Committee - Wages Working Group, 2002
- Tripartite Taskforce on Wage Restructuring, 2003
- National Tripartite Advisory Panel on Family Friendly Practices, 2004
- Tripartite Committee on Flexible Work Schedules, 2004
- Tripartite Committee on the Employability of Older Workers, 2005
- Tripartite Taskforce in Managing Excess Manpower, 2008

Tripartite Cooperation at Work – Tripartite Guidelines/Advisories on Employment & IR Issues

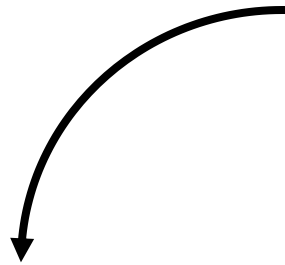
- National Wages Council Guidelines, 1972 till today
- Promotion of Flexible Wages, 1986 & 2004
- Non-Discriminatory Job Advertisements, 1998
- Union Representation of Executives, 2001
- Best Work-Life Practices, 2003
- Family Friendly Workplace Practices issued by the National Tripartite Advisory Panel, 2004
- Flexi-Time Scheme, 2004
- Re-Employment of Older Workers, 2005 – 2011
- Managing Excess Manpower During Economic Crisis, 2008 /2009
- Responsible Outsourcing Practices, 2011

Conclusion

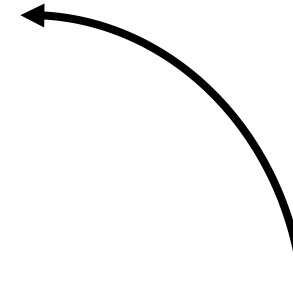
Tripartism has benefited Singapore in 3 major areas:

- Achieve desirable economic transformation and social objectives
- Share business gains during good times and pains during bad times to help regain cost competitiveness
- Achieve industrial harmony, productive workplace environment and an investment climate conducive for rapid economic growth and job creation

Singapore's Experience - A Virtuous Cycle

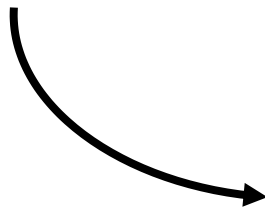


**Industrial
Harmony , High
Productivity and
Favourable
Investment
Climate**

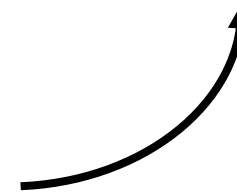


**Economic
Growth & Job
Creation**

**Social & Political
Stability**



**Higher Standard
of Living &
Better Quality
of Life**



Thank you