



Fair Employment Practices Aid Productivity

The efforts of the Tripartite Alliance for Fair Employment Practices (TAFEP) to promote fair, responsible and merit-based employment practices for employees to realise their full potential and employers to achieve organisational excellence are showing results.

This was disclosed by Deputy Prime Minister Teo Chee Hean at the second annual Conference on Fair Employment Practices jointly presented by TAFEP and the Singapore Tripartism Forum on 7 April 2010.

With the Tripartite Guidelines on Non-Discriminatory Job Advertisements, discriminatory job advertisements fell from about 20 per cent in 2006 to one per cent today. More than 1,300 employers representing over 650,000 workers have so far signed the Employers' Pledge of Fair Employment Practices, committing to hire on merit and treating employees fairly and with respect.

DPM Teo said companies that pursue fair and inclusive employment practices have a strategic and business advantage. Companies known to treat workers fairly will have a better chance of attracting and retaining them, thereby contributing to a motivated and productive workforce. A diverse workforce and access to more potential hires in a

“It is by upholding meritocracy and providing opportunities that we can sustain our national competitive advantage and improve productivity. In the employment marketplace, several trends have made the case for fair employment practices more compelling.”

Deputy Prime Minister Teo Chee Hean

competitive labour market also gives a company strength to overcome changing business cycles and external shocks.

DPM Teo also conferred the inaugural TAFEP Exemplary Employer Award to four employers for fair and responsible employment practices - Cherie Hearts Group International Pte Ltd, FedEx Express, Maybank Singapore and Philips Electronics Singapore Pte Ltd.

DPM Teo gave the five pre-requisite qualities of the winners: the management walks the talk; there is open communication within the organisation; the organisation adopts objective and merit-based recruitment policies; a diverse workforce exists; and the workplace culture is inclusive.

“TAFEP has taken on a promotional approach basically because we feel that there is a need to create awareness and through awareness we can then use education as a means of improving practices.”

TAFEP Co-Chairperson
Bob Tan

“There’s a certain misconception that it is so difficult to be a fair employer if you are a SME. In fact, the contrary is true because if you are small, the size is in fact by itself an advantage because you are able to produce, to have a lot more flexibility.”

TAFEP Co-Chairperson
and NTUC Deputy
Secretary-General
Halimah Yacob

Management Must Lead In Productivity

TO GROW PRODUCTIVITY by 2-3 per cent per year over the next decade as set out in the Economic Strategies Committee recommendations, management must take the lead. This was made clear at the Singapore Tripartism Forum on 19 March 2010.

SNEF President Stephen Lee said: “Management cannot run away from taking the lead responsibility in improving productivity. Improving productivity is primarily management’s job. But we have certain advantages in Singapore that you can leverage on. Firstly there is the full co-operation and commitment by the Labour Movement to support. Secondly, the various features in the last Budget show that the Government is playing a strong supporting role, plus they are coming out with the finance to support the productivity drive.”

Manpower Minister Gan Kim Yong said: “We are now fast becoming a more matured economy, a more developed economy. To take the next step of productivity improvement requires a lot more thinking to be put into it. It will involve a nationwide mobilisation among the workers, employers as well as Government departments to come together to put in place a system of productivity improvements so that it is a sustainable effort.”

NTUC Secretary-General Lim Swee Say stressed



that “it is important for all of us to recognise that we are in this together.” Pointing out that the key word in the ESC recommendations is ‘innovative’, he said:

“As we move towards this more productive, more innovative economy, I hope these are the three areas we as tripartite partners must never forget. Firstly to strive for all sectors including the lower, less productive sectors. Secondly, as we strive for productivity improvement let us strive for productivity breakthrough through innovation. Thirdly, let us do so in an inclusive manner. Upgrade the low-skilled workers, re-employ the mature workers, and enable those who want to come back to work, for example, back-to-work women, to come back to work so that they can be more innovative, more productive and at the same time more inclusive.”

SIAEC Shares Productivity Gains With Staff

“Phase 4 of our CBF initiatives is not the end of it. It’s a never-ending journey because it is centred on continuous improvements. The day we stop doing all these is the day we become irrelevant. It involves everybody.”

SIAEC Executive Vice-President Operations Png Kim Chiang

“We will keep on tweaking and fine-tuning each CBF initiative until we get something that’s really effective, and then improve on it some more.”

SIAEC Senior Technician and Singapore Airlines Staff Union member Cedric Ho

“This is exactly the kind of positive example we like to see and hope to see in more sectors across more companies.”

NTUC Secretary-General Lim Swee Say

SIA ENGINEERING COMPANY (SIAEC) is a shining example of what strong labour-management relations and total productivity can achieve. Their target of \$10 million productivity gains from Phase 1 projects shows just how serious they are in striving for higher productivity under the Labour Movement’s Cheaper, Better, Faster (CBF) initiatives.

SIAEC working with NTUC, Singapore Airlines Staff Union, SIA Engineering Company Engineers And Executives Union and Air Transport Executive Staff Union and staff launched six projects in November 2009 for their line and airframe maintenance business, and are now well underway in tracking savings from these. The icing on the cake is that 24-33 per cent of any productivity gains achieved will be shared with staff in quarterly payments.

Not resting on this first phase, they have already embarked on Phase 2 which promises another \$10 million in productivity gains. As a leading global aircraft maintenance, repair and overhaul service provider, SIAEC has to be constantly on its toes. Maintaining a leading position in a very competitive business is not a guarantee, which is why SIAEC has embarked on initiatives to further raise productivity.

SIAEC Chief Executive Officer William Tan said: “We have already started working on Phase 2 and will work very actively with union leaders and staff on Phase 3 and 4. We expect to launch Phase 3 and 4 during the next financial year which starts from 1 April this year. We have been working on productivity improvements all these years but the advantage of Cheaper, Better, Faster is that we will be able to align the interests of everybody in the company - management, unions, staff and customers.”

At the launch on 18 November 2009, SIAEC Chairman and Singapore National Employers Federation President Stephen Lee said: “The ability of our staff to embrace and adapt to changes, and to innovate and thrive in changing environments is a differentiating factor. The dedication of each worker,



the cooperation between unions and management and the synergy that comes from our collective teamwork and individual effort is our winning card.”

SIAEC Executive Vice-President Operations Png Kim Chiang said: “In our relentless drive to sharpen competitiveness, we have been focusing on three key areas, namely price, quality and turn-time. NTUC’s CBF strategy essentially touches on the same areas but the choices of words are more dynamic and effective in reaching out to the hearts and minds of our staff.”

Some SIAEC Productivity Tips

- Productivity is something that the organisation as a whole does collectively.
- Total productivity including labour productivity, leveraging on technologies, process improvements and better control of material usage, brings about the productivity gains savings.
- Regular communication and mutual understanding between staff and management is a key enabler.
- Managers and staff get involved and get together to work things out.
- It is not about pushing staff to work longer and harder but working smarter.
- Staff development and investing in new equipment and training is important.

The National Drive Towards Re-employment

working beyond the current statutory retirement age of 62, up to 65 in the first instance and, later, up to 67. This change, accompanied by increased Workfare Income Supplement for older, low-wage workers, will complement the CPF Minimum Sum Draw-Down-Age, which will progressively be raised from 2012.

Formed under the aegis of the Tripartite Committee on Employability of Older Workers, the Tripartite Implementation Workgroup (TIWG) aims to help companies put in place the necessary processes and systems for re-employment to work. The TIWG released the Tripartite Advisory on the Re-employment of Older Workers in April 2008 and has been encouraging employers and employees to adopt it. Taking into account the feedback obtained, the TIWG has updated and expanded the Advisory into Tripartite Guidelines on the Re-Employment of Older Employees to better prepare employers and employees for the re-employment

AS PART OF its efforts to help older employees remain economically productive, the Government will enact re-employment legislation by 2012 to enable more people to continue

legislation. The finalised set of the Tripartite Guidelines for the Re-employment of Older Employees was announced by Manpower Minister Gan Kim Yong at the Committee of Supply Debates in Parliament on 11 March 2010. Under the Guidelines, the TIWG has identified good re-employment practices that employers should consider adopting in the following areas:

- **Planning and preparing employees for re-employment**
 - a. Identifying eligible employees for re-employment
 - b. Pre-retirement planning and re-employment consultation
 - c. Job arrangements for re-employment
- **The re-employment contract**
 - d. Offer of re-employment
 - e. Duration of re-employment
 - f. Adjustments to wages and medical and other benefits
 - g. Termination with notice
- **Recognising the contributions of re-employed employees**
- **Assistance for eligible employees whom employers cannot re-employ**

For more information on re-employment guidelines please visit www.re-employment.sg

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>