

# Members Must Feel A Sense Of Belonging



By  
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Centric Director (Membership Communities)

**E**ven when union memberships around the world are on the decline, here in Singapore we are bucking the trend. The success can be attributed to the Labour Movement being a critical component of the Uniquely Singapore tripartite formula. Nowhere in the world will one find trade unions, employer federations and the government working hand-in-hand to tackle crises or improve trade. The underlying goal that guides the tripartite partners is Singapore's continued economic prosperity – one that should not be taken for granted.

The changing diversity in the workforce is one of the key challenges in growing our membership base. The twin trends of a growing

PMET (Professionals, Managers, Executives and Technical People) base and the influx of foreign workers offer us good opportunities for growth. Rewind to 2006 when the vision of LM2011 was shared. It's about an all-inclusive, all working people – of every collar, age group and nationality – to work, live and play together. While the foundation building has begun since 2006, the time for action is upon us. It is in our best interests to embrace these changes as opportunities for forging a more inclusive Labour Movement.

During the NTUC Ordinary Delegates Conference in October 2009, we received valuable inputs as to how we can better reach out and appeal to groups we had previously been less active in engaging. There were suggestions that for us to achieve breakthrough in attracting more PMETs, we need to provide 'Limited Representation' at the workplace and 'Professional Development' to support personal enrichment that the PMETs want.

Notably, these are also the key ingredients that separate us from companies in the credit card, lifestyle benefit or customer loyalty businesses. The Labour Movement is able to offer workplace representation to our members. This remains a core Labour Movement offering to our members. Our years of experience in advocating re-skilling, up-skilling and multi-skilling workers' capabilities put us in a differentiated position to do a better job of professional development and career enhancement. This ability to offer workplace representation, professional development and lifestyle benefits makes the Labour Movement a unique proposition which no other organisation in Singapore is able to offer its members.

Ultimately, the membership story is not about numbers, less about discounts and benefits but more about growing a community of communities, championing a louder voice and building a common space for the workers of Singapore. It is about belonging.

# Corporate Tax Cuts Won't Bite Into Pockets



By  
**Marcus Lin**

**I**n his maiden speech in Parliament on 23 November 2009, Labour Nominated Member of Parliament Terry Lee expressed concerns about how a reduction of the corporate tax rate under the Income Tax (Amendment) Bill passed on the same day might impact ordinary people.

Agreeing that the corporate tax rate cut from 18 to 17 per cent is necessary, especially post-crisis, he told the House: "As an advocator for workers, especially in these challenging times, I believe that these changes will improve our competitive edge and help retain as well as attract jobs for Singaporeans. Only when the economy thrives and people have jobs, can we progress as an inclusive and competitive society."

He said that Singapore had more than attractive tax rates and environment to offer: "Over the years, we have painstakingly forged a strong tripartite relationship that enhances our competitiveness by ensuring stability in the way we resolve conflicts. This is our foundation for success. And we must zealously continue to guard it.

"Other strategic advantages we offer



businesses are our locality, operational efficiency and a harmonious living environment among the many religions and races. Our high standard of living is certainly an advantage, but it also comes with a cost. And many workers are concerned that this cost will further rise while their income diminishes. This is especially worrisome for the low-wage, casual workers and the middle income sandwiched class. Definitely,

this has an impact on our socio-economic wellbeing."

Specifically, Mr Lee wondered whether indirect taxes would increase to fund Government budgets: "Indirect taxes can hit companies as well as individuals. Therefore, I feel it is important that this amendment be sustainable, and that the common man on the street must understand the long-term effect of our decision."

Second Minister for Finance Mrs Lim Hwee Hua assuaged Mr Lee's concerns. She said that while Singapore's tax rates are competitive in relation to the alternatives that investors have, "I would like to reiterate that Singapore is not a tax haven. We are a real economy with substantive businesses. Taxes are but one component of what it takes to be a conducive business environment."

Mrs Lim added that "our headline tax

adjustments are really designed for the long haul. This is really in recognition of the long-term perspective that serious investors take. Hence, we consider very carefully to see if our fiscal position can allow these adjustments before making them. Our overall fiscal strategy is one of spending prudently and living within our means."

Estimating that the tax foregone would be about \$400-500 million per year, she said that "the reduction in the corporate tax rate is really an important part of our overall strategy to restructure revenue sources."

She assured Mr Lee that it would be more than offset by increases in revenue from increasing the GST rate from 5 per cent to 7 per cent in 2007, and revising in 2008 the framework for spending investment returns from reserves to one based on long term expected returns so as to tap on more of these returns.

## AESU Is Part Of SIAEC's Cheaper Better Faster Drive

In an NTUC This Week report dated 20 November 2009 titled "SIAEC Takes Off On Cheaper Better Faster", the Air-Transport Executive Staff Union was one of the participating unions. This was inadvertently left out.