



EMAS Bulletin July

Earlier this June, new targets for cleaners were announced by the National Trades Union Congress (NTUC).

INTRODUCTION OF A PROGRESSIVE WAGE

Speaking at the cleaning industry briefing on 21 June, labour chief Lim Swee Say introduced a progressive wage concept to gradually scale up wages for 10,000 cleaners to earn at least \$1,000 a month by 2015.

There are 69,000 cleaners in Singapore most of whom earn below \$1,000 a month. Those who earn \$1,000 now will also have their wages raised to \$1,200. Cleaners who operate specialised machinery such as scrubbers may have their incomes increased up to \$1500.

THE INCLUSIVE GROWTH PROGRAMME (IGP)

The union plans to meet this target by subsidising operating costs for higher productivity. This will include the purchase of more efficient cleaning equipments. NTUC will be subsidising up to 50% of the bill for certain cleaning equipment for cleaning companies, industry associations and town councils, under its Inclusive Growth Programme (IGP) to enhance productivity.

IGP seeks to reach out to 100,000 low-wage workers across the industries by 2015. Subsidies will be granted based on the condition that the productivity gains are translated into better pay of the workers as well as the company's operations. It supports productivity improvement project(s) that share gains with low wage workers (monthly pay \leq \$1,700).

Subsidies can be used for automation and equipment cost, process re-engineering as well as training costs directly associated with the project. All businesses registered in Singapore under the Business Registration Act and carrying out business in Singapore are eligible for this fund.

Applicants must provide challenges, business opportunity, solutions, productivity gain and measurement. Importantly, they should provide plans on how much will be shared with low wage workers. (Source: e2i website)

IMPLICATION FOR THE INDUSTRY AND THE WAY FORWARD

As an association of responsible employers, EMAS has long been a strong advocate for fair contracts, consumer awareness-raising and contracts based on quality and output. The Government's new emphasis on better wages for low-income workers clearly signals the first meaningful step towards higher productivity and sustainability of our industry.

Fundamentally, employers need to look beyond the changing pay scale and potential reduction of headcounts. Benefits like more flexible working hours and enhanced work-life

balance are equally important for lower staff turnover rate and retention of skilled labour. Such indicators should be part of our long-term operational cost projections.

Crucially, environmental health workers, cleaners and pest controllers should have a sense of pride, dignity and purpose. Only then we can achieve competitiveness and sustained growth.

FOOD FOR THOUGHT

Like many developed countries, Singapore faces challenges of low fertility and an ageing population. We are set to be the world's third- fastest ageing nation, as the proportion of those aged 65 and above will double to 20 per cent in 2020.

What would this mean for labour-intensive industries?

How can we tap on older workers expertise and enhance our productivity significantly?

How can we remain competitive amidst demographic shift and other social changes?

Share your thoughts with the rest of us EMAS members today.

Together we can shape more effective solutions as a voice for the industry.
