

The Straits Times says ...

Squeeze the energy wastrels

THERE is only one word to describe the owners of the 20 energy-wasting buildings named by the Minister for National Development, Mr Teh Cheang Wan, on Saturday pig-headed. It is the only explanation for their failure thus far to modify their buildings to comply with the government's energy conservation standard.

While fines of \$3,000 to \$5,000 a month might be peanuts to people who normally think in terms of millions, every dollar adds up in the long run. And whatever the initial cost of making the modifications, it cannot be higher, ultimately, than paying the penalty for non-compliance indefinitely.

Some Singaporeans, no doubt, will take the view that it is the owners' right to carry on as they please. Their attitude is: "It's their money, and if they are prepared to pay the surcharge, why should we worry? After all, they are indirectly subsidising the rest of

There would be something in that if it were not for the danger that these wastrels could influence others and thereby undermine all that has been done in the last few years to make Singaporeans energy conscious. The campaign has yielded results. The increase in energy consumption has

fallen from an annual rate of 16 per cent in 1978 to 7 per cent in 1981.

But as Mr Chan Chee Seng, the former Senior Parliamentary Secretary, Trade and Industry, warned last May, even an annual growth rate of 7 per cent would require a doubling of the capacity of our existing electricity stations in 10 years. We therefore need to continue driving the conservation message home and do everything possible to prevent Singaporeans backsliding.

With Opec reducing its official price for the first time ever, it is all too easy to be complacent, indeed, euphoric about the future of oil supplies. Already, reports indicate that Western carmakers are finding a market for bigger, petrol hungry cars. Airlines too are apparently beginning to talk about

not bothering to buy new fuel-efficient aircraft after all. The search for alternative energy sources is also slowing down.

But we are living in a fool's paradise if we think the current oil glut will continue. Once the economies of the industrial countries pick up, demand will rise again and so will prices. Further, the political situation in the Middle East carries the ever present risk of major disruptions in future oil supplies. There is no alternative for wise consumers but to be permanently vigilant and careful.

It can only be hoped that the owners of the energy-wasting buildings will take heed of Mr Teh's warning and act quickly. If they do not, the only recourse is to keep raising the surcharge on their consumption. Sooner or later, it must hurt. We'd rather they fall in line sooner.

Many facets of Japanese

unemployment

EVEN with 'lifetime' employment 'guaranteed' in all of the major Japanese companies, thousands of

Japanese are fired every day, reports THOMAS NEVIN. a two-part series.





Promotion of job security: Japanese employees (both male and female) are not dismissed simply because of laziness, inefficiency or minor misconduct.



IT'S TRUE that Japanese industry takes a responsible view towards its obligations to employ people.

The Japanese realise that if Company A cuts back 1,000 employees, and Company B can do the same thing, you can too easily lose that tremendary dous Japanese propensity to work hard, scurry, diversify into new products, and compete.

By making the sustain-ment of the corporate employment level a goal in itself, the corporation de-mands performance, excellence and, above all,

Subtle axing

THE sacho, or president, of a small Japanese gardening gloves maker ushered a Japanese in his early thirties to a seat at the bar of a sidestreet restaurant. After pouring a few cups of hot sake down each other's throats, it became easier for the president to talk, and for his uneasy and tense subordinate to listen.

The young man was supposed to be able to speak English and to work closely with the subcontractors and suppliers that the company used in Korea and Taiwan. Communication troubles continued and the young fellow knew where he stood tonight. "If our company were bigger, we could transfer you to an area where you wouldn't need to speak English," explained the company president, "but

Women lose out

falls on women.

According to the White Paper of Female Labour compiled by the Ministry of Labour, the number of employed female workers last year totalled 13.91 million, up 370,000 or 2.7 per cent from a year ealier. This is more than double the increase rate

THE LION's share of find jobs, as many as 65 ently according to conthe insecurity burden per cent of the four-year science. graduates and 85 per cent of the two-year college graduates plan on retiring when they marry or have

Of course, it's the system and the culture, but one can still argue that women largely bring this on themselves due to their own enculturated atti-

There is no such thing as stare decisis, or binding case precedent. Particularly when it comes to labour law, theories in practice lack tradition, and a variety of arguments are respected. Although the Supreme Court made its position clear on this point, many compa-nies continued to have un-

Although the Ministry of Labour provides guidance to equalise the retirement ages and put an end to sex discrimintion, most companies wait for female employees to file

suit against them. — PHP magazine, March 1983.

(PHP Research Institute was established in 1946 by the founder of Matsushita. The initials stand for Peace and Happiness through

A rough rule of thumb is that only about 25 per cent of the employed labour force works in so-called large companies



The Straits Times says...

Rich men, poor men

SPENDING curbs on Frenchmen (businessmen exempted) holidaying abroad may be less drastic than they first appear. But there is no denying their psychological impact, on both Frenchmen and others who normally associate such measures with poorer Third World countries.

Only about 16 per cent of French citizens (8.8 million out of 55 million) travel abroad each year. Not all are pure tourists. For example, more than one-fifth of 41,139 French visitors to Singapore last year were

here on either business or business and pleasure. Besides, if it is any consolation, the French can still travel freely to overseas French possessions and 12 African countries which were former French colonies. And, although \$857 may not last a tourist one week in expensive New York, it is not really peanuts in other less costly places. Above all, the measures are supposed to be tempo-

But, going by the same statistical vein, one would think the French are the unlikeliest candidates to follow a well-trodden Third World path. Remember we are speaking about one of the world's foremost industrialised countries. This is the France which has consistently been one of the top five nations in terms of strength and growth in gross

domestic product and one of the top 15 in standard of living by per capita income and energy consumption. This is the France which is a leading manufacturing, communications and military power. This is the France which is the fourth largest trading country in the world. This is a country of people who take their freedom and independence quite seriously and indeed with great

The shock to Frenchmen is, thus, double. Their freedom to travel has been relatively curtailed. Perhaps worse, their pride must have been wounded. Devaluations of the franc, once a traumatic experience, are now nothing new. They can be regarded as a necessary economic instrument which is becoming increasingly common even among well-to-do nations. But the picture of a

French tourist pitifully clutching a handful of francs and trying to explain to an English restaurateur that he cannot afford a decent gourmet meal is surely too much for some Frenchmen to stomach.

An obvious lesson out of the French experience is that no country, rich or poor, is immune to economic troubles. Nothing should ever be taken for granted, not prosperity, not the good life and, for the French, not the unfettered freedom to travel. But what is more important is that if tough measures, however unpopular, have to be taken, then they must be taken. When one is confronted with a massive \$27 billion trade deficit, one has to swallow one's pride and be realistic and not promise the heaven. To its credit, the French government has decided to do just that.

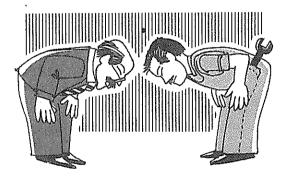
First-hired, first-fired

EVERYONE knew that Fuji Shokai, as a company, had seen better days. The exchange rate was hurting exports and although the company had 3,000 employees and was on the first listing of the Tokyo stock exchange, it was no surprise when a notice went out to all department heads that a kobo taishoko, or voluntary staff retirement programme, was to be planned and implemented.

There would be extensive negotiation with the enterprise union, and no one would be asked to retire for at least another six months. No one expected the union to put up much of a fight for, after all, overtime hadn't been paid for the last six months. Temporary and term contract employees had largely been retrenched and, on April 1, for the first time in years, no new school graduates were

It was older, senior employees, who hadn't been successful in winning key line management positions, who would be pressured to accept "voluntary" retirement.

Indeed, they didn't look happy. They knew that even if they got a job in the next three to six months, at best it would be a position in a smaller company. They would make less money and never have it as they had it during the last 20 years at Fuji Shokai.



IN THE WEST, those with the least seniority are most likely to get laid off first. But in Japan, it is the reverse with the first-hired, first-fired rule prevailing. THOMAS NEVIN in the second of a two-part series on 'who gets fired in Japan' looks at the various devices employers use to trim down staff.

Japanese wield the axe lightly

UNLIKE many other countries, Japanese law does not require that persons with less seniority be terminated before persons with higher seniority. It's interesting to note that in an Asian society that is supposed to respect and revere the aged, there is in fact an inverse rule of seniority in Japan, with the first-hired, first-fired rule prevailing.

The courts allow this, if not encourage it, since it is more advantageous for the employer to dismiss older employees who receive higher salaries than more productive and efficient younger employees. It should also be noted, however, that in 1979, for the first time, the 45- to 49-age group began actually earning

more in real wages than the 50- to 55-year age group.

In many companies, including the largest and healthiest, the salary line is actually cut back by

Voluntary retirement programme

TO DO IT right, and to get away with it, however, it has to be done carefully.

It also costs the employer a good deal of money because the industry practice is to pay a premium beyond the normal accrued retirement benefit.

In a massive manpower reduction exercise, there is a set pattern of moves should be taken in sequence. When the compa-

ment scheme that a designated discharge is carried

There are some variations in the formula and timing of the voluntary retirement programme. In all cases, however, the basis for the retirement allowances which are paid come from the work rules which all companies in Japan must have if they have more than 10 em-

In the work rules of most companies, there is provision for voluntary and involuntary retirement. Depending on the years of service, any-where from 0.7 up to two

shoku, or voluntary staff retirement programme, is that unless management makes tremendous efforts to soothe the egos of the highly-valued managers and employees in the company, when it is realised by the workforce that the company is in financial trouble and it appears that the corpora-tion will continue to run downhill, all the best employees will leave.

To some extent this problem can be avoided by making sure that the people you want to keep are told how valuable

after the voluntary retire- with a Japanese kibo tai- Japan and in Japanese concerns, when voluntary retirement programmes are not handled properly, the company often loses many of its star players. It thus becomes a vicious cycle, with the company continuing to go down the drain, losing money, and repeatedly cutting back staff. — PHP magazine, March 1983.

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