



## **MEDIA RELEASE**

### **BUDGET 2013 REINFORCES THE NEED FOR INNOVATION AND PRODUCTIVITY**

25<sup>th</sup> February 2013 – The Singapore Manufacturing Federation (SMF) welcomes the Budget 2013. It highlights the need for Singapore businesses to be innovative and productive.

Innovation and productivity have always been at the forefront of the manufacturing industry. “Notwithstanding the high level of productivity in the manufacturing sector, there is a need for manufacturers to achieve greater innovation and productivity in order to stay competitive and to achieve long-term sustainable growth. SMF will continue to support this growth through Singapore Innovation and Productivity Institute (SiPi), one of SMF’s 6 Centres of Excellence,” commented Mr. George Huang, President of SMF.

SMF is pleased to note that the Government has allocated SGD500 million to support a “Future of the Manufacturing” plan. SMF will be in further discussions with the relevant government agencies on how we can contribute significantly towards the successful implementation of this plan.

“Manufacturing remains a significant pillar of Singapore’s economy. The budget offers significant incentives for manufacturers to strengthen the value chain to stay relevant in the new economic landscape,” said Mr. Lam Joon Khoi, Secretary-General of SMF.

The increase in foreign worker levies and the increase in qualifying salary for S Pass holders will have an immediate impact on business costs. We acknowledge the assistance that will be provided by the Government through the various incentives. However, manufacturers will still face challenges in attracting and retaining workers in this sector. In addition, the pace of transformation will also be a major challenge and concern to manufacturers.

SMF, through its various entities, including EDC@SMF and its other Centres of Excellence, will continue to assist manufacturers in expanding their capacity and capability.

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### **About SMF**

Established since 1932, SMF represents the interest of the Singapore manufacturing community, driving its competitiveness and sustainable growth through serving industry-specific needs. Supported by 10 industry groups and 6 Centres of Excellence, SMF offers a holistic approach towards enhancing competitiveness of its members. Current membership stands at more than 3,000 corporate members ranging from SMEs to MNCs. For more information, please visit [www.smfederation.org.sg](http://www.smfederation.org.sg)

### **About Singapore Innovation & Productivity Institute (SiPi)**

SiPi is a knowledge enterprise that champions manufacturing excellence through innovation and productivity for Singapore's manufacturing sector. Its key functions include providing productivity resources and customised roadmapping/ coaching support to help enterprises implement their specific productivity roadmaps. SiPi also undertakes research and benchmarking to steer industry development, and collaborates closely with the local government agencies, industry experts, academia and overseas institutes to develop tools, case studies, and localise best practices.

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