

**THIS COLLECTIVE AGREEMENT** is made pursuant to the Industrial Relations Act, this 29th day of December 2010 between the **SINGAPORE ELECTRICAL STEEL SERVICES PRIVATE LIMITED**, a company incorporated in the Republic of Singapore and having its registered office at No 2 Benoi Crescent, Singapore 629969 (hereinafter called the “Company”) of the one part and the **UNITED WORKERS OF ELECTRONIC & ELECTRICAL INDUSTRIES** at No. 252 Tembeling Road, #03-07 Tembeling Centre, Singapore 423731 being a trade union of employees registered pursuant to the Trade Unions Act (hereinafter called the “Union”) of the other part.

**NOW IT IS HEREBY AGREED AND DECLARED** between the parties hereto as follows:

**1. TITLE**

This Agreement shall be known as the “**SINGAPORE ELECTRICAL STEEL SERVICES EMPLOYEES’ AGREEMENT OF 2010**”.

**2. SCOPE**

This Agreement shall cover all locally engaged employees of the Company in Singapore with the exception of managerial, executive, confidential, probationary employees and any temporary employees engaged for a period not exceeding the aggregate of three months in any year.

**3. RECOGNITION**

(1) The Company recognises the Union as the sole collective negotiating body in respect of all terms and conditions of the employees coming within the scope of this Agreement. Any changes by the Company to the terms and conditions of service of such employees shall not take effect before their incorporation

into this Agreement by variation thereof under the provisions of section 45 of the Industrial Relations Act.

- (2) All correspondence from the Company to employees covered by this Agreement shall be copied to the Union and its Branch.
- (3) The Union recognises the rights of the Company to control, operate and manage its business in all respects.

#### **4. NON-UNION MEMBERS**

Employees who are not members of the Union but within the scope of this Agreement shall not receive benefits more favourable than those conferred on the union members under this Agreement.

#### **5. DURATION OF AGREEMENT**

- (1) This Agreement shall take effect on 1st July 2010 and shall remain in force until 30th June 2013 both dates inclusive.
- (2) During the currency of this Agreement, neither the Company nor the Union shall seek to vary, modify or annul any of its terms in any way whatsoever, save as is provided herein or by operation of law.
- (3) Negotiations for a new collective agreement may commence three months before the date of expiry of this Agreement.

#### **6. REFEREE**

Any dispute between the parties to this Agreement while it is in force and arising out of its operation shall be referred by either party to the President of the Industrial Arbitration Court who shall have the discretion to select a referee appointed in accordance with section 43 of the Industrial Relations Act to determine the dispute.

#### **7. GRIEVANCE PROCEDURE**

- (1) The Union and the Company agree that an employee's grievance shall be dealt with as expeditiously as possible. In accordance

therewith the procedure set out in sub-clause (2) of this clause shall be adopted to deal with an employee's grievance.

- (2) The procedure referred to in sub-clause (1) of this clause shall be as follows:
  - (a) Step One

A Branch committee member or any Union official authorised by the General Secretary of the Union may discuss a minor grievance of an employee with the Department Manager concerned.
  - (b) Step Two

If the grievance is not resolved, the Union may request a Union/Company meeting to discuss the matter.
  - (c) Step Three

Failing a settlement, either party may refer the matter to the Ministry of Manpower for conciliation.
- (3) In the event of there being no settlement at this level, the matter shall be dealt with in accordance with the provisions of clause 6 of this Agreement.

## **8. EMPLOYEES' LIST**

- (1) The Company shall on signing this Agreement submit to the Union a list of employees who are within the scope hereof showing the employees'-
  - (a) names;
  - (b) identification numbers;
  - (c) grades/classes;
  - (d) most recent rates of pay;
  - (e) service dates; and
  - (f) highest education levels.
- (2) The Company shall submit as sub-clause (1) above on 31st December of each year to reach the Union not later than 31st January of the following year.

**9. PROBATION**

- (1) A newly engaged employee shall serve a probationary period of up to three months.
- (2) The probationary period may be extended up to another three months at the discretion of the Company.
- (3) On completion of his/her probationary period, an employee shall be deemed to have been confirmed in the Company's permanent establishment unless he/she is informed in writing that his/her service is terminated or his/her probation is extended by the Company.

**10. WORKING HOURS AND OVERTIME**

- (1) The working hours shall be regulated in accordance with the Employment Act.
- (2) The overtime rate shall be as follows:  
For non-manual workers in receipt of a basic salary exceeding \$2,000/- a month - 1.25 rate for normal working days, rest days, off days and public holidays.
- (3) The Company shall inform the Union in advance of any intention to change the present working hours.

**11. RETIREMENT & RE-EMPLOYMENT OF OLDER WORKERS**

- (1) The retirement age of an employee shall be in accordance with the Retirement Age Act.
- (2) The Company shall offer re-employment to employees who reach retirement age of 62 subject to the following:
  - (a) Medically fit to continue working
  - (b) Satisfactory work performance

**12. RETRENCHMENT BENEFIT**

- (1) In the event that the Company intends to retrench any employees due to redundancy or reorganisation, the Company

shall inform the Union in writing of such impending retrenchments at least one month before the retrenchment notices are given to the affected employees.

- (2) The notice of termination of service to any employee so affected shall be not less than one month or one month's pay in lieu of notice.
- (3) The retrenchment benefits payable to the affected employees shall be as follows:
  - (a) Less than one year's service - 5 days' pay of basic wage.
  - (b) Less than two years' service - 10 days' pay of basic wage.
  - (c) Less than three years' service - 15 days' pay of basic wage.
  - (d) Three years' service and above - one month's basic wage for each year of service and part thereof, for any incomplete year of service.
- (4) The affected employees shall also be paid the following:
  - (a) Unconsumed annual leave;
  - (b) Pro-rated annual wage supplement; and
  - (c) For female employees who are certified by a Singapore Government medical officer as being pregnant on the day of retrenchment, payment in lieu of maternity leave shall be in accordance with clause 21 of this Agreement.
- (5) The length of service shall be computed from the date of the employee's employment with the Company till the last working day.

### **13. SALARY/PROMOTION**

- (1) The salary range for each category of employees shall be as set out in Appendix I to this Agreement.
- (2) The Company and the Union have agreed to implement the Competitive Base-Up System (CBWS). The annual increment shall be negotiated annually between the Company and the Union. Both parties shall negotiate on the annual increment

taking into consideration the recommendation of National Wages Council and the Company's performance.

- (3) The incremental date shall be 1st April of each year. Any confirmed employee who has served the Company for not less than six months as at 31st March shall be entitled to receive the full increment. Any confirmed employee who served the Company for less than six months as at 31st March shall be entitled to receive the annual increment on a pro-rata basis as follows:

$$\frac{\text{Length of Service (in months)}}{12} \times A.I.$$

- (4) In the case of promotion, the promotee's salary shall be adjusted to the minimum of the new grade or one annual increment of the new grade whichever is greater. If the promotee's salary is already above the minimum of the new grade, he shall be given one annual increment of the new grade. The promotional adjustment given shall not affect the promotee's annual increment as mentioned in sub-clause (3) above.

#### **14. ANNUAL WAGE SUPPLEMENT/VARIABLE PAYMENT**

- (1) The Company shall pay an annual wage supplement equivalent to one month's wage to each employee before 15th December of each year.
- (2) Employees who have not completed twelve months' service with the Company shall be paid the annual wage supplement on a pro-rata basis.
- (3) For the purpose of this clause, an incomplete month of service of fifteen days or more shall be treated as a full month.
- (4) An employee who is dismissed for misconduct shall not be entitled to any annual wage supplement whether in full or in part.
- (5) Proportionate annual wage supplement calculated on the basis of each completed month's service shall be paid to an employee who has served the Company for more than one year and whose service is terminated on the ground of -

- (a) retirement on reaching the retirement age;
  - (b) termination on medical grounds;
  - (c) death;
  - (d) resignation after July (except to avoid dismissal); or
  - (e) call-up for full-time National Service.
- (6) The Company shall negotiate with the Union on the variable payment each year taking into account -
- (a) the Company's profitability and productivity;
  - (b) the National Wages Council's recommendations, if any; and
  - (c) general economic conditions.

**15. SHIFT DUTY ALLOWANCE**

- (1) Every shift duty employee who works on the 3rd shift shall be paid a shift allowance as follows:
- 3rd shift - \$13/- per shift.
- (2) In addition to the above, a special allowance of \$5/- per shift is payable to employees who perform 12 hours shift from 8:15 pm to 8:15 am.

**16. TRANSPORT ALLOWANCE**

The Company shall pay a transport allowance of \$60.00 per month to every employee subject to the following deductions -

- (a) \$2.00 per day for unpaid leave.
- (b) \$3.00 per day for absence from work.

**17. MEAL ALLOWANCE**

- (1) A meal allowance of \$40.00 per month shall be paid subject to a deduction of \$2.00 per day for each day of unpaid leave or unauthorised absence taken by the employee.
- (2) Employees working overtime on weekdays shall be eligible for a meal allowance as follows:

- (a) Over one hour to two hours - \$1.50.
- (b) Over two hours to four hours - \$2.00.
- (c) Over four hours - \$4.00.

**18. ATTENDANCE INCENTIVE**

- (1) Employees who have perfect attendance for a continuous period of one month shall be entitled to an attendance incentive of \$40.00 per month.
- (2) For the purpose of qualifying for the attendance incentive, annual leave, medical leave, maternity leave, compassionate leave, marriage leave, union leave and National Service leave shall be deemed to be attendance at work.
- (3) The attendance incentive shall be deducted in the following circumstances -

<u>Deductible Amounts</u>	<u>Situations</u>
\$20.00 per day	unpaid leave
\$40.00 per day	absence without official leave
\$5.00 per day	late for work for 3 - 10 minutes
\$10.00 per day	late for work for 11 - 30 minutes
\$15.00 per day	late for work for more than 30 minutes

**19. ANNUAL LEAVE**

- (1) Every employee shall be granted by the Company paid annual leave as follows:
    - 1st year of service - 10 working days
    - 2nd to 3rd year of service - 12 working days
    - 4th to 5th year of service - 14 working days
    - 6th to 8th year of service - 17 working days
    - 9th to 10th year of service - 19 working days
    - 11th year of service or more - 20 working days
- An employee shall be entitled to proportionate annual leave in respect of an incomplete year of service.

- (2) If an employee terminates his/her service or has his/her service terminated before he/she has taken his/her annual leave, the Company shall pay for leave not taken as on the day of termination of service.
- (3) Annual leave may be allowed to be accumulated up to two years of annual leave entitlement.
- (4) Unless it is an emergency, the employee shall apply for annual leave one week in advance. The Company shall inform the employee within two days of the receipt of the application whether the leave has been approved.
- (5) If an employee who is on annual leave falls ill during the period of such leave, he shall be deemed to be on sick leave on the day(s) he is duly certified to be sick in accordance with the provisions of clause 20 of this Agreement. The Company shall accordingly adjust the employee's record of annual leave.

**20. SICK LEAVE**

- (1) An employee shall be entitled to paid outpatient leave as follows:

Length of service with the Company	Paid Sick Leave
At least 3 months but less than 4 months	5 days
At least 4 months but less than 5 months	8 days
At least 5 months but less than 6 months	11 days
6 months or more	14 days

- (2) The Company shall recognise the medical certificates issued from the Company's approved doctors or from any Government medical officer or in the case of an emergency, from a registered medical practitioner.
- (3) An employee shall be entitled to paid hospitalisation leave in any calendar year (less any outpatient leave taken in the year) as follows:

Length of service with the Company	Paid Hospitalisation Leave
At least 3 months but less than 4 months	15 days
At least 4 months but less than 5 months	30 days
At least 5 months but less than 6 months	45 days
6 months or more	60 days

## **21. MATERNITY LEAVE**

- (1) A female employee who has completed 90 days of service in the Company shall be entitled to paid maternity leave of two months plus eight weeks, subject to the conditions stipulated in the Children Development Co-Savings Act.
- (2) A female employee who does not qualify under sub-clause (1) but who has completed 90 days of service in the company shall be entitled to two months of maternity leave on full pay and another four weeks of maternity leave without pay, subject to the conditions stipulated in the Employment Act.
- (3) An application for maternity leave shall be supported by a certificate from a registered medical practitioner of a Government or any private hospital.
- (4) If at the expiry of the maternity leave, the employee is medically certified as unfit for duty her absence shall be treated as normal sick leave in accordance with clause 20 of this Agreement.

## **22. PATERNITY LEAVE**

Male employee shall be entitled to two days' paid paternity leave on the birth of his first three surviving children.

## **23. MARRIAGE LEAVE**

The Company shall grant five working days' leave with full pay only on the occasion of the first marriage provided that the employee's first

marriage is contracted or solemnised whilst he/she is employed in the Company and a valid certificate or any other evidence of such marriage shall be provided by the employee.

**24. COMPASSIONATE LEAVE**

An employee shall be eligible for paid compassionate leave in the event of the following:

- (a) Death of employee's spouse, parent, parent-in-law, child, brother, sister and grandparent - three working days.
- (b) Serious illness (critical condition which requires the patient to be warded in hospital and classified under the "dangerously-ill list") of employee's spouse, parent, parent-in-law, child, brother, sister and grandparent - two working days.

**25. UNION'S DAY**

The Company shall grant one day's paid special leave to three Union Branch officials on the Union's Anniversary Day on 19th August or on any other day as decided by the Executive Council of the Union from time to time and upon application by the Union.

**26. EDUCATION LEAVE**

Where operation permits, the Company shall grant special leave with pay to Branch officials who are selected to attend trade union education courses sponsored by the Union and/or NTUC.

**27. OUTPATIENT TREATMENT**

Every employee shall enjoy the privilege of free medical attention, treatment and medicine from the Company's approved doctors. The Company shall reimburse the employee the medical expenses incurred from consulting a Government medical officer or in an emergency from any registered medical practitioner. Other than

emergency cases, employees who wish to consult private medical practitioners must obtain prior approval from the Company.

**28. GROUP HOSPITALISATION AND SURGICAL INSURANCE**

Every confirmed employee shall be entitled to the Hospitalisation and Surgical Insurance Policy underwritten by the Company's Insurers as shown in Appendix II to this Agreement.

**29. FLEXIBLE BENEFITS**

The Company shall reimburse up to a maximum sum of \$120.00 per employee per year in respect of either of the following:

- (a) Skills upgrading courses (IT courses only).
- (b) Dental treatment at the NTUC Denticare, Government Clinic or any other registered dental practitioner in respect to amalgam filling, extraction of teeth, scaling and/or polishing.
  - (i) An employee's absence caused through dental illness on production of an attendance certificate issued by a registered dental practitioner shall be treated as sick leave and paid as such.
  - (ii) Employees seeking dental treatment shall do so on their own time (i.e. time beyond working hours) unless in the case of an emergency.

**30. WORK INJURY COMPENSATION INSURANCE**

- (1) Every employee shall be insured in accordance with the provisions of the Work Injury Compensation Act.
- (2) The Company shall pay full wages to employees for a period not exceeding one year for any incapacity arising out of an industrial accident or occupational disease for which employees are entitled to no payment or payment at reduced rates under the Work Injury Compensation Act.

- (3) All periods of sick leave or hospitalisation taken by employees under the provisions of this clause shall be in addition to the period of normal sick leave or hospitalisation provided under clause 20 of this Agreement.

**31. TUBERCULOSIS/LONG TERM SICK LEAVE AND MEDICALLY BOARDED OUT BENEFIT**

- (1) In the event of an employee contracting tuberculosis or any other long term illness such as heart disease, kidney disease, leukaemia, diabetes or cancer, the Company shall grant leave as follows:
  - (a) First six months - full pay.
  - (b) Next six months - half pay.
  - (c) A further six months - no pay.
- (2) Every employee with three years' service or more and who has been certified by two medical practitioners nominated by the Company as being permanently disabled and/or unfit for any forms of future employment shall be eligible for the following benefits -
  - (a) Less than 10 years of service - \$3,000.00.
  - (b) 10 years and above of service - \$7,000.00.
  - (c) 15 years and above of service - \$10,000.00.
- (3) For the purpose of this clause, certification by medical practitioners nominated by the Central Provident Fund Board shall be sufficient evidence that an employee is permanently disabled.

**32. WELFARE INSURANCE SCHEME**

The Company shall pay the premium of \$2.00 per month on behalf of any employee who has taken up a policy of the Welfare Insurance Scheme offered by NTUC INCOME.

**33. GROUP TERM LIFE INSURANCE SCHEME**

- (1) The Company shall insure all its employees under the NTUC INCOME Group Term Life Insurance Policy for a minimum sum

assured of \$3,000/- per employee for the duration of their employment in the Company.

- (2) The insurance shall provide a round-the-clock cover to each employee against death from all causes and permanent and total disability as a result of illness or accident happening before the age of sixty-two years without restriction placed as regards to residence, travel or occupation.

**34. JOINT MANAGEMENT-LABOUR CONSULTATION**

The Company and the Union shall jointly institute productivity improvement and work excellence programmes to increase the productivity of the Company and its workforce and to improve the quality of working life. The term spirit of co-operation and consultation shall be promoted by both the Company management and the Union.

**35. SAFETY COMMITTEE**

The Company shall maintain the Safety Committee in cooperation with Union in accordance with the Workplace Safety and Health Act, to further the object of plant safety.

**36. UNIFORM**

The Company shall provide every employee three sets of uniforms per year.

**37. SAFETY SHOES**

The Company shall provide one pair of safety shoes per year to production employees and other categories of employees as determined by the Company. Safety shoes shall also be replaceable in any event of wear and tear.

**38. SKILLS TRAINING**

The Company shall provide skills training to employees to upgrade their work skills or other skills relevant to the Company's operation.

**39. EQUAL REMUNERATION**

- (1) Both parties accept that the principle of equal remuneration for men and women for work of equal value shall apply. "Remuneration" means salary (as define in the Employment Act) and any other consideration, whether in cash or in kind, which the employee receives directly or indirectly, in respect of employment.
- (2) The employer shall ensure that the principles of equal remuneration for men and women for work of equal value are adhered to. Regardless of their gender, employees will be paid and rewarded based on the value of job, performance and contribution.

**IN WITNESS WHEREOF** the parties have hereto set their hands the day and year above written.

Signed for and on behalf of

**SINGAPORE ELECTRICAL STEEL  
SERVICES PRIVATE LIMITED**

**UNITED WORKERS OF  
ELECTRONIC & ELECTRICAL  
INDUSTRIES**

**YOSHIKATSU FUNAMI**  
Managing Director

**HALIMAH BTE YACOB (MDM)**  
Executive Secretary

**TOKUDA TORU**  
Senior General Manager

**CYRILLE TAN**  
General Secretary

**TAN BEE CHENG**  
Branch Chairman

In the presence of

**LIM CHENG YEOK**  
General Manager

**SAMANTHA LIM HUIYING**  
Senior Industrial Relations Officer

**SINGAPORE ELECTRICAL STEEL SERVICES  
EMPLOYEES' AGREEMENT OF 2010**

**SALARY STRUCTURE**

<u>Designation</u>	<u>Minimum (\$)</u>	<u>Maximum (\$)</u>
Operator II / QC/QA Inspector II	600	1,000
Operator I / QC/QA Inspector I	680	1,200
Senior Operator / Senior QC/QA Inspector	745	1,300
Line Leader / Technician III	815	1,450
Asst. Foreman / Technician II	980	1,720
Foreman / Technician I	1,085	1,850
Asst. Section Head / Senior Technician III	1,175	1,980
Section Head / Senior Technician II	1,270	2,188
Senior Section Head / Senior Technician I	1,480	2,380
Administrative Asst. III / Co-ordinator III	780	1,250
Administrative Asst. II / Co-ordinator II	890	1,350
Administrative Asst. I / Co-ordinator I	960	1,500
Senior Administrative Asst. II / Senior Co-ordinator II	1,040	1,700
Senior Administrative Asst. I / Senior Co-ordinator I	1,340	2,100
Driver	1,000	1,500
Cleaner / Gardener	800	1,200

