# 13 companies win awards as best places to work

**DPM Heng lauds some winners for providing counselling resources, paying attention to staff's mental well-being**

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**Singapore**

THIRTEEN companies including DHL Express, Certis and Salesforce were named Singapore's Best Workplaces on Monday, with Tan Tock Seng Hospital (TTSH) also honoured with a special award for Resilience.

Deputy Prime Minister and Finance Minister Heng Swee Keat and Manpower Minister Josephine Teo officiated at the virtual event.

Organised annually by global consultancy Great Place to Work, this year's awards had a special focus on companies' responses to Covid-19.

Mrs Teo, who presented the awards, noted the pandemic had taken a toll on employees this year, with many companies implementing belt-tightening measures amid workplace closures.

"The Covid-19 pandemic turned the way we work upside down," she said. "It was not like Sars, or the global financial crisis. There was no playbook and no rehearsal."

TTSH was given special recognition for its pandemic response, and its leaders' attention to the well-being of frontline and support staff.

At a panel discussion, TTSH chief executive Eugene Soh recalled the loss of two staff members to Sars in 2003 – a doctor, Ong Hok Su and a nurse, Hamidah Ismail – and said a top priority for the hospital was its staff's safety amid the ongoing pandemic.

In pre-recorded remarks, Mr Heng observed that some awardees had provided counselling resources for their employees and paid attention to their mental well-being, such as by sending them encouraging notes.

"A great workplace remembers, and respects, that each of their members may face their own pressures and commitments outside of the workplace, and cares for their total well-being," he said, adding that it was important to take care of mental health in the workplace, home and the community.

Mr Heng also commended the awardees for rallying their staff to donate to others during the pandemic.

The award recipients were ranked based on the results of an *Employee Trust Index Survey*, weighted at 60 per cent of the score. For the remaining 40 per cent, the consultancy invited companies to share "bold acts of leadership" taken to create a great workplace, in response to Covid-19.

DHL Express (Singapore) bagged first place among the 10 medium-to-large companies to make the list.

The company partnered government agencies and the Singapore Red Cross to care for healthcare workers and vulnerable groups, like migrant workers and the elderly. Despite the tough climate, DHL Express also committed to no pay cuts or retrenchments for its employees.

The other winners were Cisco, Salesforce, Medtronic, Amgen Singapore Manufacturing, PAP Community Foundation, Micron Semiconductor, Certis, HP Inc, and foodpanda.

Among smaller workplaces with fewer than 100 employees, lighting company Signify Singapore took top spot, followed by software company Cadence, and World Wide Technology (WWT)'s Singapore office.

**Minister for Manpower Josephine Teo (right) presenting CEO of Tan Tock Seng Hospital and Central Health Eugene Soh with a special award at a ceremony to recognise Singapore's best workplaces.** PHOTO: GREAT PLACE TO WORK INSTITUTE SINGAPORE

# US lawmakers reach deal on US$900b Covid-19 relief package

**Washington**

US LAWMAKERS agreed on a nearly US$900 billion Covid-19 relief package for millions of Americans on Sunday, in a deal that follows months of wrangling and comes as the nation battles the world's largest coronavirus outbreak.

The package includes aid for vaccine distribution and logistics, extra jobless benefits of US$300 per week, and a new round of US$600 stimulus checks – half the amount provided in checks distributed in March under the CARES Act.

Months of partisan debate and finger-pointing, as well as last-minute negotiations, culminated in a deal lawmakers said they hoped to formally approve on Monday.

Talks had taken place amid a highly contentious campaign for the US presidency and Donald Trump's subsequent refusal to concede defeat to Democrat Joe Biden.

"We've agreed to a package of nearly US$900 billion. It is packed with targeted policies to help struggling Americans who have already waited too long," Republican Senate majority leader Mitch McConnell said in a statement.

Democratic House Speaker Nancy Pelosi and Senate minority leader Chuck Schumer confirmed an agreement had been reached with Republicans and the White House on a deal that "delivers urgently needed funds to save the lives and livelihoods of the American people as the virus accelerates".

The agreement also contains US$25 billion in housing aid to prevent evictions and nearly US$100 billion to help schools and childcare facilities re-open, a statement from Ms Pelosi and Mr Schumer said.

Congress was working under a deadline of midnight Sunday, needing to reach consensus to avoid a government shutdown.

Number two House Democrat Steny Hoyer said he expected the deal to pass on Monday and then head to the Senate.

That meant it required passage of a stopgap measure – which was signed by Mr Trump late Sunday – to keep the federal government funded an extra 24 hours and avert a shutdown.

The House and Senate approved the stopgap measure earlier on Sunday.

"The House will move swiftly to pass this legislation immediately, so it can quickly be sent to the Senate and then to the president's desk for his signature," Mr Schumer and Ms Pelosi said in a statement.

"With the horrifying acceleration of daily infections and deaths, there is no time to waste." In the wake of the deal, president-elect Biden – who has promised to pass another cash injection when he takes office in January – welcomed the agreement but said more will need to be done.

"Immediately, starting in the new year, Congress will need to get to work on support for our Covid-19 plan, for support to struggling families, and investments in jobs and economic recovery," he said in a statement.

Democrats and Republicans have traded blame for months over the failure to reach a deal on this second relief plan – and continued to do so even after the deal was agreed on Sunday.

As the pandemic takes a record toll in US cases and deaths, the economy has been gravely battered, with jobless numbers rising in the past two weeks.

Making matters worse, millions of Americans were poised to lose jobless benefits after Christmas, and federal moratoria on evictions and repayment of student loans are set to expire at the end of the month.

New assistance for struggling businesses and the unemployed is seen as critical to getting the world's biggest economy back on its feet, while new vaccines offer hope that an end to the pandemic may be in sight.

The initial US$2.2 trillion package passed in March was credited with preventing a much more severe economic downturn.

It included huge amounts to rescue American companies, including US$377 billion in grants to small businesses to pay workers and rent, US$500 billion for loans to larger businesses and states and nearly US$600 billion in tax breaks and deferrals.

But critics said too much assistance went to big corporations and not enough to ordinary Americans and small businesses.

On Wednesday, Federal Reserve chairman Jerome Powell stressed the high risk that countless small businesses could go bust in the absence of new federal aid.

The Fed has estimated that the jobless rate will end the year at 6.7 per cent before dipping to 5 per cent next year – still a long way from the 3.5 per cent registered in February. REUTERS

# Malaysia faces revenue crunch as spending mounts on coronavirus woes

**Kuala Lumpur**

MALAYSIA will enter 2021 with its biggest spending plan yet to spur its virus-hit economy, but concerns are focusing on how to foot the bill after a sovereign-rating downgrade earlier this month.

The government expects revenue to rise 4.2 per cent next year, counting on higher tax collections – without raising taxes or introducing new ones – coupled with a move to slash its dependence on oil.

The plan hinges on one key assumption: that tax income will rise as economic activity returns close to normal.

"If the economy does not recover as strongly as the 6.5 per cent to 7.5 per cent that the government is expecting, any revenue shortfall is likely to manifest" in lower tax revenue, said Wellian Wiranto, an economist at OCBC Bank in Singapore.

It is a big gamble. Finance Minister Tengku Zafrul Abdul Aziz said last month that this year's economic performance will be "closer to -5.5 per cent" than the 4.5 per cent contraction previously expected.

That was after taking into account renewed movement curbs, expected to cost the economy RM300 million (S$99.3 million) a day, amid a fresh wave of Covid-19 infections that emerged in late September.

Even with the pandemic still raging, the government relaxed restrictions this month to give the economy some breathing room.

Daily virus cases hit a record-high of 2,234 on Dec 10, and several major glove makers – including Top Glove Corp, the world's largest – halted production lines as infections spread among staff.

"There are speed bumps on the road to recovery," Maybank analysts wrote in a mid-December research note.

The newest virus wave is more severe, and there may be a "scarring effect" on the economy that has been masked or delayed by relief measures that were extended into next year, they wrote. The bank expects Malaysia's gross domestic product to grow 5.1 per cent in 2021.

Aggravating the problem is the fact that Malaysia has few revenue sources to draw on.

Since abolishing an unpopular Goods and Services Tax in 2018, the country has depended on oil-and-gas revenue and dividends, largely from state energy company Petroliam Nasional, to fill its coffers.

That backfired when crude prices plunged this year, contributing to a 14 per cent decline in government revenue for 2020.

Given subdued oil prices, coupled with major economies' gradual shift towards green energy, petroleum's contribution to government revenue is set to decline, said economist Firdaos Rosli of Malaysia Rating Corp, a domestic credit-rating company.

"The government urgently needs to expand its revenue base, as expenditure is slated to rise to fund economic recovery efforts," he said. "The government would be at a loss to increase its coffers if it doesn't capitalise on taxing consumption."

Malaysia is studying various consumption-tax models to gauge their effects on the economy and living costs, Mr Zafrul said in a written reply to Parliament on Dec 15.

The government won't make any such decision during the pandemic, and will wait until the economy recovers, he added.

The government's budget plight is sounding alarm bells after Fitch Ratings downgraded the sovereign earlier this month.

Even with a stronger recovery in real GDP, any revenue growth next year is likely to be "moderate in nature", said Andrew Wood, a Singapore-based analyst at S&P Global Ratings.

"A smaller revenue footprint relative to the size of the economy could put pressure on Malaysia's fiscal settings, either limiting government expenditure or leading to a larger budget deficit," he said.

S&P's long-term rating on Malaysia carries a negative outlook, and could face "downward pressure" if the agency sees a weaker commitment to fiscal consolidation, Mr Wood said.

Moody's, in an outlook report published Dec 1, said the narrow revenue base limits the government's flexibility to respond to shocks such as the pandemic, and leaves the country prone to volatile capital flows.

For now, investors are looking past the Fitch downgrade and rising Covid cases after lawmakers approved Prime Minister Muhyiddin Yassin's annual spending plan, erasing some political risk. BLOOMBERG

# China's export comeback has factories scrambling for workers

**Beijing**

CHINA'S manufacturing recovery, fuelled in part by demand from Covid-constrained consumers abroad, has soared past expectations this year, so much so that factories are now struggling to fill a shortage of blue-collar workers to clear mounting orders.

The country's output of industrial robots, computer equipment, and integrated circuits has roared back from its coronavirus paralysis – production for the year to November is up 22.2 per cent, 10.1 per cent and 15.9 per cent, respectively.

Much of the manufacturing boom has come from foreign demand, with export growth topping expectations for eight of the last nine months.

The remarkable turnaround comes as China has mostly eradicated the virus and contrasts with the sluggish comebacks seen in major industrialised peers, where factories are still struggling with pandemic disruptions and the hit to demand.

China's global export share increased to over 13 per cent in the second and third quarters from 11 per cent last year, according to Nomura, the highest for any quarter since at least 2006 when the investment bank started compiling the data.

While emergency stimulus in the United States and Europe pumped money into consumers' wallets, the fight to contain the virus in those markets fired up demand for China-made PPE goods and gadgets for westerners stuck at home.

Government data shows that in November there were more people employed in the industrial sector in Jinhua city, which includes the eastern export hub of Yiwu, than there had been at any time since end-2017.

"We laid off about 50 workers in the first half, and now with orders soaring, we're short of staff and not able to further ramp up production," said Deng Jinling, who owns a thermal flask factory in Yiwu, selling to the Middle East, United States and Europe.

"We tried hiring dozens of temporary workers but they're not good enough," said Ms Deng.

Some workers she laid off have found jobs back home and are not willing to travel back just a few months before the upcoming Chinese New Year holidays in February.

But with clients chasing her heels, Ms Deng bought two automated production lines at the end of November to boost efficiency.

"We've never thought about doing this before, but this year has been so busy and we've exhausted our options," she said.

"One automated production line is the equivalent of 10 workers." A private index by Renmin University tracking demand for blue-collar labour hit a record in the third quarter. Some factory managers have hiked wages by 25 per cent to 10,000 yuan (S$2,014) per month, well above the average starting wage for graduates, according to local media.

For China's bicycle industry, 2020 is the best year in a decade, with consumers abroad craving exercise and ways to avoid public transport, said Liang Xiaoling, general manager at Guangzhou-headquartered Trinx Bikes.

"Our capacity maxed out in September and October, and we hired a lot of temporary workers to catch up with the demand," said Mr Liang, adding that orders are now stretching into 2022.

His factories now employ about 100 extra temporary workers on top of 1,000 or so regular staff.

Although manufacturing investment was slow to recover, falling 3.5 per cent over the first 11 months, strong export demand helped it rebound in the last quarter.

Investment jumped 12.5 per cent year-on-year in November, up from 3.7 per cent in October, according to research from analysts at CICC, an investment bank.

Zhang Qinming, who owns a company manufacturing speakers for European and American markets, says demand is 25 per cent higher than in previous years.

He's been paying his normal staff overtime to keep up and has also hired temporary workers for about 18-19 yuan an hour, 20 per cent more than his full-time workers. As a last resort, he's leased other factories to take the load.

A labour crunch isn't the only constraint.

China's lopsided trade balance – exporting three containers for every one imported recently – and delays in containers returning to China due to the pandemic overseas, have created severe shipping bottlenecks, now starting to pinch exports.

The yuan is also hovering near multi-year peaks against the US dollar, pressuring profits further. And an official gauge of factory raw materials costs reached the highest level since 2017 in November.

Despite the red-hot demand, Mr Liang of Trinx Bikes, said profits are being squeezed. "Some of our orders are already seeing some losses," he said.

But for policymakers, the export boom has been a welcome one in a tough year. The surprising resilience of China's export sector, which employs around 180 million people, has reduced the need for massive stimulus to revive the economy this year, said analysts.

China hit 122 per cent of its annual job creation target by end-November.

But manufacturers don't expect this boom to last as other economies ramp up production.

"It started with the pandemic, so it will end with the vaccine rollout," said Mr Liang. REUTERS

**Much of the manufacturing boom has come from foreign demand, with export growth topping expectations for eight of the last nine months.** PHOTO: AFP