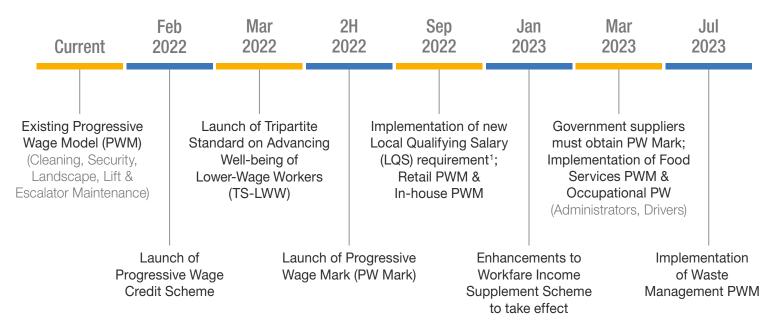
# Uplifting the Wages & Well-being of Lower-Wage Workers



**Strengthening our Social Compact** 



## Roadmap to further uplift lower-wage workers over next 2 years



- PW Mark helps consumers and corporate buyers identify and buy from employers paying Progressive Wages. Government suppliers must obtain the PW Mark from March 2023.
- TS-LWW outlines a set of progressive workplace practices to better support lower-wage workers' training, safety and rest. Firms that pay Progressive Wages and adopt the TS-LWW will be conferred the PW Mark Plus.

By 2023, Progressive Wages will cover up to 94% of full-time lower-wage workers:



<sup>&</sup>lt;sup>1</sup> Firms employing foreign workers to pay at least the LQS to all local workers. The calculation of foreign worker quota for firms will remain unchanged.

## **Progressive Wages**

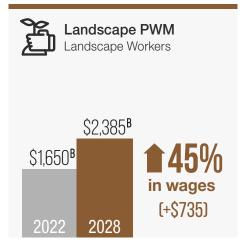
#### Provide meaningful & sustained growth over next decade

Existing and new PWMs will ensure that residents in PWM job roles continue to provide meaningful & sustained wage growth over next decade.

# Wages of entry-level job roles for each PWM





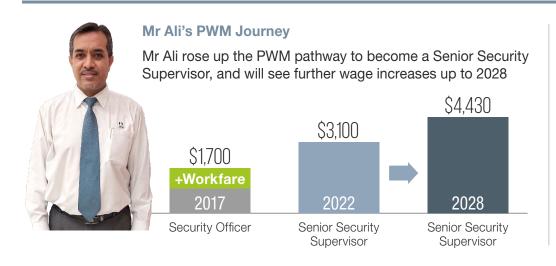






## Better wages alongside higher skills and improved productivity

Mr Mohammed Ali | 50 y.o. | Joined Security industry in 2017 | Employed at APRO Asian Protection Pte Ltd



APRO Asian Protection has also transformed its processes, to raise firm-level productivity

- Outcome-based, integrated security operating models
- Remote surveillance and mobile incident response

<sup>&</sup>lt;sup>2</sup>Estimated gross wages for 2022 refers to Basic Wage + overtime pay only (assuming 72 overtime hours a month at 1.5x basic rate). Note: 'B' denotes basic wage, 'G' denotes gross wage.

# **Progressive Wage Credit Scheme**

# Provide 5-year transitional support by helping employers co-fund wage increases to uplift lower-wage workers



## **PWCS Support Schedule**<sup>3</sup>

| Qualifying<br>Year | Payout<br>Period | <b>Tier 1 (5-year support)</b> Gross Monthly Wage Ceiling ≤ \$2,500 | Tier 2 (3-year support) Gross Monthly Wage Ceiling > \$2,500 and ≤ \$3,000 |
|--------------------|------------------|---|--|
| 2022               | Q1 2023          | <b>50</b> %   | 30%  |
| 2023               | Q1 2024          | <b>50</b> %   | 30%  |
| 2024               | Q1 2025          | <b>30</b> %   | 15%  |
| 2025               | Q1 2026          | <b>30</b> %   | _  |
| 2026               | Q1 2027          | 15%   | _  |

Wage increases in each qualifying year will be co-funded for two years (E.g. a 2022 wage increase will be supported in qualifying year 2022, and also in 2023 if sustained).

Illustration: Warehouse Assistant earning \$1,500 in 2021 receiving monthly wage increase of \$200 per year.



<sup>&</sup>lt;sup>3</sup>Only applies for resident employees with an average gross monthly wage increase of at least \$100 in each qualifying year.

<sup>&</sup>lt;sup>4</sup>As PWCS is effective from 2022, wage increases in 2021 (i.e. increases in 2021 from the 2020 wage) will not be supported by PWCS.

<sup>&</sup>lt;sup>5</sup>Calculation of total PWCS support in the year assumes that employer makes 12 months of CPF contributions for each qualifying year.

## **Enhanced Workfare Income Supplement Scheme**

Boosts income of lower-wage workers with cash & CPF top-ups

# FROM WORK YEAR 2023

More than half a million workers will benefit from \$1.1 billion in Workfare payouts per year

#### **Enhancements from Work Year 2023**



#### **Higher payouts**

Higher annual Workfare payouts of up to \$4,200.



#### Higher qualifying income cap

Workers earning up to \$2,500/month<sup>6</sup> can qualify, up from \$2,300/month.



#### More younger workers to benefit

Workfare will be extended to younger lower-wage workers aged 30 to 34.

#### **Maximum Annual Payout**

| Age<br>Band                     | If you are employed | If you are self-employed |
|---------------------------------|---------------------|--------------------------|
| 30 – 34                         | \$2,100             | \$1,400                  |
| 35 – 44                         | \$3,000             | \$2,000                  |
| 45 – 59                         | \$3,600             | \$2,400                  |
| 60 & above                      | \$4,200             | \$2,800                  |
| Persons<br>with<br>Disabilities | \$4,200             | \$2,800                  |

Holistic support for Workfare recipients



~8 IN 10 Own their



>9 IN 10

Receive GSTV and U-save Rebates



# How the enhanced WIS will benefit more lower-wage workers

Madam Timah | 66 y.o.

Total Workfare received



~\$34K

\$21K in CPF top-ups

\$13K in cash payments

From 2023, Mdm Timah will receive up to \$4,200 Workfare payouts a year or \$350 a month.

Ms Lily | 30 y.o. in 2023

"

I am excited to start receiving Workfare from 2023. The **boost in income** will be an additional source of help. I will use my Workfare monies to pay my HDB instalment and school supplies for my children

"



#### workfare.gov.sg

Or scan here for the qualifying criteria for Workfare





<sup>&</sup>lt;sup>6</sup>To encourage regular work, workers also have to earn at least \$500/month to qualify. Persons with Disabilities and ComCare recipients earning less than \$500/month will continue receiving Workfare.