

16 February 2024

Media Statement on Budget 2024

“Rare, remarkable and unique.” These are the words Deputy Prime Minister and Minister for Finance Lawrence Wong used towards the end of his Budget Statement this afternoon to describe what we are lucky to have in Singapore. The same words could apply to Budget 2024. Is there any other government in the world today with the ability, ambition, confidence and willingness to act in the best, long term interests of its citizens and the economy? You would have to look very hard indeed to find one comparable to Singapore’s.

We heard a confident statement of intent from a listening government. It has heard all the concerns about the rising costs of living both from households and businesses. It has responded with vouchers and schemes to alleviate current concerns.

However, Mr. Wong reemphasized a message he has given in previous Budget Statements that the best way to ensure a sustainable economic and fiscal future is through increased productivity and upskilling. No-one can say these key enablers were not enhanced in Budget 2024. SkillsFuture remains a key pillar of Singapore’s social compact to encourage self-help, to uplift and to further enhance social mobility. No-one was left out in this budget and no area of concern forgotten.

Today’s Budget Statement also demonstrated the ambitious and inclusive goals of Forward SG to make every worker matter and every citizen count. It also demonstrated the continuity of a laser focus on maintaining Singapore’s competitiveness to sustain a vibrant economy and create jobs. Hence the emphasis on collaborations between MNEs and SMEs to enable the latter to transform and grow. Again, hence the emphasis on research and development and on attracting the best businesses to Singapore.

On tax we received clarity that the minimum effective tax rate of 15% will be payable with effect from 1 January 2025 for MNEs with global gross annual revenues of at least EUR 750 million. Mr. Wong commented he did not expect this tax to result in net revenue gains over time.

There was much talk of the resilience of our society, of our security including our energy security. Decarbonization will not be easy for Singapore given our space constraints. Our energy transition will be expensive in terms of infrastructure.

About Singapore International Chamber of Commerce (SICC)

The Chamber is Singapore’s longest serving, independent business association and Singapore’s first registered company. SICC was founded in Singapore on 8 February 1837 to preserve Singapore’s free port status to help businesses and Singapore develop. Helping businesses and Singapore remains the Chamber’s purpose today and drives everything we say and do.

Members of the Chamber form the ecosystem with an edge. It is a very inclusive ecosystem. 50% of Chamber members are Singaporean and 50% foreign owned businesses from all sectors of the economy. Half of member companies are large organizations including multinationals and the other half are medium, small and start-up companies.

SICC stands for responsible business, competent leadership, positive workplace culture, collaborative innovation and the transitioning of businesses to circular models of production and consumption to achieve true sustainability for our planet and species in a circular economy.

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