

# P R E S S   R E L E A S E

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16 Jul 2021

## **GOVERNMENT ACCEPTS RECOMMENDATIONS TO UPLIFT LIFT & ESCALATOR TECHNICIANS WITH SUSTAINED WAGE INCREASES AND ANNUAL BONUS**

*About 1,300 lift and escalator technicians to benefit from Lift & Escalator Progressive Wage Model*

The Government has accepted the Tripartite Cluster for Lift and Escalator Industry's (TCLE)<sup>1</sup> recommendations on the following:

- (a) extend the existing Lift Progressive Wage Model (PWM) to cover escalator technicians from 2022,
- (b) make PWM adoption a mandatory registration requirement for all lift and escalator (L&E) maintenance firms in 2022,
- (c) provide a six-year schedule of sustained wage increases from 2023 to 2029, and
- (d) introduce a mandatory annual PWM bonus from January 2023.

2 The TCLE's recommendations will provide clear career progression pathways and ensure significant wage growth to benefit around 1,300 L&E technicians. These moves will also help the industry attract new talents and encourage upskilling of workers.

### **Enhancing Lift PWM to include Escalator Technicians**

3 The Government accepts TCLE's recommendation to extend the existing Lift PWM to cover escalator technicians from 2022. As many technicians maintain both lifts and escalators, covering escalator technicians under the same PWM will ensure clarity and parity of progression for these workers. The L&E PWM will also provide a customised skills ladder and training requirements for escalator technicians to ensure that they are suitably trained and improve the L&E firms' productivity.

### **PWM Adoption to be Mandatory Registration Requirement for all L&E Maintenance Firms**

4 The Lift PWM was introduced as a voluntary scheme in 2018, with wage rungs and skills ladders up to 2022. Since May 2019, the Government has taken the lead to procure lift maintenance services only from firms that have adopted the Lift PWM. With the enhanced L&E PWM, the Government accepts the TCLE's recommendation to make PWM adoption a mandatory registration requirement with BCA for all L&E maintenance firms from 2022.

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<sup>1</sup>The TCLE comprises representatives from the Government, unions, lift and escalator maintenance service providers and buyers.

## **Six-Year Schedule of Sustained Wage Increases**

5 The Government accepts TCLE's recommendation for a six-year schedule of sustained wage increases from 2023<sup>2</sup> to 2029<sup>3</sup>. To illustrate, the basic monthly wage of an entry-level L&E technician is expected to grow from about \$1,850 in 2022, to \$3,080 in 2029. In terms of gross monthly wage<sup>4</sup>, the technician could receive approximately \$4,000 by 2029. This reflects a strong tripartite consensus to raise the wages of L&E technicians, and an appreciation of the importance of these workers. The scheduled sustained wage increases will also offer service providers and buyers greater business and contracting certainty.

## **Implement a Mandatory Annual PWM Bonus**

6 The Government also accepts TCLE's recommendations to implement a mandatory annual PWM Bonus for eligible L&E technicians from January 2023. The recommended PWM Bonus quantum will comprise at least one month of the worker's prevailing basic monthly wage. It will be paid out to technicians who have worked with their existing employers for at least 12 months. The PWM Bonus will enable employers to better attract and retain L&E technicians. In turn, this will encourage employers to invest in their workers' training to enhance productivity.

## **Whole-of-Society Effort to Uplift Lower-Wage Workers**

7 The Government reiterates its call for service providers to continue to invest in their workers' training for a more productive workforce, for service buyers to adopt progressive contracting practices, and for workers to embrace upskilling. Together, our whole-of-society efforts will uplift our lower-wage workers.

8 The Tripartite Cluster for Lift and Escalator Report is available online at [www.ntuc.org.sg/tripartiteguidelines](http://www.ntuc.org.sg/tripartiteguidelines)

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<sup>2</sup> The TCLE's 2018 wage recommendations for the Lift PWM will continue to apply until 2022.

<sup>3</sup> The Government notes that the TCLE has indicated its intent to review the wage schedule in 2025. Any revision to the wage schedule would be implemented subsequently, based on the TCLE's recommendations and the Government's acceptance of the recommendations.

<sup>4</sup> Gross monthly wage refers to the sum of monthly basic wage, overtime payments, commissions, allowances and other regular cash payments. As noted in the TCLE Report, the gross monthly wages of L&E technicians would typically be about 25% - 30% higher than the stipulated PWM Baseline Wages.