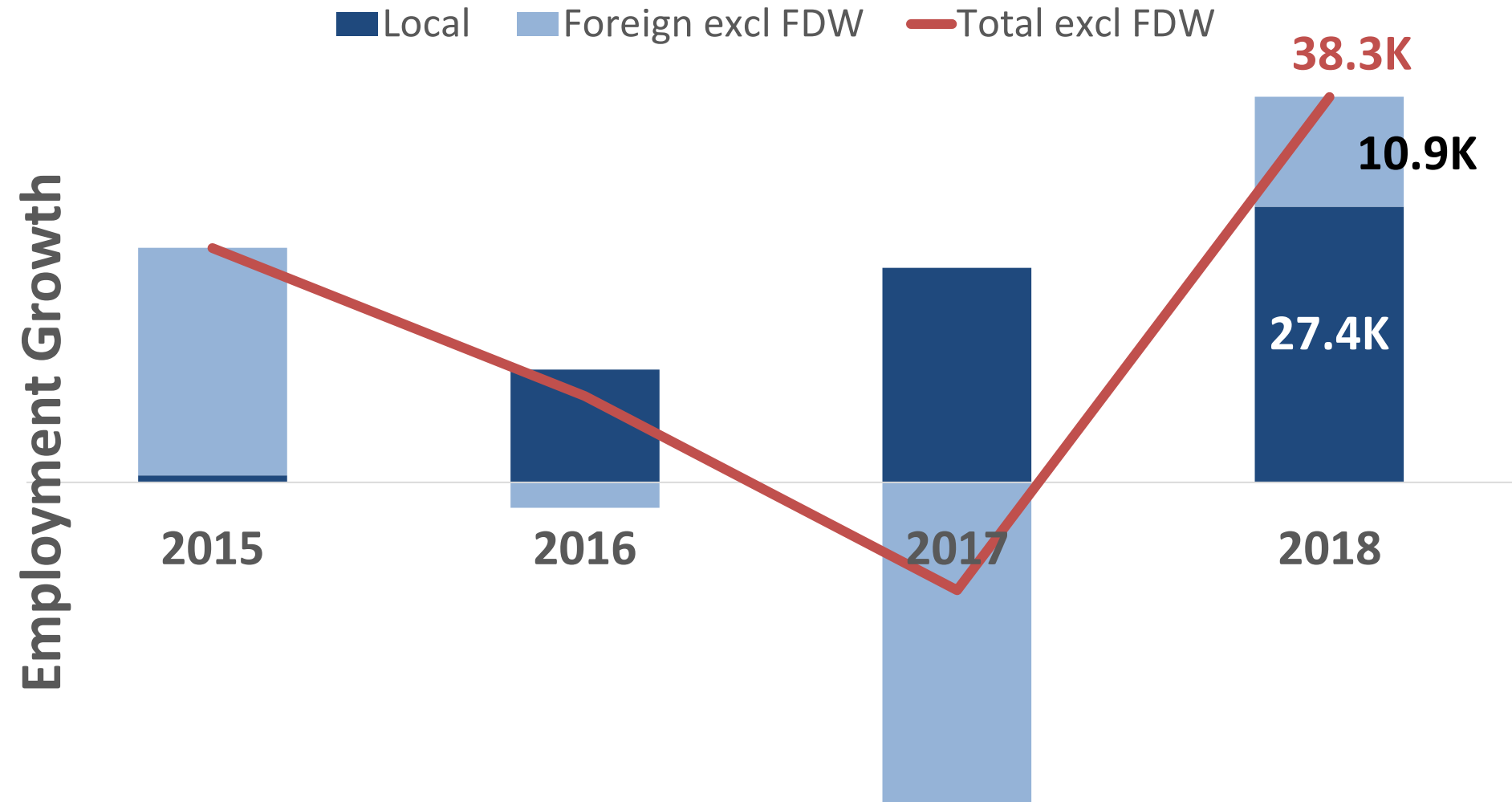




POST-BUDGET 2019 DIALOGUE WITH Singapore International Chamber of Commerce (SICC)

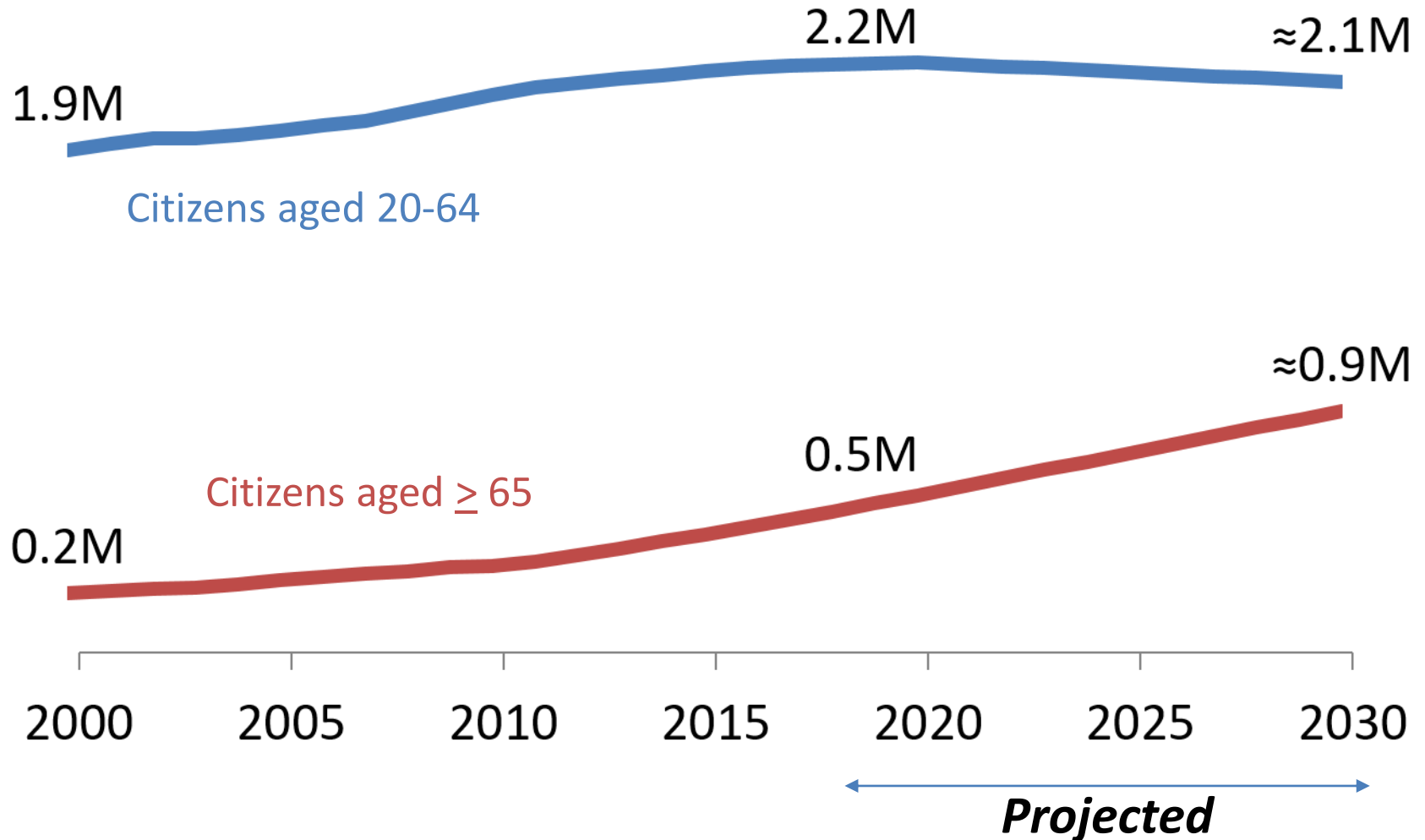
Strong increase in total employment



Supporting Senior Employment



Working age population will stop growing



Special Employment Credit (SEC) supports employers hiring older workers

Extended to end-2020

Up to 11% wage offsets for employers hiring older workers aged 55 and over, earning up to \$4,000

Age	% Wage subsidy
55-59	3%
60-64	5%
65 & over (67 & over)	8% (+3% Additional SEC)

Paid out >**\$3 billion** since 2011



Employment protections in other developed countries



Denmark

- Employers not allowed to retire workers at any age



Japan

- Employers not allowed to retire workers up to age 65
- Between age 60 and 65, may adjust employment terms and conditions



Sweden

- Employers not allowed to dismiss on account of age up to 67



Netherlands

- Employers not allowed to dismiss workers on account of age up to pension age (66 in 2018)

Clear tripartite consensus to raise both Retirement and Re-employment Ages

**Retirement Age (RA)
remains relevant and
should go up beyond
age 62**

**Re-employment Age
(REA) remains
relevant and should
go up beyond age 67**

**Increases in RA and REA should be
implemented in small steps over time**

Next Steps for Tripartite Workgroup on Older Workers



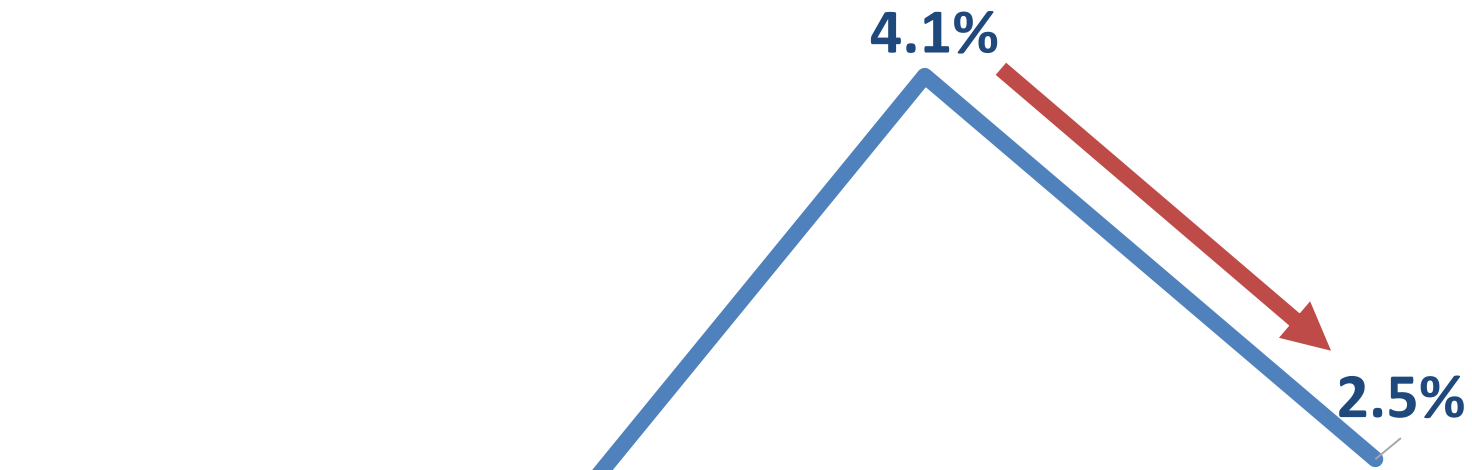
**How far and fast to raise Retirement
and Re-employment Ages?**

**Approach for CPF contribution rates
for older workers?**

Supporting Economic Transformation



Productivity gains made earlier may dissipate



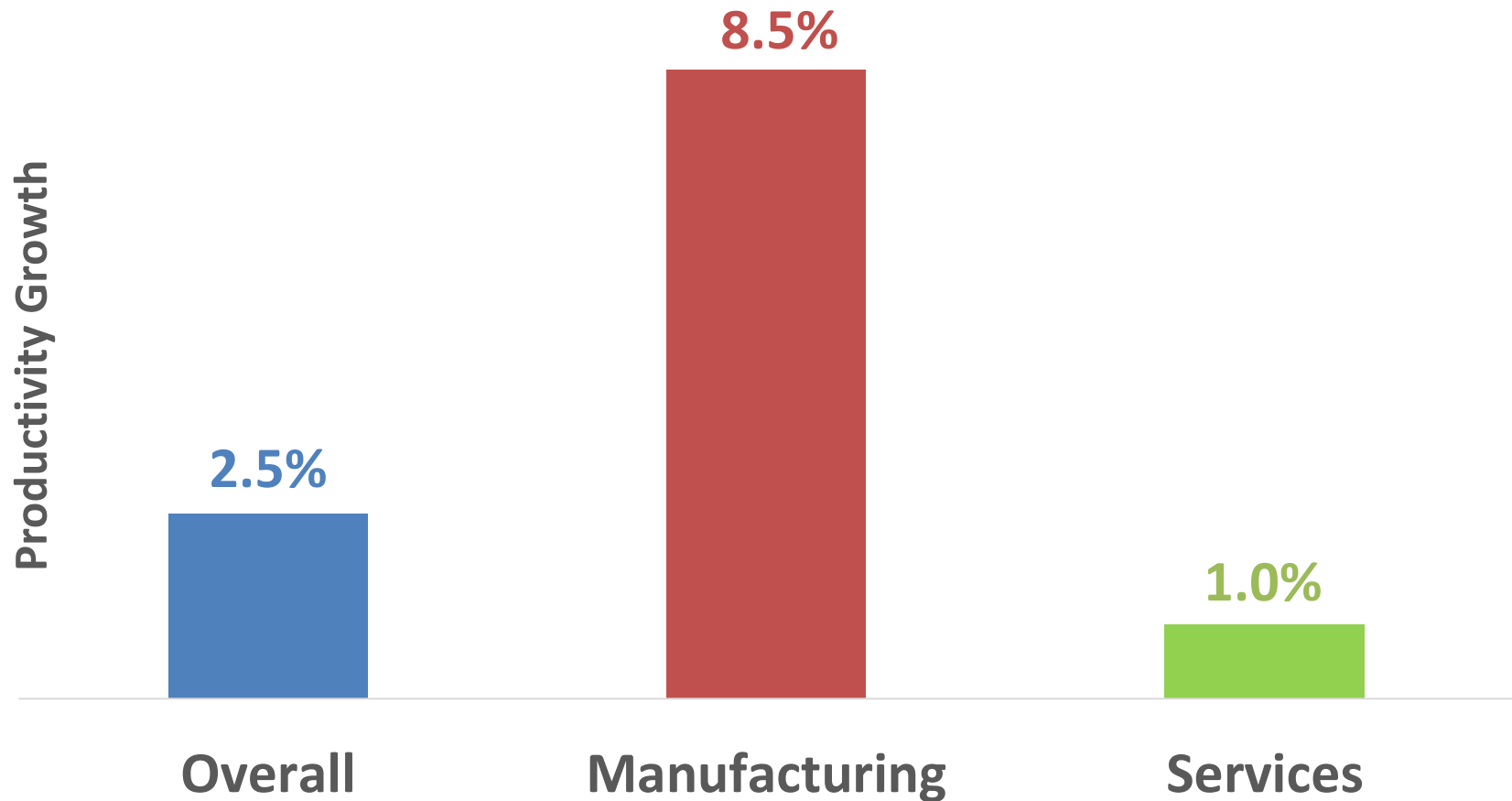
2015

2016

2017

2018

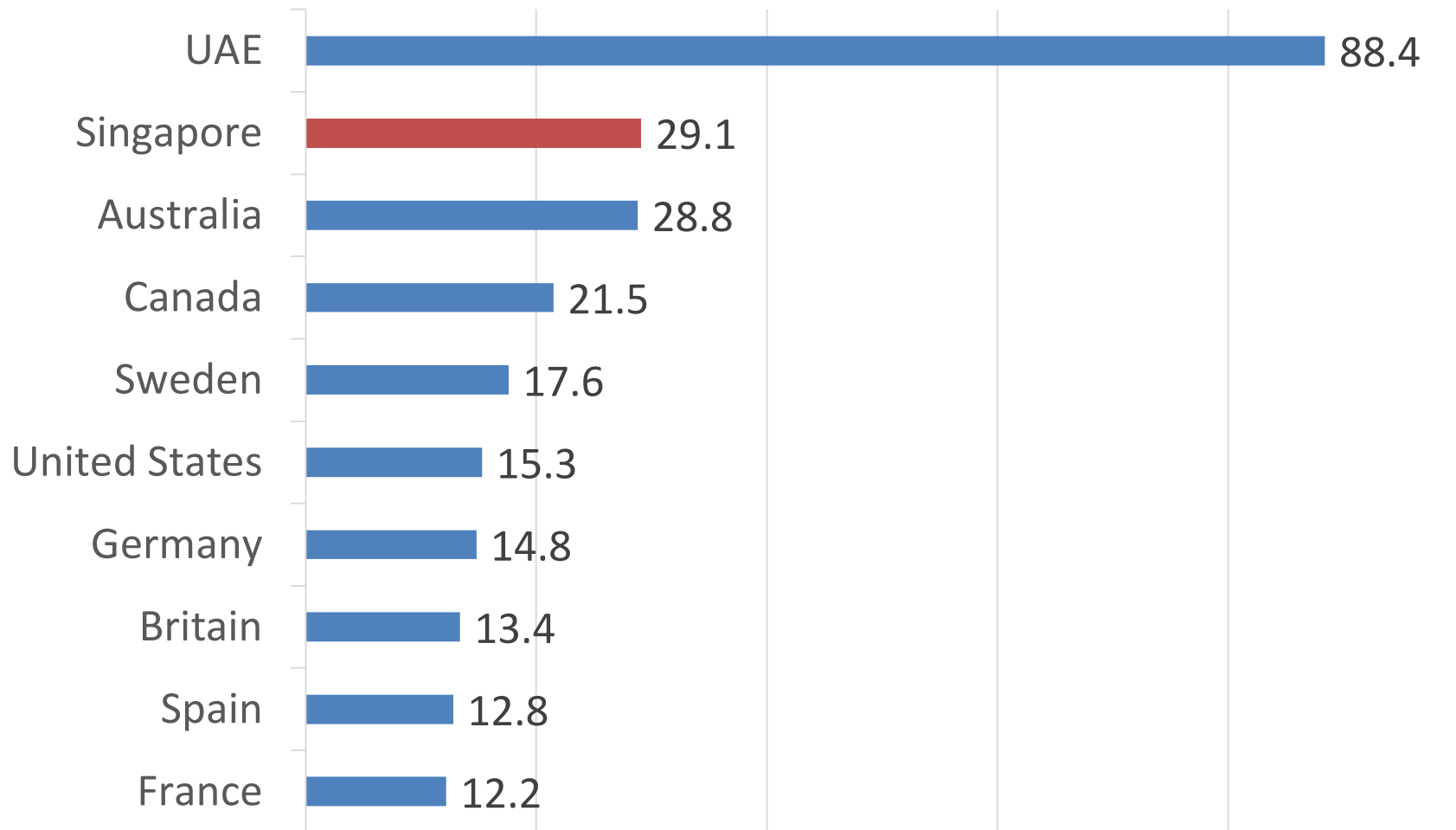
Productivity growth is uneven across sectors



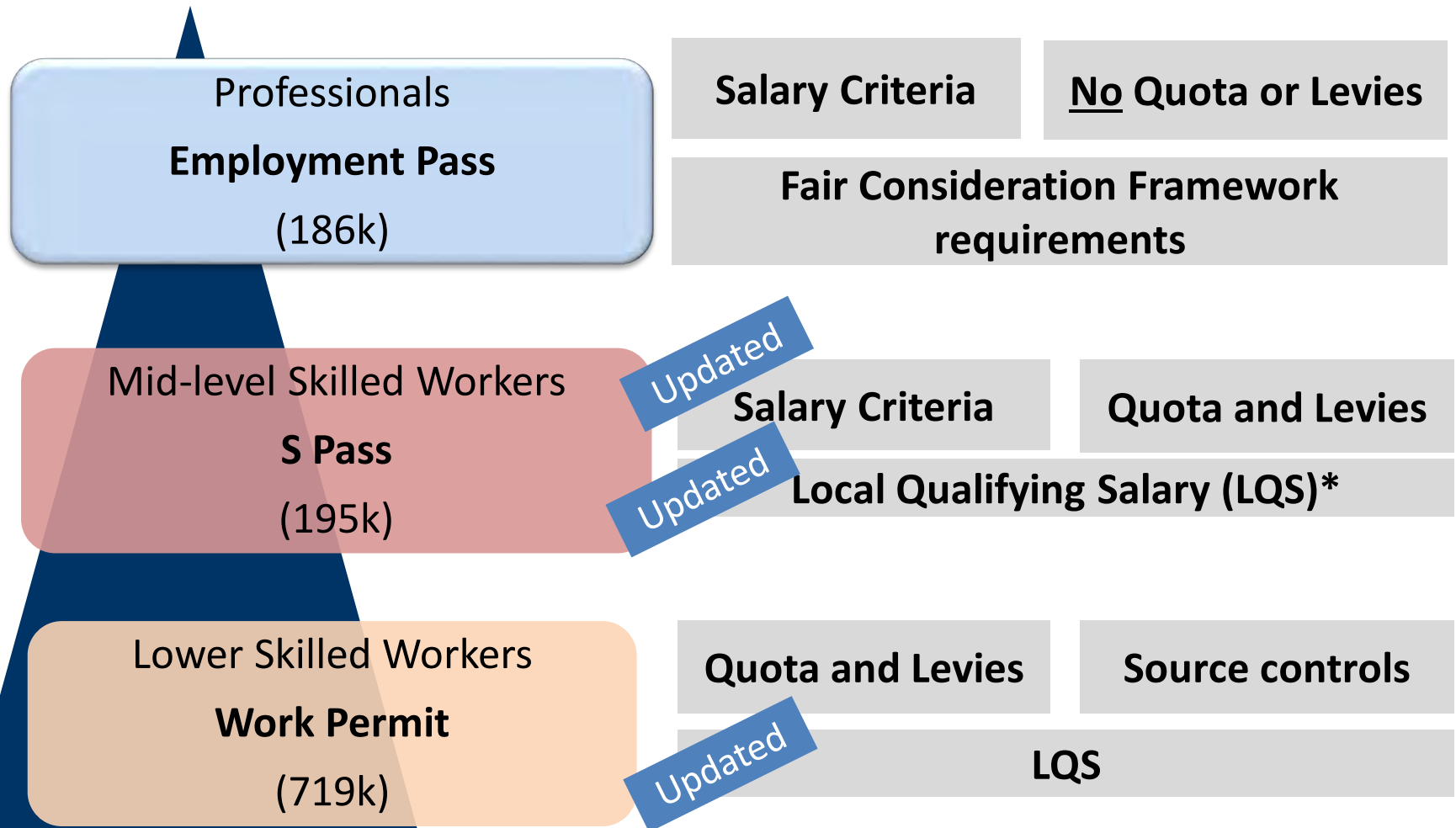
For Services sector, productivity level lags behind some advanced economies

Also a natural limit to foreign workforce numbers to drive growth

Migrant Share of Population (%)



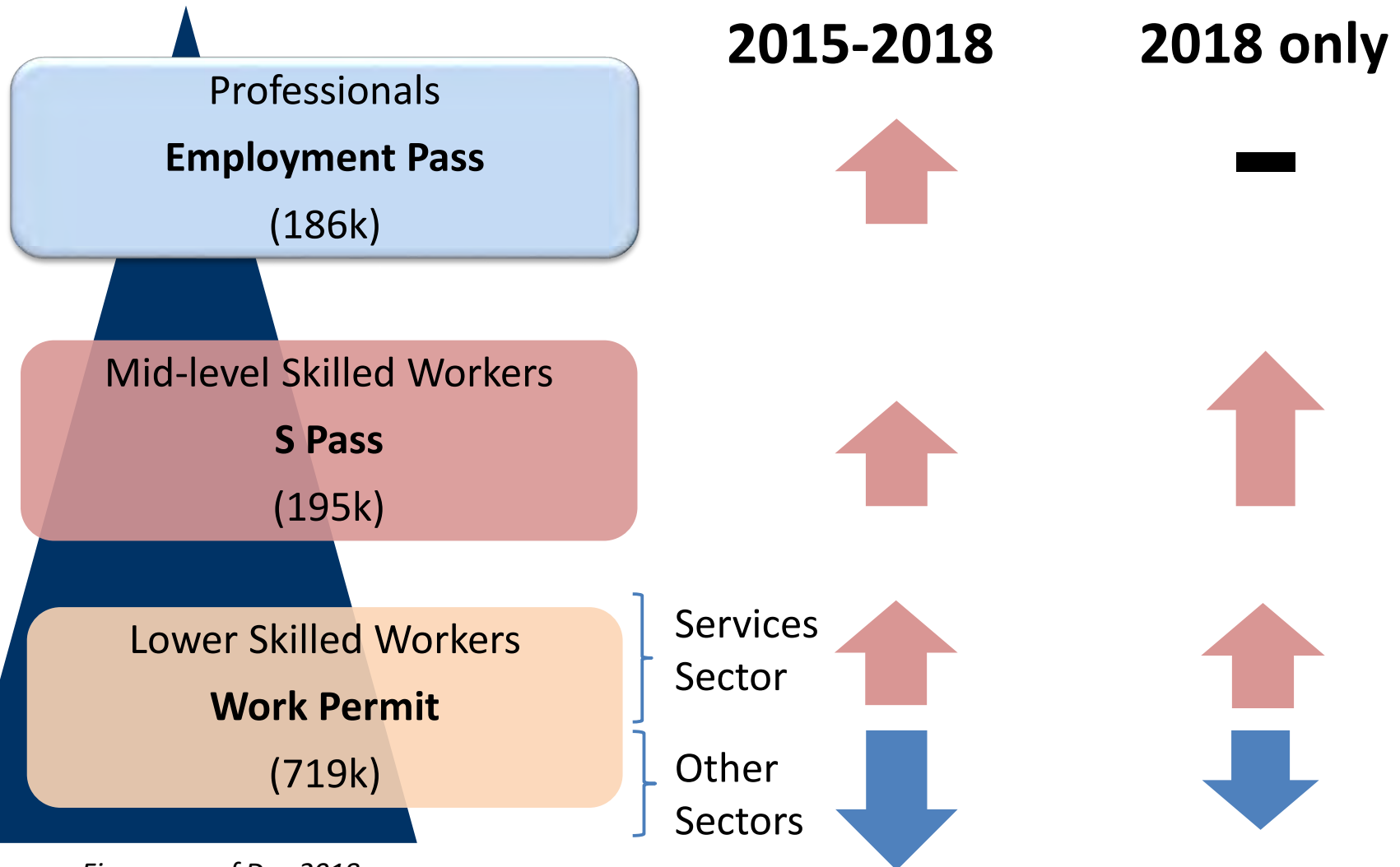
We design our foreign workforce to support the economic direction



Figures as of Dec 2018

*Previously known as Full-Time Equivalent (FTE)

FW numbers have grown, in Services in particular



Figures as of Dec 2018

Two main reasons



Sustain restructuring momentum



Improve job quality

DRC cuts in Services Sector needed to manage FW growth

	DRC	S Pass Sub-DRC
Now	40%	15%
From 1 Jan 2020	38%	13%
From 1 Jan 2021	35%	10%

1 year's notice
over **2** steps

Businesses above quota can keep existing workers until pass expiry

Changes are part of a targeted approach



No change to FW levy



No change to FW
quotas in other sectors



< 4 in 10 firms are affected;
Average: **~2 FWs per firm**

Affected firms can...

A man in a dark suit is seen from behind, standing in front of a large window with horizontal blinds. The blinds are partially open, allowing light to filter through. Several white circles of varying sizes are arranged in a trail from the man's head towards the right, leading to two white, cloud-like thought bubbles. The first bubble is positioned higher and to the right, and the second bubble is positioned lower and further to the right.

**Hire more
locals**

**Transform to be
more
manpower-lean**

Government will help firms access local talent pipeline



SkillsFuture
Work-Learn
programmes

Professional
Conversion
Programme &
Place-and-Train

Open Door
Programme

Cushman
& Wakefield
Facilities &
Engineering (S) Ltd

dnata Singapore
Pte Ltd

Infologic
Pte Ltd

Career Support
Programme
(Extended)

Career Trial
(Expanded)

Project Phoenix

MyCareersFuture.sg

**I have to train
fresh
graduates
further to do
the job.**



SkillsFuture Earn and Learn Programme

- **Recruit and train fresh ITE & polytechnic graduates**
- **Up to \$15,000 per trainee**

**I am not sure
mid-career
candidates
have the right
skills.**



Professional Conversion Programmes & Place-and-Train

- **Recruit mid-career PMET and RnF workers**
- **Up to 90% training & salary support**

**Mature
workers are
too expensive,
&
I'm not sure if
they can meet
my
expectations.**



Career Support Programme

- **Recruit experienced workers**
- **Up to 50% salary support for mature workers**

Extended Till 2021


**I'm not sure if
this candidate
will be a good
fit.**



Career Trial

- Assess jobseekers for job fit
- Up to \$2,400/month training allowance

***Extended to part-time
work***



**My staff want
to leave to
take care of
their family.**



Work-Life Grant

- **Funding for employers who have flexible work arrangements**
- **Up to \$105,000 over 2 years**

Consider the following segments as well

Persons with special needs



Open Door Programme

- Recruitment & job support services
- Up to 90% support for job redesign and training

Ex-offenders



Project Phoenix

- Training provided
- Employment Assistance

A woman with dark hair in a ponytail, wearing a light blue short-sleeved button-down shirt and a black skirt, is standing in front of a large window. She is looking down at a tablet device she is holding with both hands. She is wearing a gold watch on her left wrist and a pearl necklace. The window behind her has a grid pattern and shows a reflection of a building.



MINISTRY OF
MANPOWER

14 Feb 2019

MABM

1984

13 Feb 2021

You are allowed to employ the holder of this Pre-approved Letter of Consent (PLOC) till 13 Feb 2021. The PLOC is valid only if his/her Long-Term Visit Pass (LTVP)/LTVP+ remains valid.

Please note that this PLOC does not allow you to employ him/her in restricted occupations such as a journalist, editor, sub-editor, producer or any religion-related occupation. Please check our website (<http://www.mom.gov.sg/ploc-restricted-jobs>) for the latest updates. You will need to apply for a separate Letter of Consent (LOC) for these restricted occupations.

You are required to notify MOM of the PLOC holder's employment details BEFORE the start of employment. You must also notify MOM that the employment has ended, no later than 7 days after the end of employment. Both notifications must be done via our website at <http://www.mom.gov.sg/hire-ploc>.

Please remind the employee to renew the LTVP/LTVP+ with ICA 3 months before expiry. It is illegal to continue employing him/her if the LTVP/LTVP+ is no longer valid.

This letter should be returned to the PLOC holder.

Yours sincerely

Johnson's

Penny Han (Mrs)

Controller of Work Passes

Government will also spare no effort to help willing firms transform

Capability Transfer
Programme

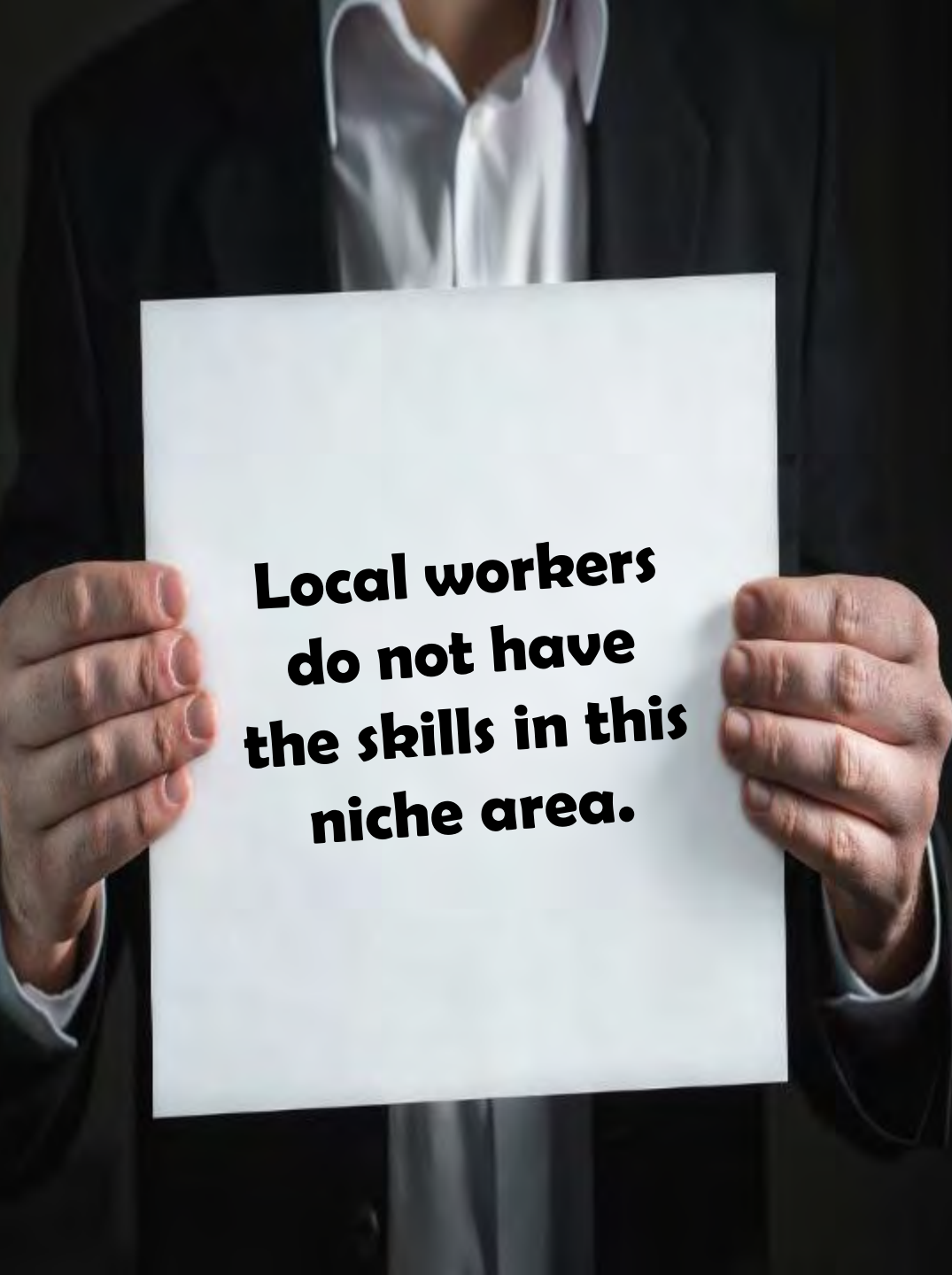
Enterprise
Development
Grant
(Extended)

Work Pro

Productivity
Solutions Grant
(Extended)

Lean Enterprise
Development
Scheme





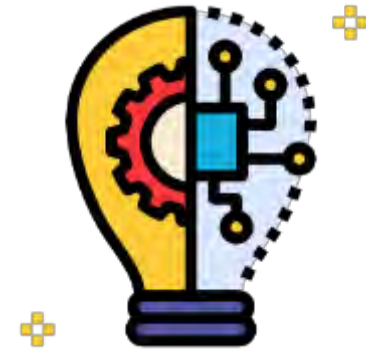
**Local workers
do not have
the skills in this
niche area.**



Capability Transfer Programme

- **Bring in foreign specialists to transfer new capabilities to local workers**
- **Funding support of up to 90% and work pass facilitation**


**I have a
transformation
plan but I need
funding.**



**Enterprise
Development
Grant**

**Productivity
Solutions
Grant**

Up to 70% funding support
Extended for three years

A person wearing a dark suit and a white shirt is holding a white rectangular sign with both hands. The sign has bold black text on it.

**It's not easy to
redesign jobs,
especially for
older workers.**



WorkPro

Funding support up to \$300k



**I need more
time to
transform my
business
model.**



Lean Enterprise Development Scheme

- **One-stop shop for transformation**
- **Transitory manpower support available**

TACs continue to represent business interests

“No increase to
FW Levies”

➤ No changes

“Reduce cost of
managing older workers”

➤ Extended SEC

“Help SMEs hire locals”

- New PCPs
- Extended CSP
- Expanded Career Trial
- New features in MyCareersFuture.sg



Dialogue and Lo Hei with TAC Leaders on 16 Jan 2019

Dialogue

**For more info, you may download MOM
Committee of Supply-In-Brief 2019**

