

**MAY DAY MESSAGE 2008**  
**BY MR STEPHEN LEE, CHAIRMAN, SINGAPORE BUSINESS FEDERATION AND**  
**PRESIDENT, SINGAPORE NATIONAL EMPLOYERS FEDERATION**

1. The Singapore economy continued to grow steadily. It was up by 7.7% in 2007, only slightly slower than the 8.2% in 2006. The unemployment rate was the lowest in 10 years, at 1.6 per cent in December 2007, and at 2.1 per cent for 2007, down from 2.7 per cent in 2006. Job creation was at its highest ever.

**Increasing the Labour Force Participation Rate**

2. In 2007, 234,900 jobs were created. Of this, 90,400 or 38% were filled by locals. The labour force participation rate was 65.1% in 2007 compared to the average labour force participation rate in OECD countries which was 72.9% while that in Japan was 79.3%. The number of economically inactive residents in Singapore aged between 25 to 54 was 288,600. We must therefore do more to encourage these Singaporeans to re-enter or join the workforce to help meet the manpower needs of industries.

3. The labour force participation rate of older workers aged 50 to 64 was 66.7% whilst that for women aged between 35 to 49 was 68.6%. Employers can do more to encourage older workers and women to re-enter the workforce. For older workers, adopting age-friendly employment practices such as retraining, job redesign and pay for value of the jobs and performance can help. To attract women, employers need to create more part-time and flexible work arrangements as well as help retrain them for jobs.

**Increasing the Employment Rate**

4. With more job seekers, we must ensure that we also raise the employment rate. Employers must therefore adopt fair and responsible recruitment practices so that they can draw the best talent into their organisations. The Tripartite Centre for Fair Employment Practices is reaching out to companies to facilitate their hiring on merit so that older workers are given a fair chance for employment. I am pleased to note that more than 700 companies have so far pledged to be fair employers. Together with MOM and NTUC, we have also developed an advisory on re-employment practices to provide guidance to employers. The advisory will provide employers with a framework to offer jobs to those reaching 62.

5. We are making good progress in the hiring of older workers. In 2007, the employment rate of residents aged 55 to 64 was 56.2%. It was 53.7% in 2006. Our medium term target is 65%.

6. As for female workers, their employment rate was 51.9% in 2007. SNEF is working with NTUC to create more flexi-jobs for women. The Tripartite Workgroup on Enhancing Employment Choices for Women chaired by NTUC has launched several initiatives to help employers and workers. These include the '30 Minutes to Work' program which matches non-working women to jobs that are close to their homes and the Flexi-Works! Fund which companies can tap on to implement part-time and flexi-work.

## **Increasing Skills**

7. In a recent survey conducted by the International Organisation of Employers, it was noted that there is a general shortage of skills experienced by employers globally. Our workers must continue to upgrade their skills so that they can take advantage of the many new job opportunities being created. The Government announced early this year a Continuous Education and Training Masterplan to train workers for the next 10 years to help them keep them pace with the changing economy. Training places will be increased from 20,000 to 80,000 a year. Employers can do their part by sending their workers for skills upgrading programmes. Its encouraging to note that in 2007, employers sent 168,000 workers for training with the support from the Skills Development Fund, up from 77,908 workers in 2006.

## **Addressing Challenges Together**

8. I am confident that the Tripartite partners will be able to address the challenges faced by both employers and workers to increase manpower supply as well as to enable workers to benefit from the many new opportunities created by the growing economy.

9. On behalf of the 17,000 members of the Singapore Business Federation and the Singapore National Employers Federation, I wish all workers a Happy May Day 2008.