

Singapore Human Resources Institute (SHRI)

Singapore

1. Current economic and political situation in the country

Economy and labour market situation

The Singapore economy grew by 3.8 per cent on a year-on-year basis in the second quarter of 2013, compared to 0.2 per cent in the previous quarter. On a quarter-on-quarter seasonally-adjusted annualised basis, the economy grew by 15.5 per cent, significantly higher than the 1.7 per cent expansion in the previous quarter. The acceleration in the quarter-on-quarter growth momentum was mainly due to robust growth in the manufacturing, wholesale & retail trade, transportation & storage, and finance & insurance sectors.

The tight labour market showed signs of easing in the second quarter of 2013, as layoffs rose amid business restructuring and consolidation. Unemployment increased for the second consecutive quarter, though it was still low and employment creation remained high. These are the key findings from the “Employment Situation, Second Quarter 2013” report released by the Ministry of Manpower’s Research and Statistics Department.

Preliminary estimates show that the seasonally adjusted overall unemployment rate was 2.1% in June 2013, up from 1.9% in March 2013 and 1.8% in December 2012. The resident unemployment rate similarly rose to 3.0% in June 2013 from 2.9% in March 2013 and 2.7% in December 2012, while the unemployment rate for citizens increased to 3.1% from 2.9% in the preceding two quarters.

Employment creation in the second quarter of 2013 (32,500) increased from the previous quarter (28,900) and was slightly above the second quarter of 2012 (31,700). This brought total employment to 3,419,000 in June 2013, which was 4.0% higher than a year ago.

Layoffs rose in the second quarter of 2013, affecting an estimated 2,900 workers, up from 2,120 in the preceding quarter and 2,210 in the second quarter of 2012. Nonetheless, it remained below the recessionary highs of 6,000 to 12,800 per quarter. (Source: Ministry of Manpower, Singapore 2013)

Political situation

Singapore is a sovereign republic. When it became an independent and sovereign nation in 1965, it inherited a legal system that is based on the English law. The legal system has since evolved to

meet the needs of Singapore and to reflect the political system within which it operates. In November 1993, the Application of English Law Act came into force. This Act clarifies the application of English law and statutes in Singapore.

The organs of government are provided for by a written constitution which forms the supreme law of Singapore. The Constitution lays down the fundamental principles and basic framework for the three organs of state, namely, the Executive, the Legislative and the Judiciary.

The Head of State of Singapore is a President who is directly elected by the people, following fundamental constitutional changes in 1991. The President possesses certain veto powers over the government which he can exercise with discretion in certain circumstances. Outside of those areas where the Constitution permits him discretionary powers, the President must act according to Cabinet advice.

The Executive comprises the Cabinet, which is responsible for the general direction of the Government and accountable to Parliament.

The Legislature comprises the Parliament and is the legislative authority responsible for enacting legislation. More information on the history of Parliament, Parliament House and activities of the House can be obtained from its web site.

The Judiciary's function is to independently administer justice. The Judiciary is safeguarded by the Constitution.

The Prime Minister of Singapore is appointed by the President of Singapore under Article 25 of the Constitution. The President, acting on the advice of the Prime Minister, also appoints other Ministers from among the Members of Parliament.

The Prime Minister is the effective head of the executive branch of government. He chairs the Cabinet, which is constituted under Article 24 of the Constitution. The Cabinet is the central decision-making body of the executive government. It is an organ of state and central to Singapore's system of government. In practice, all significant decisions or actions taken by the Executive are first discussed and collectively agreed by Cabinet. (<http://www.parliament.gov.sg>)

The Parliamentary Elections include the General Elections and By-elections. The Parliament has a term of 5 years but may be dissolved at any time before the expiry of its 5-year term by the President on the advice of the Prime Minister. The General Election must be held within 3 months of the dissolution of the Parliament. Legislations governing the conduct of the Parliamentary Elections comprise:

- The Constitution of the Republic of Singapore (The Legislature - Part VI);
- The Parliamentary Elections Act (Chapter 218);
- The Political Donations Act (Chapter 236); and
- Related Subsidiary Legislations.

The Singapore Parliament is single house and has three types of Members of Parliament (MPs). They are:

- Elected MPs;
- Non-Constituency MPs; and
- Nominated MPs.

Elected MPs form the bulk and are elected at an election on a one-man-one-vote system based on simple majority (popularly known as first-pass-the-post system).

Elected MPs could be returned from Single Member Constituencies (SMC) and Group Representation Constituencies (GRC). Each SMC returns 1 MP while each GRC returns 3, 4, 5 or 6 MPs, one of whom must be from the Malay Community or the Indian or Other Minority Communities. This is to ensure that the minority groups are represented in Parliament.

Non-constituency MPs (NCMPs) are chosen from candidates of a political party or parties not forming the Government. The Constitution and the Parliamentary Elections Act provide that for the next and subsequent Parliaments, the number of NCMPs shall be 9 less the total number of elected Opposition MPs in Parliament. The number of NCMPs coming from any one GRC shall be capped at 2, and the number from any SMC shall not be more than one.

The non-constituency MPs to be declared elected shall be determined from amongst the candidates of the Opposition parties contesting the General Election on the basis of the percentage of votes polled by such candidates. (Details are spelt out in Section 52 of the Act.)

Nominated MPs (NMPs) are Singapore Citizens nominated by a Special Select Committee of Parliament for appointment by the President. NMP does not stand for election. The Constitution provides for 9 NMPs.

The NCMPs and NMPs shall not vote on Bills pertaining to financial and constitutional matters.

(Source: Elections Department, Singapore 2013)

2. HR challenges

The 2 main challenges facing the HR profession in Singapore at present are:

- **Ageing population vs a shrinking local population**

The trend towards population ageing is an urgent problem in Singapore today. As of 2008, there are more than 300,000 persons who are aged 65 years and above in Singapore. The number of persons aged 65 years and above will escalate from 8.7% in 2008 to about 19% of our population in 2030. (Source: Brief on Ageing Population in Singapore, MSF) As of end of 2012, the percentage of number of persons aged 65 and above was 9.9%. (Source: Department of Statistics, Singapore 2013). The government has since formed the Ministerial

Committee on Ageing (MCA) comprising several key ministers and headed by the Minister in the Prime Minister's Office. MCA has the vision of achieving "Successful Ageing for Singapore", through pursuing a whole-of-government response to ageing along the following four strategic thrusts:

- Enhance Employability and Financial Security;
- Provide Holistic and Affordable Healthcare and Eldercare;
- Enable Ageing-in-Place; and
- Promote Active Ageing

In line with providing holistic and affordable healthcare and eldercare, Agency for Integrated Care (AIC) was formed as an independent corporate entity in 2009 to be the primary body to advise and guide patients and their families on the use of appropriate healthcare services. It also looks into the enhancement and integration of intermediate and Long-Term Care (also known as step-down care) sector.

The government had also formed the Centre for Enabled Living (CEL) which helps to drive the strategic thrust of providing holistic and affordable healthcare and eldercare. It is a one stop centre for seniors who need eldercare and supportive services via its partnership with service providers.

In line with the strategic thrust of promoting active ageing, the Council for Third Age (C3A) was set up in 2007. C3A provides funding for pilot projects supporting the outcomes of active ageing and serves to educate the public on ageing, through events and exhibitions.

(Source: [http://app.msf.gov.sg/Portals/0/Topic/Issues/EDGD/Brief%20on%20Ageing%20Population%20\(Public\).pdf](http://app.msf.gov.sg/Portals/0/Topic/Issues/EDGD/Brief%20on%20Ageing%20Population%20(Public).pdf))

▪ **Talent Shortage**

Singapore – Almost four in 10 (37%) employers in Singapore are struggling to fill key vacancies in their organisations. According to the latest Talent Shortage Survey, the top positions local employers have most difficulty filling is production operators, followed by accounting and finance staff, and engineers. Rounding up the top five are secretaries, personal assistants, administrative assistants, and office support staff, and sales representatives.

A lack of available applicants (38%) and lack of technical competencies (14%), are the most common issues employers face on their hunt for talent. To overcome these difficulties, employers said they partner with educational institutions to align with their talent needs (19%), focus more on improving their pipelines (11%) and provide additional training and development to existing staff to fill vacancies (8%). (Source: Manpower Group's Talent Shortage Survey 2013)

3. SHRI projects and initiatives

Major areas of SHRI's activity includes the following:

- **Singapore HR Awards**

Organised yearly by Singapore Human Resources Institute (SHRI), The Singapore HR Awards celebrates leading organisations and HR practitioners in their drive for impactful human capital strategies. As one of SHRI's signature events, it serves as an excellent platform to promote and recognise excellence within the HR profession in Singapore by highlighting leading organisational HR practices and HR individuals (CEOs, HR Leaders, HR Entrepreneurs, HR Professionals and HR Executives).

Through The Singapore HR Awards, leading HR trailblazers and people management practices are honoured. New benchmarks and standards for the HR profession are also developed. Each leading Singapore HR Award is a distinctive recognition by Singapore's HR Professional body to mark the successes and accomplishments of people managers, thus further emphasising the importance of Singapore in putting human capital as a key business outcome.

- **Singapore HR Accreditation**

HR has been an established profession for a long time. The past few years have seen significant changes in the perception and outlook of HR by corporate leaders. Today, HR is viewed as a key player in driving corporate success and customer satisfaction, and no longer just a support function. It is becoming an increasingly vital function in many organisations and businesses, playing the critical role in the sourcing, allocation and application of personnel, expertise and human resources for efficient and productive endeavours.

SHRI recognises and acknowledges the significant contributions the HR profession has made, and continues to make, to many organisations and businesses. With the increasingly competitive and complex business environment, the way forward for HR professionals is to acknowledge and respond to such challenges by sustaining and improving their own competitive advantages.

The HR profession needs to establish itself as a credible brand – through accreditation so as to raise its recognition, standing and reputation. To do precisely that, SHRI has taken the initiative to establish HR as a brand through accrediting HR practitioners in Singapore so as to raise the profession to meet avowed standards and practice.

- **Singapore HR Congress & Business-Connect Exposition**

The Singapore HR Congress and Business-Connect Exposition is a platform for global exchange, learning and sharing among business leaders, people managers and HR professionals.

- **Singapore HR Challenge**
Into its 7th year, the Singapore HR Challenge 2014 serves to engage future leaders, people managers, critical thinkers, and contributors of the new workforce. The Challenge is a platform to showcase innovation and creativity as well as promote progressive HR to students.
- **SHRI SME Charter**
Through this charter, the SHRI Council will address the HR needs of Small and Medium Enterprises (SMEs). SMEs require guidance and knowledge to strengthen their HR policies and practices. SME owners can benefit from cross-learning and best practices sharing from other members in the charter
- **Collaboration with Professional Bodies in Singapore**
SHRI aims to partner other professional bodies such as Singapore Retail Association and Singapore Hotel Association through joint industry events. This is also for co-marketing of services as well as to attract talents especially those interested in a career switch to the HR profession.
- **To enhance the SHRI accreditation framework and process**
SHRI aims to expand the accreditation criteria so that more HR professionals could qualify. It also wishes to broadcast the benefits of being an accredited HR professional.
- **To build overseas connections & engage in HR regional development work**
SHRI aims to engage HR associations and other professional bodies overseas especially in the region such as India and Malaysia. This is also to gather HR practices from expert organisations in the region. SHRI wishes to participate in study tours in the region as well.

4. Events and Conferences in 2013

- SHRI Outlook 2013 (30 January 2013)
- Singapore HR Challenge 2013 (9 March 2013)
- HR Day @ SHRI 2013 (30 May 2013)
- Singapore HR Awards Presentation Gala 2013 (5 July 2013)
- Joint HRIS Seminar with Republic Polytechnic (19 July 2013)
- Joint Seminar with Singapore Medical Association (Nov 2013)
- Breakfast Talks with YMCA (Series from Sept 2013 till Jun 2014)
- Singapore HR Congress & Business-Connect Exposition (28 Oct 2013)
- HR Pinnacle™ (28 Oct 2013)
- Monthly SHRI Engage Sessions and Breakfast Talks (on going)

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