

## **Employment (Amendment) Bill**

### **Table of Contents**

**Bill No: 18/1988**

*Read the first time: 29th July 1988*

**Long Title**

**Enacting Formula**

**1 Short title and commencement**

**2 Repeal and re-enactment of sections 48, 49 and 50**

**Explanatory Statement**

**Expenditure of Public Money**

## **Employment (Amendment) Bill**

**Bill No. 18/1988**

*Read the first time on 29th July 1988.*

An Act to amend the Employment Act (Chapter 91 of the 1985 Revised Edition).

Be it enacted by the President with the advice and consent of the Parliament of Singapore, as follows:

### **Short title and commencement**

**1.** This Act may be cited as the Employment (Amendment) Act 1988 and shall come

into operation on such date as the Minister may, by notification in the *Gazette*, appoint.

## **Repeal and re-enactment of sections 48, 49 and 50**

2. Sections 48, 49 and 50 of the Employment Act are repealed and the following sections substituted therefor:

### **“Payment of annual wage supplement or other variable payment**

**48.**—(1) Where a contract of service or collective agreement made before the commencement of the Employment (Amendment) Act 1988 provides for the payment by the employer of any annual wage supplement, annual bonus or annual wage increase, such payments shall continue to be payable by the employer until the employer and his employees or a trade union representing his employees have negotiated and agreed to vary such payments.

(2) An employer and his employees or a trade union representing his employees may negotiate for and agree to a variable payment based on the trading results or productivity or on any other criteria agreed upon by the parties concerned.

(3) (a) Where an employer has not paid any annual wage supplement prior to the date of commencement of the Employment (Amendment) Act 1988, any contract of service or collective agreement made on or after that date between the employer and his employees or a trade union representing his employees shall not contain a provision for the payment of an annual wage supplement exceeding the equivalent of one month’s wages of the employees.

(b) Any person who, or any trade union of employees which, requests (whether orally or in writing) or invites negotiations for the payment by an employer of an annual wage supplement which is in excess of the amount specified in paragraph (a) and any employer who pays an annual wage supplement exceeding the amount specified in paragraph (a) shall be guilty of an offence.

(4) Notwithstanding that an annual wage supplement may be payable under subsection (1) or (3), an employer may, in the event of exceptionally poor business results for any year, invite the employees or a trade union representing his employees to negotiate for a lower quantum of annual wage supplement or for no annual wage supplement to be paid for that year.

### **Power of Minister to make recommendations for wage adjustments**

**49.** The Minister may, from time to time, make recommendations for wage adjustment and upon the publication of such recommendations in the *Gazette* the employer and his employees or a trade union representing his employees may negotiate based on such recommendations.