

Retrenchment Should Not Be The First Choice But The Final Resort



By
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The Labour Movement's long-held tradition of site visits on the first day of Lunar New Year had Prime Minister Lee Hsien Loong, together with NTUC Secretary-General Lim Swee Say, NTUC President John De Payva and union leaders visiting workers of GlaxoSmithKline's Glaxo Wellcome Manufacturing in Jurong.

PM Lee's interaction with union leaders impressed on him their strong belief that with the Government's measures like the Skills Programme for Upgrading and Resilience (SPUR) and the Jobs Credit Scheme, Singapore can distinguish herself from other countries in this recession. He urged that this relationship between the employers, unions and the Government be maintained and that this team strength is necessary to weather the current economic climate.

"It's always tough amidst the sound and fury of a storm, but we've gone through many of these before. Well, this is a bigger one, but it's not our first battle. Let's fight it together."

PM Lee said he expects companies to carry out retrenchments after the Lunar New Year festive period, and he hopes that employers will look beyond the immediate future for a longer-term perspective before making a decision to axe jobs.

"We hope firms will take everything into consideration, including Budget measures, Jobs Credit scheme, SPUR and make a careful decision and consider retrenchments as final choice rather than first choice. There are many other things that you can do before you come to make the decision that you have to downsize."

PM Lee noted that unions are working closely with employers to deal with the problem of layoffs and added that this is an issue that has to be managed together.

"Having said that, there will still be some retrenchments and we will see how the year goes. It depends very much on the overall state of the economy and the important thing is that we try and save as many jobs as possible."

For workers at GlaxoSmithKline, skies are still clear with the company's plans to inject another \$100 million of investments from now until 2013. With a new plant expected to begin operations in Tuas, the number of employees in the company will increase by about 10 per cent in the next two years' time.

Said Mr Christopher R Dobson, GlaxoSmithKline's Vice-President and Managing Director: "There are a lot of optimistic issues going on in our company. Working very closely with the Chemical Industries



"It's too early to say yet but we are assessing the situation constantly and very carefully so that if we need to do more, we can do more. But I think we would prefer to make a decisive move and monitor for some time, which is what we have done with this Budget, rather than do a little bit then after a little while, do a little bit more, then after while, do a little bit more."

PM Lee Hsien Loong on the possibility of measures beyond the Budget if the economy does not recover as expected.

Employees' Union, we will tap on SPUR to send our staff for cross-training in the next three years. We want our staff to be flexible to be able to work across our different production buildings. We believe working closely with the union will make GSK much stronger."

Added CIEU President Rajendran s/o Govindarajoo: "Our workers in this pharmaceutical field are skilled workers. Through cross-training by SPUR, they will further enhance their skills and largely value-add to the company. This initiative by the Government augurs well for both companies and the workers."

Mr M Janarth, 44, a Production Leader with GSK said the company's and CIEU's concerted push for training is a morale booster for the employees.

"These efforts and the Prime Minister's visit to our plant today have reinforced the tripartite commitment to help us ride the tough times. With strong support, we are very confident that we will get through this downturn."

