Wage increase likely to be better than previous year, says Mr Lim Swee Say

Labour chief, Lim Swee Say, says workers can expect much better wage increases this year, given the strong economic rebound.

But he also reminded companies to be more innovative in their productivity drive instead of getting their workers to work long hours.

Singapore's second quarter economic performance was nothing short of impressive.

That means good news for wage increases says the NTUC Secretary General.

However, he advises companies to be mindful that any wage increase should go into three baskets - a fixed increase, an annual variable component and a monthly variable component.

This Mr Lim says will ensure that companies are always prepared for the next rainy day.

"In this way, on one hand, reward workers based on their contribution and performance - it is indeed a strong rebound. And yet at the same time, get ready for the next rainy day that might happen some time in the future."

Speaking to reporters at a global conference on service excellence, Mr Lim says the push for productivity might have taken a toll on some workers.

"We received feedback through our union leaders that some of the workers are finding this overtime becoming too excessive. When we talk about improving
productivity, we're not talking about getting workers to work longer hours, because that is not sustainable. So we have to find ways to work smarter, in a more productive manner, so that higher output need not necessarily be done at the expense of the work-life balance."

Working smarter could mean improving service innovation standards.

And Japanese food chain Sakae Sushi did just that - it adds Vitamin E to its sushi rice - a value-added service that doesn't require manpower.

Douglas Foo, Chief Executive Officer of Sakae Holdings.

"That differentiates our rice from other Japanese counterparts who are offering the same sushi rice. But the adding of Vitamin E does not require additional time, so to speak. And you don't have to stay longer to do that."

Mr Foo also encouraged fellow small and medium enterprises to look at innovative breakthroughs to gain the competitive edge.