

ntuc this week

60 cents | <http://www.ntucthisweek.org.sg> | MICA (P) 035/10/2009 6 NOVEMBER 2009



Sharing Pain, Gain And Hope

In the spirit of give and take, the tripartite partners – the Ministry of Manpower, the Singapore National Employers Federation and the National Trades Union Congress – on 5 November 2009 jointly released the Tripartite Advisory on Managing Manpower Challenges for Enhanced Competitiveness and Sustainability. It is to help companies no longer confronted with excess manpower to better manage long term manpower challenges.

Workers have bitten the bullet and taken bitter medicine during the worst of the global economic crisis when the overriding priority was to cut costs to save jobs. Now that the worst appears to be over with some encouraging economic indicators, the call is for companies that are doing well to recognise the sacrifices that loyal workers have suffered and reward them even as they gear up for economic recovery.

Commenting on this, NTUC Deputy Secretary-General Heng Chee How said: “The earlier tripartite manpower guidelines helped companies and workers cope with the crisis and survive. Many workers took pay cuts either directly or through reduced work and loss of overtime. They stayed loyal to their companies.

“Now, with more of the economy on the mend, it is right for these guidelines to urge companies doing well or recovering strongly to recognise their employees’ sacrifices and reward them appropriately. This spirit of solidarity (同甘共苦) will strengthen trust and alignment, and energise capability and productivity improvement.”

The Advisory acknowledges that there are companies still facing excess manpower. They can continue to refer to the Tripartite Guidelines on Managing Excess Manpower of May 2009 with measures to manage excess manpower, cut cost to save jobs, and consider retrenchment as a last resort.

The Advisory also states that Singapore’s strong tripartite partnership has enabled it to respond swiftly and effectively to the downturn. It has enabled employers and employees to stay united in the face of adversity

and emerge stronger from the downturn. To ride on the opportunities as Singapore’s economy recovers, companies should look beyond short-term issues to also focus on long-term strategies.

These long-term strategies are crucial to developing a more productive and inclusive workforce and to enhancing business competitiveness and sustainability. To achieve these objectives, employers should take the lead to consult their employees and unions (for unionised companies) and communicate the

strategies clearly to staff at all levels.

Both employers and employees need to work

together to ensure that this recovery is sustainable and that Singapore emerges well prepared to deal with the challenges and opportunities ahead. This will further strengthen the confidence of businesses and investors, raise national competitiveness and capability to the next level, and ensure that Singapore continues to achieve sustainable economic growth and social progress.

Highlights Of The Advisory

1. Companies should make good use of the Jobs Credit Scheme that has been extended for 6 months and better prepare themselves to benefit from the upturn.
2. Companies should continue to make use of the Skills Programme for Upgrading and Resilience to re-skill, up-skill or multi-skill their employees as part of enhancing their productivity and competitiveness.
3. Employers should review the cost-cutting measures in consultation with workers and trade unions (for unionised companies), taking into consideration business conditions and prospects of the company.
4. Companies doing well or recovering strongly could recognise employees fairly and appropriately for their support and sacrifices that they made to help the companies tide over difficult times. They could consider granting moderate wage adjustments and/or rewarding workers in the form of a one-off bonus payment. For companies granting wage adjustments, they should be cautious and take into account the uncertain outlook in 2010.
5. Companies granting annual wage increments should refer to the wage guidelines issued by the National Wages Council in June 2009.
6. To achieve sustainable growth as the economy recovers, companies should consider implementing flexible wage systems and enhancing business productivity as a long-term strategy including increasing innovation, raising service excellence, enhancing HR management and undertaking research and benchmarking.
7. Unions (for unionised companies) can play a positive role to help employers implement solutions and raise productivity. Companies can also tap on a wide range of government schemes.

Pg 3

White Shirt
U Shirt
One Shirt