

# Cleaners to get four-figure salaries

BY LIM YI HAN

**F**OR the first time ever, employers in at least one sector in Singapore will have to adhere to a certain baseline when paying workers' wages.

Later this month, the Government will introduce legislation in Parliament to ensure that, from September, cleaners will earn at least \$1,000 a month, up from their current median basic wage of \$820. Supervisors will earn at least \$1,600.

Cleaning companies will come under a compulsory licensing scheme where the progressive-wage model has to be in place, said Deputy Prime Minister Tharman Shanmugaratnam yesterday.

Companies that do not comply will face penalties, such as having their licences suspended or revoked.

The security industry, which had refused to commit to raising wages, will see a similar law soon.

DPM Tharman, who is also Minister for Finance, said: "Making the progressive-wage model mandatory in cleaning and security services is a significant but targeted initiative to help lower-income and vulnerable workers in these industries."

He added: "It is a targeted approach, not a national minimum wage."

The two industries were targeted because of "cheap sourcing", which discouraged the raising of wages and skills, he said. They also had a lot of older workers with low educational qualifications, who did not have many options.

Some said these laws have to be introduced because the two sectors were generally not recep-

tive to the progressive-wage model. Others felt that companies which were winning contracts through low bids, while underpaying their workers, would have to fall in line – or shut down.

Mr Milton Ng, president of the Environmental Management Association of Singapore, which represents cleaning companies, said: "We have been subject to cheap sourcing. Anyone can come into the industry and compete on price. (The move) will definitely benefit both cleaning companies and consumers."

Political observer Eugene Tan, a law lecturer at the Singapore Management University, noted: "Overall, this will raise standards because it will push companies to engage in best practices. Ultimately, they have to increase productivity."

He added that, despite being given ample time, these companies continued to pay their workers low wages. "I wouldn't be surprised if the catalyst for this legislation is the fact that security firms recently said no to (the progressive-wage model)."

But labour MP Zainal Sapari noted that this approach has been planned for since early 2012.

Mr Zainal said there is a possibility that some workers may lose their jobs because companies will not be able to compete based on cheap labour, and some might fold.

He said: "Companies that have invested in technology and machinery will have an advantage because they are competing on the basis of productivity. We will have to monitor the situation and find alternative jobs for workers who are displaced."

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Additional reporting by Samantha Boh



**WELCOME NEWS:** Eighty-year-old cleaner Lim Chin Seng takes a break from his job at a shopping mall here. From September, cleaners will earn at least \$1,000 a month, up from their current median basic wage of \$820. PHOTO: REUTERS



**THEIR INDUSTRY IS NEXT:** The security industry will see a similar law for the progressive-wage model soon. The sector – including its Security Association of Singapore president, Mr T. Mogan (right, centre), 54 – had previously refused to commit to raising wages. FILE PHOTO: THE STRAITS TIMES