

# Challenges that HR professionals face in Singapore

October 19, 2016

## Shifting policies

Singapore's employment laws have historically been employer-friendly. In the early days of Singapore's development, this was crucial to attract multi-national corporations to Singapore.

However, in the past decade, there has been a shift towards greater employee rights as well as greater protection of the Singapore core workforce. Examples of greater employee rights are the extension of maternity leave periods, and the introduction of paternity leave which hitherto did not exist. Another example involves Singapore's main employment legislation, which once protected mostly blue collar workers but has now been expanded to protect junior professional and managers earning below a certain threshold monthly income.

These policy shifts bring challenges to human resource (HR) professionals, and we share some of them below.

## Increasing unionisation

There has been an increasing level of unionisation in Singapore in recent years, and significantly in 2015, legislation was introduced to allow professionals and managers to be collectively represented by rank-and-file unions.

While industrial relations in Singapore remain generally peaceful and strikes are extremely rare, HR professionals still face challenges since unions are additional entities that HR professionals have to seek consensus with. Unionised companies in Singapore typically sign collective agreements with unions that contain a range of employment terms to protect the employees, and negotiations on these terms between the companies and the unions can sometimes be protracted.

## Foreign employees

Since 2009, the foreign workforce supply has been tightened in Singapore, partly as a result of public feedback on the increasing number of foreign employees in Singapore. The ratio of foreign semi-skilled and mid-skilled workers to Singaporeans allowed in certain industries was reduced, and this has caused manpower shortages in some industries like the food and beverage industry.

In 2014, the Ministry of Manpower also introduced a Fair Consideration Framework to make sure that companies with more than 25 employees advertise professional jobs to Singaporeans for at least 14 days before allowing such jobs to be filled up by foreign professionals (with certain exceptions to jobs above a threshold monthly salary). This entails additional responsibilities on HR professionals. In cases of suspected foreigner bias, the Ministry of Manpower may

investigate and interview the company on why a foreign employee was chosen instead of a Singaporean, and even exercise its right to curtail future foreign manpower hiring by the company.

## What the future holds

HR professionals can expect to face further challenges as Singapore employment law's pro-employee shift continues. One change in the pipeline is the introduction of the Employment Claims Tribunal ("ECT") in April 2017. One category of employees who will benefit from the setting up of the ECT is professionals and managers earning more than S\$4500 basic salary a month, as currently any of their employment related claims can only be sought through the civil courts, which is typically more time consuming and more expensive. Companies and HR professionals should thus start preparing themselves for the introduction of this new tribunal by understanding its procedures and scope.

## Further reading

To read a previous article on Employment Law in Singapore by the same author, [click here](#).

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This article was first written for the HR Magazine UK September 2016 Issue. Author Ray Chiang was quoted in *A postcard from... Singapore* section of the Magazine. The complete version of the article is published here.

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