

**PUBLIC CONSULTATION DOCUMENT  
PROPOSED AMENDMENTS TO THE INDUSTRIAL RELATIONS ACT**

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**AIM**

The Ministry of Manpower (MOM) is seeking feedback from the public on the proposed areas being considered in the review of the Industrial Relations Act (IRA).

**BACKGROUND**

2. In Mar 2013, Acting Minister for Manpower Tan Chuan-Jin announced proposed amendments to the Employment Act to provide better protection for more workers. He also mentioned that the Industrial Relations Act should be updated to reflect the changing workforce profile and workplace norms, in particular the growing proportion of professionals, managers and executives (PMEs) in the workforce.

3. MOM, together with our tripartite partners – the Singapore National Employers Federation (SNEF) and the National Trades Union Congress (NTUC), has formed a Tripartite Workgroup to study and deliberate on amendments to the Act. The Tripartite Workgroup has put forth recommendations to provide more options for PMEs for representation at the workplace, which incorporate feedback from SNEF and NTUC's consultations with their respective constituents.

**RECOMMENDATIONS FROM THE TRIPARTITE WORKGROUP**

***Representation of PMEs in collective bargaining***

4. With an increasing proportion of PMEs in the workforce, PMEs will want more options for representation at the workplace. Employers too, recognise the need to provide more options for representation for PMEs as they may have different needs from rank-and-file (R&F) employees. In 2002, limited representation was introduced, where R&F unions could represent PMEs for certain industrial matters on an individual basis. The Workgroup recommends building on the 2002 amendment to also allow R&F unions to represent PMEs collectively.

Proposed Changes

- *Coverage of PMEs by job function*

5. To address employers' concerns of conflict of interest and to preserve management effectiveness, the Workgroup recommends that senior management and certain categories of executives with substantial managerial responsibilities

should continue to be excluded from collective representation. This exclusion from eligibility could be similar to the current grounds of objection by employer for limited representation and tripartite mediation.

- *Range of industrial matters for collective bargaining*

6. The Workgroup also recommends that collective representation for PME's would cover all industrial matters, except for areas such as promotion, transfer, employment, termination, dismissal and assignment of duties which are the prerogative of employers. The Workgroup recognises though that in reality, the areas for collective representation are likely to focus on what is relevant to the PME's and practicable at the firm level, as PME's are a more heterogeneous group and their nature of work and reward systems have evolved to be more individualised.

### ***Limited Representation of PME's on an individual basis***

7. The Workgroup also recognises that while more PME's would be likely to seek union assistance when they encounter employment problems, not all will see the need for union in collective representation.

### **Proposed Changes**

- *Retain limited representation on an individual basis*

8. The Workgroup recommends retaining limited representation on an individual basis as an option for union representation of PME's. Providing more options would enable PME's, unions and companies to work out arrangements that will better suit their specific needs.

- *Re-employment as an additional area of limited representation*

9. The Workgroup also recommends extending the areas for limited representation to include re-employment disputes. The Retirement and Re-employment Act was enacted in 2012 to provide for a minimum statutory retirement age for employees, and for the re-employment of eligible employees who turn 62, up to the age of 65. As re-employment is a common employment issue that lends itself to individual representation as factors such as individual performance and medical fitness are considered, allowing the R&F unions to represent their PME's on an individual basis when they encounter issues related to re-employment could help resolve workplace differences.

## **PERIOD OF CONSULTATION**

10. MOM hereby invites members of the public to provide views on the proposed amendments to the Industrial Relations Act as outlined above. This will allow us to better understand the needs and challenges of the employees and employers. The consultation exercise will last from **1 November 2013 to 21 November 2013**.

## **FEEDBACK CHANNELS**

11. We seek your full support to ensure that the consultation exercise is productive and focused, and we would like to request that respondents follow these guidelines:

- a. Identify yourself and the organisation you represent (if any), as that would assist in our understanding of the impact of the proposed changes to different stakeholder groups;
- b. Make your comments clear and concise;
- c. Identify the specific proposal you are commenting on, and focus your comments on how the proposals can be improved or be made clearer; and
- d. As far as possible, explain your points with illustrations and examples.

Please send your comments by 21 November 2013, 5pm to:

Labour Relations and Workplaces Division  
1500 Bendemeer Road #03-01  
Ministry of Manpower Services Centre  
Singapore 339946  
Email: MOM\_Consultations@mom.gov.sg

## **SUMMARY OF RESPONSES**

12. All feedback received will be taken into consideration in the review of the Industrial Relations Act. However, we regret that we will not be able to separately address or acknowledge every single comment we receive. The summary will maintain confidentiality of the feedback received and we will not disclose the identity of the person(s) providing the feedback.

## **RELATED CONSULTATION DOCUMENTS**

13. For your convenience, the relevant documents relating to this public consultation exercise can be downloaded below:

- Industrial Relations Act (download [here](#))

Introduction of Limited Representation of Employees in Managerial and Executive Positions in 2002

In 2002, the Industrial Relations Act was amended to allow limited representation for executives by a rank-and-file trade union i.e. trade unions the majority of whose membership consists of employees in non-managerial or non-executive positions. That was a departure from the prohibition for rank-and-file trade unions from representing executive employees in collective representation.

2. Part IV of the Industrial Relations Act has sections that deal with limited representation of employees in managerial and executive positions. A union may represent any executive employee individually, and not as a class. The union may negotiate with the employer to resolve disputes on issues such as (i) breach of individual contract of employment, (ii) retrenchment benefits, (iii) unfair dismissal and (iv) victimisation.

3. The employer may object to such representation on the following basis that the executive:

- Is in a senior management position
- Has decision making powers on matters such as employment, termination, promotion, transfer, reward or discipline of other employees
- Performs duties which include representing the employer in any negotiation relating to industrial matters
- Has access to confidential information related to budget, finance and personal records of other employees
- Performs any duty which give rise to conflict of interest

4. To facilitate the process of executives joining the rank-and-file unions, a set of Guidelines was issued by the Tripartite Working Group (download [here](#)).