

Tripartism @Work

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The Road To Tripartism

The strong tripartite co-operation that we see today did not come easy. Industrial relations in the 1950s and early 1960s were acrimonious rather than harmonious. Distrust and confrontation were the order of the day with high unemployment, bad working conditions and major social problems.

Following self-government in 1959, it became clear that confrontational labour-management relations would in no time do in a small country like Singapore which has no natural resources. Singapore's independence in 1965 and the British military pull-out in 1968 further bore out this fact and made many realise that much could be achieved with co-operation and industrial harmony.

Things began to change in the 1970s, when rapid industrialisation and strong demand for workers led to concerns that high wage expectations would result in serious industrial disputes, which could dampen Singapore's investment climate and slow down

economic progress. Thus, the National Wages Council (NWC) was formed in 1972 to formulate wage guidelines for orderly wage adjustments in line with the long-term growth of the economy. Importantly, the NWC comprised key leaders from the government, unions and employers, making it the first of many tripartite entities in the years to come. This is Singapore's unique brand of tripartism, with a stable government, a responsible labour movement and enlightened employers leveraging on a consultative problem-solving approach to address the challenges of industrialisation for the mutual benefit of employers, workers and the society.

This meeting of minds has seen Singapore through many crises including the 1985 recession, 1997 Asian Financial Crisis, 2001 dot.com bust, September 2001 terrorist attacks, 2003 SARS outbreak and the current global economic downturn.

Tripartism has become an essential part of Singapore's DNA and a modus operandi to solve problems to achieve social and economic progress. But this comparative advantage should not be taken for granted. Strong tripartite cooperation is not an automatic process but requires a conscientious effort by all partners to continue building up the trust necessary to work towards win-win outcomes.

To institutionalise and strengthen tripartism, the Singapore Tripartism Forum (STF) was jointly set up by the Ministry of Manpower (MOM), National Trades Union Congress (NTUC) and the Singapore National Employers Federation (SNEF) and launched on 24 January 2007 by Prime Minister Lee Hsien Loong.

STF is designed to broaden, deepen and strengthen the spirit of tripartism through a more structured framework. It provides a formal platform for the tripartite partners to table concerns and work together more effectively to overcome the more complex challenges faced by all today. These challenges include job re-creation, raising of the effective retirement age, skills training and upgrading of the workforce, promotion of fair employment practices and a flexible wage system, all of which are constantly evolving to address current needs.

“Basically, we want to broaden the tripartite engagement to get more people involved so that more people will understand and tackle critical issues, issues which affect our economy, issues which affect employers and also affect workers. Therefore came the idea of the Singapore Tripartism Forum - to bring together a wider cross-section of leaders from the unions, employers and government and to provide a platform to raise issues, generate ideas and forge consensus.”

PM Lee at the inaugural dialogue of the Singapore Tripartism Forum on 24 January 2007



Re-employment Guidelines For Public Response

- b. The re-employment contract
 - Offer of re-employment
 - Duration of re-employment
 - Adjustments to wages and medical and other benefits
 - Termination with notice
- c. Recognising the contributions of re-employed employees
- d. Assistance for eligible employees whom employers cannot re-employ.

A panel comprising Manpower Minister Gan Kim Yong, NTUC President John De Payva, NTUC Secretary-General Lim Swee Say, NTUC Deputy Secretary-General Heng Chee How, SNEF President Stephen Lee, Chairman of the Tripartite Implementation Workgroup and SNEF Vice-President Alexander Melchers and MOM Divisional Director Ong Yen Her had a dialogue with participants to address re-employment issues.

These included pre-retirement planning, re-employment engagement beginning preferably not less than one year prior to re-employment; informing affected employees at least three months beforehand on any offer of re-employment; and the offering of a one-off Employment Assistance Payment (EAP) if employers are unable to find suitable jobs for workers. The EAP is to provide some assistance to help workers tide over as they look for other jobs.

To round things off, the tripartite partners also took part in a friendly bowling competition.

IN PREPARATION for the legislation for re-employment beyond the age of 62 by 1 January 2012, the draft Tripartite Guidelines on the Re-employment of Older Employees was released for public consultation at the Tripartite Industrial Relations Seminar on 16 November 2009. The seminar "Building A More Inclusive Workforce In A 'Cheaper Better Faster' Economy" drew around 300 participants from the tripartite partners.

The guidelines identified good re-employment practices in the following areas that employers should consider adopting:

- a. Planning and preparing employees for re-employment
 - Identifying eligible employees for re-employment
 - Pre-retirement planning and re-employment consultation
 - Job arrangements for re-employment



"In line with the objective of the Singapore Tripartism Forum to advance the practice of tripartism in Singapore, this e-newsletter will help readers gain and bring about a deeper understanding of tripartite partnership and its various programmes and activities."

Ong Yen Her,
Divisional Director,
Labour Relations &
Workplaces Division,
Ministry of Manpower

Nurturing Tripartite Leaders

"Nothing comes by chance and we have to continue to build on tripartism if we don't want to end up with an 'average' outcome, whether as a country or as a partnership. That is why we should bother because it is so easy for it to just vaporise."

Heng Chee How, Deputy Secretary-General, NTUC, on the importance of developing tripartite leaders.



THE INAUGURAL TRIPARTITE LEADERSHIP PROGRAMME

was held from 21 to 23 October 2009 and 3 to 6 November 2009 with 15 mid to senior-level officers from MOM, NTUC and SNEF taking part. The programme promoted a deeper understanding and appreciation of the work of other tripartite partners and established a platform for participants to network closely with one another.

The local 3-day workshop incorporated case studies and policy discussions with senior tripartite leaders on key employment challenges facing Singapore today. For the overseas leg of the programme, participants visited the respective social partners in Hanoi, Vietnam, to better appreciate different perspectives of industrial relations and tripartism at work.

Strengthening ASEAN Labour Practices

ABOUT FORTY DELEGATES from the ten ASEAN countries as well as the International Labour Organisation were in Singapore for the 'ASEAN Seminar on Tripartism and Social Dialogue and Measures to Address The Economic Downturn' on 30 November and 1 December 2009 at NTUC Centre. The seminar was co-organised by MOM, NTUC and SNEF under the auspices of the STF.

The event featured presentations and discussions on ASEAN countries' responses to the economic downturn as well as the tripartite partners' roles in developing and implementing downturn measures. Singapore's presentation touched on how the tripartite partners quickly implemented measures such as the Tripartite Guidelines on Managing Excess Manpower and SPUR to deal with the economic downturn.

Senior Parliamentary Secretary for Manpower and Health Hawazi Daipi graced the seminar as Guest of Honour. In his speech, he said that Singapore's model of tripartite collaboration and the downturn measures worked because "the trust, common understanding and shared purpose built over the decades enabled us to address the crisis with a united front." He added that Singapore's tripartism has been further strengthened as a result of the downturn.

Mr Hawazi also noted that collaborative projects to enhance labour practices in the region, including the ASEAN HR Conference and other activities on social security, industrial relations, skills development and networking, skills recognition,

labour law, labour statistics, decent work and corporate social responsibility were all on track. Singapore has also held the ASEAN HR Summit in 2008 and presented a study of the impact of ASEAN integration on labour markets.

One of the seminar delegates was SNEF Assistant Executive Director Mr Stephen Yee. He said the seminar "provided a good opportunity to learn and share the different measures adopted by respective governments, employer organisations and trade unions in managing the economic downturn. The exchange of ideas and engagements among the ASEAN delegates were remarkable."

Mr Ong Yen Her, Divisional Director, Labour Relations and Workplaces Division, Ministry of Manpower, said: "We are happy to host the seminar on tripartism and social dialogue as part of the ASEAN regional collaboration to promote progressive labour practices in the region. The two-day seminar enabled tripartite delegations from all the ten ASEAN countries to exchange views and experience in dealing with the downturn.

"Delegates benefited from their active participation in the programme, which included visits to NTUC's Employment and Employability Institute (e2i), Tripartite Alliance for Fair Employment Practices Centre, Employer Alliance and STMicroelectronics Pte Ltd. This seminar also helped tripartite delegations establish networks and build rapport with counterparts in the region."



"This e-newsletter serves as another platform to further strengthen tripartism in Singapore. At the click of a button, it will help practitioners keep abreast of tripartite initiatives including case studies of such initiatives."

S. Thiagarajan, Director, Ong Teng Cheong Labour Leadership Institute



Turning Adversity Into Opportunity

AT ONE OF THE STF DIALOGUES, Mitsui Electronics Asia Pte Ltd (MEA) shared how they managed the global economic downturn positively, and in a socially responsible manner. Badly affected by the downturn, MEA worked closely with the union and employees to cut costs to save jobs, by implementing other cost management measures apart from wage costs. Retrenchment was only used as a last resort.

There was open communication between management and staff, through regular briefing sessions including luncheons with the



Managing Director which helped earn the loyalty and trust of the workers.

The company saw the slowdown as an opportunity to send more employees for in-house training, and encouraged them to take advantage of the Skills Programme for Upgrading Resilience (SPUR) and PMET (Professionals, Managers, Executives and Technical people) courses to upgrade their skills and

enhance their employability. This also helped the company better position itself to ride the economic recovery.

The MEA case is a good example of how close co-operation between management and union at the bipartite or enterprise level is an important engagement process within the tripartite framework.

TRUSTing Tripartism

An example of the strong co-operation between the tripartite partners is the setting up of TRipartite Upturn Strategy Teams or TRUST Teams. This is a combined effort of the tripartite partners to help companies affected by the recession to cope with the downturn and prepare for the upturn. The TRUST Teams visited companies, both Multi-National Companies and/or Small and Medium Enterprises, to understand problems and provide customised solutions.

Two companies that TRUST Teams visited were Nestle Singapore Private Limited and Three Rifles International Private Limited. Said Three Rifles Chief Executive Officer Ting Yen Hock: "TRUST Teams understand the problems we face. They listen to us and are very patient. They didn't give us a one-size-

fits-all solution but a solution that is tailored to our Small and Medium Enterprise. We are very encouraged that the solution they gave us can actually be implemented, such as the variable wage system and compressed work week."

Managing Director of Nestle Singapore Suresh Narayanan said: "The visit is very useful and can add value to companies like Nestle. The TRUST Team listens to our suggestions and feedback, and also discuss about how programmes can be improved and implemented."

More than 100 companies have been assisted by TRUST Teams to date.

Tripartism Milestones



"SNEF looks forward to being an active contributor to this newsletter to keep readers updated on efforts and initiatives to enhance industrial harmony. I hope employers can leverage on tripartism to help them tackle the complex challenges faced by all in the coming years."

Koh Juan Kiat,
Executive Director,
Singapore National
Employers Federation

To find out more on Tripartite initiatives and free subscription of this e-newsletter, please visit the Singapore Tripartism Forum website at <http://www.tripartism.sg>