

UPFRONT

80% of businesses see revenues hit, but most are retaining workers: SCCCI survey

Nearly 78% of respondents keeping or raising headcount from year before; only about 8% reported layoffs

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SOME 80 per cent of businesses here are experiencing declines in revenue, according to an annual survey by the Singapore Chinese Chamber of Commerce & Industry (SCCCI) released on Friday. This is more than double the proportion of businesses

(38.7 per cent) that reported revenue declines in 2019.

Despite the upheaval, employers are retaining their workers. Nearly 78 per cent of respondents are maintaining or increasing their headcount from the year before. Only about 8 per cent of respondents reported having retrenched their workers.

The SCCCI surveyed 1,025 businesses between June 11 and Aug 6 this year, of which 94 per cent were small and medium-sized enterprises (SMEs).

The chamber credits the government's Jobs Support Scheme (JSS) for enabling businesses to save jobs.

While the support measures are set to taper, businesses expect their challenges to persist. Close to 60 per cent estimated that their business will recover to pre-

Covid-19 levels only within 1 to 2 years.

Noting this sentiment, SCCCI president Roland Ng observed that the new normal for businesses is here to stay. Businesses must plan accordingly and act ahead of the curve, he said.

In the immediate term, businesses are most worried about financing and cash flow, with 57.5 per cent of respondents indicating as a key concern. In particular, delayed payments and low revenues are cited for leaving businesses in a bind.

Top of the wish-list, for 42 per cent of businesses, is for the government to extend rental waivers and reductions.

The SCCCI also sets out four recommendations in the report. First, measures that allow economic activity to swiftly resume. This includes ramping up testing

and tracing capacity; and speeding up progress on the opening of international business travel lanes.

Second, greater government coordination and integration to tackle complex issues that cut across agencies. Trade associations must also be consulted for more effective design and implementation of policies and schemes.

Third, the government is urged to provide funding support to trade associations, to help more SMEs to digitalise. The support given should be outcome-based, to ensure SMEs reap increased revenue streams and new growth opportunities through digitalisation.

Finally, more support for businesses hiring mid-career and mature workers, and for greater promotion and awareness of supporting government schemes.

The chamber noted that workers in this demographic tend to have job expectations that employers may find difficult to meet, especially in this challenging business environment.

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<https://www.businesstimes.com.sg/government-economy/80-of-businesses-see-revenues-hit-but-most-are-retaining-workers-sccci-survey>

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