



MINISTRY OF
MANPOWER



5 March 2018

TRIPARTITE STANDARD ON CONTRACTING WITH SELF-EMPLOYED PERSONS LAUNCHED

Second Minister for Manpower Mrs Josephine Teo launched the Tripartite Standard on Contracting with Self-Employed Persons (SEPs) today in her speech during the Ministry of Manpower's Committee of Supply parliamentary debates. The Tripartite Standard (please refer to the Annex for full specifications) was one of the recommendations from the Tripartite Workgroup on SEPs¹ accepted by the Government to improve contracting norms. The Government had accepted all the recommendations.

2. Businesses which adopt the Tripartite Standard will be listed on the Tripartite Alliance for Fair and Progressive Employment Practices' (TAFEP) website, and can use a logomark in their corporate and marketing collateral. This will allow SEPs to identify progressive service-buyers and intermediaries, and also help businesses to distinguish themselves.
3. Interested businesses may visit tafep.sg to adopt or find out more about the Tripartite Standard.

Definition of Self-Employed Persons (SEPs)

- SEPs refer to persons who operate their own trade or business. Those who do not employ any paid worker and are not contributing family members are also known as "own account workers". "Own account worker" is the more formal term used in MOM's Labour Force Supplementary Survey on Own Account Workers, and which closely follows the International Labour Organization's classification of Status in Employment. SEPs are also known loosely as "freelancers" or "independent contractors".
- SEPs work in diverse occupations and include taxi drivers, real estate agents, insurance agents, private hire car drivers and private tutors.
- SEPs are not casual, temporary, or term-contract employees who are on employment contracts for fixed periods of time.

¹ The Tripartite Workgroup (TWG), formed in 2017 to identify common challenges faced by SEPs and develop recommendations to address these challenges, submitted its report to the Government on 21 February 2018. Comprising officials from MOM, NTUC and SNEF, the TWG engaged and consulted about 200 SEPs as well as SEP associations and communities, businesses, and Government agencies.



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ANNEX

TRIPARTITE STANDARD ON CONTRACTING WITH SELF-EMPLOYED PERSONS

Purpose

1. The growth of the platform economy creates opportunities for businesses, consumers and workers, in particular self-employed persons (SEPs)¹. To ensure the sustainability of the economy of self-employed work, businesses whether as service buyers or intermediaries², and SEPs must fulfil their obligations.
2. Businesses should set out their arrangement with SEPs clearly to lend clarity to the expectations and conduct of the relationship. Clearer obligations and duties foster better working relationships between businesses and SEPs, and enable SEPs to provide better services. SEPs on their part should fulfil their obligations and duties in a responsible manner.

Specifications

3. Terms of products or services to be delivered are discussed with SEPs. The terms agreed upon are documented in written key terms and provided to SEPs before any products or services are delivered.
4. The written key terms are set out clearly and include the following:
 - i. Names of contracting parties;
 - ii. Parties' obligations, such as nature of services to be provided (e.g. outcome; duration; location);
 - iii. Payment
 - a. Amount of payment due for each product or service (or part thereof);
 - b. Due date of payment(s) (e.g. a fixed number of days after the SEP issues an invoice for delivered services or milestones, or periodic payments for services rendered during that period);

¹ Self-employed persons (SEPs) operate their own trade or business, and include freelancers such as graphic designers, sport coaches and tourist guides.

² Businesses may be service buyers that procure services from SEPs directly, or intermediaries that facilitate provision of services by SEPs to service buyers.



- iv. If terms on variation of the agreement are provided for, how either party can vary the key terms or terminate the agreement (e.g. by mutual agreement);
- v. If terms for resolving disputes are provided for, the option for mediation should be made available, without it being a barrier to either party bringing any dispute directly to the Small Claims Tribunals³.

³ The Small Claims Tribunals were established to provide an affordable and expeditious forum for resolution of smaller value disputes, including disputes between SEPs and businesses.