

# Singapore Budget 2021

## Support for Employers



### Jobs Growth Incentive (JGI) Scheme

- The JGI provides up to 12 months of salary support to eligible employers of up to 25% on the first S\$5,000 of gross monthly wages paid to non-mature local hires (below 40 years old) within the qualifying window.
- For hiring of mature local employees (aged 40 years old and above), persons with disabilities or ex-offenders within the qualifying window, the JGI provides up to 18 months of salary support as follows:
  - Up to 50% on the first S\$5,000 of gross monthly wages paid in September 2020 to February 2021, and
  - Up to 50% on the first S\$6,000 of gross monthly wages paid from March 2021 onwards.
- The qualifying window for new local hires will be:
  - Phase 1 of the JGI: September 2020 to February 2021
  - Phase 2 of the JGI: March 2021 to September 2021
- To be eligible for the JGI, there must be an increase in the overall local workforce size AND an increase in the local workforce size earning  $\geq$  S\$1,400/month, compared to the August 2020 local workforce for Phase 1, or the February 2021 local workforce for Phase 2.



### Foreign Worker Levy (FWL)

- FWL rates will remain unchanged for all sectors. The earlier-announced FWL rate increases for the Marine Shipyard and Process sectors will be deferred for another year.



### Jobs Support Scheme (JSS)

- Extended for firms in Tier 1 and Tier 2 sectors by up to six (6) months, covering wages paid from April 2021 to September 2021.
- Tier 1 sectors (i.e. Aviation, aerospace and tourism):
  - 30% JSS support for wages paid from April to June 2021.
  - 10% JSS support for wages paid from July to September 2021.
- Tier 2 sectors (i.e. food services, retail, marine, offshore, land transport, arts and entertainment) will receive 10% JSS support for wages paid from April to June 2021.



### Wage Credit Scheme (WCS)

- Extended by one (1) year to 2021, with a co-funding ratio of 15%.
- The wage ceiling for co-funding remains at S\$5,000 for the extended period.
- Eligible businesses will continue to receive support for increases in gross monthly wage of at least S\$50 given in the years 2019 and 2020 by the same employer and sustained in 2020 and 2021.

EP Pass Types	Tier	Dependency Ratio Ceiling (DRC)	Levy Rates (S\$) (Higher-Skilled(R1)/Basic-Skilled(R2))		
			1 July 2020	1 July 2021	1 July 2022
S Pass	Basic Tier	$\leq 10\%$	330	330	To be announced in 2022
	Tier 2	$> 10\%^*$	650	650	
Services Work Permit Holders (WPH)	Basic Tier	$\leq 10\%$	300/450	300/450	
	Tier 2	10-25%	400/600	400/600	
	Tier 3	25-35%	600/800	600/800	
Manufacturing WPH	Basic Tier	$\leq 25\%$	250/370	250/370	
	Tier 2	25-50%	350/470	350/470	
	Tier 3	50-60%	550/650	550/650	
Construction WPH	Man-Year Entitlement (MYE)	$\leq 87.5\%$	300/700	300/700	300/700
	MYE-Waiver		600/950	600/950	600/950
Process WPH	MYE	$\leq 87.5\%$	<del>300/500</del> 300/450	<del>300/500</del> 300/450	To be announced in 2022
	MYE-Waiver		<del>600/800</del> 600/750	<del>600/800</del> 600/750	
Marine Shipyard WPH	Basic Tier	$\leq 77.8\%$	<del>350/500</del> 300/400	<del>350/500</del> 300/400	

#### Notes:

- Strike-outs refer to earlier-announced levy rates which were deferred.
- \*The S Pass sub-DRC is 20% in Manufacturing, 18% in Construction, Marine Shipyard and Process, and 10% in Services sector.

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