

SECURITY PROGRESSIVE WAGE MODEL

An update to Security Service Buyers

**Presentation by
Security Tripartite Cluster**

Scope

- Challenges in Private Security Industry
 - MOM 2014 Job Vacancies Report
- Security Tripartite Cluster
 - Security Progressive Wage
- PWM and Buyers of Security Services

Challenges in Private Security Industry



Job Vacancies 2014 Report

by Ministry of Manpower

THE STRAITS TIMES / Singapore 27th Jan 2015

Job vacancies up 9% in 2014, service industry workers in greatest demand

PUBLISHED ON JAN 27, 2015 10:57 AM

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Looking at professions, the biggest shortfall was for service and sales workers, including shop sales assistants, security guards and waiters. --PHOTO: ST FILE

SINGAPORE - The number of job vacancies here rose again to 67,400 as of September last year, according to a Manpower Ministry (MOM) report released on Tuesday. This was up 8.9 per cent from the year before, as the tight labour market continued. Four in five vacancies were in the services industry, especially community, social and personal services. This reflected "the expansion of childcare and pre-schools, healthcare and tertiary institutes," said MOM in its report.

New shopping malls also boosted hiring in wholesale and retail trade, accommodation and food services, and administrative and support services. Looking at professions, the biggest shortfall was for service and sales workers, who accounted for a quarter of the total vacancies. These include shop sales assistants, **security guards** and waiters. Associate professionals and technicians were also in keen demand, accounting for around one in five vacancies. The share of vacancies that went unfilled for six months or longer remained at around four in 10. Unattractive pay continued to be the major factor behind firms' difficulties in hiring Singaporeans or permanent residents for jobs. It was hard to find Singaporeans and PRs to fill 67 per cent of vacancies. Not being able to get a shorter work week overtook a physically strenuous job nature as the next biggest hindrance.



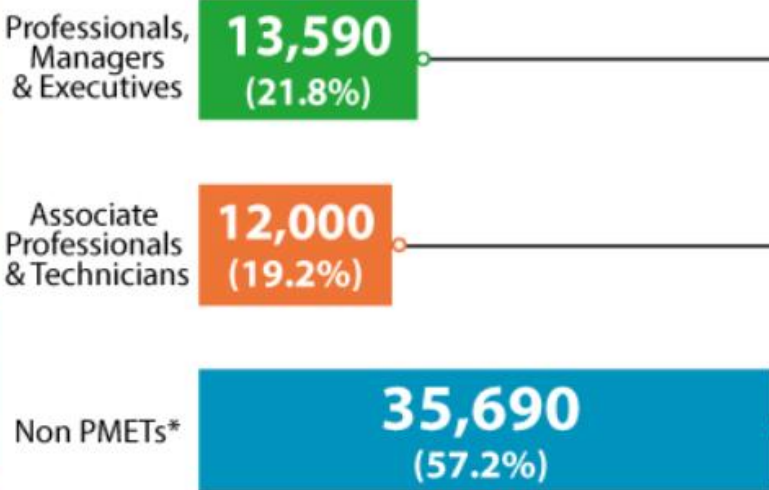
Job Vacancies 2014 Report

by Ministry of Manpower

JOB VACANCIES, 2014

Jobs openings were available across all occupations

Number And Share Of Job Vacancies By Occupation (As at September)



Top Openings



*PMETs refer to Professionals, Managers, Executives and Technicians

Job Vacancies 2014 Report

by Ministry of Manpower

Service & Sales Workers

3.12 Employers were seeking to hire a sizeable number of *shop sales assistants* (3,730), *security guards* (2,250), *waiters* (2,200), *food service counter attendants* (1,020) and *cooks* (1,000). Work experience is not commonly required for these positions. A large majority of the top ten vacancies had above-average incidence of vacancies unfilled for at least six months and hard to fill by locals.

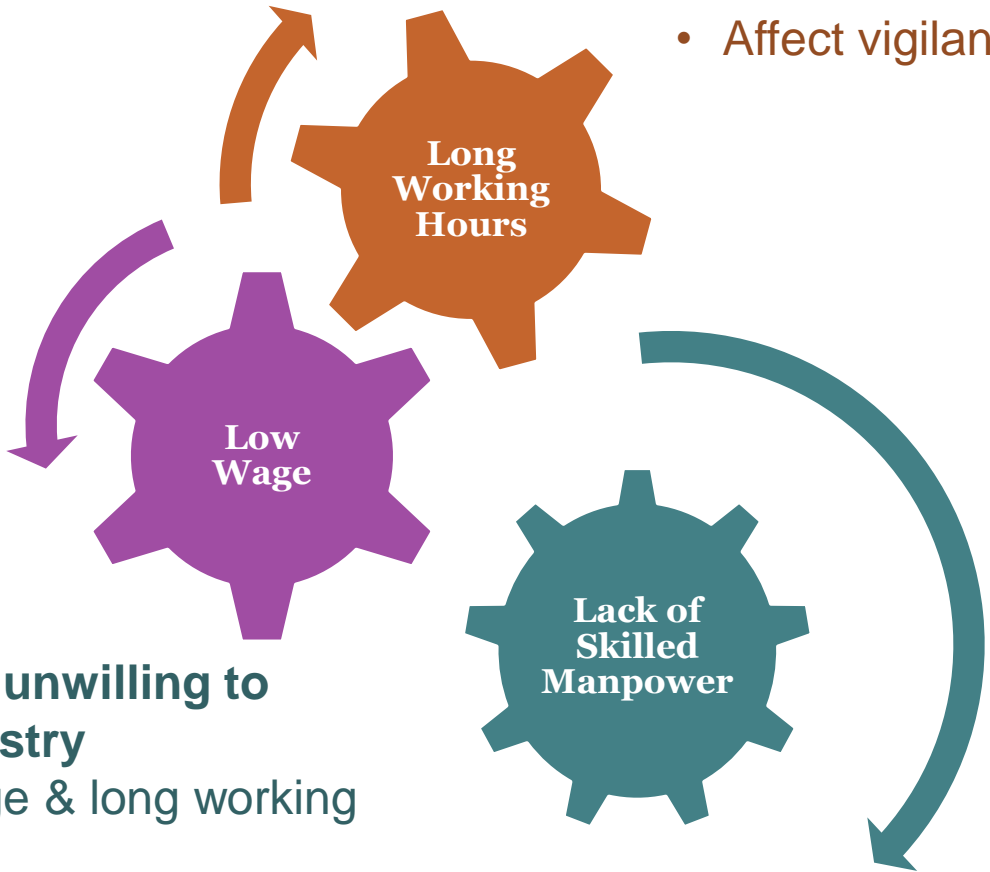
Occupation	Vacancies Hard To Fill By Locals		Top Three Reasons For Hard-To-Fill Vacancies
	Number	Incidence (%)	
Security Guard	1,960	87.1	1. Find The Job Physically Strenuous (59.4%) 2. Find Pay Unattractive (56.6%) 3. Prefer Shorter Workweek (54.4%)

Challenges faced in Unarmed Security Industry

Typically more than 72hrs week

- 12 hours x 6 days
- Affect vigilance

Low Wage
• Workers paid low wage
• Sizable income from Overtime pay

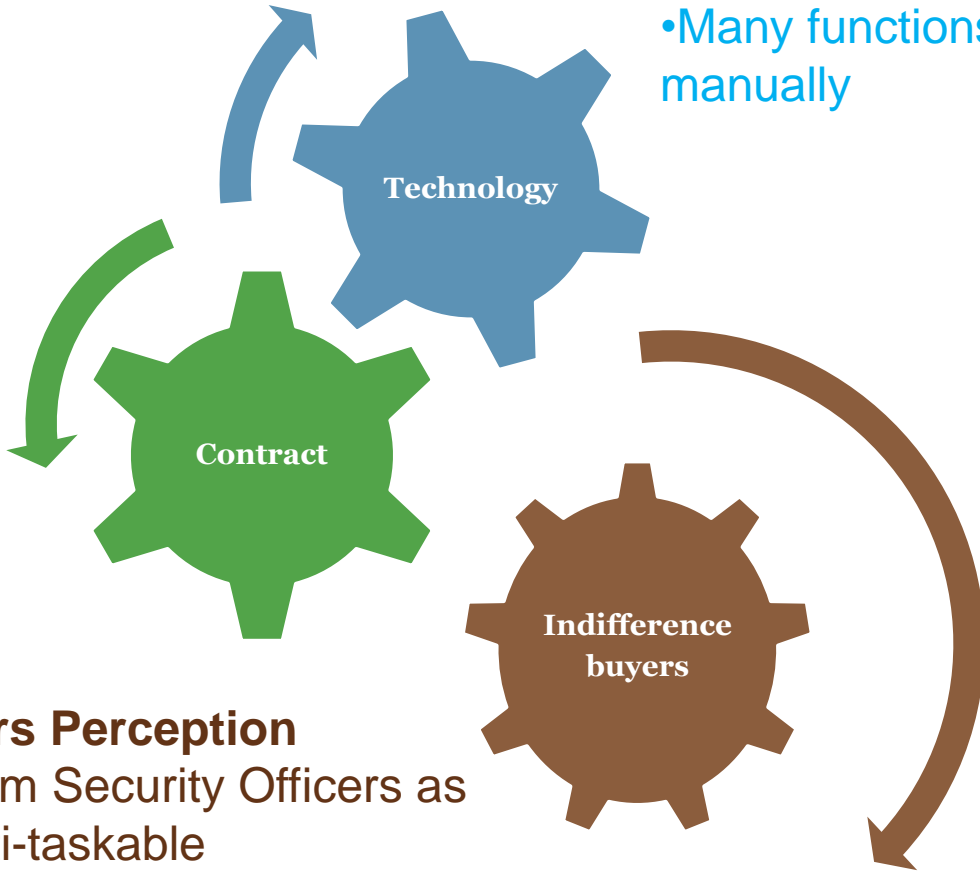


Workers unwilling to join industry
• Low wage & long working hours
• Not perceived to be a professional industry

Challenges faced in Unarmed Security Industry

Contracting

- Most contracts are headcount based contracting
- Providing bodies rather than looking at security outcomes



Low level of technology adoption

- Many functions performed manually

Buyers Perception

- Deem Security Officers as multi-taskable

Security Tripartite Cluster



Security Tripartite Cluster

- In 2012, Manpower Minister formed a Security Tripartite Cluster (STC) to look at issues faced by sector
- STC chaired by
 - DSG Heng Chee How
 - Vice President SNEF John Ng
- STC comprises of :
 - Union representations
 - NTUC, USE, E2I (Union of Security Employee)
 - Government Agencies
 - MHA, SPF(PLRD), MOM, WDA
 - Industry
 - Trade Associations (SAS/ACSA), APRO Asian, Reachfield
 - Buyers of Services
 - Comfort Deglro, Acendas, Changi Airport Group

Security Tripartite Cluster

- STC noted the twin challenges of Professionalizing the sector and long working hours
- On 29 Oct 2014, STC proposed the implementation of the Progressive Wage Model (PWM) for Security sector and indicated that it will review long working hours in 2017
 - Copy of STC report can found at www.ntuc.org.sg/wps/portal/up2/home
- On the same day, the Government accepted STC's recommendation for implementation



ng & Foreign Manpower Workplace Safety & Health Statistics & Publications Services & Forms Newsroom Legislation

Ministry of Manpower

Progressive Wage Model for the Security Sector to be Incorporated into Licensing Regime

Introduction of a new career progression pathway, progressive wage and training requirements for security officers will raise standards and professionalism across the security industry

29 October 2014

1. The Government has accepted the recommendations contained in the report of the Security Tripartite Cluster (STC) on the Progressive Wage Model (PWM) for the security industry, which was released today. The Government concurs with the STC's views that these recommendations will raise standards and professionalism across the security industry. Service buyers and consumers will in turn benefit from better security services and standards.

Security Progressive Wage Model

1. The Government has accepted the recommendations contained in the report of the Security Tripartite Cluster (STC) on the Progressive Wage Model (PWM) for the security industry, which was released today. The Government concurs with the STC's views that these recommendations will raise standards and professionalism across the security industry. Service buyers and

2. **Five-level career progression model, with specific training requirements that tap on the WSQ**

Peg wages for each level to ensure security officers paid wages commensurate with skills and

3. **Provides clear pathway for security officers to progress to higher wages as they become better skilled, more productive and take on higher job responsibilities**

are in line or higher than the progressive wage levels specified in the PWM. As the PWM will apply to security officers deployed under both new and existing service contracts starting 1 September 2016, security agencies and service buyers are encouraged to factor in any anticipated cost increases when tendering for new contracts or renewing existing contracts.

4. An estimated 33,000 active security officers will benefit from improvements in skills training and a clearer career progression pathway as outlined in the STC report. Progressive wages that are in line with the PWM will be mandatory for an estimated 29,000 resident security officers. Security agencies that do not comply with the stipulated requirements may not have their licences renewed. PLRD will work with the Ministry of Manpower (MOM) and the Singapore Workforce Development Agency (WDA) to implement the PWM. More details on this new licensing condition will be released to the industry in 2015.

Security Progressive Wage Model

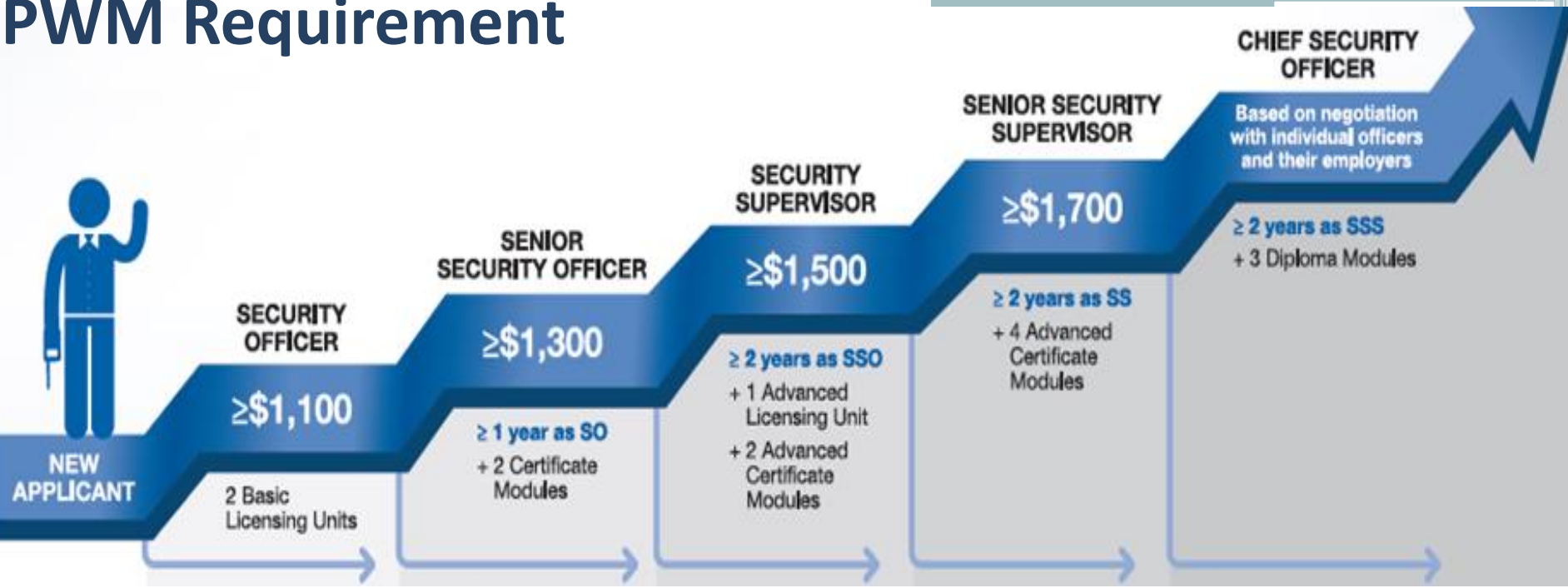
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2. The new five-level career progression model, with specific training requirements that tap on the Singapore Workforce Skills Qualifications for Security (Security WSQ) ensures that security officers are equipped with the skills to carry out their job functions. The pegging of progressive wages for each level will also ensure that security officers are paid wages that are commensurate with their skills and productivity. The PWM provides a clearer pathway for security officers to progress to higher wages as they become better skilled, more productive and take on higher job responsibilities. This will enable security agencies to better attract and retain well-trained security officers. [Please refer to [Annex A](#) for more details on Security WSQ.]

3. **Compliance with wage and training requirements as it will be made a mandatory licensing conditions for security agencies**

4. **Security agencies and service buyers encouraged to factor in anticipated cost increases . By 1.9.2016, security agencies must ensure all security officers are on PWM. Apply to new and existing service contract at 1.9.2016.**

has provided a lead time of two years for the industry to comply with the PWM training and wages requirements. From 1
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PWM Requirement







2 Requirements in Security PWM

- a. Actual Experience; AND
- b. Competency Requirement; AND



Security PWM Grades & Wage

Competency Requirements

Rank	Modules
<u>Security Officer</u> (2 Mandatory BLUs)	<ul style="list-style-type: none"> • [MANDATORY] Handle security incidents and services (102C-1) ✓ • [MANDATORY] Provide guard and patrol services (103C-1) ✓
<u>Senior Security Officer</u> (+2 Mandatory Certificate Modules)	 <ul style="list-style-type: none"> • [MANDATORY] Manage disorderly conduct and threatening behaviour (108E-1) ✓ • [MANDATORY] Operate basic security equipment (114E-1) ✓
<u>Security Supervisor</u> (+1 Mandatory ALU & 2 Advanced Certificate Modules)	   <ul style="list-style-type: none"> • [MANDATORY] Supervise security officers (301C-1) ✓ • Assess and address security risks (302C-1) ✓ • Induct security personnel (305C-0) • Perform supervisory duties within legal framework (304C-0)
<u>Senior Security Supervisor</u> (+1 Mandatory Advanced Certificate Module & 3 Optional Advance Certificate Modules)	<ul style="list-style-type: none"> • [MANDATORY] Monitor and review security operations (310E-0) ✓ • Assess and address security risks (302C-1) - <i>not inclusive if taken previously</i> ✓ • Induct security personnel (305C-0) - <i>not inclusive if taken previously</i> • Perform supervisory duties within legal framework (304C-0) - <i>not inclusive if taken previously</i> • Conduct operation briefing and debriefing (302E-0) ✓ • Lead and manage a team of security officers (304E-0) • Perform monitoring and reporting duties at central command centre (305E-1) ✓ • Deploy security equipment (308E-2) ✓ • Contribute to the management of security incidents (311E-0) ✓ • Supervise crowd and traffic control activities (315E-1)
<u>Chief Security Officer</u> (+1 Mandatory Diploma Modules & 2 optional Diploma Modules)	<ul style="list-style-type: none"> • [MANDATORY] Manage security agency within legal framework (404C-1) • Manage security operations (402C-1) ✓ • Achieve work effectiveness in security environment (407C-1) • Manage and resolve conflict in security environment (406C-1)

Job Functions in Security PWM

	SO	SSO	SS	SSS	CSO
General Screening <ul style="list-style-type: none"> •Screening people/staff/vehicle seeking entry •Person and properties checks 	•	•	•	•	•
Guarding & Patrolling <ul style="list-style-type: none"> •Guard properties, preventing thefts •Clock routes •Check for leaks & signs of fire/smoke •Check and prevent entry of unauthorized people/staff •Check that security system/equipment are working and not tampered with •Check that exits are clear and secured and doors/windows secured •Turn off unnecessary light/taps •Note and report irregularities •Check perimeter fences/walls for wear & tear or forced entry •Manage vehicle parking allocation •Check lighting is in working order •Ensure loading bay doors & good lifts are secured when not in use 	•	•	•	•	•
Access & egress Control <ul style="list-style-type: none"> •Control entry & exit •Conduct identity check and pass exchange •Authorize access to staff and visitors •Operate gates, door or barriers •Supervise car parks and loading areas •Maintain access control records •Escort visitors 	•	•	•	•	•
Basic Incident Response <ul style="list-style-type: none"> •Respond to & report to Alarms •Respond to & report to fire related incidents •Respond to & report crimes or public order incidents •Respond to & report suspicious person, belongings, vehicles •Respond to & report medical emergencies •Respond to & report bomb or terrorist threats •Respond to & report lift breakdown, power failure •Respond to & report burst water pipe/leaking or ruptured sprinklers 	•	•	•	•	•

Job Functions in Security PWM

	SO	SSO	SS	SSS	CSO
Incident Response <ul style="list-style-type: none"> • Respond to & report complex or large-scale safety and security incidents • Detain suspicious persons and await instruction • Assist in evacuation 		•	•	•	•
Manage Security & Safety Systems <ul style="list-style-type: none"> • Manage Central Alarm Monitoring System • Manage fire control system • Manage lift control system • Manage Carpark system 		•	•	•	•
Regulating Traffic (Road Traffic Act) <ul style="list-style-type: none"> • Regulated traffic under Sec142B (RTA) 		•	•	•	•
CCTV/Central Alarm Monitoring/ Fire Command Centre Monitoring <ul style="list-style-type: none"> • Monitor CCTV & Centralized Alarm monitoring • Maintain CCTV storage libraries • Preserve evidence 		•	•	•	•
Assist State/Auxiliary Police in law enforcement <ul style="list-style-type: none"> • Assist Police in policing & enforcement • Issue summons • Detain & hand over to state police 		•	•	•	•
Key Press Management		•	•	•	•

Senior security personnel can perform functions specified for junior grades. However, junior grade security personnel cannot cover the function of a more senior grade.

Job Functions in Security PWM

	SO	SSO	SS	SSS	CSO
Incident Management & Reporting <ul style="list-style-type: none"> • Respond to & report complex or large-scale safety and security incidents • Hand over to state police • Receive daily instruction from client • Investigate local security incidents • Prepare incident report 			•	•	•
Direct Supervision <ul style="list-style-type: none"> • Supervise & direct security personnel • Conduct team briefing & debrief 			•	•	•
Execute Evacuation Plans & Exercises <ul style="list-style-type: none"> • Execute evacuation plans/exercise 			•	•	•
In-Charge of CCTV Center/Central Alarm Monitoring Centre/ Fire Command Centre				•	•
Conduct Security Audits & Risk Assessment <ul style="list-style-type: none"> • Assess security risk & prepare mitigation • Plan, confirm and conduct security audits 				•	•
Higher Supervision <ul style="list-style-type: none"> • Plan, assess & review team performance • Train & assess subordinate • Develop individual training & competency roadmaps • Conduct After Action Review 				•	•

Senior security personnel can perform functions specified for junior grades. However, junior grade security personnel cannot cover the function of a more senior grade.

Job Functions in Security PWM

	SO	SSO	SS	SSS	CSO
Supervision Management •Maintain Discipline & conduct •Cluster manpower planning, development & management •Conduct disciplinary inquiry & open file					•
Form & lead Security Watch Groups •Conduct operational/situational trend analysis •Conduct crime/public order threat analysis					•
Security & Contingency planning for Large Scale Event •Plan for security events •Conduct contingency planning •Conduct large scale event planning •Handle security emergencies					•

Senior security personnel can perform functions specified for junior grades. However, junior grade security personnel cannot cover the function of a more senior grade.

PWM and Buyers of Security Services



How Does PWM affect Buyers

- Cost increase is inevitable but service buyers will benefit from the higher level of service quality & professionalism. Cost increase attributed to raising salaries, will entice more officers into the industry, thereby addressing the persistent problem of manpower shortage and service failures.
- Buyers must prepare their procurement & admin department to ensure readiness ahead of Sept 16
- There are funding grants available. Buyers should tap on these grants (e.g. PWI) where possible to help defray the initial cost of adoption.

PWM & Cost



Cost of Security Services

- Cost of Security to increase
 - From Oct 2014, Security Agencies start increasing basic pay for its security personnel
 - Higher CPF
 - Higher overheads
 - Mandatory on 1.9.2016



Cost of Security Services

- To prepare for PWM, Security Agencies need to :
 - Review the types of security personnel required to fulfill assignments
 - New/revised employment contracts with security personnel
- Some Security Service buyers :
 - Request security agencies to show proof that PWM wage are paid
 - Top-up the differences

Security Cost

With the proposed PWM, gross wages will increase if SOs continue to work existing OT hours

- With PWM, basic and gross wages expected to increase
- However, cost of security needs to be computed beyond PWM wage
- Better explained as Security Cost Iceberg

	Should SOs do >72hrs of OT		Should SOs do 72 hours of OT
	112 OT hrs/mth	95 OT hrs/mth	
Security Officer			
Basic Salary based on 44h/wk	\$1,100* - \$1,500		
Total Gross Salary	\$2,050 - \$2,750	\$1,900 - \$2,550	\$1,700 - \$2,300
Senior Security Officer			
Basic Salary based on 44h/wk	\$1,300* - \$1,750		
Total Gross Salary	\$2,450 - \$3,300	\$2,250 - \$3,050	\$2,050 - \$2,750
Security Supervisor			
Basic Salary based on 44h/wk	\$1,500* - \$2,050		
Total Gross Salary	\$2,800 - \$3,800	\$2,600 - \$3,500	\$2,350 - \$3,150
Senior Security Supervisor			
Basic Salary based on 44h/wk	\$1,700* - \$2,300		
Total Gross Salary	\$3,200 - \$4,300	\$2,950 - \$4,000	\$2,650 - \$3,600

Only the starting basic wages (with *) will be mandated
 Notes: 1. Gross salary is computed based on basic salary and OT pay. 2. Figures rounded off to the nearest \$50.



Visible component is the increased Basic Salary for security officers due to PWM

A large iceberg floats in the ocean under a blue sky with white clouds. The iceberg is mostly above the water, but a much larger portion is submerged below the surface, illustrating the concept of hidden costs.

Increased Basic Salary for deployed security officers¹

Increased Overtime Cost as computed on the basis of new Basic Salaries¹

Increased AWS and PB as computed on the basis of new basic Salaries²

Increased Employer CPF as computed on the basis of new salary structure³

Replacement of deployed security personnel⁴

Increased cost of Operations Management and Site Supervision⁵

Comply with PWM training requirement⁶

Service Buyers

- preparation for PWM starts now

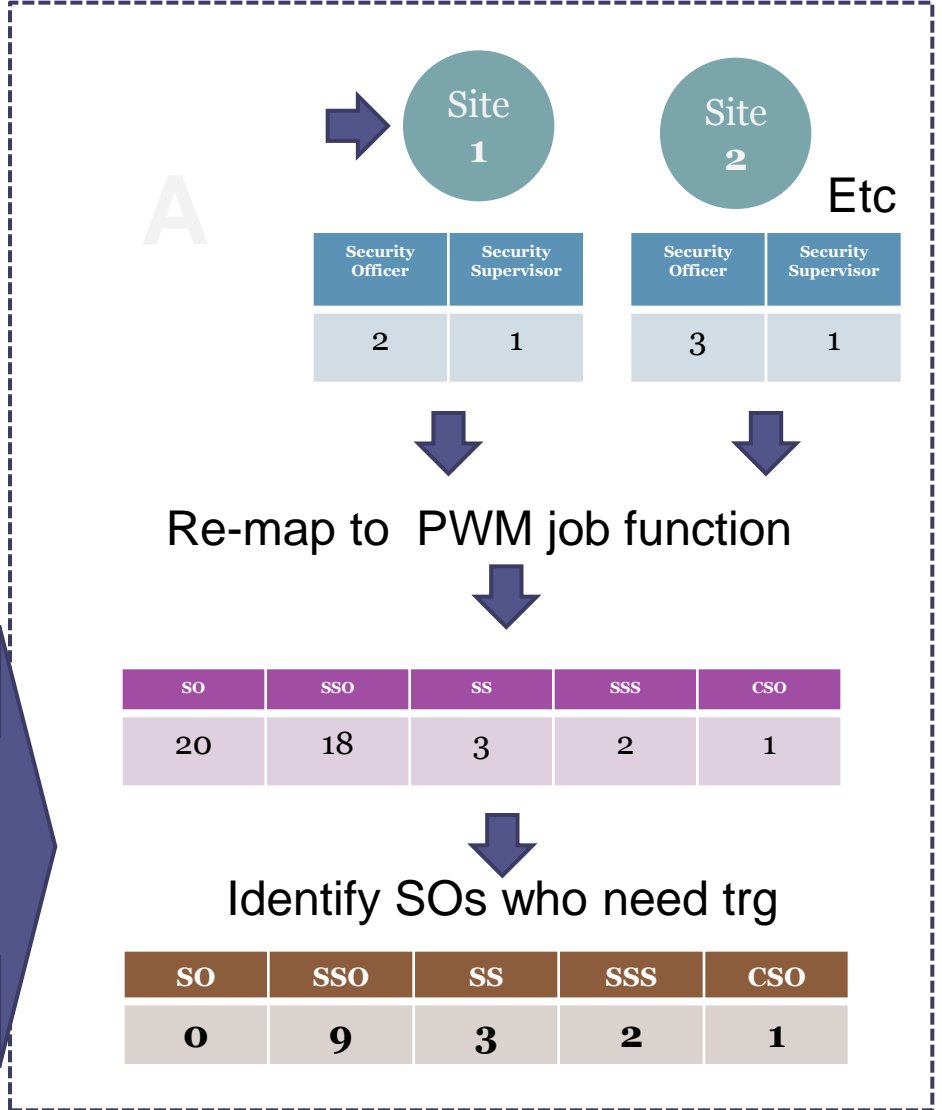
A decorative graphic consisting of several horizontal lines of varying lengths and colors (teal, light blue, white) extending across the bottom of the slide.

Be Prepared for PWM ...

- Buyers be prepared for the increase of security costs
- Engage your Security Service Provider now :
 - Work with Service provider to estimate the cost increase
 - Request for Service Providers to show how they intend to supply the manpower combination (combo) to support your assignment
 - Check that service providers start sending security personnel to attend relevant training

Be Prepared for PWM ...

- Important for Service Buyers to partner early with Service Providers committed to PWM implementation
- Service providers slow in implementing PWM will see diminishing pool of security personnel
Challenging to retain experienced/Trained SO closer to deadline
- Request for service provider to show their manpower plan to meet your sites requirement



Service Provider need to Identify & Train personnel to meet PWM requirement

- Illustration of Training requirement for PWM implementation

- Modules required for 15 SO



SO	SSO	SS	SSS	CSO
0	9	3	2	1

- 35 Modules in total

- 26 modules before 1.9.2016 (Officer given till 2018 to complete the 2nd WSQ module)

SO 2 Mandatory	SSO 2 Mandatory	SS 1 Mandatory + 2 WSQ	SSS 1 Mandatory + 3 WSQ	CSO 1 Mandatory + 2 WSQ
	9 Manage disorderly conduct and threatening behaviour	2 Supervise security officers	1 Monitor and review security operations	1 Manage security agency within legal framework
	3 Operate basic security equipment	3 Assess and address security risks	3 Conduct operation briefing and debriefing	1 Manage security operations
9 Handle security incidents and services		2 Induct security personnel	2 Lead and manage a team of security officers	
2 Provided guard and patrol services		1 Perform supervisory duties within legal framework	2 Perform monitoring and reporting duties at central command centre	1 Achieve work effectiveness in security environment
			1 Deploy security equipment. Contribute to the management of security incidents	1 Manage and resolve conflict in security environment
			1 Supervise crowd and traffic control activities	

Be Prepared for PWM ...

- 1.9.2016 is last deadline for all Service Provider to comply with the Licensing Condition
 - Any service provider that does not implement PWM grade and wage will not have its licence renew
 - Service Buyers may find its service provider w/o a valid licence & unable to continue to provide the service
- Service Buyers strongly encourage to be early adopters of PWM
 - Contracting time required for new contracts, and contract-variation may be required for existing contracts in order to meet regulatory requirement
 - Service provider may not have ready pool of PWM SO to meet buyers requirement

Security Contracting

- Service Buyers may wish to consider outcome based security contracting
 - Train staff in performance based contracting
- Work with service providers with experience in outcome based security contracting
 - Incentives for achieving performance targets

In Addition

- Explore alternate productive security measures
 - With increasing manpower cost, buyers may wish to invest in infrastructure changes



Security turnstiles
-Implement for staff
/residence entrance
and exit



In Addition

- Other security measures ...



Visitor Management System at TTSH

- Self help kiosks to register visitors
- Only admit authorized visitors



Remote Monitoring & Cluster Respond - State/Reclaimed land

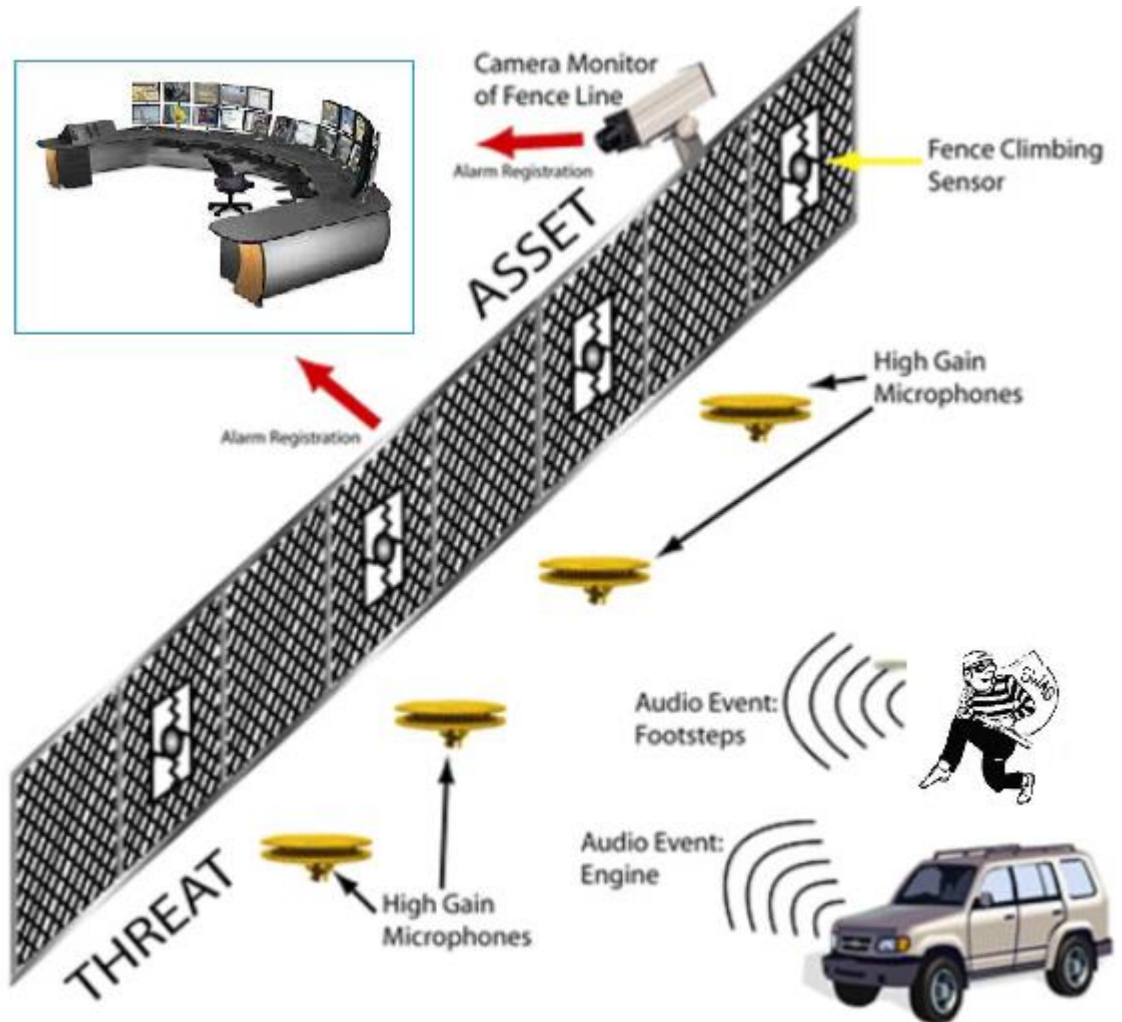


In Addition

- Other security measures ...

Smart Analytics

- Sensors/ Motion detectors
- Smart Fence
- Facial recognition



Buyers Follow-up



Buyers' Follow-up

- Security Buyers to brief its Procurement, Administration, Supervisors Facility/Property Managers on PWM and its impact
- Examine all contracts carefully. While there may be contracts beyond 1.9.2016, note that after 1.9.2016, Service Providers' licence will NOT be renewed if they do not comply with PWM :
 - Avoid a lose-lose situation (Buyer-provider)
 - For existing contracts, review requirement and work with service provider to transit onto PWM
 - When new contracts, check that it is compliance to PWM

Buyers' Follow-up

- Work with provider to identify security requirements and map these onto PWM grades
 - Expect increase in security cost if maintain same headcounts
- Partner with Service Provider to send security personnel for training or testing. Help security provider to prepare and train their officers

Government Grants



Security Buyers

- Encourage to be early adopters of PWM. Applying for PWI Grant (e2i) to off-set cost

PWI Funding (For Buyers Only)

- Progressive Wage Incentive
 - Encourage service buyers to best source service contracts to Service Providers who are early adopters of the PWM
 - Will end in June 2015 (extended till end 2015) or when the total grant of \$5 million is used up, whichever is earlier
 - Targeted at service buyers who procure Landscape and Security services
 - Up to 10% funding of the best-sourced contract value, capped at \$150,000 per contract.

IGP Funding (For Buyers & Security Agencies)

- Inclusive Growth Programme (IGP)
 - Up to 50% funding for equipment purchases.
 - Unfunded costs can be claimed under IRAS' Productivity and Innovation Credit (PIC)
 - Common Productivity-Improving Equipment
 - CCTV
 - Biometric
 - Visitor Management System
 - Security Suite – HR and Scheduling System
 - Guard Tour/ RFID Clocking Devices
 - Mobile Application for Security
 - Walkie-talkies

The End