

A balanced Budget with focus on building for the future: ST-UOB panel

Sue-Ann Tan
Business Correspondent

Budget 2022 was about addressing the costs incurred during the Covid-19 pandemic and moving forward steadily into the future, said panellists at a roundtable discussion yesterday on the Budget delivered last Friday.

The panel, organised by UOB and The Straits Times, was moderated by ST associate editor Vikram Khanna. Highlights will be broad-

THE STRAITS TIMES
ROUNDTABLE ON
Budget 2022

BROUGHT TO YOU BY
UOB

cast on The Straits Times Budget 2022 microsite on Thursday.

Overall, the Budget "is a very fine balance between addressing

Singapore's short-term needs, but also having a very good focus on the medium- to long-term priorities of Singapore," said UOB economist Barnabas Gan.

"There's something for the households, something for businesses and a very big thing is the green economy."

One of the main Budget announcements was that the goods and services tax (GST) rate will increase from 7 to 9 per cent in two stages – one percentage point each time on Jan 1, 2023 and Jan 1, 2024. This will bring in about 0.7

per cent of gross domestic product in revenue annually – about \$3.5 billion – when the full hike is in place in 2024.

It will go towards supporting healthcare expenditure and taking care of senior citizens while other areas of social spending rise as well.

Fellow panellist Richard Mackender, who is Deloitte's indirect tax and corporate secretarial services lead, said: "My take is that taxes have to move to be able to address the costs that Singapore has incurred over the pandemic, and also looking forward to making sure that Singapore is ready for the future."

Singapore Business Federation chief executive Lam Yi Young added that while the 2020 Budget was about survival and the 2021 Budget about recovery, this year's Budget has a strong focus on

growth for the future.

"I think that is a very important message of optimism and hope for companies to say that there is a way forward for Singapore's economy and that this is the path we're going to go to grow," he said.

He added that besides being forward-looking, there was also still help for small- and medium-sized enterprises (SMEs), particularly those impacted by Covid-19.

The Budget measures also give a signal that Singapore is moving away from being in a Covid-19 crisis mode and instead building for the future, which is a "huge confidence-builder", said National Trades Union Congress assistant secretary-general Desmond Choo.

"I think it also signifies the building of a new social compact with Singaporeans and the Singaporean worker," he said.

He added that the Budget tack-

les anxieties about global competition and inequality, and shows that Singapore must do to thrive in the new world order.

Also unveiled were increases in personal income, property and luxury vehicle taxes. "Those who earn more, contribute more," Finance Minister Lawrence Wong had said.

Higher minimum qualifying salaries for Employment Pass and S-Pass holders were introduced, while the proportion of foreign workers a firm can employ for the construction and process sectors was cut.

Such foreign worker policies, taxes, upskilling local manpower including gig workers and keeping Singapore attractive to multinational corporations were also topics discussed at the roundtable.

suetan@sph.com.sg



ST associate editor and moderator Vikram Khanna (at right) with ST-UOB Budget 2022 roundtable panellists (from far left) Richard Mackender, indirect tax and corporate secretarial services lead at Deloitte; Desmond Choo, National Trades Union Congress assistant secretary-general; Barnabas Gan, UOB economist; and Lam Yi Young, chief executive of the Singapore Business Federation. ST PHOTO: GAVIN FOO

Not time for an 'Omicron party', experts warn

Even with vaccination and milder variant, the vulnerable can still get very ill, they say

Linette Lai
Health Correspondent

With the majority of Singapore's population now vaccinated against Covid-19, is it advisable for people to actively seek out infection in order to build immunity, as some used to do with chickenpox?

The answer is a firm "no", said Associate Professor David Lye of the National Centre for Infectious Diseases (NCID).

While vaccination reduces the long-term side effects of infection, it does not eliminate them altogether, he said in response to a question at a webinar yesterday.

In addition, the elderly and those with poor immunity are still likely to get very sick, even though the Omicron variant is milder than its Delta predecessor.

When these people flood hospitals, other patients will get displaced and also suffer, said Prof Lye, who is director of NCID's infectious disease research and training office.

"Omicron is definitely a blessing compared with Delta, but it is not time to have an Omicron party," he added. "We are a lot more cheerful in 2022, but it will still hit the vulnerable."

Prof Lye was one of five panellists at the webinar organised by the National University of Singapore's (NUS) Yong Loo Lin School of Medicine.

During the two-hour session – titled The New Normal: A Moving Target? – speakers addressed top-

ics such as vaccination, virus mutations and lessons to be learnt from the past two years.

They also discussed new treatments for Covid-19, such as Pfizer's Paxlovid pill, and the importance of making sure the entire world is protected against the virus.

Professor Teo Yik Ying, dean of the NUS Saw Swee Hock School of Public Health, warned that this year is likely to see a "pandemic of the unvaccinated" as countries ease restrictions and open borders.

When Covid-19 first hit, countries relied on measures such as lockdowns to protect their populations from the virus, he said. Now, most are relying on vaccines to mitigate the severity of Covid-19 infections, thus allowing them to

UNVACCINATED AT RISK

For the unvaccinated, this means the chance of contracting Covid-19 will, in fact, be the highest ever, unless one self-imposes a routine of staying indoors and minimising any public movements, which clearly is impractical for most people.



PROFESSOR TEO YIK YING, dean of the NUS Saw Swee Hock School of Public Health, on the easing of curbs in many countries this year.

lift many restrictions.

"For the unvaccinated, this means the chance of contracting Covid-19 will, in fact, be the highest ever, unless one self-imposes a routine of staying indoors and minimising any public movements, which clearly is impractical for most people."

Prof Teo and the other speakers also highlighted the gap in vaccination rates and access to Covid-19 treatments between developed countries such as Singapore – where 91 per cent of the total population is now fully vaccinated – and the developing world.

In contrast, fewer than one in 10 people in Nigeria and Ethiopia has been fully vaccinated.

"There will be some countries that will be able to recover and return very much to life before Covid-19," Prof Teo said.

But many others will have to build natural immunity through infection, meaning that some people will suffer long-term consequences to their health.

This ties in with recent talk that people may potentially need further booster shots, said Dr Jyoti Somani, a senior consultant at the National University Hospital's infectious diseases division.

Some countries, such as South Korea, are planning to start administering fourth doses of the Covid-19 vaccine, in what amounts to a second booster shot.

But countries should not be giving any additional booster shots, except perhaps to people with weakened immune systems, Dr Somani said.

"We can't just keep giving ourselves boosters. We need to vaccinate the rest of the world."

linette@sph.com.sg

Evidence shows vaccination can help reduce symptoms of long Covid

Questions on vaccination, the Omicron variant and the science behind Covid-19 infections dominated the discussion at a webinar organised yesterday by the National University of Singapore's (NUS) Yong Loo Lin School of Medicine.

During the two-hour session, speakers also addressed topics such as virus mutations and the lessons to be learnt from the past two years.

These are some of the answers.

Q Is there any difference between patients who have died of the Omicron variant and those who died of the Delta variant?

A Yes, said Dr Jyoti Somani, a senior consultant at the National University Hospital's infectious diseases division.

People with Delta infections tend to decline quickly. They could go abruptly from "looking okay" to requiring supplemental oxygen, even though they had received timely medical treatment.

In contrast, people with the Omicron variant – even those who require oxygen for a time – manage to recover well.

Those who succumb tend to be frail or elderly, with other medical conditions, Dr Somani said. "Just like if they had influenza or pneumonia, they may just succumb because they are frail, with

underlying conditions."

Q Some people continue to report lingering symptoms from Covid-19, months after being infected. Does vaccination help protect me from long Covid?

A Yes, there is scientific evidence that vaccination can help reduce symptoms of long Covid, said Associate Professor David Lye, director of the National Centre for Infectious Diseases' infectious disease research and training office.

Long Covid sufferers often complain of symptoms such as fatigue, muscle pain and breathing difficulties, and even depression.

Having said that, it is unclear if some of these issues – such as those linked to depression – can be directly linked to Covid-19, the experts said.

This is because Covid-19 patients are being followed up closely after recovery, making it easier for doctors to pick up on such problems.

Q There are some indications that the BA.2 Omicron sub-variant, which has been detected in Singapore, can cause more severe disease. Should we be worried?

A Laboratory studies from Japan found that hamsters infected with this sub-variant became sicker. Vaccines may also be less effective against this sub-variant.

But real-world experience from countries such as Denmark, where the BA.2 strain is now dominant, has not shown that people became more severely ill, Dr Somani said.

"I think there is concern, but we haven't seen it happen clinically yet," she added.

Q Do we need new formulations of Covid-19 vaccines to deal with every new variant that emerges?

A There is a good chance that pre-existing vaccines will have a cross-protective effect against new variants of the virus, noted Associate Professor Paul MacAry, from NUS Medicine's microbiology and immunology department.

For instance, Omicron is very different from the variants the world has seen so far – yet, some degree of cross-protection exists, he said.

In fact, if people had to choose only one vaccine to use – as some resource-strapped countries might have to do – studies using mice have shown that the original formulation is likely to be best, observed Professor Wang Linfa from Duke-NUS Medical School's emerging infectious diseases programme.

While the "ancestral vaccine" may be less effective against new variants, it still provides some degree of protection against such strains.

Linette Lai



The original formulation of pre-existing Covid-19 vaccines may be less effective against new coronavirus variants, but still provides some degree of protection against such strains. ST PHOTO: LIM YAOHUI