



For Immediate Release

Millennium Hotels and Resorts seeks to right-size and upskill its workforce amidst battling COVID-19

Singapore, 19 August 2020 – Millennium Hotels and Resorts (MHR) in Singapore has embarked on a work force rationalisation and right-sizing plan following a rigorous review of its Singapore Corporate Office and hotel operations. This is a difficult but inevitable move considering the business recovery outlook on the hospitality industry caused by the COVID-19 pandemic.

The global pandemic and economic fallout have hit the hotels hard. As at 30 June 2020, nearly one-third of MHR's over 145 hotels globally were temporarily closed and those that remained open were operating at much lower occupancies than before. This severely impacted MHR's operations and performance.

Since the start of the COVID-19 pandemic, MHR has implemented several measures in its effort to navigate through the global crisis globally. These included tightening of company-wide expenditures, salary reductions for the senior leaders of up to 30% with graduated pay reductions for other corporate and hotel level employees as well as laying off and furloughing excess manpower across various regions.

The right-sizing efforts today will result in 159 employees being impacted. This constitutes 15.2% of MHR's Singapore-based workforce. In Singapore, since January to mid-August, MHR has accelerated its efforts to build the Singapore Core and has reduced its foreign employee population from 520 to 329 constituting a reduction of 37%. Following this lay-off today, there will be an additional reduction of 42 foreign employees, in total reducing our foreign employee dependency by 45%. This will bring our Singapore Core from 61% in January to 69% today.

MHR is committed to continue to place emphasis on developing its Singapore core and is grateful to the government for extending its wage subsidy scheme for Singaporeans till March 2021. It has plans to leverage part of this funding to invest and upskill in its talent pool as the economy continues to recover.

To achieve a fair and responsible outcome for the 159 affected employees, MHR management has actively engaged and collaborated with the Food Drinks and Allied Workers Union (FDAWU). Over and above the severance package from MHR, post-employment support in consultation with FDAWU, Employment and Employability Institute (e2i) and Workforce Singapore (WSG) will also be offered to the affected employees.

Mr. John Tan, Vice President of Human Resources for South-east Asia explained, "This global pandemic has severely disrupted our lives and businesses in unprecedented ways, and the prolonged movement control order has reshaped our industry. We need to recognise that in this new economy our business will take time to return to pre-COVID-19 levels, thus the rationalisation is unavoidable for our business to remain relevant and viable for our employees and stakeholders."

MHR will spare no efforts in helping the affected employees.

“For those affected, it saddens us to have to part during these difficult times. We value your contributions and sincerely thank you for being a part of the MHR family. In addition to the severance package, we will be working in partnership with FDAWU, e2i and WSG on providing job assistance and support to you during the transition,” added Mr. John Tan.

Mr. Tan Hock Soon, FDAWU’s General Secretary remarked, “With FDAWU’s voice in collective bargaining and support from its members, we had worked closely with MHR to ensure a responsible retrenchment. We are appreciative that MHR had also committed to provide affected workers with an additional 12-month paid union membership so that they can benefit from the union’s assistance during tough times. To assist members concerned with their livelihood, we have arranged with MHR for NTUC’s e2i (Employment and Employability Institute) to provide job-matching assistance during the exercise. NTUC LearningHub and Skillsfuture Singapore were also present to help workers keen on upskilling. While retrenchments are daunting, FDAWU encourages workers to take on new skills and open their minds to new opportunities.”

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ABOUT MILLENNIUM & COPTHORNE HOTELS

Millennium Hotels and Resorts (MHR) is the global brand of Millennium & Copthorne Hotels Limited (M&C), a Singapore-based global hotel company, which owns, manages and operates over 145 hotels across some 80 locations worldwide. It has four distinct hotel collections — Leng’s Collection, M Collection, Millennium Collection and Copthorne Collection — throughout Asia, Europe, the Middle East, New Zealand and the United States. Its properties are in key gateway cities such as London, New York, Los Angeles, Paris, Dubai, Beijing, Shanghai, Seoul, Tokyo, Singapore and Hong Kong. Occupying the best locations around the world, MHR has the perfect address for business and leisure travellers.

M&C is a member of the Hong Leong Group.

Visit www.millenniumhotels.com for more information.

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