

THIS WEEK'S TOPIC:

Are property players in Singapore being adequately served by the current government measures?
What needs to be changed, if anything?



REUTERS

Revisiting the property market

Dan McConaghy
President
FICO Asia-Pacific

TO maintain a sustainable housing market and economy, the onus isn't solely on the government or property players. For supply and genuine demand to optimally align, other parties also have a responsibility.

Mortgage health is a leading economic indicator, and mortgage lenders, for example, have a role to play to ensure that would-be home buyers have access to credit.

Should the current situation thaw, we need to ensure that we have a sound lending environment in place to support genuine demand. Local lenders should be assessing whether their portfolios and credit risk management infrastructure can sufficiently sustain a hotter housing market.

At FICO, we've spent the past two years working with lenders – including two-thirds of the top global banks and 90 of the 100 largest US financial institutions – to recover from the mortgage crisis. We have seen that revisiting policies and risk management strategies before one expects the housing market to heat up will go a long way towards mitigating risk in the long term.

Annie Yap
Managing Director
AYP Associates Pte Ltd

THE property market is not solely influenced by government initiatives, but by the economy and the global situation.

With the turbulent state of the stock market these days, perhaps the government might need to take special care not to dampen the market demand for property and should consider reviewing the cooling measures.

This could help stimulate the market. If the cooling measures are removed, the government would have to remain prudent in conducting sales of land to ensure that the increased demand will not result in oversupply.

Redas' suggestions are meant to help the property market stay healthy and robust. I am sure the government is aware of this and will likely take Redas' requests into consideration as it continually reviews the property situation to ensure that a crash does not occur, an event that would adversely affect its citizens' livelihood.

Whatever conclusion is reached will be intended to sustain the market for the benefit of all sectors, citizens and developers alike.

Matt Beath
CEO, Asia
Talent2

TYPICALLY, businesses operating in a free and open market are driven by the natural laws of supply and demand; the market finds a natural equilibrium and allows the entire supply chain to function cohesively in a value-driven manner that delivers profit or loss. The reserve list system certainly favours a more open market philosophy.

However, it is important to consider the broader multiplier effect of policy on the attractiveness of Singapore Inc for inward investors.

As such, government intervention, where land sales are concerned, should be viewed as positive and necessary even if it contradicts the instincts of the typical entrepreneur.

Paul Endacott
Managing Director, Singapore
Ambition

THE current measures have effectively curbed some speculative activity by Singaporeans and encouraged greater financial prudence, and have helped to maintain a sustainable property market which could have led to the formation of a property bubble.

Given the current climate and the uncertain economic times ahead, these measures should remain in place. Genuine cash-rich buyers will still buy private properties.

However, with the stringent/tighter controls on the issuance of employment passes to foreigners and PR cards to immigrants, the property players may see a drop in demand for private properties over the next two years. Should this occur, then the government will need to review the measures and other regulatory issues on attracting potential foreign investors.

Florence Ng
Managing Director, Founder
Straits Talent Pte Ltd

IN Singapore, where the supply of land is finite, real estate has been, and will remain, a good form of investment when held over the long term. All property players, be they developers, owner-buyers or speculators, either local or foreign, will do well to bear this in mind.

All things considered, the Singapore government has done well to date in maintaining a delicate balance between long term real estate appreciation (which is wealth accumulation for the nation) and ensuring that the average man in the street is not priced out of the market.

Policies and changes made to the sale of public housing (HDB), the government land supply programme, financing guidelines and restrictions as well as taxation regime will invariably impact private property transactions.

No policy-maker has a crystal ball, and even with the best projections and forecasts, sometimes these measures introduced may inadvertently over-dampen the market.

Property developers have consistently made money, more in the good years, less in the bad years. Owner-buyers need not lose sleep as they are paying for a roof over their heads, and it's better to service a housing mortgage than pay rent.

As for the speculators – they speculate. They take a punt, and therefore, they should learn to be responsible for their risk taking.

Perhaps the biggest change that needs to take place for all property players is a mindset change. Accept the fact that as a property investor, you stand to make or lose money. Therefore, only invest what you can afford to lose. Appreciate that over the long haul, applying the basic law of economics – demand and supply – in land scarce Singapore, property investments will yield a positive return.

David Leong
Managing Director
PeopleWorldwide Consulting Pte Ltd

THE government's objective is to ensure a sustainable and stable property market, taking out the froth and volatility, and will adopt any measures to remove the tendency of wide gyrations and market aberrations.

The government prefers to err on the side of caution, and this explains the policies of increasing the holding period from three to four years for Seller's Stamp Duty (SSD), and raising the SSD rates.

The Loan-to-Value (LTV) limit has been lowered so as to discourage low-cost flipping of property with the continuing low interest rates and high liquidity. All these measures provide strong disincentives for investors who are eyeing short-term gain.

Such policy calibrations are not an exact science and the impact is not immediately quantifiable. Over-stretched and prolonged suppressive policies may affect property prices should the economy suddenly take an adverse turn due to pessimism in the world economy. The financial horizons over in the US and Europe are indeed bleak.

The government therefore needs to be attuned to current sentiments and to respond swiftly with policy adjustments to prevent a market meltdown of property prices.

In Singapore with our finite land resources, prices are unlikely to undergo abrupt collapse since real demand can support a narrow price band.

Artificial suppressive measures used for cooling prices must be monitored closely to prevent the fleeing of capital and liquidity elsewhere with better returns.

Ronald Lee
Managing Director
PrimeStaff Pte Ltd

THE property market in Singapore has always been a hot button issue. The current measures were put in place to moderate sky rocketing prices that were putting property out of reach of the average Singaporean. It appeared to be effective as it did serve to cool prices and demand slightly. While homebuyers welcome this, there are repercussions on developers.

On the one hand, the tightening measures are not to the advantage of property developers as they result in slower movement of units and lower launch prices.

On the other hand, if the government does not prevent prices from soaring further, the probability of a crash increases and that will not bode well for property players either.

The policies on land sales directly impact demand and supply and we certainly do not want a situation of oversupply as it will cool the market too much.

Thus, I believe Redas' suggestion to moderate future land supply by using the reserve list system instead of the confirmed list is a good approach as it would let the market drive demand.

Patrick Liew
CEO
HSR Property Group

GOVERNMENT measures to curb runaway prices may not work as long as consumers and industry players are ignorant, apathetic and irresponsible. To ensure stability and sustainability of the property market, we need a more accurate projection of supply and demand for housing. This requires better feedback from the ground and coordination between government agencies.

The authorities need to ensure that comprehensive information is available, accessible and affordable to the market and in particular, consumers. Only with greater transparency can the market become more prudent and efficient.

As the average consumers will probably make an average of three to five property transactions in their lifetime, they cannot be deemed to be experienced and mature. There is a need to conduct more educational programmes and provide other resources to help them make better-informed judgements.

In short, we need to adopt a more holistic perspective in resolving the challenges faced by the property market, including the players in it.

THE number of jaywalkers caught by the Traffic Police increased by about 20 per cent in the first half of this year, compared with the same period last year.

But the number of deaths and injuries involving jaywalkers decreased, according to figures released by the police yesterday.

HOME PAGE B3



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It pays to get a degree: UniSIM survey

By SANDRA DAVIE
SENIOR WRITER

JUGGLING part-time study and a full-time job may not be easy - but it pays off, according to a survey.

Nearly six in 10 graduates from UniSIM - Singapore's only university for working adults - earned more after getting a degree, said a poll it commissioned.

The results come as the Government considers opening up more higher education

places and pathways to tertiary qualifications for Singaporeans, including those who missed out the first time around, and want to make up for it later on in life.

A total of 1,036 people were quizzed in the survey. They represented about a third of those who graduated from UniSIM between 2007 and 2009.

The poll found their annual salaries increased by around 21 per cent on average - rising from about \$40,000 to \$50,000. This translates to about \$3,800 a month, if the end-of-year bonus is included. One

in five enjoyed a jump in earnings of more than 30 per cent.

Many also found their career choices opened up after they got their degree.

A third managed to switch jobs within

two years of graduating and 60 per cent moved to an entirely different industry. For those who changed jobs, the salary rose by an average of 27 per cent.

UniSIM has nearly 12,000 working adults on its degree courses, most of whom are aged 25 to 34 and hold polytechnic diplomas. Its president

CONTINUED ON PAGE A12

Singapore, Malaysia in 'new phase of warm ties'

By TEO CHENG WEE
REGIONAL CORRESPONDENT

PUTRAJAYA: With the resolution of numerous longstanding issues, ties between Singapore and Malaysia are the most cordial they have been in years, the foreign ministers of both countries said yesterday.

"We're now looking at a new phase arising from the meetings between the prime ministers. There's increased trade, increased investments and it's good for both countries," said Singapore's Foreign Minister K. Shanmugam, who was in Malaysia for a two-day introductory visit.

"This visit underscores the warm and friendly ties between the two close neighbours and provides an opportunity for discussions pertaining to matters of mutual interests," the Malaysian Foreign Ministry said in a statement yesterday.

Bilateral relations between Singapore and Malaysia have warmed significantly in the last two years, after Prime Minister Najib Razak took office in 2009.

Mr Najib and Singapore Prime Minister Lee Hsien Loong notably worked out a landmark land swap involving Malayan Railway land, removing a thorny issue that had plagued ties for 20 years.

In June, the two countries inked an agreement to finalise details of the deal. Then last month, after the expiry of the 1961 Water Agreement, Singapore handed over two water treatment plants under the management of its national water agency PUB, free of charge, to the Johor government as a continuing gesture of goodwill.

Yesterday, Mr Shanmugam visited Malaysian Deputy Prime Minister Muhyiddin Yassin, Foreign Minister Anifah Aman, and Rural and Regional Development Minister Shafie Apdal.

He described the meetings as "warm and friendly" - a gesture reciprocated by Datuk Seri Anifah, who said the current relationship between Singapore and Malaysia was at "a best level".

The two foreign ministers spoke about how both ministries could work closer, to "(continually) engage and discuss what is best for both countries".

"We feel comfortable with each other and we have agreed that, on matters of importance that need our urgent attention, we can be on a 'phone-call basis'," Mr Anifah said. "This augurs well. We can dispel all formalities and time-wasting bureaucracies."

Mr Shanmugam wraps up his visit today with meetings with Defence Minister Zahid Hamidi, and Datuk Seri Nazri Aziz and Datuk G. Palanivel, both Ministers in the Prime Minister's Department.



Mr Shanmugam calling on Malaysian Deputy Prime Minister Muhyiddin Yassin yesterday. PHOTO: BERNAMA

Some grads want to pursue second career

FROM PAGE A1

Cheong Hee Kiat said he was heartened that studying there had helped its graduates advance their careers and achieve their aspirations. He said the survey results and the fact the Ministry of Education offers to subsidise tuition fees of UniSIM students show it is "on the right track".

Human resources consultants say the average annual salary of \$50,000 shows UniSIM graduates are catching up with their peers who went directly to university. Mr David Leong, managing director of PeopleWorldwide Consulting, said a typical 30-year-old degree holder is likely to earn between \$3,500 and \$4,200 a month. "So despite going to university a few years later, they catch up with their age-group peers who go to the local universities," he said.

Demand for graduates remains high despite the economic uncertainty, with firms raising their starting salaries, recent surveys have shown. And Mr Leong admitted that candidates from Singapore's main universities are often in great



A villager collecting water from a well which was dug from the bottom of a lake that had dried up in Gunung Kidul village at Yogyakarta, in Indonesia's island of Java. PHOTO: REUTERS

Help on the way for drought-hit Indonesians

By ZUBAIDAH NAZEER
INDONESIA CORRESPONDENT

JAKARTA: A prolonged dry spell has caused water shortages and failing harvests across Indonesia, forcing the government to put together a 3 trillion rupiah (\$430 million) relief plan for victims.

Long queues have been reported at water points throughout the country, from Sumatra in the west to Lombok in the east. At least six of the 16 main reservoirs in Sumatra, Java and Sulawesi are close to critical status and will dry up if it does not rain by the end of the month, officials say.

Rice harvests have also been threatened and more than 100,000 people are reported to be coping with severe food shortages in Nusa Tenggara region. Residents in some districts have gone to forested areas to dig for yam while children were seen helping their parents

catch fish in swamps.

Elsewhere in Indramayu, West Java, villagers have resorted to recycling sewage water to wash their clothes and shower, with some even using it to drain their rice and to drink, said a report on Metro TV.

Mr Sapudin Jepri, the headman of Bogor's Ciharang Pondok village, said: "It's not enough for the roughly 1,200 households here. We get people fighting over water for bathing and washing."

Bringing a piece of good news, Indonesia's Meteorology, Climatology and Geophysics Agency (BMKG) says the rainy season has begun in Aceh and North Sumatra, and will spread to other areas by the end of the year.

"Water in some parts of Java has become scarce due to the drought but we do not think it is bad enough to say it is a national emergency," Mr Edwin Aldrian, director of the Centre for Climate Change and Air Quality at BMKG, told



ST GRAPHICS

The Straits Times.

The government has moved to deal with the situation.

Coordinating Minister for Economy Hatta Rajasa told reporters that there is 3 trillion rupiah in food contingency funds, and only about 10 per cent has been utilised to cover crop-harvest losses and provide rice to the poor.

The remaining 1.7 trillion rupiah will be used to develop water pump projects.

The crisis has sparked renewed debate on the nation's water management policies.

Mr Hamong Santoso of the People's Coalition for the Right to Water says the imbalance impact of the dry season shows up poor water management programmes.

He said only about 47 per cent of the population had access to clean water and less than half of those had access to piped water in their homes. The rest sourced water from rivers, springs and wells.

Said Mr Sutopo Purwo Nugroho, a spokesman for the National Disaster Management Agency: "This situation needs special attention and urgent efforts. Measures to increase the water supply such as building more water catchment of rainwater and land conservation are needed."

PERFORMANCE COUNTS

"If you have the qualifications but perform poorly, then the employer is likely to keep you in your old position."

UniSIM president Cheong Hee Kiat

er demand, as they are likely to have done better in their A-level or polytechnic exams. But he added some employers prefer UniSIM graduates as they are more mature and have more working experience.

Asked about the 40 per cent who did not enjoy salary increases, Professor Cheong said that in the workplace, performance counts more than qualifications. "If you have the qualifications but perform poorly, then the employer is likely to keep you in your old position."

He said some students are doing a degree to prepare for a new career later in life or pursue their interests outside work. "There are many who take up our counselling degree because they want to become a counsellor in their church or work with a social welfare organisation," he said.

UniSIM graduates told The Straits Times they decided to take up degrees to improve their career prospects. Ms Rachel Teow, 28, used to work as a multimedia producer but took a course in visual communications and business as she felt she could advance only so far with a polytechnic diploma. She graduated with a second upper honours and is now Swissotel's assistant manager for design.

Mr Lee Xunzhong, 26, moved from the leisure industry to banking after doing a business degree, and now works as a personal banker with Citibank Singapore. "I appreciated the fact the lecturers had a lot of real-world experience," he said.

Mr Leong said the Government should study the UniSIM survey results to see how those who take alternative routes to attaining a degree fare.

"More people aspire towards a degree, but not everyone can or wants to go to university immediately after A levels or poly," he said. "The UniSIM survey results show that this is a viable route. It meets the aspirations of people and improves their job prospects."

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**‘过期’海报
误导食客**

海报上的促销价是10元8角,吃完每人收费12元8角。店家不满投诉,海报酒家解释却是:海报“过期”,一年,是开业的价钱。

刘女士日前在香港中心一带购物时,发现商场内张贴的一张酒楼海报上打着“开幕促销,点心任吃,10元8角”的宣传字眼。

看见点心促销如此划算,刘女士兴致勃勃致电酒家订位,还确认了任点任吃的价钱,第二天就带着三个孩子上门光顾。

她孩子,当时发现菜单上写着12元8角的价格,但她不以为意,因为菜单印上的一般是原价。

可是,当他们用餐后准备付钱时,服务员呈上的账单却显示每人需付12元8角,加上服务费以及消费税,用餐总额近60新元。

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▲商场内还贴着酒家“过期”的促销海报。(图/读者提供)

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▲凶时: 5am-7am, 1pm-3pm, 5pm-7pm。
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梁淑晶 报道
lscjoyce@sph.com.sg

大学生要就业,应保持更切实的态度。专家提醒,大学生找工作时应更切实的态度,才更容易找到工作。

吴坤豪说:“大学生对起薪期望过高,有些则认为要快速升职加薪,这样很难找到工作。”

“让雇主了解你愿意长期服务,同时也能为公司做出贡献,提供什么,加上正确的态度,大学生要找工作并不难。”

可是,当他们用餐后准备付钱时,服务员呈上的账单却显示每人需付12元8角,加上服务费以及消费税,用餐总额近60新元。

“我非常生气;“我有受骗的感觉,海报上不是写着每人10元8角吗?而且订位时也确认过啊!”

她找酒家经理理论,对方给的解释却是:那是那一年多前的价格,如今酒家并无任何促销。

酒家接受本报询问时解释,促销海报是去年7月开幕时张贴的,促销期是一个月,他们只向商场申请张贴海报一个月,费用是1000元。

“商场去年就该把海报取下,我们无心误导消费者。”

梁昌国
保持切实心态
找工作并不难

起薪增5-10%

吴坤豪说,根据去年起薪,比去年平均起薪,比去年增5%到10%,但到了明年可能将不会有增幅。

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不同专业起薪是多少?

专业	大学生起薪
IT和工程系	2700元到2800元
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人力资源	2200元到2500元

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民生财

大学生两个月 就找到工作

经济前景不明朗

刘焯 报道
liuchan@sph.com.sg

尽管经济前景不明朗,今年毕业的大学毕业生,一般上在一到两个月内,就找到工作!

受到欧美国危机影响,全球经济担心再次陷入衰退,目前展望全年度经济预测从原本的6.2%下调至5.3%。

不过,尽管就业市场因经济放缓而呈现疲软,但受访人力专家指出,今年毕业的大学毕业生,就业预料还不是问题。

GMP招聘公司企业服务部副主任吴坤豪说:“现在还不至于2008年那样的经济萧条。目前公司还是在请人,只不过主要是填补空缺而不是扩充。”

仁立国际执行董事梁昌国则说,经济是否会进入萧条还要看下一季度的表现。就算真的进入萧条,由于目前需求需求的支撑,影响大概要到明年才会完全浮现。

他说:“一般上本地大学生在毕业后的30到60天就找到工作,因此以今年来看,应该不会成问题。”

机会仍不错。(档案照片)

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关节痛不再 活得好自在

华语座谈会

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现场分析您的病情!

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也难请 高级人员

郭倩婷 报道

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本地大公司欠缺总裁、高层管理人员!

记者查看职业搜寻网站,发现有许多公司都出现总裁和高级职员空缺,要寻找人才填补这些高级职位。

受访的人力资源机构负责人说,通常物色一家大公司的总裁或高层人员,需要6至18个月的时间。

人力资源公司仁立国际负责人梁昌国受访时说,总裁以及高层职位如财务总监、业务营运总监、总经理、副总裁、董事总经理等职位,都不容易物色到人才。

他说,尤其在行情好的时候,很多公司担心人才外流,会调高这些高层的花红,以便留住人才。

梁昌国说:“这些高层管理人员需经过至少两轮面试才能过关,除了需要通过总裁、公司主席或董事部成员这一关之外,还必须过薪酬委员会这一关。”

受访的新加坡航空公司和胜空予就聘的公司3个月的通知,并签署一份不透露任何现有公司资料的同意书。

选选非常谨慎

由于职责重大,很多公司管理层采取非常谨慎的态度来遴选应征者。有些公司只选择一些对整个业务状况已有一定了解的人选,或从公司现有的人才当中,物色适当的人选。

例如由于新加坡航空公司和胜空予都掌管着国际航线,因此虎航最近聘请曾担任新加坡下班安航空总裁的陈有成,任该公司的新总裁。虎航的最大股东新加坡航空公司。

招聘公司 扩大撒网找人才

银行与金融界、炼油业、汽车业、生物医药及制药领域,总裁最难找!

人才资源公司AYP公司董事经理叶慧莲受访时说,其实一般的高层人员并不难找,狮城也不缺乏这方面的人才,反而是公司总裁最难物色。

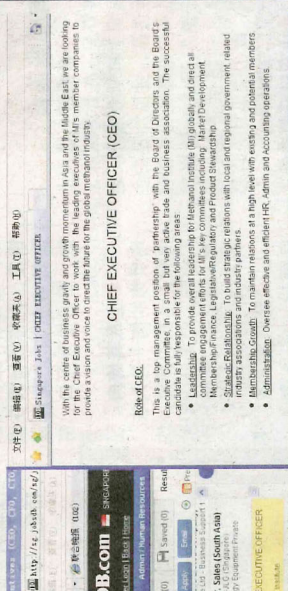
总裁的职责属于全面,必须负责兼顾一家公司的营运、行政以及行政等范围,财务、营运、行销等部门的副总裁都要向总裁报告。

叶慧莲说,市场销售副总裁或执行董事的职位,之所以经常

换人,是因为这个领域的高层人员必须达到销售目标,否则公司就会请他们“走”。
雇用几万名员工的大型跨国公司,总裁就更难物色。
网络招聘公司Jobs Central总裁林德兴说,大公司将物色总裁和高层人选时,会把网撒到国内外的人才市场。
他说,目前最缺总裁和高层的领域包括银行与金融业、炼油和石油业等。梁昌国则说,生物医药及制药领域也难请到总裁或高层。



很多公司在职业搜寻网站上,招聘总裁或高层。(档案照片)



柏默获提名当国会议长 榜鹅东居民担心 谁代表他们发言

许翔宇 报道 hsiangyu@sph.com.sg

议员柏默获提名当新国会议长,榜鹅东单选区居民表示欢迎,却也担心谁将代表他们在国会上发言。

李显龙总理昨天向行动党议员表达要提名议员柏默,出任国会议长的决定,获得议员的支持。

第12届国会将在10月10日开会,到时,全体87名议员将推选出国会议长。由于行动党议员占国会多数席位,柏默相信会顺利当选议长。

2006年踏入政坛的柏默(43岁,律师),在5月大选中当选为榜鹅东单选区议员,得票率是54.53%。

柏默是大选中首个以少数族裔身份参选单选区的候选人,若成为议长,他将是个首欧亚裔出任此职位。

对此消息,不少榜鹅东单选区居民表示欢迎,但也有居民在网向上询问,柏默当选议长后,无法参与国会辩论,是否会影响到他在国会中代表他们发言?

谁来代替他接见选民?

也有人问,柏默是单选区议员,若因议长的职务必须出国,到时会由谁来代替他接见选民?

据《海峡时报》报道,柏默当选议长后,虽无法参与国会辩论,但还是能直接向各政府部门提出居民的担忧,并由其他议员在国会上表达他发言。

受访议员

受访议员认为,柏默获提名成为国会议长,反映新政治气候的需要。

之前坊间盛传,行动党可能会推选出前部长或重量级人物出任议长。

柏默担任议员仅5年多,如今被提名,令不少人感到意外。

柏默接受《海峡时报》访问时坦言,当李显龙总理告诉他这项决定时,自己“很意外,起初很震惊”。

但他认为,有鉴于国会会有更多反对党的新政治生态,须有新风,务必让议员有充裕时间辩论和交流。

柏默获提名反映 新政治气候需要

“他们希望有一个年轻、清新的面孔担任议长”。

受访议员说,柏默熟悉法律,性格温和,也没有历史包袱,适合出任议长。

淡滨尼集选区议员马炎庆说,相信总理希望一个年轻议长会愿意让更多非行动党的声音参与辩论,而行动党议员今年得更多议席议长的注意。

如一切议席张有则说,国会会有更多反对党的新政治生态,须有新风,务必让议员有充裕时间辩论和交流。



游人如织的裕华园。

最大规模 裕化园中秋晚会

THIS WEEK'S TOPIC

What in your view were the key messages from the Prime Minister's National Day Rally speech? What did he say that connected most with you personally and as a business leader?

Rallying the nation

Edmund Leow

Principal
Baker & McKenzie.Wong & Leow,
Singapore

TO ME, the speech confirms that while the government has recognised the need to cater to the needs and aspirations of Singaporeans in various areas (eg. housing, education, healthcare, etc), it will also continue to keep Singapore competitive in attracting talent and investment.

If we do not continue to attract talent and investment from all over the world, we will not generate the economic growth we need to pay for the things that Singaporeans aspire to. As the expectations of Singaporeans increase over the years, more economic growth will be needed to pay for them.

Valerio Nannini

Managing Director
Nestlé Singapore

INDEED, PM Lee is spot-on to say that Singaporeans are not competing with foreign talent in Singapore, but with talent from all over the world. He shared that China alone is producing seven million graduates a year – twice Singapore's population! To be exceptional and ahead of the pack, Singapore needs to be unique and special.

With the best melting pot of East and West here, and a focus on R&D, Singapore is a true window to the future. Innovation and productivity are not two but one and the same. Innovation and R&D are key drivers for Nestlé, and this makes Nestlé and Singapore perfect partners. Singapore is a microcosm for the world and is indeed an ideal place to be an incubator for the world.

Phillip Overmyer

Chief Executive
Singapore International Chamber of Commerce

WE FIND it encouraging that the Prime Minister recognises the need for Singapore to remain an important place for multinational companies to do business as we believe a strong MNC presence is critical to the nation's long-term success.

For most MNCs, Singapore is increasingly being used as a corporate headquarters location from which to serve the Asian markets. While some manufacturing may be moved to lower-cost markets in the region, key executives from Singapore and from other markets around the world are being posted here to manage and develop international companies' Asian markets. A key part of this growth is that companies are starting to use Singapore as their base in Asia from which to develop key talents – the people who will become tomorrow's corporate leaders.

Promising young executives from regional and global markets, including young Singapore talent, are brought together in Singapore both to run key operations in the region for a few years, and importantly, to learn from each other about the company's markets around the world. Singaporean workers at all levels – not just the top talent – will be able to work with and learn from these top talent pools.

The Singapore International Chamber of Commerce is very pleased that the new regulations for granting Employment Passes recognise the importance and value of companies that use Singapore as their Asian base for developing new, top-level talent. We hope that the implementation of the regulations will encourage companies to use Singapore as one of their global locations for the identification and development of top-level talent.

Philippe Huinck

Regional Managing Director, South and South East Asia
International SOS

I FOUND the Prime Minister's National Day Rally speech to be generally clear, comprehensive and constructive. I especially appreciated the dialogue format he used, which signalled openness in engaging his audiences.

Personally, what resonated most are PM Lee's proposed measures on improving Singaporeans' access to education. While he emphasised the need to keep the student population a mix of local and international, it was heartening to hear that Singaporeans would always come first, with more university places to be made available to them.

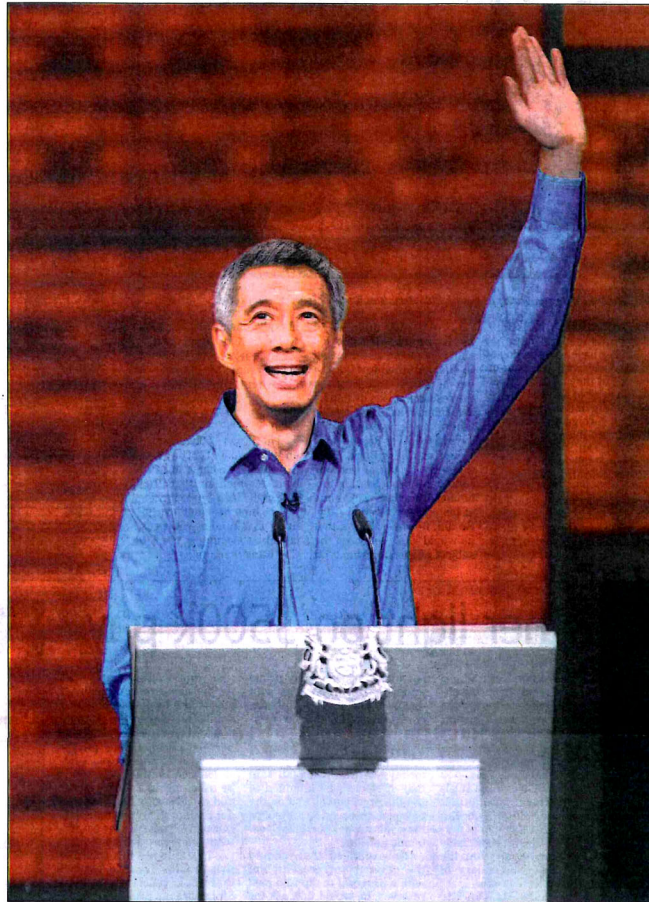
As an employer, I welcome this development as it will widen the talent pool of well-educated Singaporeans to support the future growth of Singapore. This will keep the nation competitive and also benefit multinational companies such as International SOS, which are headquartered here and committed to Singapore for the long term.

Yvonne Cox

Managing Director, South East Asia
Towers Watson

THE Prime Minister's call for Singapore to become an "exceptional, even unique" nation resonated with me.

Due to the macro-economic uncertainties in Europe and the United States, the focus on growth has become all the more critical for companies in Singapore. So PM's call to welcome high-quality professionals and



THE STRAITS TIMES FILE PHOTO

entrepreneurs who can grow businesses here, attract high-quality investments and help Singapore compete globally even in these uncertain times, is very positive, timely and relevant.

Toby Koh

Group Managing Director
Ademco Security Group

SINGAPOREANS have spoken out against the foreign talent pool in the country. However, as PM Lee has pointed out time and again, Singapore's economy is based on an open policy to thrive. The fact is that we need foreign talent at all levels to complement our economy. Businesses face major challenges to hire the right talent and if this persists, I am sure that many foreign investors and local companies will be forced to move some operations out of Singapore. This inevitably will affect Singapore's competitiveness.

Singaporeans must constantly improve and upgrade in order to be first choice for employers. It is a brutal world out there and fellow citizens have to refrain from hiding behind government policies for employment opportunities.

Mark Billington

Regional Director, South East Asia
ICAEW

PM LEE advised those who failed to get a university place not to give up; there are other options. I agree, and think it is important to reiterate that education is a means to an end and not an end in itself.

There are several pathways to great careers in many professions through vocational qualifications. Becoming a Chartered Accountant, for example, whilst often seen as the preserve of university graduates, is open to anybody and the ACA designation earned and maintained carries more weight in your career than your exam results from your teens.

Vaj Malik

Area Vice-President, Asean
Citrix Systems

THE National Day Rally speech was a pragmatic call to Singaporeans to embody the Singapore Spirit – the ability to create opportunity out of adversity. While Prime Minister Lee announced policy changes aimed at helping Singaporeans, he rightly warned of the coming storm from the current economic uncertainty.

The Singapore Spirit in a business context should be about how business leaders can find opportunity in turbulent times, either through new business processes or technologies, such as virtualisation, that improve organisational effectiveness.

Virtualisation technologies help cut travelling time and device complexity to create a truly mobile, highly efficient workforce measured on the results they deliver, and not where they work. Exceptional work practices make for happier, more effective employees – and exceptional organisations.

Rohit Dadwal

Managing Director, Apac
Mobile Marketing Association

THE key message was about making sure that we have a sustainable society as we move forward. Given we have an ageing population we need to make room for new immigrants while taking care of our own. Comments and plans on healthcare were thought fully through.

However I would have really liked for the government to start thinking about providing health cover for senior citizens which is not a burden on the citizens. Developed countries have such provisions, and for Singapore to be seen as a country to live and work in, this should now be explored beyond mere grants.

On housing there is a greater need for government to think of affordable housing for foreign talent too, as current pricing is not helping the overall position for immigrants.

Teng Yeow Heng Michael

Managing Director
Corporate Turnaround Centre Pte Ltd

THE Prime Minister emphasises that the government is putting Singaporeans first but we cannot keep out foreigners. The bar has been raised in terms of entry requirements for foreigners to work in Singapore. It is heartening to learn that the Prime Minister is talking more about putting Singaporeans first, much more than in previous rallies. It augurs well for the ordinary citizens as the government will be using more public funds to help them tide over the difficult economic times.

Also, I am encouraged by the Prime Minister's sincerity in welcoming citizens to help shape public policies.

Lynne Ng

Regional Director
Adecco SEA

IT WAS interesting to hear of the Employment Pass changes. What is important to note is that there will be a continued focus on Singaporeans remaining at the heart of our workforce. This is both a logical and a sustainable long-term strategy. Increasing the minimum qualifying salary and ensuring that graduates come from quality institutions are going to add further value to Singapore's workforce.

I agree with our Prime Minister in his stating that as a nation we have continued to develop and prosper as we have been open to the world and to change. As a business leader for a recruitment and staffing firm, I am very aware of the need for Singapore to continue to be talent-rich – with a skilled, motivated and diverse workforce.

We must continue to welcome leading talent from around the world that complements our homegrown employees and entrepreneurs and that ensures that we remain competitive not only regionally, but also on the global platform.

Liu Chunlin

CEO
K&C Protective Technologies Pte Ltd

I FEEL that the motivational impact of PM's messages over the years is like a powerful two-stroke engine. One stroke is that of productivity exhortation, with themes of innovation and adapting to global competition. The other stroke is that of emphasising benefits and welfare of workers and citizens. It's about creating a bigger cake and how to cut it up.

Whilst these two strokes are typically present in a National Day message, this year's message is pronouncedly the latter, resonating with a sense of closure of issues from the General Election. It is a re-balancing and tilting of the playing field, a re-assuring of a disturbed populace.

My concern is that with the new financial crisis breaking out, and this time looking more ominous, we could all get caught up on "what's for me" and miss getting ready for the storm brewing over the horizon. The PM would certainly have dwelt more on this challenge, if not for having to deal with closure of the issues mentioned above.

Dhirendra Shantilal

Senior Vice-President – Asia Pacific
Kelly Services

THE Prime Minister has made it resoundingly clear that he is putting Singaporeans first, while also saying that Singapore will always need foreign talent to grow and remain competitive. Streamlining the influx and ensuring higher-calibre foreign talent enter the market will only improve the overall quality of our workforce. In that essence, it will give Singapore the business edge in Asia.

The PM has also made the call for active citizenry. He wants Singaporeans to take charge and help in the transformation of the country – a call that if heeded, will make for a stronger, more cohesive nation. We are truly in a time of change, with a greater awareness of our national identity.

David Leong

Managing Director
PeopleWorldwide Consulting Pte Ltd

WITH his usual candour, Mr Lee addresses sensitive issues faced by Singaporeans relating to housing, jobs, healthcare, education and social safety nets with a poignant focus – that any governmental policies and thrusts are on a "Singaporeans First" basis. This is a more than solid assurance to Singaporeans that the government is re-looking at policies and processes that may not be aligned with today's economic and social goals. What worked before may not work today, and all policies, mechanisms, levers and any adjustments and calibrations are premised on that notion of "work-in-progress" for the betterment of all Singaporeans.

These reflect a very reassuring attitude by a progressive and enlightened government.

The Prime Minister acknowledged that infrastructure programmes, especially in the areas of housing and public transport, did not keep pace with the rate of increase of our population growth. He also had pointed to the need to calibrate the inflows of foreigners at all levels and by industry, taking into account the suitability of Singaporeans for those industries, productivity targets and sustainability.

To that end, the tweaking of the eligibility criteria for Employment Passes and S Passes is a step in the right direction, especially since a larger proportion of our local workforce is now tertiary-educated and will compete at these levels. These adjustments will in effect equilibrate the cost of labour between local, indigenous workforce with that of foreigners.

At the same time, the government is to provide more support to small and medium sized enterprises (SMEs) to cope with the rise in manpower costs and other business costs, and these are a definite relief for businesses.

I am confident that Singapore has the resilience to overcome the latest economic and social challenges with a uniquely Singaporean spirit and in a uniquely Singaporean way.



Mr Lee: 'We must have a harmonious political system where we make important decisions in the best interests of Singapore and Singaporeans'

PM: Singapore too small for political paralysis

Some sectors hope for easier employment pass rules

They cite shortage of professional staff, unwillingness of Singaporeans to take up certain jobs

By TEH SHI NING (SINGAPORE) Construction and logistics firms, restaurants and retailers - all hit by successive rounds of measures aimed at tightening the flow of foreign workers into Singapore - are hoping policymakers can make allowances for industry realities.

Giving companies time to adjust makes little difference if locals are unwilling to take up jobs despite higher salaries - a key complaint within these sectors. Also, multiple criteria changes mean that some will need to honour prior investment commitments with raised costs and a lack of manpower.

Higher qualifying salary levels announced last week for foreign professionals entering Singapore on employment passes have generated "quite a fair bit of feedback" from companies, Tharman Shanmugaratnam, Deputy Prime Minister and Minister for Finance and Manpower, told media on Saturday. He added that employers understand the need to adapt for the long term and not rely on an ever-growing foreign

workforce. Site coordinators, contract executives and draughtsmen, especially at the entry and middle management levels," says Dr Ho. A situation with fewer engineering graduates, and with locals shying away from construction jobs, has meant that "currently, contractors are very dependent on foreign professionals to fill up these positions", he adds.

Also hurting are the food and beverage and retail sectors, which have felt the labour crunch from earlier policy changes keenly. Alan Goh, managing director of Katrina Holdings, which owns a row of Clarke Quay restaurants and the BaliThai chain, thinks more calibration for different industries and jobs is needed.

"Something is wrong when we cannot hire local dishwashers even at \$2,000 a month. Those that come leave after a few weeks," he says, adding that Singaporeans' aspirations seem to have gone beyond income to job types. Jay Gee Enterprises managing director R Dhinaran concurs that hiring

foreign Chinese cuisine, after they are unable to renew their E-passes. Mr Goh says he expects more such instances with tightened measures, stressing that they are not easily replaced by locals unfamiliar with foreign cuisine.

Dr Ho says contractors are also hoping for policy that helps retain our experienced foreign workers, as repatriating workers who have gained skills and experience through years of working in Singapore because they fail to meet more stringent criteria will be a "loss to our nation".

Dave Ng, executive director of Bok Seng Logistics, agrees that the prospect of repatriating prime-mover drivers, who are well trained on Singapore's road rules or on transporting bulky containers with stricter rules, is difficult. The company has begun to feel the heat from the initial round of levy hikes along with rubber and diesel price increases. It has had to turn away potential customers because of limited resources.

SCAL hopes for more advance notice in future for policies that affect costs so that members "can factor in the possible cost increases during tender stages", says Dr Ho. Businesses now have six months before the changes apply to new applications and a year before they apply to renews.

Katrina's Mr Goh too hopes for more lead time. He is committed to restaurant leases in upcoming suburban malls 18 months in advance - outlets which he has to open despite increased costs.

Specific circumstances matter too. Alex Tay, regional director of Dairy Farm South Asia, says its Guardian pharmacies hire from Malaysia, Thailand and Australia to make up for a "severe shortage of pharmacists" locally - with close to 30 per cent of the pharmacy graduates each year bonded to the public sector. Full-fledged pharmacists meet the \$3,000

E-pass minimum salary but not in the first year of pre-registration training. Hiring them on the lower-tier S-pass however eats into its tier 1 work permit allowance, and recruitment costs by up to 150 per cent, Mr Tay estimates. He hopes the government will review or "not apply this requirement to jobs in genuinely tight local labour situations".

David Leong, managing director of PeopleWorldwide Consulting, says he can see significant cost impact on his clients - many of whom are in the hospitality, transport and offshore maritime industries - especially amid other inflationary pressures.

"But it's difficult for policy to be done on fine-hair separation terms too. That would make policy deliberation and implementation much more difficult and subject to abuses," he says of suggestions that foreign worker policy be made industry-specific.

And there are of course many other industries for whom this will not have much impact. Tim Hird, managing director of Robert Half, recruiter for finance, banking, technology and accountancy positions, thinks the changes are "aligned with trends that employers are moving towards, hiring locally" as local understanding is key for front-line banking roles and local accountancy practices. Changes to the minimum rates are "if anything, behind the standard inflation rates in salaries over the last five years", Mr Hird says.

Robert Walters' director (financial services & legal divisions) Pan Zaixian agrees: "Employers have been switching to a preference for local talent not just because of regulations, but also because of the maturity of the markets. In financial services for example, there is now a deeper pool of talent and experience to tap on."

What top executives think, Page 4



5大调整

针对总理宣布的政策调整,受访议员、商家和公众认为,政府聆听到国人的声音,正视了他们关注的民生课题,并重申了把国人利益视为优先的政策。

李显龙 总理指出,政府会尽力为人民遮风挡雨,政策也以新加坡人优先,并已着手调整住屋、教育、就业、医疗保健及援助特殊孩童等5方面的政策。
昨晚是今年5月大选后的首个国庆群众大会,李显龙总理在国大新加坡国立大学文化中心

心礼堂发表的演讲中,针对大选生问题如住屋和外来人才竞争等强调政府“以新加坡人利益为先确保新加坡成功发展的当务之急”。

他表示,政府聆听到民众的

准总统候选人怎么说...



陈庆炎博士

“除了关注内部的课题,总理也花了一些时间谈论不稳定的全球经济气候,我很高兴他向国人阐释这对他们的日常生活将有何影响,以及特别提到如何为弱势群体提供社会安全网。”

陈钦亮

“李总理的演讲有两点让我感到鼓舞,一是他正视民众最关注的课题如住屋、就业、教育和医疗服务,并提出一些解决方法,二是重申政府将采取开放姿态,欢迎民众提供意见。”

议员怎么说...



“荷兰一武吉知马集选区议员连荣华”
“我们时常听到家长担忧孩子会与外国学生争大学名额,我也很欣慰给新加坡学生的大学名额增加。国家政策是,每批同年龄新加坡生约有25%升上大学,其实与外国学生名额没有直接竞争,不过成绩当然总会有竞争。”



丰加北单选区议员许连儒博士

“基本护理合作计划申请最低年限调低到40岁的宣布,相信会受到国人欢迎,不少公众很关注医疗费用高涨课题,尤其慢性疾病的长期护理、住院以及门诊医疗费等。”



非选区议员 严燕松(工人党)

“总理提到外来投资者担心我国政府是否会走向民粹路线。我想,没有人想要一个民粹政府,而是期望一个能提出有效政策的政府。...我们(反对党)的作用就是要给执政党带来竞争,激励政府做得更好。我很高兴总理表示慢性病患者将获得更多援助,但我也希望政府将来考虑放宽长期国人保健储蓄提款限制。”



非选区议员余振忠(工人党)

“对于慢性病患的医疗援助,我希望接下来政府说明更多细节。我所在的如切区,有很多住私宅的老人,未必很富裕,他们经常被排除在援助措施之外,很多要靠买屋来支付医药费。政府收紧外劳政策,上调S准证持有人底薪后,如何给如今面对很多压力的中小企业额外援助,也是我想进一步了解的。”



商家怎么说...

金钻珠宝公会会长何乃全

“政府把重点集中在稳定社会和谐,相信对商业环境也会有所带动。接下来,政府应注意的是,金融风暴若卷土重来,国人能否凝聚在一起。如今通过加强社会安全网,处理人们的诉求,政府希望国人同心协力面对外来挑战。我想这是总理要传达的重要信息。”



人力资源公司仁立国际负责人梁昌国

“自7月以来,政府已落实放缓输入外籍劳工速度,鼓励企业聘请新加坡人的政策。如今政府进一步收紧外劳政策,显示它有聆听人民的声音,但希望执行政策的部门,能持续针对个别情况来援助中小企业。”



观察家怎么说...

新加坡管理大学助理教授陈庆文

“我认为,总理的演讲回应了人民所关注的课题。他把重点放在非经济课题,如加强社会安全网等,是相当适时,也符合了人民期望,也为未来5年的施政方针拟定蓝图。但相当程度上,人们还是希望政府接下来能做针对人们期望和诉求作出回应,而不是等到大选才来快马加鞭。接下来5年,政府如何执行政策,将是国人所密切关注的。”



政治观察家赖雅析

“总理重申国家政策以新加坡人利益为优先,宣布多项民生政策的调整,但对于我国可能面对另一轮经济放缓之际,政府有何应对策略却着墨不多。我认为,安抚民心是必要,但总理在回应人民诉求和勾勒未来经济策略之间,可以更好地平衡。政府这回可能太着眼于大选结果,急于缓解人民不满。但我认为,那些在大选中投反对票的国人,同样也关注我国经济如何受欧美债务问题冲击,政府和人民应该各自负起什么责任来应付这些挑战。”



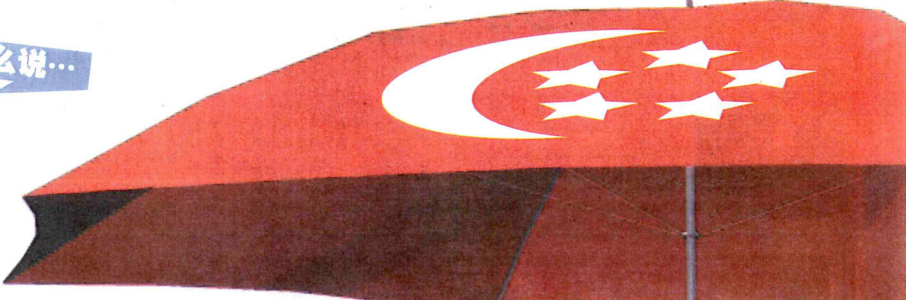
卢伟利(26岁,大学毕业生)

“目前申请组屋收入上限提升,对我来说是最好的消息。虽然目前我还不至于买房,但将来要结婚时,我和未来妻子的月收入可能会超过目前的薪水上限,因此政府如今调高这个上限,也缓和了我的顾虑。”



黄九稳(62岁,永康正顺邻里委员会主席)

“我很欢迎政府把集体护理合作计划受惠者年龄上限从65岁下调到40岁的宣布,这对帮助国人应付医疗开支方面很有帮助。另外,总理重申新加坡优先的政策,并宣布房屋等民生政策的调整,也给国



就业

总理: 国人对就业市场竞争激烈感到担忧。白领人士也面对外来人才竞争,加上经济前景不明朗,他们感到不安。

政策调整: 外国人申请就业准证

- ①提高就业准证(employment pass)持有者的薪金底线。
- ②学历审查更严。
- ③调高外籍劳工税和控制外籍劳工比例。
- ④通过津贴和税务回扣,协助中小企业(SMEs)提高生产力,减少对外劳的依赖。

教育

总理: 广开门户吸引海外大学生,本地学生理想名额被剥夺。

政策调整: 增加大学名额

- ①4年内增加2000个大学名额,全留给本地学生。
- ②大学每年录取的新加坡学生在2015年达到1万4000名,海外学生招生人数不变。
- ③2015年后,给本地生的大学名额将继续增加。
- ④为本地学生提供更多奖励学金。

住屋

总理: 房价攀升,一些有意购买房子的国人,尤其是年轻夫妇,担心能否实现拥屋梦想。

政策调整: 解决房屋问题

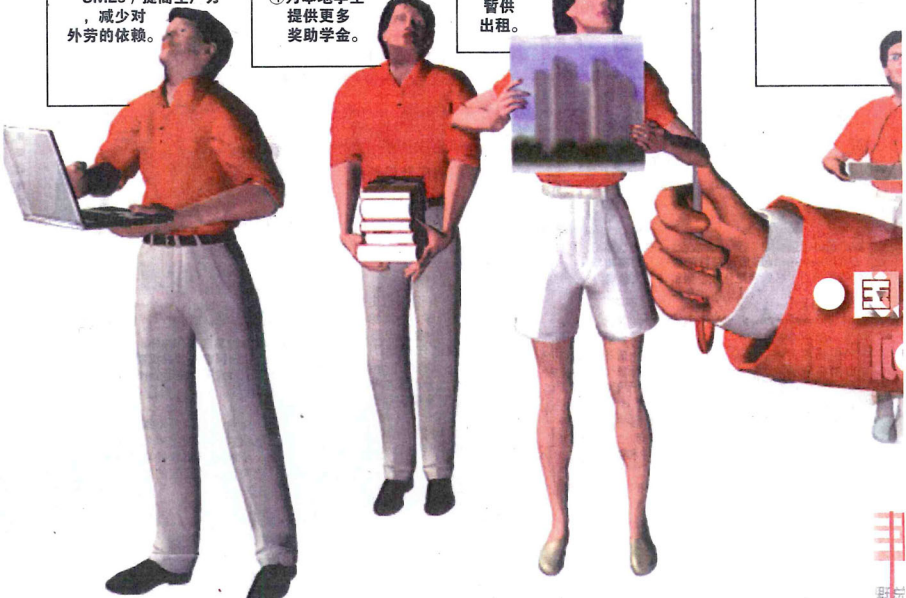
- ①买预购组屋(BTO)收入上限,从8000元上调至1万元。
- ②买执行共管公寓(EC)收入上限,从1万元上调至1万2000元。
- ③明年推出2万5000个新组屋。
- ④未来两年增加另7000个租赁组屋单位。
- ⑤延迟拆除选择性整体重建计划(Sers)组屋,暂供出租。

特别学校

总理: 有特别需求,不仅得操心!也关注如何让孩童,发挥潜能。

政策调整: 扶持有特殊孩童

- ①增加特别学校与: 学额。
- ②提高特别学校的: 助。
- ③给他们的父母更: 助。
- ④协助有特殊需要: 会。



两个小故事

李显龙总理分享两个小故事,说明政府是人民的公仆,必须尽心尽力为人民解决各种问题。但他希望人民更自动自发向政府提出好建议,而不是一切都留给政府去做。此外,政府不可能有求必应,民众到政府部门办事时,应该与前线公务员以礼相待,互相尊重,心平气和的互相磋商,才能有效地解决问题。

小故事1: 总理救狗

几个星期前,人民就讨论了“部长捉猫”的事。一位早报读者说,许文远部长还有更重要的事要做,不应该为抓猫的事烦恼。我最近在一位德义区居民的要求下,也不得不亲自处理一件抓狗的事。这位居民偶然碰见一只野狗,非常喜欢,但没去办领养。后来这只狗被当局抓走,她马上展开救狗行动,要求我帮助她,以免这只狗被人道毁灭。幸好这



小故事2: 病人粗话骂医生

最近一名病人到政府医院医生研究病情后,好意指出他不需要这种药,高骂大骂医生了,还说要告几个月的,公众对公务员无礼的情况有增加趋势,一些公众甚至呵斥:“我不是医生,你的政策是什么?”

and inefficient businesses will rather and cave in – bad news.

However, organisations with strong fundamentals and which are willing to be innovative and proactive will identify and take on new opportunities that the social, economic and political shifts will present. This needs skill and dexterity.

I am viewing this period as an opportunity to get closer to our employees, business partners and customers – give them a better reason to engage with Brocade.

I see this as an opportunity to hire good talent that may leave other organisations. This is an opportunity to examine our business processes and methodologies – challenge them, test them and improve them.

I do believe that every financial downturn has enabled able companies to emerge stronger in the aftermath.

Brocade certainly has been one of them!

Patrick Liew

CEO
HSR Property Group

IT is not only the market size but also the market share that really count.

In this regard, we are capitalising on our competitors' fear and cautiousness to aggressively entrench and grow our stake in the market. We are focusing on emerging opportunities that have resulted from the changing times.

In the age of disorder, we are expecting the unexpected by keeping our organisation adaptable, flexible and agile. We want to respond effectively to unpredictable turbulence, while at the same time exploit opportunities in every downturn to grow the business.

Andrea Ross

Managing Director (Singapore & Malaysia)
Robert Walters Singapore

WITH economic uncertainties facing the global markets, we are keeping a close tab on how that will affect our business on the ground here in Singapore. On the business end, this will mean keeping close to our clients to gauge their expected headcount requirements vis-a-vis market developments.

While market uncertainty poses issues for everyone, it should bode well for us, relatively speaking, as we have depth in the Singapore markets (that is: as the smaller players exit, we can in turn gain market share).

Robert Walters Singapore has weathered several economic cycles since the Asian Financial Crisis in the nineties, and as such, we are in an experienced position to withstand various market conditions and in turn take advantage of any opportunities that may come up.

Yaj Malik

Area Vice-President, Asean
Citrix Systems

TODAY, businesses are keeping a close eye on the financial markets for signs of what's to come. But keeping in mind that these may be largely events beyond their control, what they really should do is focus on how they can improve their internal operations, making sure that they are as agile and efficient as they can possibly be. Technology can make a strategic difference.

David Leong

Managing Director
PeopleWorldwide Consulting Pte Ltd

IT'S doubtful that this economic uncertainty will equate to 2008's crisis or the frenzy that occurred in recent recessions.

Nonetheless, businesses and consumers need to be cautious and be prepared for a bad slide. Trades can be bought on borrowed money, or margins and hence the intense speculation that led to the bubbling stock markets and property prices must be restrained and at this time, it is best to play defensive instead of leveraging risks.

My intuitive sense tells me that the mad stock and property market spree cannot possibly be sustained and therefore this is not a time for harvest from an optimistic delusion.

At this time, it is best to conserve cash and not be highly geared. My intuitive sense also tells me that this may be an extraordinary moment in our financial market history.

Joshua Yim

CEO
ACHIEVE Group

IT is yet unknown whether a double dip recession will indeed come to pass. Nonetheless, the global economy may take quite a bad hit due to the worsening conditions in debt-incurring regions like the United States and Europe.

If the governments do not bite the bullet and implement very deep cuts on their expenditure, I believe there will be turbulence ahead.

In the light of this, businesses will need to hedge against these risks.

They should monitor the situation very closely and ensure they have sufficient liquidity to sustain the business while looking into possible cost-cutting measures such as trimming business expenses and salaries in order to survive the potentially difficult times ahead.

They should also consider launching products or business lines that hedge against the downturn.

Consumers will need to look into building up six-to-12-month emergency funds and cut back on expenses just in case they lose their jobs down the road.

Lim Soon Hock

Managing Director
PLAN-B ICAG Pte Ltd

Businesses and consumers need to be extra cautious with spending and investments in this period of economic uncertainty.

That said, if there is a good opportunity, businesses should seize it, if the price is attractive and affordable.

It would be prudent to keep cash and watch closely how the economic uncertainty will pan out before investing in any equity, bonds, or even properties.

Invest Time in Education before Trading

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Customer Account Review Module
The Customer Account Review Module assists SGX broking firms in reviewing whether retail customers have the relevant knowledge and experience in trading Specified Investment Products. You only need to complete the information once in this module, and thereafter, please contact your SGX broking firm for their review.

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www.sgx.com/onlineeducation/specifiedinvestmentproducts

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For the complete list of views from CEOs go to <http://businessimes.com.sg>

Patrick Liew

CEO
HSR Property Group

PARENTS are the best persons to educate kids about financial management. They need to teach kids, like any critical skills, how to manage money. The best way to do it is to improve their financial literacy and set an example of good financial habits as kids very often learn by imitation.

One of the first skills to inculcate is delayed gratification. It promotes discipline, self-control and perseverance – qualities that will enhance financial intelligence.

In the process of carrying out their daily affairs, parents can highlight the value of money, not just the prices of goods. They can involve kids in developing a household budget to help them appreciate the value of earning, saving and investing money. For example, make the kids work to earn their pocket money and teach them how to enhance the joy of work.

When kids develop effective financial habits, they will be more inclined to adopt it throughout their lives. They will grow up to become responsible and useful members of society.

David Leong

Managing Director
PeopleWorldwide Consulting Pte Ltd.

THE Richest Man in Babylon by George Samuel Clason is a book introduced to me by the then dean of the Faculty of Business Administration, National University of Singapore, Professor Hum Sin Hoon.

The lessons in the book took hold of my imagination and defined the meaning of wealth to me. It taught me the Seven Cures for a lean purse – essentially the art of managing money.

The simple lessons in the book can be inculcated in our children from a young age:

- ◆ Start thy purse to fattening
 - ◆ Control thy expenditure
 - ◆ Make thy gold multiply
 - ◆ Guard thy treasures from loss
 - ◆ Make of thy dwelling a profitable investment
 - ◆ Insure a future income
 - ◆ Increase thy ability to earn
- My sons will be taught the value of wealth through the simple parables in the book.

Annie Yap

Managing Director
AYP Associates Pte Ltd

SOMEONE I hold in high esteem once told me, "You do not have to work hard for money, make money work hard for you instead."

This piece of advice imbued me with the drive to make my money work harder for me, inspiring me to sharpen my financial know-how. In addition, it enabled me to recognise the importance of financial freedom and pave the way to financial success.

From an early age, parents should ready their children for the financial realities of adult life and ingrain their children with good money management habits.

Parents also have the option of enrolling their children in wealth management programmes organised by various learning institutes to expose them to wealth

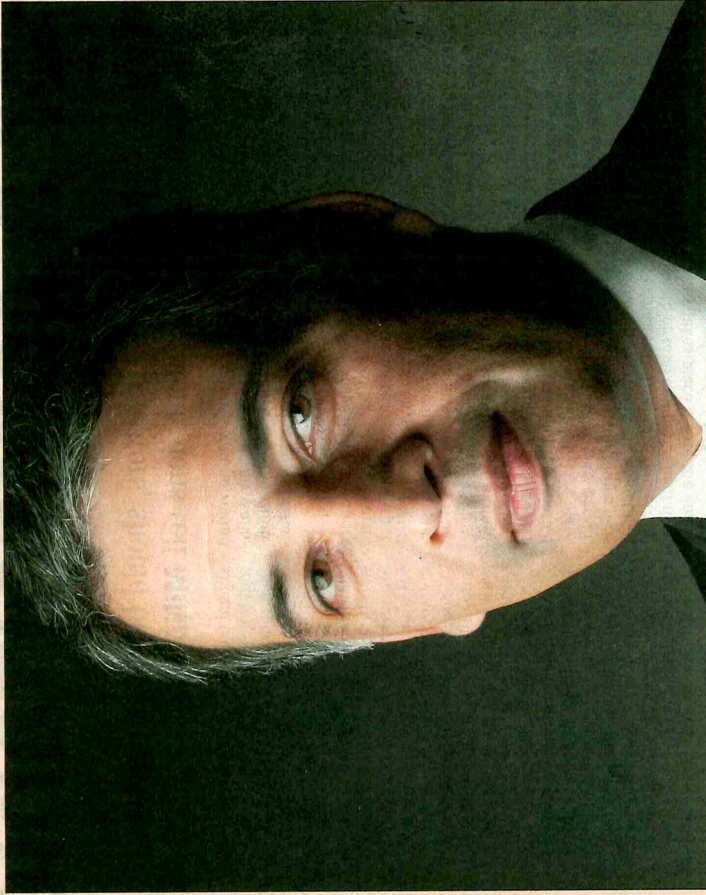
Akbar Shah
Region Head – Singapore, Malaysia, Brunei & Australia
Citi Private Bank

The best piece of advice I've received about wealth management is 'live within your means'.

Life's not so much about earning more to live better; it is about living smart with what you have. It doesn't matter whether you are rich, middle income or low income.

Not everyone is capable of earning heaps of money.

As you chase your dreams and build your wealth, always live within your means. It is about you controlling your wealth, not wealth controlling you. With control you get happiness and the confidence to chase more dreams.



passion that I wish to pass on, not just to my child, but to as many men and women as I can, for I believe every person has the power in his own hands, to master the art of wealth and success.

Thirumalai Chandroo

Chairman/CEO
Modern Montessori International Group

WE learn life lessons through hard knocks. This is the lesson every parent should impart to his child – that success comes with sound business knowledge and hard work.

I am proud of my present achievements, but I never fail to reiterate to my children about the arduous journey of my past. This instils a sense of realism and keeps them firmly grounded in their beliefs and decisions – financially especially.

More importantly, I stress the fervour of entrepreneurship to them and the passion to successfully run a business. As such, my eldest son is a budding entrepreneur who is learning the ropes of the business.

Andrea Ross

Managing Director (Singapore & Malaysia)
Robert Walters Singapore

wealth products, private bank opportunities and financial markets.

R Dhinakaran

Managing Director
Jay Gee Enterprises Pte Ltd

IN my early years I was advised to spend within the pocket money given and save a little if possible. I was allowed to try and learn small and make mistakes of my own.

This process, although painful, ensured that the intricacies of understanding value and the consequences of poor decision-making remained permanently etched in my memory.

Kids as they grow up, should be encouraged to learn and swim on their own with limited resources being allocated for survival and a fixed time frame to fetch returns and test their ability to grow wealth.

Failures should be analysed along with the kid to help him choose more wisely in the next investment.

Jean-Michel Dumont

Chairman
Ruder Finn Public Relations

The best financial advice I have received was to put my money where my mouth is. If you truly believe in

THIS WEEK'S TOPIC

What key issues should employers, employees and the government consider when reviewing the current cut in CPF contribution rates for workers reaching 50 and 65? What changes, if any, would you consider fair and sustainable?

Finding the right CPF balance

Patrick Liew

CEO
HSR Property Group

IN THE final analysis, an employee's compensation, including CPF, should be dictated by free market forces. They are the optimal arbiters of productivity, competitiveness, and sustainable results. If employers are unable to compete in the global market as a result of increase in overheads, it may lower their demand for human resources. This will create a vicious cycle that will ultimately affect the older workers whom we are trying to protect.

Perhaps, in the spirit of tripartism, the government can help to enhance the employability of the older workers by lowering the tax for either the employers or older workers. On the other hand, incentives can be provided to help employers enhance their HR development programmes to train their workers and possibly, deploy workers in other positions and professions. Incentive schemes can be provided to enhance and enrich jobs, including developing flexi-time work schemes. Subsidies can also be offered to increase productivity, improve health and wellness, and develop elder-friendly environment to facilitate work and contributions.

Lynne Ng

Regional Director
Adecco SEA

NOT just in Singapore, but around the world, retirement funds are being reviewed because people are needing, or choosing, to work longer. In Singapore, I believe that this is a move in the right direction to support those working into their late 60's, or even longer. Employees need to be given the opportunity to continue saving at a healthy level, to support a longer life and also to remain financially independent.

A rise in CPF contribution rates at 50 and 65 years old would also correlate with the government's programmes for employers to hire and retain older workers. It's a fact that we are going to see more older workers in the workplace going forward, and all efforts should be taken to continue creating fair and equal employment conditions and opportunities for them.

Andrea Ross

Managing Director (Singapore & Malaysia)
Robert Walters Singapore

A CUT in CPF contribution rates for employees will result in more cash for the employee with every pay cheque. Hence it does make sense to vary employees' CPF contributions on a declining rate in line with age as the more elderly an employee, the earlier he would like to have access to his "retirement" fund.

However, a cut in employers' CPF contribution rates for more mature workers will ultimately result in them making lesser money on a net basis, even though they can take home more cash upfront. Hence, this scheme is chiefly designed to target savings for employers whilst motivating them to hire mature workers, as opposed to returning early cash upfront for this particular age group.

Should the intention be to encourage hiring of mature workers, the government could explore other non-CPF avenues within their vast means.

David Leong

Managing Director
PeopleWorldwide Consulting Pte Ltd

TURNING 50 is a trigger for an absolute wage cut since any cut in CPF is effectively a reduction in aggregate wage.

With longer life expectancies and the recent introduction of the Retirement and Re-employment Act, the concept of employment beyond the traditional retirement age is evolving and changing. Hence policies regulating the CPF contributions are tweaked to enable greater employment opportunities for these older employees.

From a cost-benefit compensation angle, if all else stay the same, it may be more expensive to continue to employ an older worker than a younger one. This is a fact. To improve the employability of older workers in a seniority-based wage system, incentives must be provided for employers to encourage the employment of workers reaching 50 and 65. Therefore CPF contribution rates for older workers must be carefully weighed to ensure employability.

However, the government's role in this pivotal balance of wage equity is important. The government can provide other forms of support for older low-wage workers through the Special Employment Credit where the government pays for a part of the employer's CPF contribution. Or the government can consider a special allocation in the yearly Budget to set aside one-off support to these older low-wage workers to supplement contribution to their CPFs.

These contributions, in effect, shift the burden of costs from employers to government and in the end, all stakeholders will benefit—older workers get employment, employers have reduced wage overheads, and the government provides a duty of care to these vulnerable older low-wage workers.

The implementation of a blanket or generalist policy across all ages of elderly (with Singapore's perception of "old age" being 67—according to insurer AXA's survey) runs the risk of neglecting the needs of specific sub-groups in the long run.

Factors such as the economic stratification of the elderly, employment status, living arrangements and health status over time, are all valid research input that serve as relevant data for an informed policy. Not considering the sub-categories of our ageing population will only serve to create ageist blind spots that will null and void any decision that is made without this research.

Teng Yeow Heng Michael

Managing Director
Corporate Turnaround Centre Pte Ltd

THE crux of the problem is not the CPF reduction or increase. This is only addressing the symptom and not the root cause. Rather, we should do more to promote the value that employers place in older workers. Unlike many countries such as the US, Japan and South Korea where older employees are recognised for their experience and contribution, in Singapore, we have not accorded the same respect for our older workers.

Our government as the largest employer can set an example by extending the tenure or hiring more older workers. More government incentives and subsidies need to be given for the hiring of older workers.

David Low

CEO
Futuristic Store Fixtures Pte Ltd

THE current cut in CPF contribution rates should only serve as a benchmark for employers to act with

For the complete list of views from CEOs, go to

<http://businesstimes.com.sg>

民生民财

中央公积金局在2009年9月推出“公积金入息计划”，确保会员退休后有生活保障。(档案照片)

财务专家：要安享晚年

CPF年金计划外 应有其他投资

郭倩婷 报道
kwokst@sph.com.sg

国人的寿命越来越长，财务规划师认为，加入公积金入息计划(CPF Life)对国人退休生活有一定保障，但要真正考虑享受黄金岁月，应有其他投资如年金(annuity)、产业租金和股息收入。

财务顾问郑莉莲指出，随着男性和女性的预期寿命分别延长到79岁和84岁，这也意味退休后的时间更长了。因此，CPF Life计划将有助于保障会员在65岁退休后的基本生活费用。

郑莉莲目前是宏利保险(Prestige Raiffes区域Anne Tay and Associates)的高级经理。

如果要在退休后维持现有的生



▲ 郭莉莲

例子 怕不够钱 留给孩子

有人担心加入计划后，无法留足够钱给孩子或后人，但其实不然。

读者陈先生，他的亲戚今年55岁，公积金退休户头(Retirement Account)有6万

活水平，国人也需寻找其他的收入来源。例如投资蓝筹股赚取股息、投资房地产、收取租金等。

公积金终身入息计划是政府为确保护人到了晚年仍继续保有基本收入而推出的年金计划。

因公积金存款不足而没在满55岁时被纳入中央公积金终身入息计划的会员，今后只要他们在满65岁时，退休户头累积达6万元存款，将自动加入终身入息计划。



▲ 吴加万

健康报道

jiankang@sph.com.sg
在本地单靠打兼职工，每月也能有2000元入账！

职业搜寻网站JobsCentral总裁林德兴说，本地目前的兼职工主要是在服务领域如酒店和餐饮业，每小时可赚7至10元，也有一些可以抽佣的如数据输入或电话行销。

他说：“只要勤奋，即使单靠兼职工，每月赚2000元不成问题，但各有各种福利如公积金和年假等。”

不过，他认为，在本地单靠兼职工的例子并不多，尤其是学生毕业后，一般上都能找到全职工作。

本地的情况和美国当前流行的兼职工风潮，非常不同。当前美国失业率居高不下，不少刚毕业的大学生因找不到全职工作或新工作多份兼职工来维持生计。

26岁的甄尔洛就是一个典型案例，他身兼4职，除了在一家著名出版社担任双语课程编排专家，同时也通过网络处理房产交易与葡萄酒买卖，以及为彩罐商家设立网页。此外，他还参与实况剧的副档构思。

尽管有时得从上午7时工作到午夜，不过甄尔洛的收入也相当可观，平均每月可赚1800美元(约2200新元)。

人力资源专家：

我国失业率较低 兼多职较罕见

本地人力资源专家指出，类似甄尔洛身兼4职的情况在我国非常罕见，这主要是因为我国失业率较低。

林德兴说：“美国的失业率高达11%，有些人找不到全职工作，只好靠打兼职工过日子，但新加坡的失业率只有1.9% (今年首季)，大学或理工学院学生毕业后，一般在6个月内都能找到基本满意的全职工作，因此没必要打兼职工。”

不做全职 月赚两千



新加坡经营学办职业展，大学毕业生在6个月内找到全职工作，一般上没有问题。(档案照片)

打兼职工

多是中途转业者

本地打兼职工的大多是中途转业者。人力资源公司仁立国际负责人梁昌国说：“中途转业者大多介于30岁至40岁，他们在失业本享有高薪，但在失业后，由于年纪较大，市场竞争激烈，无法找到同等薪水的工作，因此边做兼职工，边寻找更好的就业机会。”

他举例，有一名40岁的女行政经理，月收入4000元，被裁员后无法找到薪水相等的行政工作，却又不愿改行，反而选择当月入1800元的兼职工行政助理。

他说：“这类兼职工一般是暂时性，只为赚取足够的收入以应付日常开销，但同时也可能在努力寻找和先前的职业。”

大学毕业生 不考虑兼职工度日

刚毕业的大学生多会将职业发展前景列为求职的首要考量，不考虑兼职工度日。林德兴透露，JobsCentral每年都对刚毕业的3000名大学生进行“理想公司”调查，结果显示，绝大多数毕业生将“发展前景”列为最重要的考量因素，薪水多寡反而排在第二位。他说：“由此可见，多数大学毕业生不会选择单靠兼职工度日，因为只有在这家公司长期工作，才有职业发展可能，打兼职工很不固定，因此很难建立起好的职业发展履历表。”



Alvin Yeo

Senior Counsel
WongPartnership LLP

I WOULD like to commend the council for proposing a revised code which meets the standards of global best practices, taking into consideration the lessons from the global financial crisis.

The emphasis on raising the standards of directors particularly through induction and training and full disclosure.

Companies, having devoted significant efforts to developing thoughtful remuneration programmes, should also give as much consideration to communicating remuneration-related information to shareholders.

Rather than simply adhering to minimum regulatory requirements or replicating prior year disclosures, companies should proactively craft messages that accurately and persuasively reflect their thinking and approach towards executive compensation for the year.

Companies should also disclose with greater clarity how incentive packages are designed to encourage long-term outlook and achieve long-term strategies, where scenarios of risky rewards are mitigated.

Mark Billington

Regional Director
ICAEW SEA

A STRONG corporate governance framework is critical for Singapore to remain attractive to businesses.

The focus on non-executive directors is valid; their time, skills and engagement are critical to the successful running of a business.

One of the proposed changes is to set a ceiling on how many listed company board representations a director can hold.

While it is important to ensure that directors are able to carry out their duties, too much prescription over the number of mandates individual directors can hold could be counter-productive.

A principles-based approach rather than strict rules may be preferable.

Teng Yeow Heng Michael

Managing Director
Corporate Turnaround Centre Pte Ltd

THERE are two issues that are missing in the Corporate Governance Council's recommendations.

Firstly, even in countries considered less developed than Singapore, listed companies are required to publicise a turnaround plan when the company's balance sheet is in negative equity.

Technically, the company is insolvent when the equity is negative and directors have to show cause and justification why the company can still continue to operate.

Secondly, many troubled listed companies that have gone into judicial management, scheme of arrangement or receivership are often liquidated. Little effort is made to rescue these distressed companies.

We should introduce a US style of Chapter 11 legislation which will protect the beleaguered company from creditors so that it is given time to do a corporate rescue or turnaround.

Also, we need to institute the requirement that these troubled companies deploy professionals with

THIS WEEK'S TOPIC:

Do the Corporate Governance Council's recommended changes to Singapore's Code of Corporate Governance address the major issues? What changes in particular would you support, and are there any other changes you would like to see added?

**Loh Hoon Sun**

Managing Director
Phillip Securities Pte Ltd

THE recommendations of the Corporate Governance Council are excellent and will raise the standard of corporate governance in Singapore. In particular, the new and stricter definition of 'independence' for independent directors is a step in the right direction. To make a considered and independent judgment, one must not be influenced by one's close personal relationship with interested parties, namely management and substantial shareholders. While this may be the case, it must also be seen to be so.

I would like to suggest that we go a step further by requiring that a certain number of independent directors be appointed from the nominations of professional bodies, such as those representing accountants, architects, directors, doctors, engineers, lawyers, and so on. The independent directors so appointed will then be clearly seen as truly independent by all stakeholders. I foresee the emergence of a professional body for independent directors, which will set standards and continuing professional education requirements for its members.

turnaround experience to spearhead the turnaround endeavours and not be currently subjected to the mercy of receivers or judicial managers who do not have such experience.

Lynne Ng

Regional Director
Adecco SEA

AS a business leader, I wholeheartedly support the changes to Singapore's Code of Corporate Governance and feel that they go into the depth required.

Over the past decade, several organisations around

David Leong

Managing Director
PeopleWorldwide Consulting Pte Ltd

GOOD corporate governance can be seen from the companies' transparency and disclosure protocols, corporate and board discipline.

Fundamentally, stakeholders must realise that good corporate governance is not the sole responsibility of the regulators, notwithstanding the onerous duties, roles, responsibilities and independence they require from the directors. The codifications of the do's and don'ts in the Code of Corporate Governance place clear out-of-bound markers that will reduce any kind of 'creative misinterpretations'.

All market participants, particularly the companies themselves, have a role to play in exercising self-discipline. The board of directors must act fairly and demonstrate high standards of ethics and integrity in their decision-making.

Independent directors must remain independent from the influence of management and controlling shareholders. Board dynamics must guard against resistance to change and reflexive approval of management's actions.

Andrea Ross

Managing Director (Singapore & Malaysia)
Robert Walters Singapore

THE proposed changes to the Corporate Governance Code are timely, in view of recent reports of financial irregularities among foreign-listed firms which failed to adhere to minimum accounting standards and corporate governance practices. Sound corporate governance calls for transparency and accountability; and the proposed changes endeavour to address these.

Among the key proposed changes, director independence and board composition are notable. They will serve to complement the robust accounting and regulatory standards already in place. Director independence and board composition reinforce the need for firms to be impartial, thorough and accountable in their board selection process.

This sends a strong signal to investors that the business is committed to upholding high standards of corporate governance, and emphasises their commitment to long-term growth by way of transparency and accountability to their investors and stakeholders.

For the complete list of views
from CEOs, go to
<http://business-times.com.sg>

Jobless rate slides to three-year low as at March

FROM PAGE A1

labour is strong, especially for services, there "have been some signs of economic growth deceleration".

"Looking ahead, we are headed towards a soft patch in the next few quarters as our momentum will begin to slow due to the global influences of China's tightening of credit conditions and Japan's export disruptions because of the earthquake."

Yesterday's ministry data showed that against the backdrop of healthy economic growth and a tight labour market, the unemployment rate here fell to its lowest level in three years.

The overall rate fell to 1.9 per cent at March, down from 2.2 per cent at the end of December last year.

Commenting on the data, Citigroup economist Kit Wei Zheng cited two broad trends for the surge in job vacancies.

One is the creation of new positions in the service sector. The other is that

vacancies can no longer be readily filled by foreigners, possibly due to stricter regulation of the inflow.

The Government has moved to tighten the tap, in part to force companies to hire Singaporeans, and also to get them to look at other ways to improve productivity in the workplace.

The service sector led the way with the most job openings. It accounted for 36,100 or 73 per cent of total vacancies as at the end of March.

The greatest demand for new hires was from the community, social and personal services industries. These industries include health and social services.

Reasons for the high demand could be the ageing population and a need to fill positions such as therapists, counsellors and welfare workers, said Mr David Leong, managing director of regional human resource firm People Worldwide Consulting.

"This could be a result of the Government focusing more on providing social support to the aged and distressed

WHERE THE JOBS ARE

Service	Number	Percentage
Service	36,100	73
Community, social & personal services	10,200	
Wholesale & retail trade	5,000	
Administrative & support services	3,900	
Hotels & restaurants	3,600	
Professional	3,500	
Financial services	3,300	
Transport and storage	3,000	
Real estate and leasing services	2,000	
Information and communications	1,700	
Manufacturing	9,000	18
Transport equipment	2,800	
Electronic products	2,400	
Construction	3,700	7.5
By occupational groups	Number	Percentage
PMETS (professionals, managers, executives and technicians)	22,400	45
Production & transport operators, cleaners & labourers	14,100	29
Clerical, sales & service workers	12,900	26

NOTE: FIGURES MAY NOT ADD UP DUE TO ROUNDING OFF. Source: MINISTRY OF MANPOWER STGRAPHICS

families, which has led to these industries hiring more aggressively," he added.

Other sectors such as manufacturing and construction contributed 18 and 7.5 per cent of the job vacancies respectively. Looking ahead, the squeeze is unlikely to be alleviated.

Mr Leong expects the construction sector to experience strong demand over the next 12 to 18 months, due to recent announcements by the Housing Board of a ramp-up in flat-building.

The ministry's report yesterday also noted that fewer workers were laid off and that employment creation was fairly strong in the first quarter of the year.

Total employment rose by 28,300 - although this was down from the seasonal high of 33,900 in the last quarter of last year, when companies took on more hires to meet demand over the festive season.

Most of the gains in the first quarter were from the service sector, which saw 26,500 new hirings.

Despite strong job creation in the first quarter, segments of the population remain out of work.

Nearly three in 10 unemployed residents in March were degree-holders. They made up 28 per cent of 54,300 unemployed residents. Diploma and professional qualification holders made up a further 18 per cent.

Mr Ong said the majority of those unemployed can, with training, secure a job over time. But older workers and very low-skilled workers are vulnerable.

"While we work with many employers who welcome older workers, there are many who need to take a hard look at their human resource policy and not reject older workers outright," he said. "Please look at the candidate based on his experience and skills."

THIS WEEK'S TOPIC

What are some of the innovative solutions, including applications using alternative energy and other green technologies, you would like to see more of in Singapore? How can businesses here contribute towards the development and marketing of such solutions?

A greener shade of smarts for S'pore



APP FILE PHOTO

Seeing green: Partially lit buildings stand in the financial district in Singapore on March 26 this year, after some lights were turned off during Earth Hour

David Leong
Managing Director
PeopleWorldwide Consulting Pte Ltd

THE greening effort takes time and momentum to develop and for mass adoption. Until prices for such technologies can come to an earthy level, businesses will find it hard to adopt them and still make business sense. Environmental awareness has over the years been riveted to the public psyche and there are popular movements supporting such initiatives but the rate of adoption, I must admit, is crippling slow.

Innovation is still key to driving this "go green" and "save the environment" effort, but the biggest push must be to drive prices lower to effect mass adoption – that is, adoption that can mean real cost efficiency and effectiveness.

Lim Soon Hock
Managing Director
Plan-B Icaq Pte Ltd

INGENIOUS use of natural air flows or winds for cooling can be achieved with clever designs of buildings and habitats, as has been demonstrated in the past.

I experienced this when I visited an old palace in Hyderabad in the early 1990s and most recently, in Angkor Wat. In ancient times, wind draughts were deliberately channelled through narrow passageways or paths before exiting into larger spaces, such as gathering spaces, the Maharajah's bedroom, etc. It basically exploited the Bernoulli effect, where wind flowing into tunnels will accelerate in speed before exiting into larger spaces. In the palace in Hyderabad, I was also given to understand that ancient engineers also exploited water screens or channels set up in the paths of wind draughts to achieve the desired cooling effects.

To achieve a wider and higher rate of adoption of alternative energies and green technologies, businesses must offer cost-effective solutions. The cost of ownership must be attractive and compelling; it must

such as water technologies, smart grids, e-cars, curical research and solutions for cities. For example, Siemens has invested heavily in R&D in water technologies and has received a grant from the Environment & Water Industry Development Council to develop seawater desalination technology that is expected to reduce energy consumption for the desalination process by 50 per cent.

There are ways in which businesses can contribute to the development of such solutions and make Singapore greener. On the business side, green products will have widespread market appeal if the procurement pays off economically. Take building technologies for example: Maintenance – not construction – accounts for some 80 per cent of the building's life-cycle costs. We have found that building upkeep alone uses 40 per cent of energy consumed in the EU. Current advanced building technologies from Siemens can cut this consumption by up to 40 per cent.

Consumers will also have to accept that their actions and choice for greener solutions and lifestyle can make for a more sustainable Singapore. It will be a combination of government policies, industry innovations and consumer behaviour that will drive the development of these solutions.

Teng Yeow Heng Michael
Managing Director
Corporate Turnaround Centre Pte Ltd

GREEN engineering and technologies will be the next frontier of development for the world, as the traditional sources of energy such as oil and gas as well as coal are getting depleted and the environment needs to be protected. Singapore can specialise in green technology for buildings because of our world-class urban development.

These technologies could include saving energy in terms of air-conditioning usage, use of reduced electrical and lighting power, and designing buildings which are more environmentally friendly.

China is currently leading the world in investing in green energy development, even ahead of the US. Our businesses could team up with the Chinese companies which are in green engineering and jointly develop green products that can be marketed globally.

neartened to near of Microsoft buying Skype and looking at integrating conferencing into office IT productivity tools.

In our line of business, which is to design and implement security protective features in buildings and infrastructure, we are mindful not to add further to the energy and carbon footprint. We always consciously try to integrate our protective features with the architectural and urban design, which in the first place is often necessitated by architects and developers not wanting such features to stick out as sore thumbs.

Secondly, a client's limited budget also means the features have to be cost-effective with the minimal addition of new materials. For example, a security protective wall can double up as a vertical planting wall or planter box. Similarly, anti-ram vehicle features can be landscape features like low landscape walls or planter boxes.

Kheng Lee Bek
Managing Director
Azen Manufacturing Pte Ltd

IN SINGAPORE where temperatures are warm throughout the year, an effective building design that allows for cross-ventilation is crucial. Effective cross-ventilation increases comfort levels while ensuring that cooling, ventilation and interior lighting system costs are kept to a minimum.

I feel that the use of stack-driven ventilation could be used more in buildings in Singapore. Stack-driven ventilation works on the principle that warm air is less dense and therefore rises above cooler air, thereby creating an upward air stream. Because stack-driven ventilation does not rely on wind and is a natural occurring force, it is therefore a sustainable and cost-effective method. Moreover, no noise is generated and no energy is required to maintain a consistent temperature.

With the amount of sunshine we receive, simple, virtually maintenance-free solutions like the use of passive solar controls (eg, sunshades) can also help create dramatic savings in air-conditioning requirements and allow occupants to use more natural

practices lead to healthier people, increased productivity, and better performance. Merging green into the much broader concept of sustainability will help prepare industries for success and allow everyone to better weather the current difficult economic times, and come out stronger and more viable in the future.

Andrea Ross
Managing Director (Singapore & Malaysia)
Robert Walters Singapore

ALTERNATIVE energy is proving to be a popular choice and a significant amount of investment and research is being put into this area. Using solar panels (including the new chlorophyll solar panels) to generate electricity to power our electrical appliances would be an ideal way to begin. Other alternatives would include heavier utilisation of bio-fuel in our transportation systems.

With regard to temperature control, plants and crawlers infused into the buildings' architecture (eg, side walls thick with crawlers) would help reduce the temperature of the inner walls. A successful illustration of this can be seen at the Singapore Management University.

I do believe that there are many development opportunities in terms of the alternative energy and green technologies efforts in Singapore. For instance, more roof-tops could be installed with solar panels to harness solar energy as an alternative form of energy. In addition, alternative energy and other green technologies need to be made more cost-efficient for both consumers and developers, in order to encourage a greater uptake in an effort to become more green.

For the complete list of views from CEOs, go to <http://businessimes.com.sg>



THIS WEEK'S TOPIC:

Do the guidelines given to the Salary Review Committee cover all the bases, or are there additional guidelines that should be considered? What factors should the committee focus on in determining the new quantum and range of ministers' salaries?

Finding the right balance

Stefanie Yuen-Thio
Head, Corporate & Joint MD
TSMF Law Corporation

I DO not envy the committee their task. There is no perfect answer and any solution is bound to be challenged.

What I think is important is to start out with the right principles. This is about structuring a methodology to determine pay that must reflect the representative and public service nature of the ministerial position. The idea is not to make the minister rich, but to reduce any financial sacrifice he must make to take on the burdens of public office.

I think that any review of ministerial pay must start with the stakeholders that they represent. Ministers are there to look after the interests of Singaporeans of all walks of life and from all economic backgrounds, so I think that ministerial salaries should be an amalgam that takes into account, equally, the wages of (i) the lowest income group, (ii) the median income and (iii) the top earners.

In terms of how to determine what these top salaries are, I believe that the outlier incomes in every year (on both extremes) should be disregarded.

Also, the current method of identifying the top earners needs to be changed. It would be more representative to have a larger pool - for example, the pay of the CEOs in an identified basket of 30 companies and the remuneration of 30 specified professionals (not just the best paid members of the profession in a given year, which could be a changing pool) could be tracked, like we do with ST Index companies.

Patrick Liew
CEO
HSR Property Group

THE salary of politicians is and will always be a political minefield and will never satisfy every sector of the electorate. Taken to an extreme, my concern is that it may deter well-intentioned talent from serving in the political arena because of the unnecessary mud throwing, affecting both politicians and their loved ones. Singapore on the whole will be none the better for it.

In the final analysis, it is not about making a popular decision. It is about attracting and retaining the right talent to deliver optimal values to Singapore. It should take into account results achieved for strengthening our country while at the same time, providing tangible benefits to Singaporeans, especially the poor and needy.

Perhaps the committee can look into not just how to re-structure the salary but also ways to justify and communicate it to the public. We need to put this issue into proper perspective and then focus our attention on resolving other key challenges facing the country.

Na Boon Chong
Managing Director Executive Compensation and Performance
Aon Hewitt, SEA

A basic tenet in human capital management is that pay strategy needs to be mutually reinforcing other key HR processes. For instance, market-competitive ministers' salaries may be needed if recruitment into the system

depends on not only encouraging young political careerists to join but to stay in the system.

On the other hand, if the recruitment strategy is to get successful late-career talent into the system, high salaries may not be necessary as the candidates would be quite well off financially and may be motivated more by a higher calling.

If the development path is to rotate ministers to round them out before moving into senior roles, a job-based compensation approach may hinder the desired mobility (for example, from a big ministry to a small one if pay is pegged to job size).

Chances are that there are a number of strategies at work at any one time since the ministers are made up of diverse individuals. In that case, perhaps the pay strategy should be more person-based rather than job-based.

A couple of such approaches that have been used in some professions come to mind: higher earning potential at the prime working age and then tapering off, or pegging pay to the individual's pace of development (faster development in demonstrated competence, steeper pay increases).

Toby Koh
Group Managing Director
Ademco Security Group

I GREATLY admire PM Lee's bold and decisive action even before the ripples of the last elections have settled. However, even before reviewing the guidelines, the selection of the committee leaves much to be desired. I would have preferred casting a wider net for the inclusion of internationally respected and neutral experts to lend a voice on the Review Committee.

I strongly feel that the salaries should be in two components: a basic amount, and a variable incentive based on KPIs. The basic should be a weightage of the median income of Singaporeans as well as benchmarked against other first world economies. I have no qualms about fixing it against the top end of the benchmark. The variable incentive should be pegged to KPIs forecasted over the four to five year term until the next elections.

KPIs will include economic growth and performance indicators, employment figures, healthcare improvements and affordability and so on. The KPI incentives should be measured across all ministries, hence each ministry must draw up their five-year objectives and goals.

Finally, we must keep in mind that this is public service. You simply cannot put a price on moral authority.

Su-Yen Wong
Senior Partner, Managing Director - ASEAN
Mercer

BENCHMARKS are important, but need to be used wisely. Ministers are servant-leaders, invited or chosen rather than "recruited" in an open market, and whose job is to ensure citizens' priorities are served. Thus, what they could earn while doing something else should be isolated from these benchmarks, which should serve as a reference rather than a prescription. At the same time, a formula-based wage approach in isolation of the larger talent management context does not do justice to the issue. The state of interplay between public and private sector talent pools, along

with the pay and career dynamics should also be considered.

Finally, public perception is important, hence the basis of the pay philosophy and each compensation component needs to be transparent and perceived as fair.

David Leong
Managing Director
PeopleWorldwide Consulting Pte Ltd

THE basis and level of salaries for the president, prime minister, political appointment holders and Members of Parliament must be structured on a well-balanced and accountable compensation plan that is guided by fair principles and acceptability by the public. A larger "public office pay sacrifice" component must be visibly inserted in the compensation equation to have a better balance between monetary compensation and public service ethos of the office holders.

The proposed pay system should include variable and discretionary elements in addition to base pay. The base pay should be set according to the salaries of world leaders in developed countries, and such salary pegs are defensible.

The variable pay determination can be based on the existing formula with a tweak. The current benchmark is a basket of top earners, but it should include median pay of the middle class and those at the base of the pyramid pay structure. This will be seen as more equitable as it will signal that the office-bearers are working for the betterment of all segments - including lower to middle class.

The new formula can take this into account by providing an acceptable pre-determined multiplier of the median income of the middle class and median income of the lower class Singaporeans.

Thus,
New Formula Pay - Old Formula Pay =
"Political/Public Office Pay Sacrifice"

There are compelling empirical reasons to expect that, without careful management of the reward differentials, the lower pay could encourage patronage and corruption. Any wage compression must thus be seen as attributable to the "Political/Public Office Pay Sacrifice".

Krishna Ramachandra
Managing Director
Duane Morris & Selvam LLP

THE guidelines that have been proposed appear adequate. There are also a host of internationally used guidelines that can be adapted to suit Singapore's context.

However, it is critical that we dismantle the original flawed presumption that high salaries need to be paid to top government officials to ensure that corrupt practices are curtailed. It simply cannot be a reason to justify high ministerial wages as it demeans the integrity and character of such people who selflessly step up to serve.

Within the legal profession, it is common for lawyers who accept judicial appointments to face a significant decrease in salary. These men and women accept such sacrifice for the honour and nobility attached to the appointment and they discharge their duty without question. This must surely be the baseline principle through which all political appointments must be considered.

Leon Perera
Chief Executive Officer
Spire Research & Consulting Group

HIGH ministerial salaries have not worked in pulling top talent from the private sector, since the bulk of incoming leaders in the new administration still hail from the military, civil service and NTUC. Together with the many high-earning Opposition candidates in GE2011, this proves that super-salaries are neither necessary nor sufficient to attract high-quality politicians. Moreover a number of Singapore ex-ministers have gone on to successful careers in GLCs and private firms.

Given these facts, the committee should focus on three things. Firstly, ensuring that the total package of salaries, benefits and pension is comparable with but discounted against the typical pay of high-fliers in the kinds of occupations from which MPs have historically emerged. Secondly, ensuring that the package bears a reasonable relationship to that in other First World countries. And thirdly, ensuring that the package incentivises ministers for growth in median real household incomes rather than GDP.

The best bulwark against corruption is not stratospheric salaries but an independent CPIB, a free press and a culture of intolerance towards corruption that translates into whistle-blowing.

Paul Endacott
Managing Director, Singapore
Ambition

IN recent years, British politicians have faced tremendous scrutiny surrounding their expenses where significant financial benefits, beyond just base salary, can be claimed.

It could be argued that the guidelines given to Singapore's salary review committee don't go far enough to revealing the true value of packages paid to Singapore's political appointees beyond just base pay. While it is admirable to see that ministers' salaries are lower than the private sector to signify "the value and ethos of political office", it would be appropriate for the committee to focus on the value of additional benefits to determine salaries of political appointees. This is the fairest comparison to make to the private sector which, in most instances, doesn't offer benefits beyond base pay, bonus and less material fringe benefits.

Harish Nim
Chief Executive
Emerico Corporation Pte Ltd

IT was a great idea in the beginning to peg our ministers' salaries to the private sector CEO salaries, but I think over time what we have realised is that the private sector and the government are not actually the same.

In the private sector, the CEO is measured by the performance of the company on a quarterly and annual basis and if he does not return shareholder value, he will be asked to go.

This is not the case with government ministers and hence the risk/reward is not the same and consequently, the salaries cannot be pegged to the private sector as-is. A factor of discount has to be applied and that factor has to do with the relative pressures and accountability.

THIS WEEK'S TOPIC

What would you say is the biggest lesson from your experience as a business leader? And what is the best business advice you've ever received?

LESSONS FOR LEADERS

Benedict Soh

Executive Chairman
Kingsmen Creatives Ltd

"DON'T give up in the face of extreme challenges" – that's the biggest lesson that I learnt during Expo '92 in Seville when our company was constructing the Singapore pavilion. The benefit of having survived that episode is the lesson that nothing is harder, in comparison to the multiple challenges during that period.

The best advice is, "We have to continue to improve or we are left behind, as all others are improving themselves" – these words of wisdom come from Lee Gian Poh, a true gentleman and respectable leader in the optical trade, some 30 years ago and they are still relevant today.

Tan Mui Huat

Regional Managing Director, Asia
International SOS

A KEY learning point from leading a global firm such as International SOS, which operates in over 70 countries, is that we need a single-minded focus on our customers and markets. This helps ensure that we deliver customer value and equity consistently, in line with our philosophy of providing valuable expertise on a global scale with a human touch. And, while our business leaders champion a singular vision, this vision must be embraced by all our 8,000 staff worldwide so that we work together to make a positive difference for our patients and customers.

As for the best business advice I have received, it is to recognise that a leader is first a servant in serving the people who matter most – the customers and staff. We must focus on how we can contribute to our customers' success and ensure that our people can also succeed in meeting customer requirements. In the grand scheme of things, it is not the "I" but the "we" that counts.

Nirvik Singh

Chairman & CEO
Grey Group Asia Pacific

THE biggest lesson I have learnt as a business leader is that in order to succeed, you have to surround yourself with really good people. Create a culture that fosters competitiveness and collaboration at the same time, and that allows people not to be scared to fail. Great talent along with great culture is a short-cut to success for any organisation.

The best business advice I have ever received is to be honest, be fair and always listen to other people's opinions. And always stay curious to keep learning.

Toby Koh

Group Managing Director
Ademco Security Group Pte Ltd

I AM reminded of a quote that goes, "Adversity has made many a man great who, had he remained prosperous, would only have been rich." TC Koh, my father, is a true-blue entrepreneur who started with little. Through sheer hard work and tenacity coupled with his business acumen, he became the regional Apac MD of Ademco USA and subsequently managed a management buyout when Ademco wanted to divest their business.

As an entrepreneur, we have made good investments and also lost considerable amounts in business ventures. That is the reality of striking out on your own. I guess. However, in the face of adversity, he was always positive and driven. Taking adversity as the University of Life, he is but the reflection of indomitable will. To all the entrepreneurs out there, take heart and enjoy the challenges ahead.

Steve Watts

President
SAP Asia Pacific Japan

KEY to our success is our people – I believe we are only as good as the truly great people we surround ourselves with.

At SAP Asia Pacific Japan, our focus on people development remains a top priority.

True business leadership for our organisation starts with leadership values and behaviour. To do this we need to have all of our fantastic people acting as leaders. We also delight in celebrating the success of everyone in our organisation who behaves in that way.

Our future success will continue to be anchored not just in our technology and strategies, but also in our vibrant culture and shared values. We continually strive to build a culture where our people view SAP as a great place to grow personally as well as professionally, working together with our customers and partners to help the world run better.

David Baukol

President, Asia
Walton International Group

A COMPANY cannot thrive if it does not have good personnel to serve its clients well. Therefore, apart from attracting and retaining good employees, the need to regularly provide staff with good training and continuing education is probably the most important lesson I can share at this time.

This is why Walton developed a proprietary set of in-house training materials for our sales consultants and managers. Our training materials include a



THE STRAITS TIMES FILE PHOTO

Monopoly-like board game, a jigsaw puzzle and more. Since the rollout, we have trained nearly 500 sales consultants in Singapore and Malaysia, who are now better equipped to deal with all kinds of client concerns and queries. We regularly update our materials as we seek to stay in touch with the latest training methodologies.

We are also encouraging knowledge sharing among our staff, and helping them to improve their presentation skills. I believe anyone who is able to clearly communicate his knowledge of the company, our business and our industry will impart confidence to colleagues and clients alike. Hence, continuing education is something that I stress as well.

George Chang

Regional Director, Southeast Asia and Hong Kong
Fortinet

BIGGEST lesson: As business leader, it's always important to maintain a balance between strategy and tactics. We can leverage the best business or financial theories and models to guide our decisions. But before finalising the choice, on-the-ground checks must be done to make sure the plan matches reality and can be feasibly implemented.

Best business advice: Employees are paramount to business success. They must share your objective and be convinced of the direction you are setting them in. Business leaders need to spend time to talk to their teams to make sure they understand and buy into their vision. Once you get this commitment, 70 per cent of your work is done. The remaining 30 per cent is about sustaining their motivation throughout the project.

Chip Salyards

Vice-President, Asia Pacific
BMC Software

WHEN I started in my first leadership role at BMC, I led by the mantra that you can do anything as long as you set your mind to it. I was inspired by a quote from Henry Ford – "Whether you think you can or you can't, you're right". What this means is the only obstacle was myself.

I believe that a true leader must be able to inspire the men and women whom they lead, and that is to lead by example.

As a business leader, I have also learnt that it is imperative to constantly keep my finger on the pulse of developments both within and outside of the organisation. In the business world, change happens very frequently and quickly, so we must always be aware and stay in touch with the ground in order to make sound decisions that will carry the business through good times and bad.

Annie Yap

Managing Director
AYP Associates Pte Ltd

LIKE many other business leaders, I have navigated the choppy waters of change and steered my company through times of economic turbulence and unpredictable upheaval. These experiences had moulded me into an advocate for contingency planning, which I firmly believe is quintessential to the continued success of every organisation.

Today, several of my initiatives and business ideas

draw on the wisdom of Allen Pathmarajah of Business Thinking Systems, who has emphasised the need for strategic thinking and planning in this ever-changing business environment. I have heeded his advice to develop a forward-looking and intent focused mindset, and the outcomes are gratifying. I find myself in a better position to adapt to the accelerated pace of change in my workplace and seize lucrative opportunities that are otherwise left uncovered.

David Leong

Managing Director
PeopleWorldwide Consulting Pte Ltd

I LEARNED very early on that strong leadership when cut to the core is about daring to imagine, and the courage to act on that imagination. The empire begins in the mind and I set my goal to command all my thoughts, actions and energy to converge on the single idea.

As the world is evolving too fast, leaders must also learn to evolve, form and re-form new structures, relationships and models so as to be able to grow with the times. Transformative leadership must also begin with a dare.

The dare to imagine, the dare to act and the dare to transform will mark the survivors in a fast-changing globalised world of business.

VS Kumar

Managing Director
Network Courier

THE biggest lesson from my experience is the will to transcend any limitations that the respective industry or business might have.

In any business and/or industry, the ever-increasing pace of products/service evolution constantly challenges business leaders to be on their feet, developing new strategies and implementations to drive their business growth further. Instead of being discouraged by these challenges, it is ever so important to look at them as opportunities whereby a business can further differentiate from their competitors. By doing so, the business stands an extremely high chance of sustained growth as it is able to protect and expand its market share.

Annie Koh

Associate Professor of Finance
Dean, Office of Executive & Professional Education
Financial Training Institute
Academic Director, International Trading Institute @ SMU
Singapore Management University

THE biggest lesson as a business leader in good or bad times is to recognise that you can't do everything yourself. You must have good people and empower them and your role is to be a cheerleader. Stay the course – give your team courage when the chips are down and celebrate success as a team. Stay true and authentic and touch the hearts and serve as a focal point of inspiration for employees, colleagues, partners and clients. The journey is a lot more pleasant and fun when it's authentic and inclusive.

The best business advice I've ever received is to make decisions and make them quickly. There's enough complexity in the world of business today and you can't wait for every fact, every question to be answered before you

move. Some things require an action, a decision before there's clarity on whether you're moving in the right direction. Indecision or status quo will get you nowhere.

John Koh

Managing Director
WMRC Pte Ltd

THE biggest lesson to me as a business owner is the importance of people relationships. Intellect, experience, money and even luck, aside, I believe the single most important criterion to succeeding in business is the ability to connect and work productively with people. The ability to get along well with people involves to a large extent, self knowledge – understanding your own strengths and weaknesses, and having the courage to face your darkest moments. Rome was not built in a day and likewise, a business leader and his business must go through many trials and tribulations in order to succeed.

As I spend more time running a business, I realise that people's perceptions of their leader have the most direct impact on the business results. More important than any external challenge, when people are convinced and highly persuaded of a common goal or vision, the path to success just naturally flourishes.

Patrick Liew

CEO
HSR Property Group

DURING the Sars Crisis in 2003, the economy was bearish. The property market was at a low point. Our revenue was decreasing and costs can no longer be further reduced. We were challenged in many directions.

At the darkest hour, in desperation, we looked heavenward and asked for a stroke of miracle. We sensed a divine calling to rebuild our company on love. Strange as it might seem, we knew love was a powerful force. However, there were hardly any schools, consultants or books that could teach us how to apply love in business.

We had to re-craft our corporate philosophy, re-design our structure, system and processes, and re-invent a new way to run our business. We endeavour to promote love to our colleagues, customers and communities – and are still learning how to do it effectively and efficiently. I believe our love-based culture has become a key business edge, helping us to become a leader in our industry.

Michael Jenkins

CEO
Roffey Park

COMMUNICATE, communicate, communicate. It's an old and simple adage that can get overlooked in today's pressurised environment. Roffey Park's recent research highlights the important role that communication plays when organisations are handling redundancies, managing change, increasing employee engagement or reducing stress levels. All are more prevalent in today's workplace than they ever have been, and if we can get this right then our businesses will thrive.

I've learned to appreciate that perception is reality and as CEOs, we need to keep communicating both consistently and often. By doing this, we can avoid creating information gaps that are fuelled by those water cooler conversations and create diversions away from what needs to be done.

THREE-MINUTE DIGEST

Developers nudged to rightsize shoebox homes

THE Urban Redevelopment Authority seems to be encouraging developers of shoebox units to increase the size of their apartments. The minimum apartment size that URA is likely to approve these days, especially in projects with many micro apartments, seems to be 35 sq metres, up from 28 sq metres a couple of years ago, developers told ET recently.

FRONT PAGE

Business takes the measure of MM, SM's moves

THE business community has greeted the decisions of Minister Mentor Lee Kuan Yew and Senior Minister Goh Chok Tong to leave the Cabinet with a mixture of hopes and concerns. Hopes that the move will pave the way for Prime Minister Lee Hsien Loong to form a fresh team to carry the country forward - as the two former prime ministers desire. And concerns that the loss in experience and global connections built by Senior Minister Goh and Minister Mentor Lee will set the country back.

TOP STORIES, PAGE 2

Multibillion-dollar casino complex opens in Macau

THE Galaxy Macau, a multibillion-dollar casino resort complex, opened yesterday as Macau aims to draw a broader mix of visitors than the mainland Chinese that have helped the city become the world's most lucrative gambling market. The Galaxy Entertainment Group's US\$1.9 billion casino has 450 gambling tables and 1,500 slot machines.

TOP STORIES, PAGE 4

Keppel unit clinches US\$772m contract

KEPPEL Corp's Keppel Fels has clinched a contract worth some US\$772 million to build four more jackup rigs for returning customer Oslo-listed SD Standard Drilling plc. With the four new orders, the total value of contracts secured by Keppel Offshore & Marine for the year-to-date stands at more than S\$6.4 billion.

COMPANY NEWS, PAGE 9

Berlin faces pressure for eurozone aid

SUSTAINED strength in the German economy will put pressure on Berlin to provide more financial aid to indebted eurozone partners, analysts say. The biggest European economy grew by 1.5 per cent in the first three months of the year from the previous quarter, a pace that surprised markets. The other eurozone heavyweight, France, reported a solid advance of one per cent.

ECONOMY WATCH, PAGE 18

Condos in prime areas in KL enjoying brisk sales

CONDOMINIUM living is relatively new to Kuala Lumpur and well-designed projects are seeing strong sales performance, said Christopher Boyd, executive chairman of CB Richard Ellis Malaysia. He said the take-up rate of condominiums in the first quarter was between 65 per cent and 88 per cent in prime areas such as Mont Kiara, Ampang Hilir, the Kuala Lumpur central business district, KLCC, Bukit Tunku, U-thant and Bangsar.

MALAYSIA/INDONESIA, PAGE 19

UK may sell RBS stake early next year: report

BRITAIN may start selling its stakes in banks bailed out during the credit crisis with a £5 billion Royal Bank of Scotland share sale as early as the first half of 2012, the *Sunday Telegraph* said. The report said this possible RBS stake sale would target institutional investors and sovereign wealth funds in the Middle East and Asia.

WORLD, PAGE 22

Infected PCs in S'pore cross global average

THE rate of infected personal computers in Singapore, which has been lower than the world average, rose to cross the threshold in the third quarter of last year, as the global rate continued to decline, according to Microsoft's 10th Annual Security Intelligence Report. For every 1,000 systems, 11 were found to be infected here; the global average, in comparison, was 9.9 PCs.

BIZIT, PAGE 30

Business takes the measure of MM, SM's moves

It looks to PM Lee forming fresh team but regrets loss of global connections

By CHUANG PECK MING

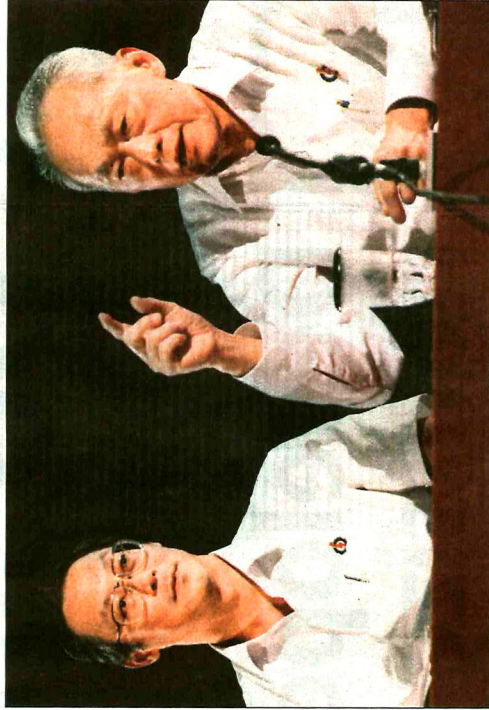
(SINGAPORE) The business community has greeted the decisions of Minister Mentor Lee Kuan Yew and Senior Minister Goh Chok Tong to leave the Cabinet with a mixture of hope and concern.

Hope that the move will pave the way for Prime Minister Lee Hsien Loong to form a fresh team to carry the country forward - as the two former prime ministers desire. And concern that the loss in experience and global connections built by SM Goh and MM Lee will set the country back.

"We hope that with their strong relationships and goodwill, they will continue for as long as they can to open doors to help Singapore companies in their efforts to grow their business overseas," says Choo Chia Beng, Keppel Corporation's chief executive.

Adds another local businessman who asks not to be named: "The loss of George Yeo has resulted in a major loss of experience and competency. Now MM and SM have decided to leave the Cabinet - more and a bigger loss.

"Is this good for the country? Do any of the ministers today have the same level of recognition and authority as MM and SM in the international community. We live in a complex



Opening doors: SM Goh and MM Lee, with their strong goodwill overseas, hopefully will continue to open doors for S'pore businesses, says Keppel CEO Choo Chia Beng

'The message is that the leadership is serious about managing the country with a heart, listening to its constituency and ruling with a fair hand.'

- S Kumar, managing partner, Huntington Communications

health, a small country like Singapore cannot feel safe," he says.

David Ang, executive director of Singapore Human Resources Institute, worries that a disproportionate concern with young voters may lead the new Cabinet - minus Mr Goh and Mr Lee - to focus on the younger generation and neglect the old.

"You need diversity in the Cabinet to ensure there's balance in policy-making," he says.

PM Lee will probably bear in mind Singapore's vulnerability and the "hard truths" spoken of especially by MM Lee.

"But hearing the voices of the people in the recent general election, greater attention will be paid to the visceral and emotional, and not just the intellectual aspects of policy making," she says.

Which business will welcome, according to businessman Peter Tay.

"It will be good for business if the government takes heed of the undercurrents and feedback from the post-elections, which clearly show that the younger Singaporeans can think for themselves," he says. "If a more engaging political landscape has developed, reflecting the people's choice, we have progressed."

S Kumar, managing partner of Huntington Communications, says it was a "magnanimous move" on the part of Mr Goh and Mr Lee to quit, in the bigger scheme of succession planning.

"One of the biggest hindrance for any Cabinet or management is the overhang factor," he says. "Now we can truly say, 'Majulah Singapura.'"

Mr Kumar says leadership, stability and vision are the key considerations for business. And the message which the two former prime ministers' departure conveyed is that "the leadership is serious about managing the country with a heart, listening to its constituency and ruling with a fair hand".

Leon Perera
Group Managing Director
Spire Research & Consulting Group

CLEARLY the style of government may change, as suggested by George Yeo's call for reforming the People's Action Party (PAP) and the Prime Minister's apology to Singaporeans for past mistakes. But the fundamentals of economic policy are unlikely to change - for instance, low direct taxes, government industrial policy and incentives for foreign direct investments, managing the Singapore dollar as a way to control inflation, the role of GLCs in the economy and continued high levels of immigration, if at a slower rate.

The two areas where the PAP manifesto suggested substantially more investment in the longer term - education and public transport - may present business opportunities for companies in these fields. In other areas, there may be tinkering at the margins, with only marginal impact on business - for example, raising the HDB grant ceiling and broadening what Medisave can be used for.

Lynne Ng
Regional Director
Adecco SEA

THE recent general election had both Singaporeans and businesses in Singapore thinking about the future and what it holds for us as a nation. From a labour market perspective, we live in a country with an exceptionally low unemployment rate, minimal job retrenchments, and a significant number of jobs that are added to the economy each quarter. Jobs and the labour market were hot topics of discussion during the recent elections.

I would expect to see the government taking further steps in supporting how companies and organisations in Singapore identify top talent and achieve human resources excellence. Having the right people in place at the right time is key to the success of every organisation, and will keep Singapore competitive in the long term.

Patrick Liew
CEO
HSR Property Group

AS AN entrepreneur operating in an imperfect market, I need to be open and to ask myself some hard questions. How will the newly elected leaders calibrate trade-offs between socio-economic currency and political currency, both in the short and long term? How will they balance investments in economic and social capital? How will strengthening of the Singapore dollar to mitigate rising costs affect businesses?

With unemployment running at 1.9 per cent and trending generally downwards, how will they craft their policy for employment of foreign workers? How should we respond to rising labour costs? How will they cool down the property market if it goes off-tangent again? How will they improve transport infrastructure to reduce overcrowding at peak hours?

As I examine different scenarios, I want to prepare contingency plans to capitalise on them. At the same time, because we have effective pilots on board, I am cautiously optimistic about leveraging on stronger economic growth.

Teng Yeow Heng Michael
Managing Director
Corporate Turnaround Centre Pte Ltd

POST-ELECTION, I expect the government will be more sensitive to the needs of the workers. The message was clear from the people - the economic growth has to percolate down to the ordinary Singaporeans in terms of higher wages, employment opportunities and better privileges vis-à-vis foreign talent. This may translate into higher labour costs in terms of doing business in Singapore. But it may not be a bad thing as it makes Singapore a less polarised society with more people accepting the government's penchant for attracting foreign talent and its somewhat pro-employer policy.

I also expect our government to loosen up on utility, transport, housing and other statutory costs, as one of the main onerous raised by the opposition parties was the high costs of living. This will also help lower the costs of doing business in Singapore.

David Leong
Managing Director
PeopleWorldwide Consulting Pte Ltd

THE uncharacteristic openness and internal critiques by some senior Cabinet ministers on certain weaknesses in governance and policies and the humility shown by the Prime Minister are a show of the evolving maturity of our politics. The style and substance of politics will change with this general election and the government will need to be more attuned and to fine-tune the mechanics of governance and its approaches and dealings with people and businesses.

Immediately up the ally will be the re-look of labour policies - whether foreign workers are substituting or supplementing local labour and how many are needed to spur our economy. Transport infrastructure developments may have to be hastened to build more capacity on roads and public transport. Land prices, which are inextricably linked to HDB prices, will be reviewed to see how we can manage housing affordability for first-time home buyers and how ageing Singaporeans can effectively monetise their HDB assets in their old age. A thorough examination of each cost of living item will help people, businesses and the private sector.

Once the rhetoric cools and the sound and fury settle, national priorities must be set to make Singapore a more livable city led by the interest of Singaporeans. This new political standpoint will augur well for a better Singapore that will be more attractive to investors, businesses, and most importantly, Singaporeans.

Toby Koh
Group Managing Director
Ademco Security Group Pte Ltd

FOREIGN talent will certainly be restricted further after the government came under immense pressure from public opinion. I can certainly sympathise with fellow Singaporeans on this issue and I do agree with a Singaporean-first policy. However, as a business owner, I would also like to share concerns from the business community. Fact is, it is a real challenge to get Singaporean workers. Foreign talent is one of the strategic ways that the government keeps a flexible supply of human resources in line with economic growth or stagnation. In times of a downturn, foreign talent will likely be the first to leave Singapore. This helps protect Singaporeans' jobs and allows businesses to remain nimble.

THIS WEEK'S TOPIC

What changes in policies and in style do you expect from the government following this General Election? How will these affect business in Singapore?

CHANGES FOR THE BETTER



The day after: (TOP) Prime Minister and People's Action Party secretary-general Lee Hsien Loong (centre) at the post-results press conference on May 8, together with Deputy Prime Ministers Wong Kan Seng (left) and Teo Chee Hean. (ABOVE) Workers' Party chief and Member of Parliament elect, Low Thia Kheng, speaking to reporters on May 8, with fellow Members of Parliament elect, (from left) Chen Show Mao, Sybota Lim, Muhamad Faisal Abdul Manap and Pritam Singh

I urge fellow Singaporeans to consider the adverse impact on Singapore businesses and the attractiveness of Singapore to foreign investors if Singapore's workforce is not supplemented from external sources. Singaporeans must constantly upgrade our skill sets and abilities so as to add value to any organisation and consequently be the first choice in any job opening.

R Dhinakaran
Managing Director
Jay Gee Enterprises Pte Ltd

DEMOCRACY is not the absolute solution to having a well-run economy. It works best with a mature electorate that is objective, balanced and pragmatic.

The general election this year was different compared to previous years. More than the results, it was evident that an entirely new generation of Singaporeans with their own perception and vision for the country wanted to voice their thoughts. It is a natural and evolutionary phase in every nation's political landscape and Singapore is going through the same. The success of Singapore over the years has been its business-friendly policies encouraging economic development while ensuring that the standard of living is bettered for everyone. The model has been hugely successful from a macro-level perspective. Therefore, I do not see much of a reason for the government to shift its policies.

But while the macro-level policies remain on course, we might expect a change in the communication methods and implementation methods. It may assume a form which is more easily understood by the young.

Business in Singapore is driven on sound long-term economic policies which are unlikely to change significantly in the short term. Businesses flourish with the most optimal amalgamation of capital and talent, and so long as these two components continue to be available in Singapore there is unlikely to be any significant shift. Our focus, like most other growing economies, is on controlling and limiting the effects of inflation before it erodes our steady and relatively slow growth in productivity and competitiveness. I believe the efforts in this area would be same with or without the general election.

Andrea Ross
Managing Director (Singapore & Malaysia)
Robert Walters Singapore

SOME of the pertinent issues raised during the election have been centred on the rising cost of living as well as the competition for jobs between Singaporeans and non-Singaporeans. Should a "Singaporean first" employment policy be passed, the possible future scenarios could include:

- ◆ the imposition of a strict quota on the number of employment passes;
- ◆ raising the criteria for employment pass eligibility;
- ◆ employment policies which oblige companies to prove that a job vacancy could not be fulfilled locally; or
- ◆ lengthening of the application approval process to a less tenable period to discourage companies from hiring offshore.

At the non-PMET jobs level, the foreign worker levy has already been raised before the elections to encourage companies to hire locally. At Robert Walters, we are a pro-talent company, regardless of whether the talent is based locally or overseas. Should such policies be passed, Robert Walters will respond by further refining and developing our talent pool candidate base to cater to the demand for Singaporean talent, where necessary.

Jeffrey Seah
CEO, South-east Asia
Starcom MediaVest Group

THE digital world has carved a permanent role in Singapore's civil society exchange after GE 2011. Extended discourse in the virtual world will carry as much importance, if not a better reading of the ground, compared to traditional physical world conversations. Layering on it will be a curated summary of the dynamic exchange in the digital world where we're not too far away from using "likes" as potential decision benchmarks. The value of a "like" will be far more valuable compared to focus group results or online surveys.

More than a watershed, GE 2011 has identified the

importance of listening to social conversations before making decisions - in both the digital and traditional sense. The Singapore government and the larger business community will now face a target audience who demands to have a say, to be listened to, and the power to decide on the type of relationship they want to have with a corporation.

Lim Soon Hock
Managing Director
Plan-B Icaq Pte Ltd

THE Prime Minister's exhortation to ministers, MPs, party activists and grassroots leaders, prior to the general election, to serve as servants rather than lords of the citizenry is timely. It is the surest sign yet of the responsiveness and resilience of this government, to tackling the hot issues on the ground, revealed starkly in the recent general election.

I sincerely hope that this predisposition towards more humility will be perpetuated and sustained. It means accepting the fact that people's inputs and ideas are equally important, and that the government does not always have all the solutions to all the problems. The government must tap more, using both a heart and mind approach, on the collective wisdom of the citizenry to formulate policies.

We can expect some of the policies relating to burning issues such as public housing, public transport, public health and foreign workers to be tweaked, but not changed drastically. The focus on economic growth is unlikely to be reduced. It is needed to create jobs and raise the average level of incomes. However, it will have to be cleverly and dexterously managed and communicated to touch and win the hearts of the people.

I expect business, in particular investments into Singapore, therefore to continue as usual, though the property market may be temporarily affected, should the government raise the income ceiling for public housing eligibility from \$8k to \$10k per month. Businesses can also expect the civil service to transform, in tandem with changes in the style and approach of the government. I think it will be more pleasant to deal with the civil service, going forward.

Patrick Liew

CEO
HSR Property Group

A MINDSET change is needed at every level of an organisation to remove the clouds of ignorance and apathy towards employment, retention and advancement of people with disabilities. We need to recognise that many of them have unique education, experience and talents that can value-add to a business. They can be more loyal, committed and adaptable – values that are much needed in any company.

There is a need for more proactive education and advocacy – from both employers and disabled persons – to fill in informational gaps, break out of present stereotypes of what they can do, and enhance their performance and results.

I suspect many companies will also need external assistance to help employ and manage the disabled and make adjustments or adaptations to the working environment.

As we come to grips with an ageing workforce, we should develop an inclusive, disability-friendly and flexible work culture so as to retain the contributions of the current employees and tap the widest pool of talents.

David Low

CEO
Futuristic Store Fixtures Pte Ltd

WITHOUT clear statistical data to substantiate, it is difficult to quantify if businesses in Singapore are doing enough, but there are positive signs, with prominent food chains employing persons with disabilities to fill positions including at the frontline. It is encouraging to see the general public's acceptance in receiving services from the less able, which could in turn motivate other businesses to do the same.

Companies that are already engaging persons with disabilities in their workforce could collaborate to set up a platform where ideas and practices can be shared with other companies who are considering to do the same but may not have the expertise to fully embrace the initiative.

Workplace modifications, job role re-engineering, on-the-job support and training tools (soft and hard skills) are some of the considerations for a company to create work opportunities without discrimination.

The Open Door Fund (ODF) from the government is a good move in encouraging business organisations to explore further without fear of deepening financial concerns, which is clearly an investment cost in the early stages. A portion of ODF could be channelled into a new initiative that sees to job-matching activities specifically catered to this segment of the employable pool.

Lim Soon Hock

Managing Director
PLAN-B ICAG Pte Ltd

MORE can be done by business organisations to provide

Seah Kian Peng

CEO (Singapore)
NTUC Fairprice Co-operative Ltd

WE believe people with disabilities can, in their own way, make substantial contributions to the economy and the community. As a homegrown retailer that diversifies its hiring practices, NTUC FairPrice provides all staff with growth opportunities. At Fairprice, we currently have about 20 hearing-impaired staff in our employ. In addition, we have also worked with the Singapore Association for the Deaf (SADeaf) for the past two years. Businesses should explore collaborating with Voluntary Welfare Organisations (VWOs) that provide primary support to people with disabilities. Together, they can identify opportunities that best fit both people with disabilities and corporate needs.



FILE PHOTO

Teng Yeow Heng Michael

Managing Director
Corporate Turnaround Centre Pte Ltd

I DO not think that companies are doing enough to provide work opportunities for persons with disabilities. Hitherto, we still have not seen many companies hiring them. Companies may consider allowing these workers to work from homes as commuting may pose a problem for some of them.

We should also help the disabled people who are unable to find a job to start home businesses which provide freelancing services.

Companies can outsource a lot of their direct marketing, telemarketing, accounting, computer programming etc to these disabled workers who can work from their homes.

The government can provide support by means of providing micro-financing facilities as well as training these disabled workers to start home businesses.

Dhirendra Shantilal

Senior Vice President-Asia Pacific
Kelly Services

AS an equal opportunity employer, Kelly is steadfast in upholding the precept of the right talent for the right

job. With that being said, there is still much to be done to provide more work opportunities for persons with disabilities, not just in Singapore but in the region.

Kelly offices across the globe take their cue from our Global Disability Programme which ensures that talents with disabilities are given the right tools and opportunities to contribute to the workforce. This programme works in tandem with individual country policies towards the disabled communities.

While some nations are very advanced in their policies, our policies may not be as expansive in comparison.

Thus it is imperative that we understand the diversity of our marketplace in and around the region to further advance our efforts toward an inclusive and conducive business environment.

For this to happen, members of the business sphere need to take that first step to engage the disabled community.

Joshua Yim

CEO
Achieve Group

THERE are many ways that business organisations can engage people with physical challenges. For obvious reasons, positions available for such individuals are not frontline ones but geared more towards back-office operations. These are often mission-critical roles that entail tasks that are mundane in nature like data entry or filing. I have been hearing of more and more companies heading in this direction; however, more can definitely be done.

I feel that some of these organisations that support physically challenged individuals need to play a proactive role in order to engage the business community. I am very sure that if they do approach

companies for such employment opportunities, many MNCs especially would be willing to give these folks a chance and train them up. This way, instead of just giving the non-profit organisations monetary donations to aid persons with disabilities, companies would be teaching these individuals to fish as well.

David Leong

Managing Director
PeopleWorldwide Consulting Pte Ltd

AS part of the social inclusion agenda, this segment of populace with disabilities needs help and should be helped. Though this has been a silent agenda, it needs government leadership at all levels, with different agencies and service providers collaborating closely. It needs a cross-government strategy together with employers' participation.

Employers need to address the barriers that are faced by people with disabilities that make it harder for them to gain and keep work. The government must provide sufficient incentives and carrots to motivate the upkeep of the workers' employment. Tax incentives or rebates or increased foreign workers' quota are possible carrots. By tweaking the dependency ratio of hiring persons with disabilities and foreign workers will push employers to include these workers with disabilities in their hiring strategy.

People with a learning disability would like to work and they are a huge talent pool which employers can tap into. With a mixture of the government's tax and levy incentives, this is a achievable goal – to close the employment gap for people with disabilities.

Teng Yeow Heng Michael
 Managing Director
 Corporate Turnaround Centre Pte Ltd

SINGAPORE'S ageing population faces prejudices and neglect. It is difficult for the aged to get gainful employment. As a result, they have to depend on their children to support them if they are financially not independent. Also, because of the high costs of living in Singapore, many of the children are not able to financially support their parents.

Our government should set an example to hire more of these aged workers. Many of them are still physically and intellectually able to make a worthwhile contribution to the economy. And they want to follow the clarion call of Minister Mentor Lee Kuan Yew not to retire. Only the government can provide a large number of job opportunities to these aged workers. In doing so, it can set an example for the private sector to follow suit.

Tan Kok Leong
 Principal
 TKL Consulting

THE major challenge with respect to the ageing population in Singapore probably is how to coordinate between various public policies of government on health, housing, and social services to create an efficient and effective network of public resources for older people.

The elderly wish to remain physically fit, intellectually and socially relevant, and independent financially, physically and emotionally. The challenge is, how can the older people be encouraged to take a larger role in society, using their skills and experience productively to remain as active citizens?

It may also be useful for the general public to increase their knowledge about old age.

Patrick Liew
 CEO
 HSR Property Group

PERHAPS, for a change, we should address the challenge of a greying population from a bottom-up perspective. First, we need to look at how to enable the elderly and the elderly-to-be to not only age gracefully but to also commit themselves to a meaningful and productive life. Without their will to live and the spirit to contribute to society, any national policy and programme will amount to nothing.

For example, we need to step up our educational programmes to help them enhance their financial literacy, apply the knowledge from preventive and anti-ageing medicine, and benefit from proven techniques in wellness from positive psychology.

While we may be able to legislate the need to maintain our parents, we cannot regulate love, care and concern for them. That's why we need to continue to reinforce the Asian family and community culture for respecting and looking after the elderly. It will do well for us to remember that we too will grow old and will expect the next generation to do the same for us.

To ensure employment and employability of the ageing population – for both professional and personal pursuits – I suspect we need a change of attitude about the elderly on every level of society. Let's take a leaf from Finland. According to Professor Anne-Marie Guillemard, "Finland encouraged increased training of ageing workers and changes to the work environment to adapt to their needs – both of which make older employees more efficient and motivated".

In our quest for economic development, I trust we will not do so at the cost of weakening extended family relationships and compromising our responsibility to the ageing population.

David Leong
 Managing Director
 PeopleWorldwide Consulting Pte Ltd

POPULATION ageing is set to affect Singapore over the coming decades. Strains on public budgets, particularly on healthcare, will be stretched at the seams. Ageing population will translate to lesser tax receipts with increased burden of care as they will consume more health services.

To cope with this mounting pressure, the government has stretched retirement age with the Retirement Age Bill and encouraged re-employment beyond 62 and with incentives and grants to induce more people to enter or stay at work.

These are hard choices but the government has to make sure that a large number of the ageing population can remain healthy, reducing strains on the consumption of public healthcare, and to remain at work so that they can be financially independent. Increased labour-force participation of those from 40-67 will effectively raise the size of our workforce, thereby reducing our reliance on foreign labor.

In the context of rapid population ageing, it will take very strong policy action to stabilise the share of the working age population and to encourage non-discriminatory, age-blind hiring. Such public campaigns must nonetheless be mounted in earnest and the government must push for a more effective labour-participation and employers' engagement.

Wong Su-Yen
 Senior Partner and
 Asean Managing Director
 Mercer

SINGAPORE'S ageing population, and that of the world, will necessitate a greater level of advance retirement planning and self-sufficiency.

In order to achieve the goal of self-sufficiency, efforts must be taken by legislators and employers to generate greater participation in the supplementary system – the Group Section 5 and the Individual Supplementary Retirement Schemes (SRS) – both of which currently have participation of less than 5 per cent of the workforce.

However the structure of the system is just the first step. The key to a successful retirement system is for the government, employers and employees to work hand in hand to improve financial education and awareness. Public and corporate financial awareness programmes are essential in order for employees to understand what constitutes an adequate retirement benefit, how to achieve it, then how to make it last.



Lim Soon Hock
 Managing Director
 Plan-B (cag Pte Ltd

OUR ageing population will need more caregivers than what we have now, to care for them at home, when they are feeble, weak, sick or chronically ill. Unlike nurses, caregivers such as spouses and children are not professionally trained. More training needs to be made available by our government and community service organisations to current and future caregivers, not only to ensure that our aged are well taken care of, but also that our caregivers in providing such requisite care, are emotionally and mentally prepared.

Technology should also be harnessed to support the well-being of our aged population, especially those who are chronically ill. Caregivers should have easy access to telehealth consulting services, should there be a crisis or emergency at home.

Dhirendra Shantilal
 Senior Vice-President – Asia Pacific
 Kelly Services

WITH the retirement age reaching 67 years in the near future, employers must make a concerted effort in engaging senior staff and tapping into their accumulated wealth of experience and expertise.

To fully realise this, two common misconceptions must be addressed. The first is the perception that family-oriented talent automatically places family above career; and second, the notion that older staff are less productive.

Employers must promote a balanced approach towards work and family, allowing for a family-led support system to flourish outside of work. Foster an environment that supports this, because in the long run, it is the strong family unit that should rightfully take care of its own.

Andrew Tay
 President
 Zebra Technologies Asia Pacific

BUSINESSES should re-evaluate the role older workers play within an organisation, and tap on their wisdom, experience, loyalty and "work-smarts" – all of which are valuable resources for an organisation. Where HR policies consciously mix older workers with the younger ones, knowledge transfer is ensured and each generation's strengths can be used as a building block.

While the government's 2012 re-employment legislation is a good starting ground to prepare for a shrinking workforce, businesses should start thinking about new terms of employment for older workers. From flexible working hours, to working from home to

creating new benefits such as grandchildren leave, businesses can play a part in building an ecosystem which allows seniors to continue to stay relevant and contribute to society.

Joshua Yim
 CEO
 Achieve Group

BASED on statistics, Singapore will definitely be ageing fast in the years to come as the replacement rate of Singapore citizens is very low at 1.1. Many countries face a similar situation as the baby-boomer generation ages around the world.

Taking the US immigration policies as a model, Singapore should also have a policy to admit enough people in order for us to rejuvenate ourselves. The three million native Singaporeans are not reproducing enough so we need to have a policy conducive for permanent residents or new citizens to come to Singapore, so that we can have a young and energetic workforce that will enable Singapore to compete well in the future.

As a professional in the human resources field, I believe Singapore would need to regulate such immigration policies carefully, so that in time to come, our country will not end up like Japan, which is at risk of losing its competitive edge because of its majority silver-haired population.

Dora Hoan
 Group CEO
 Best World International Ltd

THE ageing population phenomenon, for all its challenges, can actually be viewed as a contemporary setting that invites a whole new mindset about ageing, not as a burden but as an achievement of our times. With this kind of approach, the policies we will then pursue will centre on harnessing the "full potential" of older people and making their retirement the best possible culmination of their life of hard work and contributions that actually help build our nation.

This poses a challenge not only for public policies but must necessarily involve other key stakeholders, particularly for issues pertaining to pension and long-term care. Media can help to draw attention, while policymakers, together with society advocates, the business sector and perhaps even consumers, can provide the synergy needed to address the needs of our ageing population. We must support active ageing as a concept of living life as fully as possible.

For the complete list of views from
 CEOs, go to
<http://businesstimes.com.sg>



Ageing population: The society should perceive older citizens as valuable assets possessing wisdom and experience

ST FILE PHOTO

Annie Koh

Associate Professor of Finance
Dean, Office of Executive & Professional Education
Financial Training Institute
Academic Director, International Trading Institute@SMU
Singapore Management University

YOU are asking for comments in an area that I feel so strongly and passionately about. I believe that when people join companies, they are not just looking for a job, especially if they are knowledge workers.

So our leaders must have vision, be passionate about their mission and make work worthwhile and working environments encouraging with a strong commitment to develop people.

The art is a lot more critical than the science – so what we need is more training and development to make better leaders and not better managers. With the right leadership, your workers will stretch, be creative and innovative and go that extra mile for you. You need to cultivate an environment of trust and respect.

Yes, much should be done not just to attract talent from overseas, but to retain your home-grown talent, even as you build diversity in your organisation. You are as productive as you choose and want to be – it's in the mind.

Florence Ng

Managing Director, Straits Talent

IN this globalised era we live in, the war for talent is borderless. We cannot afford to rest on our laurels. We have to continue to seize the moment and build our talent pipeline. Often, the time taken to execute any senior level recruitment is less than ideal. This is often a result of "reactive" recruitment as opposed to "pro-active" recruitment, otherwise also known as succession planning.

Succession planning is a concept that has long been applauded by the business community. Sadly, in practice, business leaders often overlook this key aspect of business management in their pursuit of what is perceived to be more pressing business needs, such as revenue generation.

By taking the time to plan and develop a robust talent pipeline for critical management positions, CEOs will find that the need for "knee jerk" senior level recruitment will decrease. Quite naturally, with seamless leadership transition, team morale and productivity goes right up.

Charlene Tan

Country Manager, SearchAsia

THE current focus is on lower-wage, lower-skilled workers. We need to step up to attract and retain talent. Promote and grow new industries.

Talent is attracted by new experience and opportunities to learn. Continue to attract star-quality companies into Singapore and help good Singapore companies to grow.

Bring in more talent from an early age, through education, and make it attractive for them to sink roots here. Have more funding that is more readily available for good Singapore companies, and increase tax breaks/incentives for higher earners.

Finally, continue to ensure good support infrastructure such as good housing, transport and schooling opportunities.

David Ang

Executive Director
Singapore Human Resources Institute

ORGANISATIONS in Singapore are constantly fighting for talent and investing in attracting and retaining them.

Branding and innovative ways to sign on talent through rewards and career development are some effective strategies.

From our survey findings, some of the corporate attributes which help to attract talent include:

- ◆ **Innovative career website and use of social media platforms for recruitment and engagement**
- ◆ **Innovativeness of the organisation**
- ◆ **Training and developmental opportunities for meaningful work**
- ◆ **Attractive rewards and benefits**
- ◆ **Excellent relationship with 'bosses' and 'superiors'**
- ◆ **Familiarity with tasks and opportunity to do challenging work.**



Sound mentoring is also provided, and senior mentors are mapped to associates to guide them through their career path.

Daniel Soh

Director, Amrop

GIVEN the speed that the Asian markets have developed, there has been a constant scramble for great leadership talent. The availability of a strong pipeline of a second layer of leaders is also critical, as it enables companies to emerge from any crisis quickly. Hence companies should continue to invest in ways that they can build leaders across the region.

While the action in Asia, global firms are also placing increasing value for leadership talent who can think globally but remain close to the ground. In this respect, transferring talents even within Asia-Pacific is a useful practice that will help bridge some of the gaps and build up the required skills set.

Lily Kew

CEO, GLOW International

THE reliance on foreign workers in the beauty industry, which our business is in, is quite unavoidable, and this is underscored by the fact that many other companies in this industry also face a lot of challenges in hiring locals to do the job.

The policies surrounding the hiring of foreign workers such as the strict quota and recently announced increase in foreign worker levy add on to the human resource and business challenges that we face. In this respect, I believe there is room for the authorities to adjust its stance on such policies so that businesses such as ours are able to hire non-Singaporean workers as the alternative of hiring locals to do the job has proven to be not a very feasible option time and again.

Dora Hoan

Group CEO, Best World International Ltd

UNDOUBTEDLY, the foresight of our planners has succeeded in promoting Singapore as the country of choice for global talent.

Of late though, we have had to slow down a bit on this front as we encountered some drawbacks in terms of intense job competition, property price increases, among others. In taking any good path, there will always be a trade off.

Great talent will become an increasingly limited pool particularly in today's borderless world where they are highly mobile and constantly exposed to various opportunities.

That said, consistent positioning with regards to talent recruitment as well as clear, workable policies over the long term to lighten the burden of employers in optimising business cost for better pay packages will certainly help. This will keep us on track towards the attainment of our objectives and truly in league with other global cities.

Dhirendra Shantilal

Senior Vice-President Asia-Pacific
Kelly Services

AT THE core of any initiative to attract and retain talent is the issue of talent supply. The inherent complexity of addressing this issue lies in the perennial "local versus foreign" conundrum. Thus an adherence to the ethos of "best relevant talent" is the key to successful talent attraction and retention. More than just a meritorious approach, this principle goes beyond academic merit as a benchmark for talent. It means that our education system must continue to evolve where we start producing well-rounded graduates who can compete internationally.

Parallel to these, any foreign talent we bring in must be high calibre individuals who possess the ability to work within the local context and contribute to growing the local market as well. So build a pipeline of world-class talent locally and train them to perform, not just academically, but with every possible intelligence quotient variation available. Build this, and as we all know how talent attracts talent, they – top-notch foreign talent – will come.

David Leong

Managing Director, PeopleWorldwide Consulting Pte Ltd

FROM a global sector perspective, given the cross-cutting nature of the talent shortage in Singapore, the recent measures on levy and wage threshold set for each work pass type will put a strain on hiring companies.

The recent policies have the effect of increasing the overall cost structure of maintaining foreign talent – through a systematic levelling of the wage gap between Singaporeans and foreign talent. The tiered levy system is a great leveller.

Our SMEs' behaviour and response to this situation is almost helpless and in this transitioning period, overall component cost for labour is bound to shoot northwards since labour demand for many companies is almost inelastic. Productivity is the keyword and national resources through subsidies and grants are provided to companies willing to go through the transitioning period. Enlightened employers should immediately capitalise on the available resources to get their workforce on the productivity path.



THE BUSINESS TIMES

\$51.00 online at <http://www.businesstimes.com.sg> S P A SINGAPORE PRESS HOLDINGS PUBLICATION CO REGN NO 198402868E MICA (P) 138/08/2010 Thursday, March 10, 2011

Bar raised for white-collar foreigners

Higher salary thresholds may nudge employers to be more selective in hiring foreign talent

By CHUANG PECK MING

(SINGAPORE) The foreign worker levy isn't the only screw that the government is applying to tighten the inflow of foreign workers. It has also turned its attention to foreigners doing white-collar jobs and raised the bar for them.

Manpower Minister Gan Kim Yong yesterday unveiled in parliament higher monthly salary thresholds for Employment Pass (EP) holders, who are typically foreign professionals, and S Pass holders, who are mid-skilled foreign workers.

The salary floor has also been raised for locals to be deemed full-time workers - a status that allows employers easier access to foreign labour.

The move to raise the salary thresholds underscored how serious the government is on easing Singapore's dependence on foreign workers - and pushing for higher productivity - not only at the bottom of the job ladder, but also at the top.

The qualifying pay thresholds for Q1, P2 and P1 EPs will go up from \$2,500 to \$2,800, \$3,500 to \$4,000 and \$7,000 to \$8,000 respectively.

For the S pass, which caters to mid-skilled foreigners, the salary threshold is raised from \$1,800 to \$2,000.

The changes will take effect from July 1 this year.

Employers of existing EP and S Pass holders will be given a one-time renewal of up to two years to meet the salary thresholds. Existing pass holders who cannot meet the new salary criteria may also apply for lower pass types for which they are eligible.

"Given the tight market for PMETs (professionals, managers, executives and technicians), it is not surprising that salaries of local PMETs have moved up in recent years," Mr Gan said during the budget debate

Tougher thresholds Changes to qualifying salaries*

PASS TYPE	CURRENT	NEW (from July 1, 2011)
P1	\$7,000	\$8,000
P2	\$3,500	\$4,000
Q1	\$2,500	\$2,800
S Pass	\$1,800	\$2,000

Note: P1, P2, and Q1 are employment passes

Source: MOM

on his ministry.

"We need to raise the qualifying salary thresholds for EP and S Pass applicants accordingly to keep pace with the local PMETs and to encourage companies to be more selective in hiring foreign talent who can contribute to our economy."

Agreeing, Member of Parliament Ho Geok Choo, who is also chief executive officer of Human Capital Singapore and president of the Singapore Human Resources Institute, said that it was a logical move.

"Political motives may be involved but the bigger picture is local salary levels have gone up," she told BT. "If you don't do it, it will be cheaper to hire only foreign talent."

By levelling the pay of local and foreign employees, Madam Ho said that Singapore would be open to only the best and brightest of foreign talent - or those that can be upskilled.

Coming on top of the higher foreign worker levies - the S Pass levy will rise by between \$190 and \$300, for example - the increase in the salary thresholds will be a double whammy for employers dependent on foreign workers.

"The government makes no apology about it," Madam Ho said. "They think it's the right move and at the right time."

Adds David Leong, managing director of recruitment firm PeopleWorldwide Consulting: "The in-

creases are targeted to equalise wage differentials between the local and foreign workforce. This change is a real structural change that has huge impact on hiring and changes the decision-making process."

David Ang, executive director of the Singapore Human Resources Institute fears that there will be short-term pains for employers. "It takes time to train employees and to increase productivity," he said. Also painful is the increase in the salary threshold for part-time employees, which will go up from \$650 to \$850.

This salary threshold is to ensure that local workers are employed meaningfully, and not hired on token pay just to allow the employer to have access to foreign workers. Workers who fall below the threshold salary are deemed to be part-timers - and employers will need two part-timers to be counted as one full-time worker in meeting the foreign worker dependency ratio caps.

But Madam Ho noted that while the higher levies and salary thresholds may, on the one hand, tighten the inflow of foreign workers, the beefed-up productivity and innovation fund, on the other hand, allows employers to upgrade their foreign workers - and prolong their stay in Singapore.

Mr Gan pointed out that the levy increases would be spaced out until 2013 - and raise labour cost by only about 1.7 per cent.

"If businesses tap on the funding from the various government schemes to embark on productivity improvements and save on foreign manpower, the cost impact will be significantly lower," he said.

Price of growth? Forecasters raise GDP estimates, sweat over inflation

By TEH SHI NING

(SINGAPORE) The Republic's economy is now expected to grow a higher 5.7 per cent and witness a sharper price inflation of 4 per cent this year, according to a poll of analysts by the Monetary Authority of Singapore (MAS).

The median GDP growth forecast of the 20 economists who responded to the quarterly MAS survey of professional forecasters, released yesterday, was 0.6 of a percentage point above the median forecast three months earlier, while their median inflation forecast rose a sharper 1.1 points.

Both still fall within the current official forecast range of 4-6 per cent GDP growth and 3-4 per cent inflation for the year. But economists that BT spoke to yesterday had divergent views on where the economy's output and prices are headed.

Much hinges on how ongoing unrest in the Middle East and North Africa and its resultant impact on oil prices pans out, they say. Even barring the most-feared scenario of Saudi Arabia's oil supply being hit, oil prices could continue to hover at current levels if the situation fails to improve.

In the near-term, this could drive inflation even higher, but a sustained oil supply shock - the key medium-term worry now - could drive growth in the opposite direction, they said.

The recent surge in oil prices has prompted at least one economist, Bank of America Merrill Lynch's Chua Hak Bin, to lower his forecast for Singapore's growth this year from 5.8 per cent to 5.5 per cent and

Latest numbers Forecasts for 2011

KEY MACROECONOMIC INDICATORS	DECEMBER SURVEY	CURRENT SURVEY
	MEDIAN YEAR-ON-YEAR % CHANGE (UNLESS OTHERWISE STATED)	
GDP	5.1	5.7
Manufacturing	5.6	5.9
Financial services	7.5	7.4
Construction	5.0	4.0
Wholesale & retail trade	5.5	7.1
Hotels & restaurants	6.3	6.7
Private consumption	5.0	4.9
Non-oil domestic exports	12.0	10.0
CPI	2.9	4.0
Unemployment rate (end-period, SA %)	2.0	2.0
Exchange rate (end-period, S\$ per US\$)	1.240	1.230
3-month US\$ Sibar (end-period, % per annum)	0.50	0.52
3-month S\$ interbank rate (end-period, % per annum)	0.70	0.55
Bank loans (end-period, % growth)	8.0	11.3



Source: MAS Survey of Professional Forecasters March 2011

up his inflation forecast from 3.2 per cent to 3.9 per cent.

"The negative impact of an oil price shock on GDP growth is likely to be larger than the positive impact on prices," Dr Chua said.

He thinks that there is a 30 per cent probability that Libya's oil supply could be disrupted for the rest of this year, and with additional supply disruptions oil prices could hit US\$125-160 a barrel, a situation which could have "a severe im-

act on Singapore, given our sensitivity to global growth and trade".

For now, most analysts are holding on to their headline growth predictions, while plotting scenario estimates. OCBC economist Selena Ling thinks that if crude oil prices stay at US\$120 or US\$150 for at least three months, that could shave 0.5-point or 1.2 points respectively off her current estimate of 5 per cent GDP growth this year.

Barclays Capital Leong Wai Ho, meanwhile, estimates a 0.5-0.7-point dip in his 4 per cent GDP growth forecast, and a 0.4-0.6-point rise in his 3.8 per cent inflation forecast, for every US\$10 hike in crude oil prices that lasts a year.

But stressing other drivers, Citi economist Kit Wei Zheng said that there are "upside risks" to his current 2011 GDP growth forecast of 5.5 per cent, possibly to 6.5-7 per cent. This would match the bullishness of DBS economist Irvin Seah's 7 per cent forecast, just under the maximum forecast of 8 per cent clocked on the MAS survey.

Mr Kit said that the sharp sequential jump in January's industrial production and indications of robust tourism and banking services growth, coupled with a surge in foreign direct investment inflows, suggest a "step up level shift" in GDP for 2011.

The MAS survey showed that the higher median GDP forecast, compared to three months ago, was indeed due to higher expectations for manufacturing, wholesale and retail trade as well as hotels and restaurants. The forecast for financial services growth slipped slightly to a still-strong 7.4 per cent, but that for non-oil domestic exports growth fell two points to 10 per cent.

Others, such as Dr Chua, however, think that the downside risks to GDP growth emanate not merely from a potential oil price shock, but also tightened foreign worker policies, and to a lesser extent, measures to cool the property market introduced in January.

Economists with higher growth forecasts tended to field higher inflation predictions too. Both Mr Kit and Mr Seah raised their inflation forecast to 4.2 per cent after the inflation rate soared to 5.5 per cent in January.

Mr Kit said that the higher output implied by January's manufacturing figures suggest that upward pressure on core inflation - which strips out the housing and COE-driven price hikes - could come from tighter resource utilisation.

"Noting that inflation is not 'unique to Singapore' and by the other Asian economies too, Mr Seah thinks that "current inflationary pressure is transient" and, barring an escalation of the Middle East situation, ought to taper later this year as the government expects.

Most private-sector economists continue to expect the MAS to re-centre the Singapore dollar nominal effective exchange rate band at the upcoming April monetary policy review.

PROPERTY

Wooring international brands here

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Signs of a quieter en bloc cycle

■ PAGE 30



Grand Tower up for en bloc sale with \$92m tag

■ PAGE 32

MARKETS DIGEST

▼ ST INDEX
3,092.90 (-10.94)

▼ ST INDEX FUTURES
3,087 (-11)

▼ SIMSCI
364.94 (-0.88)

▼ SIMSCI FUTURES
364.90 (-0.80)

KL COMP	1,523.69	+6.03
NIKKEI 225	10,589.50	+64.31
HANG SENG	23,810.11	+98.41
SET INDEX	1,017.01	-1.56
JAKARTA COMP	3,338.68	+18.36
MANILA COMP	3,326.86	+27.99
SEOUL COMP	2,001.47	+5.15
SHENZHEN B	832.06	+2.98
MUMBAI IND	18,469.95	+30.30
11am EST Chicago		
DOW	12,162.54	-51.84
NASDAQ	2,739.24	-26.53

PRIME RATES

SINGAPORE	5.38
Malaysia	6.28
HONG KONG	6.00
INDONESIA	15.92
TAIWAN	4.816
JAPAN	1.476
KOREA	9.33
BRITAIN	0.50
USA	3.25
CANADA	3.00
SWITZERLAND	0.60
INDIA	11.75

Source: Bloomberg

FOREX	US\$	S\$
US\$ (S\$ per US\$)	-	1.269
£ (US\$/S\$ per £)	1.617	2.052
EURO (US\$/S\$ per €)	1.391	1.764
Foreign currency per US\$		
YEN	92.80	65.30
RM	3.022	2.350
HKS	7.790	6.140
BAHT	30.33	23.90
RUPPIAH	8.772	6.914
RENMINBI	6.571	5.179
INDIAN RUPPEE	45.00	35.47
AS	0.991	0.781
NZ\$	1.353	1.066



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Teng Yeow Heng Michael

Managing Director
Corporate Turnaround Centre Pte Ltd

THE private sector should have a comprehensive whistleblower policy. It will help to minimise any corrupt practices and financial irregularities. This is because most corrupt practices are actually known by the employees. However, I do not suggest a US style of whistleblowing scheme based on the Sarbane Oxley corporate governance requirements. In Singapore, some of the Sarbane Oxley regulations are difficult to apply in doing business in Asia as oftentimes, relationship overrides the business priorities. Also many of our public-listed companies are still very much family controlled as compared to the US which are managed by professionals.

We need to develop our own whistleblowing policy appropriate to our business environment and yet effective in achieving its objectives, otherwise the operations can be hampered.

Other important elements include ensuring that there is no "loss of face" when an employee reports on an employer and that the latter will not take reprisals against the former.

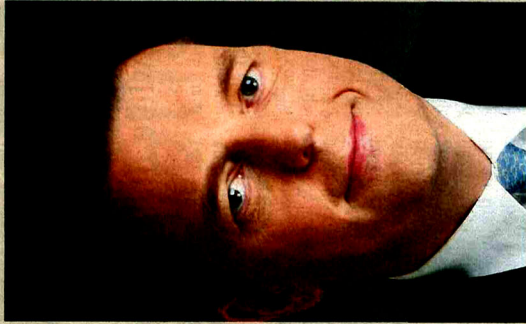
Patrick Liew

CEO
HSR Property Group

WHISTLEBLOWING enhances stability and sustainability of private enterprises. It therefore protects not only the interests of the company and the whistleblower but also that of colleagues in the organisation.

The key elements of a whistleblower policy should include the following:

- ◆ Culture: It is important to train employees on the benefits of whistleblowing and to support its practice without fear of penalty or retaliation.
- ◆ Procedures: A system should be put in place to ensure that the concerns are kept confidential and are addressed to the appropriate internal or external channel that has the authority to take the necessary action.
- ◆ Rewards: Incentives for rewarding valid whistleblowing will not only lessen fear of reprisals but also encourage employees to take the necessary initiatives.
- ◆ I would support a national movement to encourage whistleblowing in the private sector. It would be another plus factor for the Singapore Inc branding.



Lim Soon Hock
Managing Director
Plan-B Icaq Pte Ltd

THE question is not whether there should be a comprehensive whistleblower policy for the private sector, but rather, when and how rapidly it should be introduced. The implementation should not wait for more malpractices or serious contraventions of corporate governance, such as fraud, to occur before any action is taken.

In this regard, the introduction of the whistleblowing policy covering all 64 statutory boards is overdue. Perhaps this should also extend into the public sector, extending beyond the statutory boards to ministries and government agencies. It should eventually also include the charity sector.

To ensure that the whistleblower policy works, it must be well communicated and explained to all employees to ensure that all understand the intent and that the whistleblower will be protected with the strictest confidentiality, to allay any concerns that this person might have with repercussions on his or her job or career or life. Conversely, it is also important to reiterate that the policy should not be abused for frivolous complaints or allegations.

Putting in place a whistleblower policy is the easy part. Getting it to work remains a challenge for many companies, for all the aforesaid reasons. That said, it is prudent to have a whistleblower policy in place even if it is just to serve as a strong deterrent. No establishment, be it from the private, public or charity sector, should be excluded.

Eberhard Wedekind

President, Volvo Group/
Chief Executive Asia

A COMPREHENSIVE whistleblower policy benefits all business outfits regardless of whether they are public or private companies. It acts as a deterrent to potential offenders, and provides another avenue for a bona-fide employee to report suspected misdeeds in situations whereby the employee feels uncomfortable reporting them to his or her superior.

Under an effective whistleblower system, complaints will be submitted directly to, and administered by, the audit committee in the headquarters. A good whistleblower procedure must also address the issues of receipt, retention and treatment of complaints, as well as the protection of the anonymity of the whistleblower.

There must be a standing committee charged with the responsibility for "continuous watchfulness" and laws passed to give them power.

The private sector is motivated by profit. To invite feedback on the quality of products and services should help in detecting fraud.

David Leong

Managing Director
PeopleWorldwide Consulting Pte Ltd

IF WE uphold the principle that there is no confidence in iniquity, whether in the public or private sector, then whistleblowing should be comprehensively embraced. Affirmative whistleblowing obligation should be encouraged when it comes to issues of ethical conflicts or perceived wrongdoings.

There are some fundamental elements at play.

Where there is malpractice or wrongdoing, the cloak of confidentiality cannot be used to hide matters of public interest. Employees or peers at work are often the first direct party who can see something amiss yet may risk their livelihoods in whistleblowing. Under such circumstances, is it better to work under obligations of presumed secrecy? Or is it better to have a corporate culture where dissent can be tolerated and, where needed, investigated?

In the end, whistleblowing should benefit the public and importantly, private and corporate stakeholders. The response of any sensible corporation should be to clarify when it is safe and acceptable to speak up. The response from any sensible government should be to provide a robust legal framework to protect genuine whistleblowers. The response from any sensible individuals who are in conflicted positions should be to have the guts to do what is right and to understand

that responsible whistleblowing is an important failsafe in the corporate world.

For the complete list of views from CEOs, go to <http://business-times.com.sg>



Andrea Ross

Leon Perera

Group Managing Director
Spire Research & Consulting Group

IN terms of top line, 2011 will see robust growth in emerging Asia, driven by the resilient growth stories of China, India and Indonesia.

However, OECD growth will remain sluggish, particularly in Japan due to a possible sales tax hike. In terms of bottom line, the outlook is even more nuanced. Industries exposed to commodity prices (like airlines and logistics) will feel the pinch of rising variable costs.

Industries relying on US dollar-denominated revenues more than costs (like some parts of trading and professional and business services) will struggle. Those with more exposure to revenue streams from countries whose currencies are pegged to the US dollar, like China and Hong Kong, will feel a drag on profits in Sing dollar terms.

Rental and wage cost creep will take a bite out of profits. And any unrest in the Middle-East adds to overall downside risk. On the whole, 2011 will be a more challenging year than 2010 for corporate earnings.

To manage these pressures, CEOs will need to work even harder to ensure geographic diversification, off-shoring of non-core functions and appropriate hedging strategies for currency and commodity price risks.

Senior Vice-President, Asia-Pacific

Kelly Services

THE Year of the Rabbit will prove to be a year in which Singapore's economy will continue to evolve, with the tourism and financial services industries driving its growth.

Growth in Asia will remain steady despite the economic and political woes outside the Asian region. Corporate earnings will come under pressure due to the rising cost of doing business in the region.

The landscape now calls for acquiring and retaining one major commodity that will be critical for all organisations to remain relevant and competitive – talent.

Talent is the key competitive edge for companies to succeed and lead. When we are able to retain the right talent, internal and external engagement heightens and customers will be drawn to use the company's products and services.

The fundamentals in running a successful business and organisation remain the same.

It is really about reinventing our organisations, training and equipping the right talent with the relevant skills and knowledge, and thinking out of the box to come out competitive in any economic condition.

Teng Yeow Heng Michael

Managing Director
Corporate Turnaround Centre Pte Ltd

BARRING any unforeseen circumstances, the outlook appears to be good in the Year of the Rabbit for corporations with regional and global markets as the world economy appears to be recovering.

However, the outlook for the small and medium sized enterprises is not good because of the strong Singapore dollar and higher business costs. These companies do not have the financial resources to go offshore.

THIS WEEK'S TOPIC:

What is the outlook for corporate earnings in the Year of the Rabbit? How might a strong Sing dollar and higher business costs affect earnings, and what can CEOs do to mitigate their impact?

Corporate earnings in 2011

wisdom of customers, partners and employees and to plan ahead.

David Low

CEO
Futuristic Store Fixtures Pte Ltd

COLLECTIVE steps taken to aid recovery of the world's economy add good cheer to businesses.

Therefore despite inflationary pressures, corporate earnings will continue to soar in the Year of the Rabbit, with the strong momentum of 2010 continuing into 2011.

We will see positive growth although lower on a percentage basis given the higher base results of 2010.

With a stronger Sing dollar converting to higher business costs and higher currency exposure risks, the corporate environment will be competitive and challenging especially for export driven industries.

To keep growth healthy, the No 1 focus will be a combination of people investment and innovation. Companies need to continually raise the productivity level and build their talent pool. Innovation is key to keeping abreast of the times.

Sam Yap

Group Executive Chairman
Cherie Hearts Group International

THE world's economy recovered strongly last year, following the financial crisis, and I believe that there will be continued growth this year.

Having said that, this would be dependent on sustained positive economic outlook in the US and emerging economies like China and India.

The strong Singapore dollar will generally be a plus for the domestic market, though it may moderate exports.

To stabilise the local market, our workforce must

David Leong

Managing Director
PeopleWorldwide Consulting Pte Ltd

GLOBAL economic growth should continue to expand in 2011, but at a slightly moderate pace compared with 2010. Growth is likely to be derived from Asia, particularly China, India and Indonesia, which will be the economic ballasts for the region.

The US and Europe are likely to have benign growth and unlikely to expect above-trend economic growth.

Corporate earnings should still grow at a healthy clip in the service and manufacturing sectors, particularly in the offshore and marine sub-sector.

Inflation dynamics are the dampeners but interest rate, which is at its lowest for the most prolonged period, is likely to inch upwards to combat inflationary pressure.

If that happens, businesses will likely be impacted, in terms of trade financing and asset servicing.

With a strengthened Sing dollar, we can expect slower investment growth and deceleration in exports to drag on overall GDP growth, especially in the first half of 2011.

Employment should remain positively vibrant as the economy expands in the service sector, necessitating increased hirings. In the Year of the Rabbit, the economy should not have a hard-landing but should have light-landing hops into a moderately good year.

For the complete list of views from CEOs, go to <http://business-times.com.sg>

Laura Deal
Executive Director
The American Chamber of Commerce in Singapore

PRESIDENT Obama gave an inspiring address that was very well-received. His reference to the "Sputnik moment" was a powerful and nostalgic reminder about US achievements, and that government spending is necessary. At a time of deficit and unemployment, his address reignited hope and called for the US to "win the future" by doubling exports, aiding innovation, and aggressively seeking new markets.

The address touched on Asian countries that are forging ahead with innovation, such as China and India, and what lessons the US could learn from them. For US companies in Asia, the State of the Union address showed renewed US government support for their work. President Obama's National Export Initiative, which plans to double US exports in five years, is a key source of support. President Obama's pledge to strengthen trade relations in Asia was very encouraging to US companies here.

We look forward to continued progress on issues that would aid trade with the US, such as the Trans-Pacific Partnership (TPP) negotiations. A key pillar of strong US-Asia relations is dialogue and interaction. In March, AmCham will organise the US-Asia Pacific Regional Business Summit, which will create a platform for US companies to interact with government officials and discuss policy issues, such as the TPP.

Anton Ravindran
CEO and Founder
Rapidstart Pte Ltd

A TRADEMARK "Obama Speech" of "hope and inspiration". The president laid out his vision of America's future direction ("win the future") with an overwhelming focus on domestic policy but came short on foreign policy and didn't appeal to the global audience.

President Obama's speech firmly drove the message that the American dream is still alive but the people have to meet the demands of a new age driven by technology and globalisation. This is based on five pillars: regaining fiscal balance, reforming education, spurring innovation, rebuilding America's infrastructure and eliminating barriers to business success, and to harness free enterprise.

The tenor of the speech was optimistic and hopeful, reassuring Americans that the US is an exceptional nation that will overcome its economic challenges. He deftly encouraged America to view China, India, and other emerging Asian economies not as a threat, but rather as a motivation to unleash their creative spirits and to "out educate and out-innovate" the rest of the world to be the leader. It has far-reaching implications to all economies.

Ron Mahabir
Managing Director
Asia Cleantech Capital

"THE nation that leads the clean energy economy will be the nation that leads the global economy."

Mr Obama was right about that, and he showed a very determined position toward clean energy policy in the US, suggesting a reduction in fossil fuel subsidies, a commitment to one million electric vehicles by 2015, and 80 per cent clean energy sources by 2035. Whether or not this will be achieved is debatable. But, while the US, Europe, and Japan are focused on indebtedness, unemployment, and updating basic infrastructure, Singapore must fully appreciate and capture the opportunity it has to lead the clean energy generation.

David Leong
Managing Director
PeopleWorldwide Consulting Pte Ltd

THE word "job(s)" is featured 52 times in President Obama's State of the Union address. Job creation will be his administration's top and most pressing priority and the root of all evil for the nation's economic woes. One in 10 Americans still cannot find work. Businesses shuttering and home values' precipitous decline bring about degradation and devastation to millions of Americans' lives.

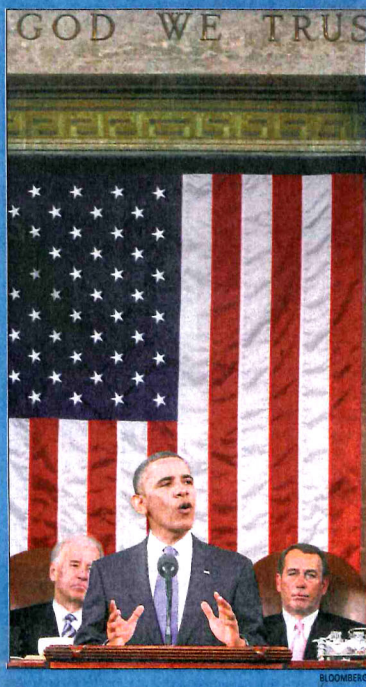
Mr Obama said: "It begins with our economy." President Clinton said, "It's the economy, stupid." It is all about the economy. The economy must be sustainable and be built on a foundation of real trade and businesses that create real value.

It is not built on clever manipulation of financial instruments concocted with debts or other synthetic financial components, sold and resold until the valuation is premised on false promise. It is not financial engineering that built a superpower. It is real manufacturing and R&D prowess - building the fastest computer, fastest train, greatest infrastructure development that benefits real people.

About a decade ago, the US still had a budget surplus of about US\$200 billion and now it has crossed US\$1 trillion in deficit. Singapore's paranoia about its competitiveness is therefore understandable. It took one decade or so for the US to slip but it is a large superpower which can probably hold up, reinvent, and move on. It will take Singapore far fewer years to slip and we may not recover so easily as budget surpluses turn to deficit.

THIS WEEK'S TOPIC
What did President Obama's State of the Union address, and the reactions to it, tell you about US policy going forward? What are the implications for the rest of the world, and in particular for small and open economies like Singapore's?

Winning the future



Annie Koh

Associate Professor of Finance
Dean, Office of Executive & Professional Education
Financial Training Institute
Academic Director, International Trading Institute@SMU
Singapore Management University
I'M at the World Economic Forum in Davos and have just heard Bill Clinton speak. My thoughts on Mr Obama's State of the Union have taken on a new slant after hearing a past president and a current president, both from the Democratic party, speak.

My take is that President Obama will only have one focus in mind: Whether Republican or Democrat, the US government needs to create jobs - and that's about 140,000 new jobs a month. This is all that matters for now.

Some of the measures to be adopted may imply some subtle barriers into the US domestic market, in terms of goods and human capital flows. And so Asia may have to depend on more inter-regional trade within Asia itself.

But Mr Obama also wants to see inclusive growth within the US and also across nations. So they are also appealing to the good sense of growing economies in the rest of the world to help the US out, as a stronger US economy will help bring sustainable growth to the rest of the world.

However, restructuring takes time and



Mr Obama does not have time on his side. So Singapore should work closely with other economies other than the US, adopting shared norms as we put in place an inclusive growth model within Singapore and Asia and eventually with the rest of the world. A global coordination of efforts is needed now more than ever. We are a connected world.

Hence for Singapore, we have to be mindful of the regional and global developments, the constraints of our country, and our need for fiscal sensibility to maintain balance in a very chaotic world.

Patrick Liew
CEO
HSR Realty International

AS a long-standing admirer of the US, I am sad to see some of the qualities that made it a great nation causing its current decline. The country that promoted the virtues of democracy more than any other country is now beset with pork belly politics.

Accepting donations of any kind to win political votes or favour is nothing more than legalised corruption. Promotion of partisan views in the name of free speech has polarised the country at a time when it should close ranks to resolve structural problems. Obsession for capitalism has driven prominent business leaders to find legal gaps and skirt around their moral conscience to fatten personal wallets under the guise of improving corporate bottomlines.

While fulfilling its self-appointed role of big brother, the US has become somewhat the "bully in the block", shaping the world to its fallen image. The question that begs to be answered is: Will the US government, starting from where the buck stops, be brave enough to prescribe the necessary, albeit painful, medicine to make the needed changes? While I have some doubts, I believe the spirit and strength that helped the country overcome seemingly insurmountable challenges in the past will allow it to renew itself and rise up again - hopefully as a more responsible superpower.

Liu Chunlin
CEO
K&C Protective Technologies Pte Ltd

I SAW President Obama urging Americans, and in particular the politicians, to put aside party differences and work toward solving America's problems together. He appealed to a sense of shared history and destiny, and reminded all that he was doing his best to tackle a mountain of problems he inherited. That despite a huge national debt he faced, he had no choice but to spend more money to avoid a recession and job losses, which affect the man in the street and his family.

In the address, he identified the real competition as coming from abroad, from countries like China, India, and Germany. The pessimistic may thus say this hints at protectionism. Then there is still the security threat, including the nuclear threats which America cannot wish away and will take up time and resources, even as economic problems are pressing.

For smaller economies, one concern will be the danger of protectionism, as America galvanises, but looks within. Or small economies may be left out of the equation altogether as America focuses on the big economic superpowers like China, Germany, and possibly India. Small economies may have a chance to ride on the wave of change without being caught wrong-footed.

For example, as America positions for better and lower priced products, we need to be ahead in productivity and innovation. We also need to watch out for any flagging of resolve with regard to security, as it affects the global security environment, and which small countries and economies are particularly vulnerable.

Teng Yeow Heng Michael
Managing Director
Corporate Turnaround Centre Pte Ltd

THE US is going to look inwards. Job creation is top on its agenda. During the State of the Union address, the plans announced to create jobs were all long term, such as infrastructural and green projects. President Obama has to show results urgently and he knows his time is running out as the presidential election is drawing near. Perhaps he does not have a short-term plan to create jobs except to launch Quantitative Easing (QE) No 3, printing more money but not fixing the problem.

Alternatively when push comes to shove, he may go for a quick fix by taking a protectionism stand - forcing China to appreciate the Chinese yuan, keeping out imports, and putting up tariffs. This does not augur well for the rest of the world and in particular Singapore. I hope that my worries are wrong.

Tan Kok Leong
Principal
TKL Consulting

DESPITE a mid-term election setback, President Obama

is confidently moving the nation forward from the worst recession in recent history.

Job creation will remain a priority in businesses, with more focus on start-up entrepreneurs, investments on plants and equipment, and specific projects. Growth remains top priority but on a new foundation with innovation. It will be based on tomorrow's infrastructure, clean energy products, better educated workers in science and mathematics, new clean nuclear power plants, biofuels, clean coal technologies etc.

To improve efficiency and competitiveness, we can expect reform in the White House and the government. Both the Republican Party and Democratic Party will be jointly responsible and accountable for its respective shares of the national debt.

Andrea Ross
Managing Director (Singapore & Malaysia)
Robert Walters Singapore

PRESIDENT Obama was sending a clear but realistic picture of what has been achieved during his administration, as well as what needs to be done, moving forward, for the United States to become a powerhouse once again.

There was definitely a clear message on making sure that the United States will take the necessary steps to stay ahead and also focus its policies for Main Street, post-Wall Street bailout. Looking at the applause and reactions during his speech, and poll results showing Mr Obama's approval ratings remaining steady, we can expect future policies to veer toward jobs creation through policies that protect and grow the US economy.

Being the largest economy in the world, Mr Obama's policies will definitely have an impact on smaller open economies like Singapore, in particular the slashing of tax breaks for companies that send jobs overseas. US companies will perhaps now think twice about moving their business operations to markets outside of the US as there are now more incentives for these home-grown US businesses to create jobs within their borders. This will inevitably cut down on the number of jobs (coming in from the US) being created in markets such as Singapore.

With the US looking to increase exports, this can only mean that manufacturing elsewhere will be cut, and that in turn it will also affect open and smaller economies like Singapore, as our output to the world's largest economy could potentially be reduced.

经济好 机会多

民生民财



领了花红



仁立国际负责人梁昌国。

更多人跳槽

2月、3月是换工旺季

刘婵 报道

liuchan@sph.com.sg

经济好，就业机会多，领了花红，更多人跳槽，2月底到3月是跳槽旺季，求职的人数增加15到20%。

去年经济回弹并达到两位数增长，不少公司也可观的花红以回报员工在经济低靡时同舟共济。

随着经济走出低谷，市场上也出现了不少就业机会，不少人甚至从去年年尾就开始另谋出路，打算拿了花红后，找到更高的薪金和更好的发展。

人力资源公司仁立国际负责人梁昌国说：“虽然公司为挽留员工会将花红摊分开来分发，不过一些中小型企业及华人公司还是习惯在过年时，给出大部分的花红，一些员工在拿了花红后，就准备跳槽，因此不难看到2月底到3月间，求职人数增加15到20%，而且从低级职位到中高级管理层都有。”

梁昌国表示，在经济好的时候，员工跳槽薪



经济好，就业机会多，也更多人跳槽。（档案照片）

水增加幅度可达10%到20%。

他说：“留在公司增幅大概介于3%到5%，因此跳槽非常有吸引力。”

此外，更多的公司增聘人手，除了填补离职的员工，也为了扩充营业。

梁昌国透露从去年第四季度开始，就接到雇主的委托，每次要请的人数可达几十人。

今年虽然预料经济增长会放缓，但梁昌国相信第一季度在人力方面的表现会继续保持强劲。

约15至20% 被高薪挖角

制造业、服务业、零售业和银行业，人手最短缺。

梁昌国表示前三者主要是因为增长快，因此对于人力需求大，特别是前线职员。后者则是因为该行业一直有波动，其中一些专业人士如投资经理、客户经理等需求非常高。

除了跳槽外，约15%到20%的就业者，特别是高职位者，则被人高薪挖角。

THIS WEEK'S TOPIC

Are the new property-cooling measures too much, too little or just right? What more needs to be done to prevent a property bubble developing while keeping the market vibrant?

Ensuring stability

Lee Lung Nien

Chief Operating Officer
Citi Singapore

THE government's actions were swift and decisive as always. Citi's view is that the latest measures are likely to have a longer-lasting effect than the previous ones. Except for genuine home buyers and long-term investors, potential buyers are likely to think twice before committing to a property now. We may see a significant fall in transaction volume immediately and believe bids for residential sites will be more cautious.

However, volumes should see a slow recovery after the market has digested the initial shock. With interest rates remaining at record low levels, we also do not think prices will decline significantly in the near term. But if the aim was to slow down further rises in property prices and to set a cap for now, the recent measures would certainly achieve the desired effect.

Pauline Goh

CEO, Singapore and South-east Asia
CB Richard Ellis

THE cooling measures are necessary to soak up the froth in the market to prevent excessive asset inflation. Nevertheless, to weed out speculation further, the government could consider monitoring activities around small format units. The proportion of small format units has been rising in recent years, driven by quantum affordability resulting in price increases.

To help genuine first-time home buyers and upgraders further, the government could also consider relaxing the current monthly household income ceiling of \$10,000 for Executive Condominium purchasers, in line with inflation, rising land and construction costs resulting in the overall higher value of ECs since its introduction in 1996.

John Koh

Managing Director
WMRC Private Ltd

I THINK the current property-cooling measures are just right. With an unprecedented flow of money to Asia and an extremely low interest rate environment, asset prices in our region are going up very quickly in record time. 2011 is poised to be a good year for economic growth and many property investors are betting their money on prices to go up even further.

If this uptrend continues in an uncontrolled manner, it could quickly cause an asset bubble which is going to hurt many people and the regional economies when the bubble finally bursts. However, the so-called "hot money" that comes here can also leave us the moment assets and investments overseas are deemed to yield better returns. When that happens, it is prudent for policymakers to also remove the measures quickly to prevent a drastic crash of prices.

David Leong

Managing Director
PeopleWorldwide Consulting Pte Ltd

IT seems that the government finally decided to choose the sledgehammer to knock sense into the market with the 16 per cent punitive seller's stamp duty (SSD) within the first year of purchase complete with a declining SSD till the fourth year.

The government's series of cooling-off measures are the most defining and probably most decisive anti-speculation measures in the hope of stabilising prices.

This rule will probably impact the marginal and fringe speculators and these recent measures probably will have a short-term psychological curbing and withholding effect on the market. However, if history is any guide, such a rule would be frustrated in an environment filled with bullishness and liquidity. Irrational exuberance of speculators can trump the government's curbing measures since loan-to-value (LTV) is of lesser concern to these serious investors who are buying into assets for their yields and will unlikely affect this class of investors with strong holding power.

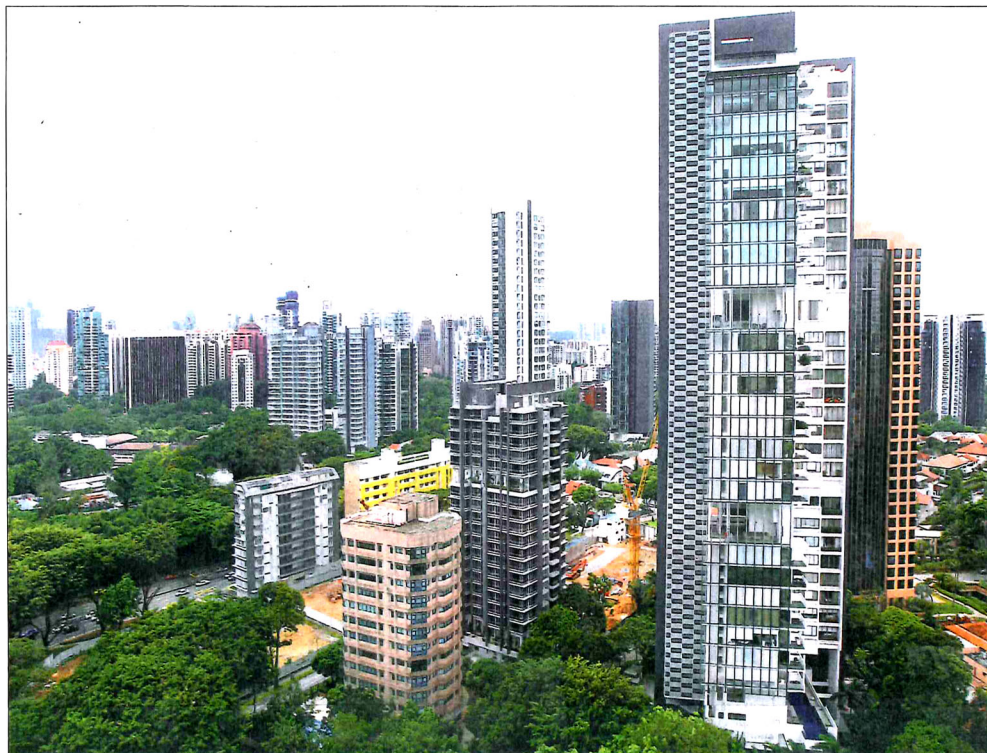
The recent measure would douse the speculation fire in the primary market, but it would also deter speculation in the secondary market for short-term punters. The SSD has to be set at a punitive rate for it to have any desired effect. The intent is to take out all the incentive in property flipping. Technically and administratively, this is the simplest and most direct way of dealing with speculation for marginal speculation. By cutting into speculative gains for punters, the SSD will hit where it matters.

There is a dearth of properties in Singapore for our gradually growing population and because of our limited land resource, land is always in demand. Over the long run, the price trend for property has an upward bias. At any juncture, rationality must rein in during any bubbling possibility and property prices should move in line with economic fundamentals. Prices should not go awry and off-tangent to Singaporeans' affordability.

HDB's prices should be the pre-eminent price stabiliser and be kept on a narrow trajectory band. Policies should be designed to ensure that HDB units are not subject to frivolous trading and end up in the trading pits where genuine buyers will be affected. This will cause dissonance and dislocation of wants and affordability among genuine buyers especially the first-time buyers looking to set up their families.

The government should also review the methodology of valuation for HDB where cash-over-valuation (COV) seems to be a constant in the pricing equation. The COV is the cause for the off-tangent overshooting of HDB prices and if there is a tiered levy on this COV for both buyer and seller, it will be a real dampener.

The government's objective is to ensure a stable and sustainable property market where prices move in line with economic fundamentals and not overshoot with an unpredictable trajectory, at least for the HDB new



YEN MENG JIN

homes. For prices of mid to upper tier properties, the market can decide.

Tan Tiong Cheng

Chairman
Knight Frank

WHEN residential property prices escalate drastically, they tend to raise concerns about asset bubbles which can have dire consequences when they burst. The flash estimates from URA's private residential property price index showed an increase of 17.6 per cent year-on-year for 2010. This translates to 65 per cent property price increase over a five-year period. Too soft an approach may perpetuate a growing bubble leading to further cooling measures. Too much may de-stabilise the property market and cause it to crash.

It is too early to tell if the latest measures will have their intended effect. Looking at the Hong Kong government's Nov 19, 2010 punitive measures on special stamp duty, the immediate impact was drastic; but two months on by January this year, a slight rebound in volume is taking place. The common factors faced by both markets are abundant liquidity and an ultra-low interest rate environment supported by genuine demand from upgraders and liquidity inflows.

What is more important is that the measures should not be viewed as permanent but more a temporary tool to stabilise the market. The government welcomes long-term investors who believe in the Singapore story and not short-term monies swishing around, pushing up prices artificially.

More can be done to tighten loans disbursed to property purchasers. Four in 10 home buyers took out more than one loan and in some cases three, four or more loans. Perhaps we can take a leaf from the United States, Europe and Australia experiences by implementing stress tests for these borrowers. If one can stomach the short-term downside risks, one can enjoy the potential upside returns from long-term property investments.

Patrick Liew

CEO
HSR Property Group

TO put these measures into proper perspective, they are not designed to devalue property assets or cause prices to stay flat for a protracted period of time, as that will have a cascading effect on both macroeconomic and microeconomic levels. Should prices not grow in tandem with economic fundamentals, the authorities can withdraw some or all of the measures.

The property measures will not impact the residential property market across the board. It is targeted at removing short-term investors and preventing investors from being over-leveraged. In the previous three rounds of measures, we have seen the number of such investors declining and banks becoming more cautious in their lending policies.

The property measures seek to prevent the formation of property bubbles, the bursting of which will have detrimental effects on the economy and society. This is crucial especially since we face the prospect of excessive liquidity flowing into the market from overseas enterprises and investors.

My concern is that many of the investors who have

profited from the recent price hike will shift their attention to the industrial and commercial markets. This may have a negative effect on both business costs and the overall competitiveness of our nation.

Considering the fact that the economic fundamentals including the unemployment rate continues to be healthy, there are no reasons why property prices should not increase in the mid to long term - hopefully at a moderated rate. The market continues to be well-supported as indicated in a survey conducted by Propwise which showed that 55 per cent of the long-term investors were "keen on making a property investment if prices fell". The extent of liquidity in the market could very well be underestimated. I personally welcome the introduction of these measures as it will ensure long-term growth for both our industry as well as the economy.

Tan Kok Leong

Principal
TKL Consulting

THE property-cooling measures on stamp duty and loan amount are effective in deterring short-term speculators from the market and keeping the market healthier. Demand for homes, however, remain strong owing to economic growth, strong liquidity and low interest rate environment.

Rising interest rate would increase the general cost of business, particularly property developing cost and its holding cost while the buyer would have to pay more for use of money.

Toby Koh

Group Managing Director
Ademco Security Group

SPECULATORS just ran into a brick wall. The latest measure by the government certainly hit the bull's eye in curbing the frenzy in property investment.

Undoubtedly, the rapid rise in property prices over the last year is not healthy. Aside from the fear of a bubble, affordability by the young and the masses is a major concern.

If Singapore intends to attract the best of breed globally as well as retain local talent, property prices must be reined in. Many of my young talents in Ademco has been expressing their concerns whether they will be able to upgrade their property with current trends. Slow steady growth is the preference and kudos to the government for decisive action.

Joshua Yim

CEO
Achieve Group

A GOOD majority of the Singapore population live in HDB flats so I feel that public housing should be regulated such that it is protected from being a speculation vehicle in the property market. The recent regulatory and property tax changes are good initiatives to help insulate it from such speculation. However, I would like to see more of these initiatives targeted at escalating housing prices. I believe that property prices are currently artificially high and so I would also like to see the authorities looking into the

statistics of actual occupancy rate of these housing units. Was the market driven by a genuine need of shelter or otherwise is important as it points to the fundamentals underlying the escalating property price phenomenon. We must be wary of a situation like in Dubai where huge numbers of houses are bought up by investors' speculation and genuinely driven by real needs by the population. Because when the bubble bursts, there would be far-reaching consequences for the economy.

David Low

CEO
Futuristic Store Fixtures Pte Ltd

WITH a fourth round of new measures being introduced within a short span of two years, it shows cooling measures are never too much to curb property market movements but more so on stabilising the market to prevent misrepresentation of real market demand. New measures appear to target at second and onwards property purchases in an attempt to tame speculative buys. Speculation is one of the triggers to forming a property bubble so having these set of new measures helps.

The implementation comes in timely to tie in with China's focus on equalising the economy from the much expected growth and US showing positive signs of recovery. These global movements lay the ground for potential increase in interest rate in the coming periods, so new measures should reasonably contain mass market investors' greed level to tread with caution thus preparing them for the tougher times ahead instead of banging on excessive liquidity sloshing around especially in Asia. Any additional measures at this stage will potentially hurt first-time home buyers and purchasers for own occupancy. The market will likely cool down gradually and we should see how things pan out in the next two quarters before further intervention.

Dan McConaghay

Vice-President and Managing Director
Fico Asia-Pacific

EXUBERANCE in the property market from genuine buyers is a healthy thing. What we don't want are speculators who create artificial price bubbles.

The recent round of property-cooling measures was meant to slow down the rate of price increases, prevent a bubble, and of course, cut down on property speculation. However, by putting a cap on maximum financing for second and third properties at 60 per cent, genuine buyers looking to invest for the long term (like retirement) will be hurt. If the market cools as expected as a result of these measures, it will be good to see a loosening of the financing cap from 60 per cent back to 80 per cent.

We applaud the decisive action taken by the government - coupled with the earlier cooling measures - and are optimistic they may have what it takes to cool the market. At Fico, we've spent the past two years working with our clients - including two-thirds of the top world banks and 90 of the 100 largest US financial institutions - to recover from the burst of the housing bubble, ensure responsible lending practices and leverage data to better predict consumer behaviour. We have to ensure Singapore avoids a similar fate.

President
Volvo Group/CE Chief Executive Asia

THE current round of inflationary pressure in Singapore stems from four main areas:

Commodity and energy inflation tend to be imported, with a direct impact on the lower-income group. One way of softening this could be by temporary one-off subsidies. I support Singapore's commitment to focusing on education, skills upgrade training and increased productivity. Another area of focus that I believe is important is the quality of education for children of lower-income families.

Inflation of real estate has a small impact on low-income groups. The HDB concept works as a superb stabiliser.

Rapid real estate and other forms of asset inflation cannot be left unchecked. Otherwise, non-performing loans will increase and the health of the financial sector would be at risk with an effect on the real economy.

Tham Sai Choy
Managing Partner

Glow International

THERE are certain inalienable truths in life, and inflation is but one of them.

One of the key concerns of inflation affecting the general population is soaring food prices, which has been pushed up by increases in the prices of raw materials and higher manufacturing costs around the world. Government rebates and food vouchers are some temporary solutions.

However, I believe that we need to start at the root of the problem. Teaching Singaporeans to be more financially savvy, and equipping them with strong money management skills will certainly be a more effective way to address the issue than trying to curb the unavoidable phenomenon of inflation.

The government can help to promote financial education among Singaporeans by allocating a part of the Budget towards financial courses to teach people how to better manage and even grow their money through wise investments. Perhaps the government could conduct campaigns to raise Singaporeans' awareness of the importance of financial education, as well as subsidise and even sponsor such financial courses at community centres to make them more accessible to the general public. I strongly believe that a strong financial education is the first step in helping these low-income groups break free from poverty.

Apart from this, the Budget could also offer more grants for social enterprises that reach out to these low-income groups. At Glow International, for instance, we are developing a beauty and spa academy to specifically benefit underprivileged women - women from troubled backgrounds, young unmarried mothers, etc - and equip them with a skill set to help them improve their quality of life.

Daniel McConaghy
Vice-President and Managing Director
FICO Asia-Pacific

AN environment of high or unpredictable inflation is challenging for consumers and businesses. Typically, monetary authorities respond by raising interest rates, so as to curb borrowing and entice consumers to save more. Given Singapore's buoyant property market, authorities could also consider additional property-cooling measures.

THIS WEEK'S TOPIC

What are the key areas that need to be addressed in tackling rising inflation?
What measures would you like to see in the coming Budget that address the issue of inflation,
and the problems generally faced by low-income groups?

Avoiding bubble trouble



REUTERS

Dhirendra Shantilal
Senior Vice-President, Asia-Pacific
Kelly Services

ALTHOUGH the latest economic indicators show that the Singapore economy is maintaining progressive growth, the risk of inflation has mounted in recent months - mainly driven by higher global oil prices and costs of food, transport and housing. However, controlling or subsidising the prices of food and basic goods to cope with rising prices may be ineffective and costly measures in the long term in Singapore's open economy. We should evaluate new approaches to mitigate inflation risk. For example, more support can be extended to domestic importers to establish external trade links and expand their network to source for more cost-competitive products. More importantly, we have to keep our economy competitive and constantly strive to outperform in order to tackle inflation.

Besides attracting new investments, Singapore should promote a long-term approach to worker education and training. Organisations should support these initiatives and encourage employees to go for training and development programmes to upgrade their skills and competencies. We will not be able to totally insulate ourselves from inflation but there is no reason why we should not continue to innovate and develop our capabilities to sustain strong economic growth.

David Leong
Managing Director
PeopleWorldwide Consulting Pte Ltd

SINGAPORE'S economy grew by a whopping 14.7 per cent for the whole of 2010 but such growth brought concerns such as long-term asset price inflation and depreciating worth of the Sing dollar. Though the government must allow for a very gradual and sustainable appreciation of the currency to help fight inflation, it must be mindful that working-class Singaporeans will be the worst hit in any inflationary impact. Their earning capacity will not grow proportionately to the inflationary growth, and their dollar will buy fewer goods and sundries.

Increasing tax reliefs to account for rising inflation and increased cost of living, exemption of essential items from GST, direct cash subsidies for conservancy charges or rental rebates, transport rebate for senior citizens and school-going children are probable remedies in Budget 2011 that could alleviate the temporal pains caused inadvertently by inflation. From the perspective of fiscal prudence, such measures will go a longer way towards helping the working class in Singapore. The blunt and brute force of any inflationary pressure can at least be lessened with a considerate Budget.

DON'T DISCOURAGE SINGLE MUMS

6 TO BE an unmarried mother requires both resourcefulness and resources - more so in Singapore, where unwed mothers are excluded from most baby benefits.

While parents get between \$4,000 and \$6,000 under the Baby Bonus scheme when a child is born, mothers who are not wed to the child's father get nothing.

They are also left out of the Children Development Account (CDA) programme, under which the Government matches, dollar for dollar, the amount saved in the child's CDA.

Also, only married couples are allowed to participate in artificial reproduction methods, such as in-vitro insemination, here.

Professor Jean Yeung of the National University of Singapore's sociology department attributes the legislation to a culture where



Ms Phang is self-employed and ensures her afternoons are spent with Kieran. ST PHOTO: JOYCE FANG

More support for single mothers please

MS GINNY Phang did not opt for abortion when she became pregnant out of wedlock.

She had no job and was only 23 years old then. But she made the decision to keep her child. "In my mind, everything was wrong. But in my heart, everything was right," she said about her decision.

She later got a job and was lucky to have an employer who gave her the full two months' maternity leave available under the laws then.

Today, the self-employed mother, who owns Four Trimesters, which helps

expectant and new mothers handle the challenges of pregnancy, is the proud mother of 10-year-old Kieran Phang.

For the first five years, Ms Phang, 34, relied on members of her family to help her take care of Kieran when she was at work. Now, she has a domestic helper.

She has the support of her family, but not that of the government, she feels. Policies such as reduced maternity leave and no baby bonus for unwed mothers discriminate against them, she said. "If anything, single mothers require more help and support."

a two-parent family is the norm.

"There may be a few women starting to consider having a child alone, but they are not a significant proportion of the population. Most of the community probably would still not accept the idea," she said.

In addition, unwed mothers may not be eligible for the full

range of workplace benefits. The Manpower Ministry's website states that an employee is entitled to 16 weeks' maternity leave only if the child's parents are married, under the Children Development Co-Savings Act.

Single employees covered under the Employment Act are entitled to only 12 weeks' maternity leave.

Nevertheless, there have been indicators of more singles wanting children. A report in 2006 quoted five adoption agencies here as saying that they have seen a rise in singles looking to adopt.

Human resources expert David Leong feels the current disadvantages single mums face may wane over time: "As society changes,

HAVE FOUR MONTHS OF PATERNITY LEAVE

7 IF FATHERS were given four months off work to look after new additions to the family, would it induce couples to have more children?

Yes, say sociologists and demographers, in the sense that legislating paternity leave will send the message that parenting is as much a man's role as it is his wife's.

But they are divided on how effective this carrot would be. While mothers here take four months of paid maternity leave, the Government has not legislated paternity leave.

But nearly half of the 3,410 employers surveyed by the Manpower Ministry last year were found to have voluntarily offered their male employees paternity leave - even if it is usually no more than two to three days.

Sociologist Jean Yeung from the Asia Research Institute said the disparity in maternity and paternity leave periods reinforces patriarchal family values: "It sends the wrong policy message that childcare is the woman's responsibility, and that men are too busy to take time off from work for the family."

The result: Women are left to bear the greater opportunity cost of having a baby, which could turn off those afraid of losing their jobs or being passed over for promotions.

Dr Yap Mui Teng from the Institute of Policy Studies made the same point but added that legislating paternity leave is not a magic bullet that will solve the fertility problem.

For one thing, said Mr Lim Soon Hock, the chairman of the National Family Council (NFC) and the Centre for Fathering, employers here may not be ready to do without their employees while they take an extended daddy's time-out from work.

And secondly, he added, the liberal paternity-leave policies

SCARE COUPLES INTO HAVING KIDS

8 SHOCK campaigns have been known to work.

The Italian advertisement showing the nude, emaciated French model Isabelle Caro went some way to putting a face to the eating disorder anorexia.

Closer to home, Singapore has slapped graphic images of cancerous lungs on cigarette packs to deter people from smoking.

It is thus not a stretch to apply scare tactics to get childless cou-

ple to have children by, for example, showing an old bedridden couple with no one to care for them.

Member of Parliament Baey Yam Keng, who is a managing director at public relations firm Hill & Knowlton, said such a campaign could work on some people: "Different people connect to different messages, so it's worthwhile to try a variety of methods to promote having children."

But he also said that having children did not guarantee being cared for in old age, since children might abandon their parents.

Other advertising and marketing experts were less optimistic

What some countries are doing to boost fertility rate

FRANCE (total fertility rate: 1.97): Weeks after giving birth, French women are offered a state-paid course to help them start having sex again as soon as possible. Other freebies include a personal trainer and computer games that help them exercise.

This is in addition to other perks such as free nursery schools, tax deductions for each child, generous family allowances and paid, four-month maternity leave.

SWEDEN (TFR: 1.67): In 1974, Sweden became the first country to replace maternity leave with parental leave, which covers maternity, paternity and adoption leave. Two months of the 16-month parental leave per child is exclusively for fathers.

BRITAIN (TFR: 1.92): All female employees are entitled to 52 weeks of maternity or adoption leave, of which 39 weeks are paid. The husband, or partner in the case of same-sex relationships, may request a two-week paternity leave paid at a fixed rate of £124.88 (\$\$255) a week or 90 per cent of the spouse's average weekly earnings, whichever is less.

LITHUANIA (TFR: 1.24): Mothers get eight weeks of paid leave before the due date. They get paid maternity leave for the first year, 85 per cent paid leave in the second year, and one year of unpaid leave after that. Either the mother or the father can take

光阴的故事

系列 163 下篇

流水无情落花有意... 改变了我们... 初心... 留存...

梁昌国的全家福。

当年接受《商业时报》访问 父亲抱着我的剪报过世



口述: 梁昌国 (41岁, 仁立国际执行董事)
笔录: 吴绍君
照片: 梁昌国提供



我94年上大学毕业, 父亲总忍不住在工地向同事炫耀, 说家里出了个大学生。
父亲后来患上肾病, 病情每况愈下。1997年期间, 我每逢星期日, 开车载父亲到处走走。到他负责监督过的建筑工程的地方拍照留念, 如今走过那些建筑物, 总会缅怀起往事。
当时是网络dot.com火红的时期, 我毕业后没有像一般同学那样去打工, 毅然创业设立商业网站, 几个月内筹得约2000万元资金, 还接受了《商业时报》的访问。

我兴奋地拿着剪报到中央医院的加护病房给病重的爸爸看, 爸爸开心地笑了, 抱着我的剪报过世。
我一直很遗憾, 爸爸来不及过好日子, 就这样走了。

怀念在大巴窑当‘小霸王’的日子
我从小在大巴窑2巷长大, 那里有我许多的回忆。

我记得, 当时那一带的住户背景比较复杂, 小时候的我算是个坏孩子, 个性好强顽皮, 十足是个“小霸王”, 整天到处惹事。
有人推着车来到组屋区卖雪糕时, 我一听到雪糕佬摇铃铛, 就会立即跑下楼, 躲在走廊, 趁雪糕佬不注意时, 朝他扔石头, 有时吓得雪糕佬匆匆跑掉。
我也时常用塑胶袋盛水自制好几个“水弹”, 跑到组屋高楼上, 朝楼下的行人扔下去。我其实也不是针对任何人, 只是单纯觉得好玩。
除了捉弄人之外, 我也到处找人挑战玩弹珠、打球, 结果有时为了输赢和其他孩子吵架, 也经常打起来。
当时不知天高地厚的我们, 还会模仿那些街头党, 约好在大巴窑中心的水池或者停车场见面“再分胜负”, 多

梁昌国自称为“小霸王”, 后来却被老师点名当上学生领袖。
数都是人家教了弹珠“不爽”要找我出气, 我竟不甘示弱, 硬着头皮打群架。其中有好几次, 好像还招惹了一些真的街头党小混混。
有人看到还报警, 大家赶快作鸟兽散, 幸好没有人受伤。
我和家人住了10几年的房子, 如今已经集体出售, 进行其他发展项目了。

欢迎来稿: 电邮: wanbao@sph.com.sg 传真: 6319-8133
地址: SPH News Centre, Lianhe Wambao, 1000 Toa Payoh North 4P, Singapore 318994 收, 并附上名字及联络号码)

驾55号巴士 走54号路线 糊涂车长

40乘客被迫半途下车



搭客察觉不妥, 通知车长, 但他没有马上停车.....

刘焯报道

liuchuan@sph.com.sg

过度使用闪卡, 可能影响孩童在创意、想象及沟通方面的发展, 造成孩童在创意写作方面欠佳。

新加坡中央医院、学前教育学资深顾问医生连伟敏表示, 从早期开始鼓励小孩, 在婴儿时期, 主要是建立正面的自我形象。幼儿阶段则是“探索期”, 孩子学会

过度使用闪卡 恐影响小孩创意

制。对于市面上一系列促进儿童发展的工具, 连医生表示要以适量的方式使用。
以闪卡为例, 虽然可以让儿童及早认字, 但儿童可能在表达和沟通方面跟不上读写能力的发展。
另外, 创意和想象也可能发展不良。“小孩连医生说: ‘小孩可能认字早并能读(不代表理解), 但在社交和想象方面却欠佳。’”
新加坡中央医院妇产科和新生儿与发育部门医生在1日2020日与上10



以闪卡为例, 虽然可以让儿童及早认字, 但在表达和沟通方面跟不上读写能力的发展...

闪卡可促进孩子的认字能力, 但过度使用可能造成儿童语言发育迟缓等副作用。

逢星期一与三刊登

Sam Yap S G

Group Executive Chairman & Co-Founder
CHERIE HEARTS Group International Pte Ltd

I AGREE with your correspondent Sivani, especially on the propositions for greater transparency and a more even playing field in the market. Indeed, the free availability of information would enable investors to make more informed decisions, while an even-handed approach towards market manipulators, large or small, would certainly make the market more conducive to all.

A small caution though: the freeing up of information should be properly calibrated to avoid swinging to the other extreme, where transparency comes at a high cost and the benefits are marginal as the market is overwhelmed with too much information.

Stefanie Yuen-Thio

Head, Corporate & Joint MD
TSMP Law Corporation

I WOULD love to see a broader gender diversity among boards in Singapore. Women account for an increasing proportion of total consumer spending, and are a growing presence in the workforce, but their representation in executive management is woefully disproportionate (a mere 5 per cent among Singapore listed companies). Studies show that greater diversity in the boardroom, including gender diversity, is value creating for the companies.

David Leong

Managing Director
PeopleWorldwide Consulting Pte Ltd

SINGAPORE has been moving towards a disclosure-based environment for over a decade now and should therefore up its transparency in terms of investigation details and rationale for censure. The public should not be left with the perception that a "merit-based" regulatory framework still lingers where the powers-that-be still rule on what is appropriate and suitable for the health market to know.

In terms of market sophistication, indeed the Hong Kong, Korean or even Shanghai bourses offer a greater plethora of plays.

If the exchanges are like casinos, then it will seem that they have more tables and games and their players, whether by way of the size of gambit or wager, are definitely more sophisticated than our Singaporean brethren.

Our play is more like a one-dimensional defensive play against volatility where the serious players in the market are into 3D games involving structured warrants, options, futures in different permuted

THIS WEEK'S TOPIC

What are your thoughts on our market commentator's Wish List for the Singapore stock market? Do you have any other proposals that you believe would improve the functioning of the Singapore stock market?

Lifting standards in share trading



FILE PHOTO

combinations and they play with leverage with amplified volume. Singapore needs to evolve its sophistication by bringing in the whales of the industry to prod the market forward, and these are not games for the smaller retail investors who punt for fun but for sophisticated investors who can come to the table to hedge their positions.

It is not about creating exotic, unknown structured products with lethal toxicity that will damage the industry and economy but developing a market where we have sufficient interest and investment momentum and velocity.

I personally agree that the faster contra trading is dismantled, the better, because it will align Singapore with other developed markets. Transactional price will adjust itself to be more competitive, in the long run. Singapore needs to provide the enabling environment for the market to evolve.

It is not the retail investors but the real whales that will make the difference. The tweak is really to provide

a regime with liberal taxation and environment where the players in the eco-system can strive meaningfully.

Andrea Ross

Managing Director (Singapore & Malaysia)
Robert Walters Singapore

IN order to attract sophisticated players and enjoy a high level of sustained activity, it is crucial for any stock exchange to provide evolved and complex products as well as transparency in investigative processes.

As such, it may be well worth trying to dismantle more mature practices such as contra-trading so as to improve the functioning of the Singapore stock market. Contra-trading is disallowed in most exchanges as it not only crowds the place with smaller retail players and provides the possibility of regular small-time market manipulation, it also prevents the likelihood of introducing more complex and sophisticated products

that are attractive to serious and bigger investors. While being discreet during market manipulation investigations was regarded as commonplace in the past, current global best practices now require transparency as a vital tool for raising and sustaining investor confidence.

From a risk perspective, I believe that MAS should introduce more measures to tighten requirements and reduce the risk of incurring excessive speculation (or insider-trading) in the stock market. More KYC (Know Your Customer) requirements in account-opening will increase the initial principle to trade and create more buffer while at the same time educating investors about the fundamentals of risk-returns for stock market investments.

Other very important factors such as diversity in the board and constant refuelling of talent with varied skill sets will go a long way in establishing the stock exchange as an equally strong player on the global stage.

THIS WEEK'S TOPIC

What items would you put at the top of your wish-list for Budget 2011? What would you like to see offered to businesses in particular, and why?

TOP WISHES FOR BUDGET 2011



David Leong
Managing Director
PeopleWorldwide Consulting Pte Ltd

THE 2011 Budget represents an excellent opportunity to broadly define next decade's national aspirations and at the same time to spread the winnings and budget surpluses to Singaporeans.

This year's Budget should consider a plethora of measures focusing on the 4Cs - International Companies, Monetary Capital, Human Capital and Global Consumers.

Our corporate tax level should be tweaked lower to spur and help businesses, local and international companies, to invest more money and resources in Singapore, in a sustainable and targeted way. Tax should also be used as a monetary tool to attract foreign monetary capital to Singapore and aggregate the riches of the pan-Asian region to Singapore. Singapore should position as a magnet for such fund flow.

Tax is a major stimulant in prodding sensible behaviours to encourage international companies to relocate to Singapore. At a personal level, top marginal personal tax rate should be lowered to draw the rich from the Asian countries to Singapore to form rich financial enclaves. The lowering of the taxes will put more money in the hands of higher earners to enable them to invest even more money in the economy - spurring and stimulating growth. GST should be increased to compensate for the lowering of the personal and corporate taxes. Taxes should be based on consumption of goods and services.

However, the government should consider drawing a list of GST-exempt or reduced GST for goods and services like common household items such as rice, salt, sugar, medical care or governmental services. The rich is unlikely to consume more salt, sugar or medical care because of lower GST and the increase in GST should not adversely affect the lower income group.

With a service-driven economy, Singapore should position more strongly to attract global consumers to live and play at our service hubs - at our integrated resorts in Resorts World Sentosa and Marina Bay Sands.

The human capital part is as important since with a buoyant economy, international companies will draw international human capital to Singapore and such brain attraction will strengthen Singapore's economic competitiveness. However, basing on the salaries of these foreign talents under the employment and SPass categories, the government may wish to consider levying a nominal contribution of 0.5-1 per cent to contribute to a national skill upgrading and training account - "Singaporeans Only". The only catch is that these contributions must be "employer" contributions and to know that attracting these foreign talents has a certain built-in nominal contribution to a national fund meant for Singaporeans' skills upgrading and training.

Each Singaporean should be allotted their personal training and upgrading account much like the Medisave, where they can use their training dollar accrued in the account for their own upgrading without the need for an employer sponsorship or co-sharing or to even secure any surrogate employer for the purpose of training.

The perennial dilemma for any Budget is really on equitable distribution - in areas where it most concerns Singaporeans like rising cost of living, housing affordability or widening income gap, but at

the end, we should have more winners than losers in this Budget 2011.

Phillip Overmyer
Chief Executive
Singapore International Chamber of Commerce

CERTAINTY in classifying gains to be capital or revenue in nature and liberalisation of the foreign source income exemption scheme are topmost on our members' Budget wish-list for 2011.

One area where Singapore's growth as an investment holding destination is being adversely affected is the continued uncertainty in the taxation of gains from disposal of investments. Singapore does not have a capital gains tax, but application of the concept of "badges of trade" to transactions in order to ascertain whether they are capital or revenue in nature causes much uncertainty in the eyes of investors and potential investors. The Ministry of Finance could address this issue to bring certainty in identifying gains to be capital or revenue in nature.

The liberalisation of the foreign source income exemption scheme to exempt from tax all foreign sourced income, regardless of its character and the jurisdiction from which it is remitted, would ease the cash flow for Singapore companies and assist businesses to remit to Singapore their offshore income with no additional costs. This will remove Singapore's disadvantage vis-a-vis Hong Kong and Malaysia with respect to taxation of foreign sourced income. This exemption is already available to Singapore resident individuals.

Dora Hoan
Group CEO
Best World International Ltd

WE REMAIN optimistic about Singapore's business growth prospects for year 2011. This enthusiasm must necessarily be supported fully by the government, media and active citizenry in order to allow business to fully recover from the crunch.

Local entrepreneurs are most concerned about the escalating business costs. There has been a wide appeal for a reduction of business costs within the business sector. I echo this appeal for a significant reduction in the cost of utilities, licensing fees, property rentals and access to information technology tools, all of which are vital components of staying competitive in business. It would certainly help in bringing down the corporate tax at a par with other global cities like Hong Kong where corporate tax stands at 16.5 per cent as against Singapore's 17 per cent. For the economy to fully bounce back, it is imperative to shake off as much as possible the burden of small and medium-sized enterprises (SMEs) and new business start-ups.

Further in our bid to transform Singapore into a knowledge-based economy, we certainly look forward to increased government subsidies for intensive industry-specific training. Meanwhile, even as we re-tool and re-train, businesses will benefit from reduced foreign worker levy to boost its base of skilled workers for specific industries. We also hope to see more open access to financing options for SMEs and special incentives for businesses that venture overseas and repatriate income which in turn enervates the local economy.

Tham Sai Choy
Managing Partner
KPMG in Singapore

THERE is a strong global interest in Asia, where some of the best business growth opportunities lie. My personal hope is that the proposals contained in Budget 2011 will continue to make Singapore attractive to multinational businesses and strengthen Singapore's reputation as a gateway to Asia. I also hope to see further incentives focused on developing the wealth management sector.

At the same time, the Budget should also include measures encouraging the growth of Singapore companies, empowering them to seize the opportunities presented at the dawn of an "Asian Century".

Singapore should continue to focus on innovation as an economic driver with more done to leverage the commercial potential of homegrown intellectual property and encourage the adoption of green technologies.

Last but not least, the Budget should also address the social needs of Singaporeans, with measures to encourage strong work ethics, social cohesiveness around the family unit, and help them plan ahead to retirement.

Liu Chunlin
CEO
K&C Protective Technologies Pte Ltd

I GUESS what I like to see in Budget 2011 is either a further tax cut or if that cannot be granted, enhanced government business incentives and support. That would really put both the government and businesses in the same boat to achieve the productivity growth challenge put before all of us.

The government has done a laudable thing in cutting the corporate tax rate over the years. A further cut of 1 or 2 per cent will certainly help reduce business cost, particularly as companies worry about inflationary pressures. Lower corporate taxes will also lure global businesses to set up bases here. If however the corporate tax rate cannot or should not be reduced at this time, then businesses can benefit from initiatives that the government does best, such as opening trade doors to more R&D and innovation incentives.

The government had held back development projects because of the potential overheating from the construction of the integrated resorts. Now that these have been completed and the Middle East construction sector is moribund, perhaps the government can take advantage of the spare capacity and give the construction sector here a boost by renewing its stock of necessary buildings and infrastructure.

Greg Carstens
Managing Director
United Parcel Services

THROUGHOUT the past year, Singapore's leaders have played an admirable role in strengthening the economy to record the best-ever economic performance of 14.7 per cent, surpassing the previous record of 13.8 per

cent set in 1970. However, we need to also remember that the economy is highly dependent on external trade and any slip-up in the global economy would affect its growth in 2011. The challenge for Singapore's 2011 Budget will be to harness the best that it has to offer and at the same time create an enabling environment that facilitates local businesses to scale up, to be world competitors.

For the very same reasons, it's important that the Budget continues to support SMEs that form the backbone of the economy. A continued focus on useful assistance initiatives that will help SMEs grow to the next level will be crucial in this endeavour.

Further, in its Budget this year, Singapore need to continue encouraging businesses to invest in nurturing talent and to create conducive environments to raise its next generation of leaders, ensuring the country remains at the forefront of global innovation.

On its part, UPS will continue to leverage its global network to operate as a partner in the growth of the local economy, so as to maintain Singapore's competitive status. UPS will continue to inspire companies to take on a more sophisticated and strategic approach to designing supply chains that will meet a company's business goals and also address important sustainability issues.

Teng Yeow Heng Michael
Managing Director
Corporate Turnaround Centre Pte Ltd

MY WISH-LIST for the Budget includes the following:

- ◆ Our government should push for a "Singaporeans first" policy in the Budget. For example, it may want to consider fiscal or tariff policies to manage future HDB prices as the tariff rate can be more flexible to adjust to real estate market fluctuations as well as being easier to implement than the current policy measures. Permanent residents should pay a higher tariff than Singapore citizens for buying HDB flats. This will give citizens more privileges vis-a-vis permanent residents.
- ◆ The Budget should do more for the ageing population. I am not asking for handouts but for the Budget to create more job opportunities for the ageing population, especially the displaced professionals, managers, executives and technicians (PMETS), and senior workers.
- ◆ The Budget should promote the use of services by Singaporeans as the economy is moving towards a service economy. Government tenders should carve out the bids in bite sizes so that our local companies can bid for them. Government and related companies should set an example to use Singaporean services and talents as a priority. This will also help create job opportunities for ageing Singaporeans as well as promote a "Singaporeans first" policy.

Jonathan Asherson
Regional Director, South East Asia
Rolls-Royce

SINGAPORE is an important global centre for Rolls-Royce as evident by the group's continued in-country investment in manufacturing, technology and global management. In 2010, Rolls-Royce announced research findings from an Economic Impact Study that showed that the group's industrial activity in Singapore has a strong multiplier effect on employment and value-added activity, and that by 2015, its activities in Singapore will contribute to approximately 0.5 per cent of the country's GDP.

Budgets that prioritise investments in human capital spanning all skill levels will ensure that companies continue to invest in ever higher value-added activity. The strong support platform that already exists for businesses to develop new capabilities and to upgrade workers needs to be kept relevant in order to ensure that value-added skills within Singapore's manufacturing and service related industries is sustainable relative to the competition. A highly-skilled workforce, coupled with continued focus on R&D and innovation, will enhance Singapore's competitiveness in a rapidly changing economic landscape. In addition we cannot forget the imperative of having an integrated approach to skill levels because most higher skilled activity cannot work in isolation.

Daniel McConaghy
Vice-President and Managing Director
Fico Asia Pacific

THE mere thought that Asia would lead global growth and be the centre of finance and technological innovation five years ago, would have been inconceivable. But in the "new normal" which we find ourselves in today, businesses are provided with a huge window of opportunity to grow and scale up, as Asia becomes the growth epicentre for the world. Businesses here have had a positive 2010 and as markets further boom, we will see them expanding their overall reach and base. While the government carefully watches the economy so it doesn't overheat, it can and should, at this point, still provide broader tax benefits, subsidies and capital funding to help companies boost business and expansion.

It would be wise for the government and banks to ensure that credit is granted to healthy companies and consumers. Restricting this access could potentially reverse the growth we've been experiencing. To continually advance an economy that is already robust, efficient and profitable, the government and banks need to understand what's in store in this new normal, realise the risk factors involved, and ensure that loans and funds are available for those who deserve it.