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## Press On And Push Ahead

### NWC Says No Let Up In Cutting Costs To Save Jobs

**D**on't pop those champagne bottles yet, as one swallow doesn't make a summer. Forget all talk about the economic downturn bottoming out with sprouting green shoots of a quick recovery. The only certainty is the uncertainty.

The National Wages Council quashed wishful thinking when it released its latest wage and wage-related guidelines on 3 June 2009. As a sign of the times, the NWC strongly recommends that employers, unions and the Government maintain the status quo of pressing on with concerted actions recommended in its January 2009 guidelines to cut costs, save jobs and enhance competitiveness. It also urges management to lead by example.

Acutely aware that the rate of decline has slowed down but is not at a plateau yet, the tripartite partners forming the NWC are taking a cautious approach. They are in concurrence that the "pragmatic and proactive response to the recession underpinned by strong tripartism has made a significant difference."

Measures include the \$20.5 billion Resilience Package with the Jobs Credit Scheme, Workfare Income Supplement for low-wage workers and various tax concessions. It is in addition to enhancing the Skills Programme for Upgrading and Resilience (SPUR) to help more PMETs (Professionals, Managers, Executives and Technical People) and updating the Tripartite Guidelines on Managing Excess Manpower.

But it is still early days where a full recovery is concerned. Dismissing recent optimistic comments from certain quarters and stock market movements that are "by and large isolated, individual kind of predictions", NWC Chairman Professor Lim Pin took note of the "deterioration of the economic performance in the first quarter of this year and the weak outlook for the rest of the year."

Without any sustained, solid data, any optimism is unfounded as "in concrete terms, there isn't really very much going on. We have to err on the side of caution and be prepared for a prolonged downturn," he said, not forgetting the possibility of a H1N1 flu pandemic to contend with.

National Trades Union Congress Deputy Secretary-General Heng Chee How said: "The situation at this moment is still uncertain. You ask companies in just about any sector and they will tell you that there is no visibility till the end of this year. And therefore, it is still volatile and uncertain."

"These guidelines that we have out today address and acknowledge that fact and are therefore relevant. We therefore fully support it from the unions' point of view. If we keep steady and keep in this direction, we will be able to save as many jobs as possible."



Equating raising productivity with better wages and living standard, DSG Heng, the leader of the NTUC team in the tripartite work group, added: "Our main concern is keep jobs for workers because if you can keep jobs for workers then all your other help measures are supplementary to that. The job is the backbone, and our resources and plans, all our efforts are concentrated around minimising retrenchment as well as minimising unemployment through helping displaced and unemployed workers find jobs as soon as possible."

NTUC President John De Payva called on employers to play a bigger part: "As far as workers are concerned, they are giving companies and employers full support. What's left to be done now by the employers is to make full use of measures like the Resilience Package. Knock on the Government's door and ask for more help if you need for non-wage related costs because wage-related costs are a done deal. Workers are prepared to sacrifice, to take some pay cuts here and there."

The guidelines are for the period 1 July 2009 to 30 June 2010 and have the full support of the Government, the Singapore National Employers Federation and NTUC. The Singapore-German Chamber of Industry of Commerce, which has a large community German business community in Singapore, released a statement on 1 June 2009 in support of the NWC Guidelines.

**“It is crucial that companies maximise the use of the current slack manpower conditions to improve the skills of their workforce. This is important in raising the competitiveness when the global economy recovers. The recommendations from the NWC clearly point employers into the direction of tapping on the Continuing Education & Training system and the various assistance measures such as the Skills Programme for Upgrading and Resilience to upskill their manpower and build new capabilities.”**

Dr Tim Philippi, SGC Executive Director



By  
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