

P R E S S R E L E A S E

6 MARCH 2025

PARTNERING BUSINESSES AND WORKERS TO SEIZE OPPORTUNITIES FOR THE FUTURE

At this year's Committee of Supply Debate, the Ministry of Manpower (MOM) outlined key measures to support business transformation and empower workers to build their career health, while fostering fair, inclusive, and safe workplaces. MOM will continue to work closely with our tripartite partners - the National Trades Union Congress (NTUC) and the Singapore National Employers Federation (SNEF) - to develop pro-worker and pro-business initiatives that help individuals and businesses seize opportunities for the future.

SUPPORTING BUSINESSES IN WORKFORCE TRANSFORMATION FOR TODAY AND TOMORROW

2 Over \$400 million has been set aside for the new Enterprise Workforce Transformation Package¹ (EWTP), which will support employers in transforming their businesses and workforce for productivity-led growth; it comprises three key measures:

- a. The Government will bring together existing schemes administered by Workforce Singapore and SkillsFuture Singapore under the **SkillsFuture Workforce Development Grant (WDG)**, which offers a simplified application process through the Business Grants Portal.
- b. Workforce Singapore (WSG) will increase **funding support of up to 70% for job redesign activities** under the WDG.
- c. Eligible businesses will receive a fresh \$10,000 in credits under the redesigned SkillsFuture Enterprise Credit (SFEC), which can be used to offset out-of-pocket costs for eligible workforce transformation programmes.

3 The Government will continue to partner the labour movement to help workers and businesses to prepare for the future. The Government will top-up the **NTUC's Company Training Committee (CTC) Grant** by around \$200 million and extend funding support from 2026 to 2028. We will also expand the grant to fund new training programmes developed by Institutes of Higher Learning which can be customised in

partnership with employers. The CTC Grant will make it easier for businesses to invest in skills upgrading by subsidising course fees and absentee payroll.

4 Businesses must build strong human capital (HC) capabilities in order to carry out workforce transformation to support their objectives. MOM will launch the **Tripartite Workgroup on Human Capital Capability Development**² to explore new ways to level up HC professionals, strengthen HC capabilities, and improve alignment between HC and business leaders.

5 MOM's foreign workforce policies³ seek to support productivity-led growth. The qualifying salaries of our work passes are regularly updated to ensure that the quality of our foreign workforce improves in tandem with our local workforce's and foreign workers are channelled to more productive areas of the economy. As announced in Budget 2023, MOM will raise the **S Pass minimum qualifying salary** from \$3,150 to \$3,300 and **standardise the S Pass levy rate at \$650 for all S Pass holders from 1 September 2025**.

6 For Work Permits, MOM will provide employers with greater flexibility to hire and retain experienced Work Permit holders from more diverse sources. We will **remove restrictions on the maximum period of employment, raise the maximum age of employment, expand the Non-Traditional Sources Occupation List, and add new sources to the list of Non-Traditional Sources**.

EMPOWERING WORKERS TO BUILD THEIR CAREER HEALTH THROUGH DIFFERENT LIFE STAGES

7 As our economy transforms, the Government will support our workers every step of the way as they seek and seize new career opportunities. Through Career Health SG, we will empower all Singaporeans to navigate the labour market, make career plans and work towards achieving their career aspirations. MOM will introduce a new Career Health SG initiative to **expand the use of SkillsFuture Credits**⁴ to **include eligible career guidance services** delivered by providers endorsed by WSG.

8 To strengthen the global competitiveness of our workforce, the Government will strengthen efforts to nurture our pipeline of Singaporean corporate leaders. We will **expand leadership development opportunities for Singaporeans** by doubling the capacity of Government programmes that support businesses to send Singaporeans on overseas postings or leadership milestone programmes. We will also **enhance overseas transition support** for Singaporeans and their families embarking on overseas postings and **strengthen leadership communities** where Singaporeans can access networks and resources.

² Please refer to the factsheet and infographic on the Tripartite Workgroup on Human Capital Capability Development for more details.

³ Please refer to the factsheet on Foreign Workforce Policy Announcements for more details.

⁴ Please refer to the factsheet on Extension of SkillsFuture Credits for more details.

9 To support individuals who are involuntary unemployed to bounce back, the Government will implement the SkillsFuture Jobseeker Support scheme that was announced earlier. The scheme provides temporary financial support of up to \$6,000 over six months as participants undertake active job search with support from WSG and NTUC's Employment and Employability Institute (e2i).

10 By enabling seniors⁵ to continue working if they wish to, we can maximise the human potential of our ageing workforce and help employers meet manpower needs. The Government will **extend the Senior Employment Credit (SEC) until 2026** to continue supporting employers to hire senior workers, with the highest SEC wage support tier of 7% now applying to workers aged 69 and above, up from 68 today. To improve the retirement adequacy of our senior workers, the total Central Provident Fund (CPF) contribution rates for senior workers aged above 55 to 65 will be raised by 1.5 percentage points in 2026 per the recommendations of the Tripartite Workgroup on Older Workers. The **CPF Transition Offset (CTO)**, which will offset half of the 2026 increase in employer CPF contributions, will be extended by another year. The offset will be provided automatically with no application from employers required.

11 MOM will establish a **Tripartite Workgroup on Senior Employment** to study how to extend the productive longevity of our ageing workforce and develop longer-term policy recommendations to empower senior workers to remain engaged in the workforce and to promote multi-generational workplaces. The Tripartite Workgroup will convene an **Alliance for Action on Empowering Multi-Stage Careers for Mature Workers** to engage a wide range of stakeholders and gain collective buy-in on the key shifts required, as well as to partner employers to develop and prototype real-world solutions to promote senior employment.

FOSTERING FAIR, INCLUSIVE, AND SAFE WORKPLACES

12 We will continue to build on our efforts to uplift lower-wage workers, by strengthening support for business transformation and workers' skills upgrading. We will provide employers with further transitional support by enhancing the Government's co-funding for wage increases given to lower-wage workers, under the **Progressive Wage Credit Scheme (PWCS)** – from 30% to 40% in 2025, and from 15% to 20% in 2026.

13 As we support businesses in accelerating their transformation efforts and improving productivity, we will also empower lower-wage workers⁶ to take on higher-skilled and higher-paying jobs. We will step up our efforts to help lower-wage workers upskill and seize these opportunities through **Workfare Skills Support (WSS) (Level Up)**, which will provide lower-wage workers who pursue long-form training with a training allowance of up to \$18,000 per year (for full-time trainees) and up to \$3,600 per year (for part-time trainees).

⁵ Please refer to the factsheet on Senior Worker-related announcements for more details.

⁶ Please refer to the factsheet and infographic on Lower-Wage Workers announcements for more details.

14 At the same time, we remain committed to ensuring that our workforce and workplaces are inclusive, fair, and responsive to evolving societal needs. We will take steps to empower vulnerable groups such that they can participate fully in the workforce and workplace. The **Enabling Employment Credit (EEC) and Uplifting Employment Credit (UEC) will be extended until 2028** to further support the employment of persons with disabilities and ex-offenders. **From 1 January 2026, we will also expand the Matched Retirement Savings Scheme (MRSS) to include eligible registered Singaporeans with disabilities of all ages** to allow them to accumulate more retirement savings earlier.

15 Currently, WSG's Career Conversion Programmes (CCPs) support employees who are hired for full-time jobs. Starting 1 April 2025, we will expand CCPs to cover career conversions of new hires and employees on jobs with flexi-load arrangements, provided they are employed on permanent terms or contracts with a term of at least one year. This will provide greater support, including for those who work part-time due to caregiving responsibilities, helping them transition into growth job roles.

End of Release