

**SPEECH BY MR GAN KIM YONG, MINISTER FOR MANPOWER  
AT THE 2<sup>ND</sup> INTERNATIONAL TRADE UNION CONFEDERATION FOR  
ASIA AND THE PACIFIC (ITUC-AP) REGIONAL CONFERENCE  
11 May 2011, Wednesday, 10.20am, NTUC Club Downtown East**

Mr G Rajasekaran, President, ITUC-AP

Mr Noriyuki Suzuki, General Secretary, ITUC-AP

Mr Lim Swee Say, Secretary-General, SNTUC

Mr John De Payva, President, SNTUC

Mr Bob Tan, Vice President, Singapore National Employers Federation

Mr Dan Cunniah, Director, ILO-ACTRAV

Delegates of the 2<sup>nd</sup> ITUC Asia-Pacific Regional Conference

Ladies and gentlemen

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Welcome to Singapore.

Introduction

2 I am honoured to be invited to your 2<sup>nd</sup> Regional Conference held for the first time in Singapore. This year's theme, "Unity – The Way Forward", is particularly relevant to today's challenges.

Businesses, unions, workers and the Government need to work together to respond to the increasingly volatile and uncertain global economic landscape.

### Tripartism and the Union as a Strategic Partner

3 In addressing these challenges, Singapore's strong tripartite cooperation among Government, employers and unions plays a vital role. This relationship of mutual trust and respect was developed and strengthened over the decades, and one that we will continue to nurture and deepen. Let me touch on a few areas where tripartite cooperation has made its mark in bringing about and creating real benefits for all in recent years.

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### Upturning the Downturn

4 When the 2008-2009 global financial crisis first hit our shores, businesses were concerned about their viability and whether they would need to resort to retrenchments to survive. Workers were concerned about losing their livelihoods and their

ability to support their families. On our part, the Government was concerned about the possibility and prospect of large-scale retrenchments, high unemployment and hardship for our workers. In the face of these concerns, the tripartite partners put together a slew of measures to help businesses cut costs to save jobs, instead of cutting jobs to save costs.

5 To be effective in implementing these measures, the support, cooperation and contributions of the three parties were crucial. The Government provided highly subsidized training support to encourage companies to retain their employees and send them for training. Employers retained workers and management took the lead in making sacrifices to cut cost. Unions and workers accepted painful adjustments, so that retrenchments could be avoided or minimised. Without the unions' support in rallying employees, it would not have been possible to implement these difficult measures.

6 As a result of concerted efforts by the tripartite partners, Singapore survived the crisis relatively unscathed. Retrenchments were kept to a minimum; and a year on, Singapore's unemployment rate is at a three-year low of 1.9%<sup>1</sup> in Q1 2011 on the back of strong economic growth of 14.5% last year. Our tripartite approach in dealing with the crisis contributed to a more resilient economy. Workers' skills were upgraded and remained relevant. Both workers and employers were ready to seize opportunities on the upturn, resulting in strong profits for many companies. In view of this, the latest wage guidelines from the National Wages Council, called for higher wage increases and bonuses for workers, to recognise and reward them for their sacrifices during the downturn. Singapore's model of tripartism allowed us to roll out critical but difficult initiatives quickly and effectively during bad times, and during good times, workers' sacrifices were recognized and rewarded.

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<sup>1</sup> Source: Employment Situation in First Quarter 2011  
([http://www.mom.gov.sg/Publications/mrsd\\_Q12011empsit.pdf](http://www.mom.gov.sg/Publications/mrsd_Q12011empsit.pdf))

## Helping Low-Wage and Older Workers

7 Apart from playing a key role in the strong recovery of the economy, the tripartite partners also work together to help our vulnerable workers – for example, the low-skilled low-wage workers and older employees. We have been working closely together to enhance workers' skills, employability and earning capacity. The Employment and Employability Institute (or e2i) – an NTUC training initiative funded by the Government – plays an important and active role in this skills-upgrading movement. Through the work of e2i and other training centres, over 600,000 workers have upgraded their skills over the past 5 years.

8 From January 2012, our new Retirement and Re-Employment Law will come into effect. The law will require employers to re-employ eligible employees turning 62, up to age 65. To help prepare employers and older workers for the implementation of the new law, a Tripartite Implementation Workgroup, launched the “Re-employment Ready Campaign” last

year. They released guidebooks, organised training workshops and raised public awareness about the new law to help employers and employees put in place re-employment measures.

### Promoting Progressive Workplaces

9 To protect the well-being of our workers and help them contribute their best, the tripartite partners also work together to promote progressive workplace practices that are worker-centric and employee-friendly. Let me give you two examples. The tripartite partners set up the Tripartite Alliance on Fair Employment Practices in 2006 to promote the adoption of fair and responsible employment practices. Co-chaired by NTUC and Singapore National Employers Federation, the Alliance has encouraged some 1,600 companies so far to pledge their commitment toward fair employment practices.

10 The Tripartite Committee on Work-Life Strategy formed in 2004 has also made inroads in promoting work-life strategies

among employers. The tripartite partners administer the Flexi-Works! Scheme to encourage the economically inactive to return to the workforce through flexible work arrangements.

### Tripartite Participation in Regional Activities

11 Our firm belief in social dialogue and tripartism extends regionally as well. Singapore is actively involved in promoting the benefits of social dialogue and sharing our good practices with our ASEAN neighbours. For example, we organised the ASEAN HR Summit in 2008 and an ASEAN tripartism seminar in 2009 to promote good labour practices in the region. I also understand that NTUC works closely with ITUC-AP, which has an office in the NTUC building, and ILO-ACTRAV to run a series of union leadership training programmes, which has contributed to closer regional collaboration in the field of labour relations.

## Ratifying the ILO Tripartite Consultation Convention

12 Singapore has a good working relationship with the ILO. In January last year, an ILO study mission led by its Director for International Labour Standards Mdm Cleopatra Doumbia-Henry visited Singapore to study our model of tripartism. At the end of the visit, she described tripartism in Singapore as being “a really dynamic, effective tripartism that is very functional, very pragmatic, very operational and it really deals with the major issues confronting the tripartite partners”. In October last year, Singapore ratified the ILO Tripartite Consultation Convention. This was a significant milestone for Singapore and particularly meaningful coming on the heels of the tripartite partners’ success in working together to cope with the recession. This is a recognition of the integral role that tripartite collaboration plays in Singapore’s industrial relations landscape. The Government consults and works closely with our tripartite partners to develop and implement policies and programmes which meet the needs of

workers and enterprises, and achieve economic and social progress for Singapore.

### Conclusion

13 Tripartism in Singapore has come a long way, as a result of concerted efforts by the unions, employers and the Government. As it celebrates its many achievements on the occasion of its 50<sup>th</sup> anniversary, NTUC is also charting its future direction to better represent and advance the well-being of workers in Singapore.

14 The Government commends NTUC for its efforts to remain relevant and forward-looking, to better serve our workers in the long term. This will help NTUC remain a strong tripartite partner.

A strong NTUC will enable us to continue to work together with employers to create win-win-win outcomes for all for many more years to come.

Let me end on this note and wish all participants a fruitful conference.

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