



# UPLIFTING THE WAGES AND WELL-BEING OF LOWER-WAGE WORKERS

## STRENGTHENING OUR SOCIAL COMPACT

Uplifting lower-wage workers is our collective responsibility as a society.

We must all do our part for a more inclusive and cohesive society - where everyone enjoys the fruits of growth, and no worker is left behind as Singapore progresses.

### OUR JOURNEY OF UPLIFTING LOWER-WAGE WORKERS

The Government has introduced many initiatives over the years to support lower-wage workers.

- BEFORE 2021** Introduction of Progressive Wage Model (PWM) for Cleaning, Security, Landscape Maintenance, and Lift & Escalator Maintenance sectors
- AUG 2021** Government accepted all recommendations made by the Tripartite Workgroup on Lower-Wage Workers (TWG-LWW)
- FEB 2022** Launch of Progressive Wage Credit Scheme (PWCS) - co-funding support enhanced in Jun 2022 and Feb 2023
- MAR 2022** Launch of Tripartite Standard on Advancing Well-being of Lower-Wage Workers (TS-LWW)
- SEP 2022**
  - Introduction of new Local Qualifying Salary (LQS) requirement<sup>4</sup>
  - Introduction of PWM for Retail sector
  - Expansion of Cleaning, Security and Landscape Maintenance PWMs to in-house workers
- JAN 2023**
  - Launch of Progressive Wage Mark (PW Mark)
  - Enhancements to the Workfare Income Supplement (WIS) Scheme
- MAR 2023**
  - Introduction of PWM for Food Services sector
  - Introduction of Occupational Progressive Wages (OPW) for Administrators and Drivers
- JUL 2023**
  - Introduction of PWM for Waste Management sector
  - Enhancements to Workfare Skills Support (WSS) Scheme
  - All TWG-LWW recommendations are implemented



In 2022, real incomes<sup>1</sup> of lower-wage workers<sup>2</sup> grew by **4.7%**, faster than the median worker at 2.0%. This means that as costs of living rose, the incomes of lower-wage workers rose even more<sup>3</sup>, and the income gap between lower-wage workers and the median worker has narrowed.

### BY 2023, PROGRESSIVE WAGE MOVES WILL BENEFIT UP TO 9 IN 10 FULL-TIME LOWER-WAGE WORKERS

Existing PWMs	<b>Expand Sectoral PW</b> to Food Services, Retail, Waste Management + in-house workers	<b>Introduce new Occupational PW</b> for Administrators and Drivers	<b>Require firms to pay LQS</b> to all their local workers to hire any foreign workers	<b>Launch PW Mark</b> to cover up to to ~2/3 of remaining Lower-Wage Workers, with the rest uplifted through market forces
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<sup>1</sup> Refers to gross monthly income from work (including employer CPF contributions) of full-time employed residents. <sup>2</sup> Proxied by full-time employed residents earning less than or equal to the 20th percentile gross monthly income (excluding employer CPF contributions), which was \$2,492 in June 2022. <sup>3</sup> Source: Labour Force in Singapore 2022 Report, MOM. <sup>4</sup> Firms employing foreign workers to pay at least the LQS to all local workers. The calculation of foreign worker quota for firms remains unchanged.

# PROGRESSIVE WAGES

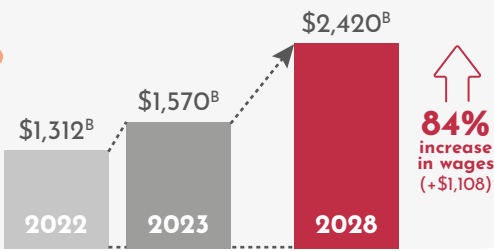
Providing lower-wage workers with meaningful and sustainable wage increases. Existing and new Progressive Wage Models (PWMs) will ensure that residents in PWM job roles continue to see good wage growth over the next decade.

## PROGRESSIVE WAGES FOR ENTRY-LEVEL JOB ROLES

Under the PWMs, workers can receive **annual scheduled wage increases**, and expect to earn **at least** these wages.

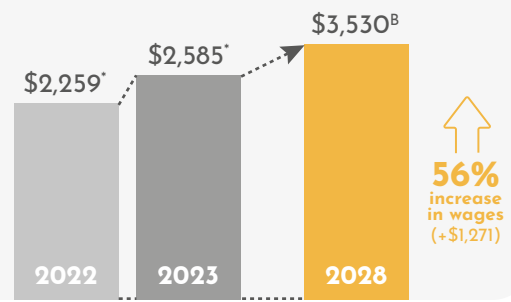
### Cleaning PWM, Jul 2022 vs 2028

#### General Cleaner, Indoor Cleaner



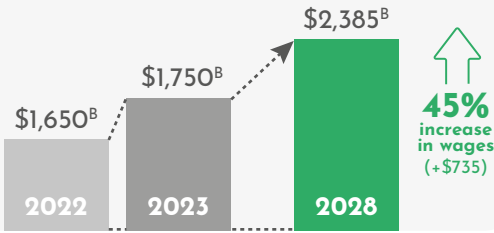
### Security PWM, Jan 2022 vs 2028

#### Security Officer



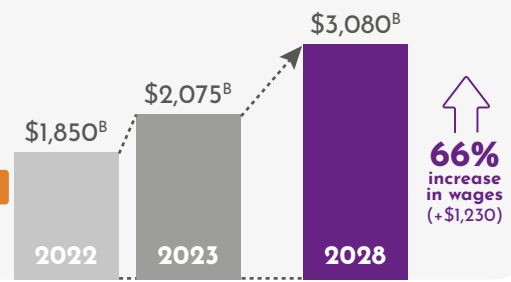
### Landscape PWM, Jul 2022 vs 2028

#### Landscape Worker



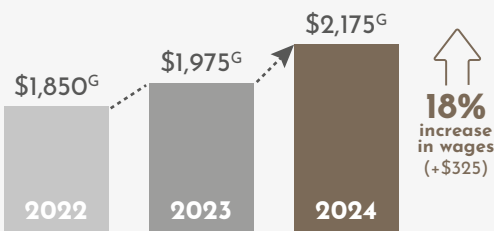
### Lift & Escalator PWM, Jul 2022 vs 2028

#### Assistant Lift & Escalator Specialist



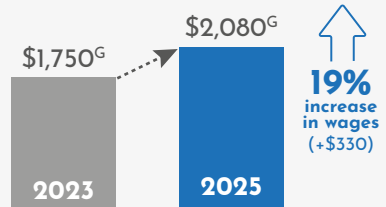
### Retail PWM, Sep 2022 vs 2024

#### Retail Assistant



### Food Services PWM, Mar 2023 vs 2025

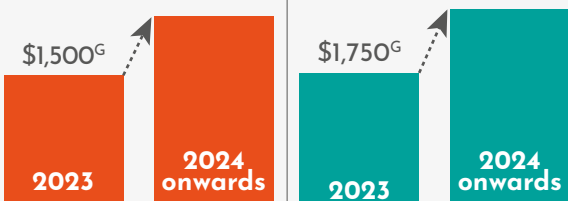
#### Food Stall Assistant



### Occupational PW for Administrators and Drivers, Mar 2023

#### Administrative Assistant

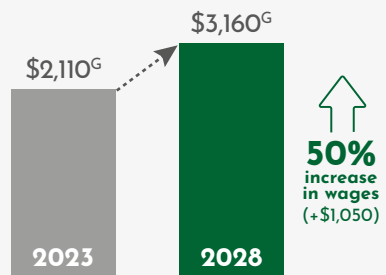
#### General Driver



\*Subsequent wage increases will be announced by National Wages Council.

### Waste Management PWM, Jul 2023 vs 2028

#### Materials Recovery Sorter



Annual wage increases

\*Estimated gross wage is indicated to facilitate comparison. It is calculated as follows: Security PWM Baseline Wage (expressed in basic terms) + Overtime Pay (assumed as 72 overtime hours a month at 1.5x basic rate). Note: 'B' denotes basic monthly wage, 'G' denotes gross monthly wage

# PROGRESSIVE WAGE MARK (PW MARK)

Launched in Jan 2023, the PW Mark helps individual consumers and corporate buyers identify and support progressive employers through their purchases.



"PW Mark" recognises employers that pay at least Progressive Wages to eligible workers, as well as Local Qualifying Salary to all other local workers



"PW Mark Plus" recognises employers that also adopt the Tripartite Standard on Advancing Well-Being of Lower-Wage Workers

About **2,000** companies have been accredited with the PW Mark.

From 1 Mar 2023, Government suppliers and subcontractors that are eligible must be accredited with the PW Mark for the contract period if they are awarded government tenders.

# PROGRESSIVE WAGE CREDIT SCHEME (PWCS)

Providing employers with transitional support from 2022 to 2026 by co-funding wage increases for lower-wage workers

This year, the Government has increased the PWCS co-funding share for 2023:



From  
**50% to 75%**  
for wages up to **\$2,500**



From  
**30% to 45%**  
for wages above **\$2,500** and up to **\$3,000**

## GOVERNMENT CO-FUNDING LEVELS FOR ELIGIBLE WAGE INCREASES<sup>5</sup>:

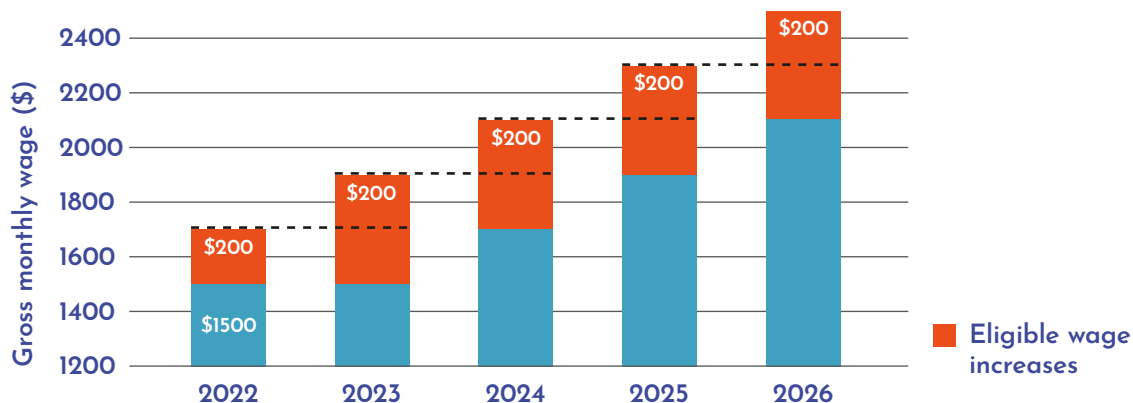
Qualifying Year	Payout Period	First Tier	Second Tier
		Gross Monthly Wage Ceiling ≤ \$2,500	Gross Monthly Wage Ceiling > \$2,500 and ≤ \$3,000
2022	Q1 2023	75%*	45%*
2023	Q1 2024	50% → 75%	30% → 45%
2024	Q1 2025	30%	15%
2025	Q1 2026	30%	-
2026	Q1 2027	15%	-

\* The co-funding levels for wage increases in qualifying year 2022 were enhanced in June 2022's support package, from 50% to 75% for the First Tier, and from 30% to 45% for the Second Tier.

<sup>5</sup> Only applies for resident employees with a minimum qualifying average gross monthly wage increase of at least \$100. The co-funding levels from 2022 to 2026 are expressed as a percentage of the applicable wage increase.

Wage increases in each qualifying year will be co-funded for two years. For example, a 2022 wage increase will be supported in both qualifying years 2022 and 2023, if the wage increase is also sustained in 2023.

An administrative assistant earning \$1,500 in 2021 receiving \$200 increase in monthly wage per year



Year	2022	2023	2024	2025	2026
Eligible wage increase	\$200	\$200 (frm 2022) + \$200 (frm 2023)	\$200 (frm 2023) + \$200 (frm 2024)	\$200 (frm 2024) + \$200 (frm 2025)	\$200 (frm 2025) + \$200 (frm 2026)
Govt co-funding (Tier 1)	75% x \$200 = \$150/mth	75% x \$400 = \$300/mth	30% x \$400 = \$120/mth	30% x \$400 = \$120/mth	15% x \$400 = \$60/mth
Total PWCS support <sup>6</sup>	\$150 x 12mths = \$1,800	\$300 x 12mths = \$3,600	\$120 x 12mths = \$1,440	\$120 x 12mths = \$1,440	\$60 x 12mths = \$720

<sup>6</sup> Calculation of total PWCS support in the year assumes that employer makes 12 months of CPF contributions for each qualifying year.

## WORKFARE

Strengthening support for lower-wage workers by supplementing income and encouraging upskilling.

### WORKFARE INCOME SUPPLEMENT (WIS) SCHEME

Boosting income and retirement savings of lower-wage workers through cash & CPF payments

#### FROM JAN 2023 ENHANCEMENTS FROM WORK YEAR 2023



Higher Annual Workfare payments of up to \$4,200.



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



Younger workers to benefit with extension of Workfare to those aged 30 to 34.



Stronger support for persons with disabilities who will qualify for the highest payment tier, regardless of age.

#### MAXIMUM ANNUAL PAYMENT

Age 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 with Disabilities	\$4,200	\$2,800

With these enhancements, over half a million lower-wage workers will benefit from payments amounting to \$1.1 billion, up from \$850 million previously.

# WORKFARE SKILLS SUPPORT (WSS) SCHEME

Encouraging lower-wage workers to upgrade their skills.

From Jul 2023, approximately **70,000 more** lower-wage workers will be eligible for WSS.



**Higher qualifying income ceiling:**  
Workers earning up to \$2,500/month can qualify, instead of \$2,300/month previously



**Training Commitment Award (TCA):**  
Workers who complete a Workforce Skills Qualification (WSQ) or Academic Continuing Education and Training (CET) full qualification will receive \$800, up from \$500 previously

**35**  
YRS OLD  
↓  
**30**  
YRS OLD

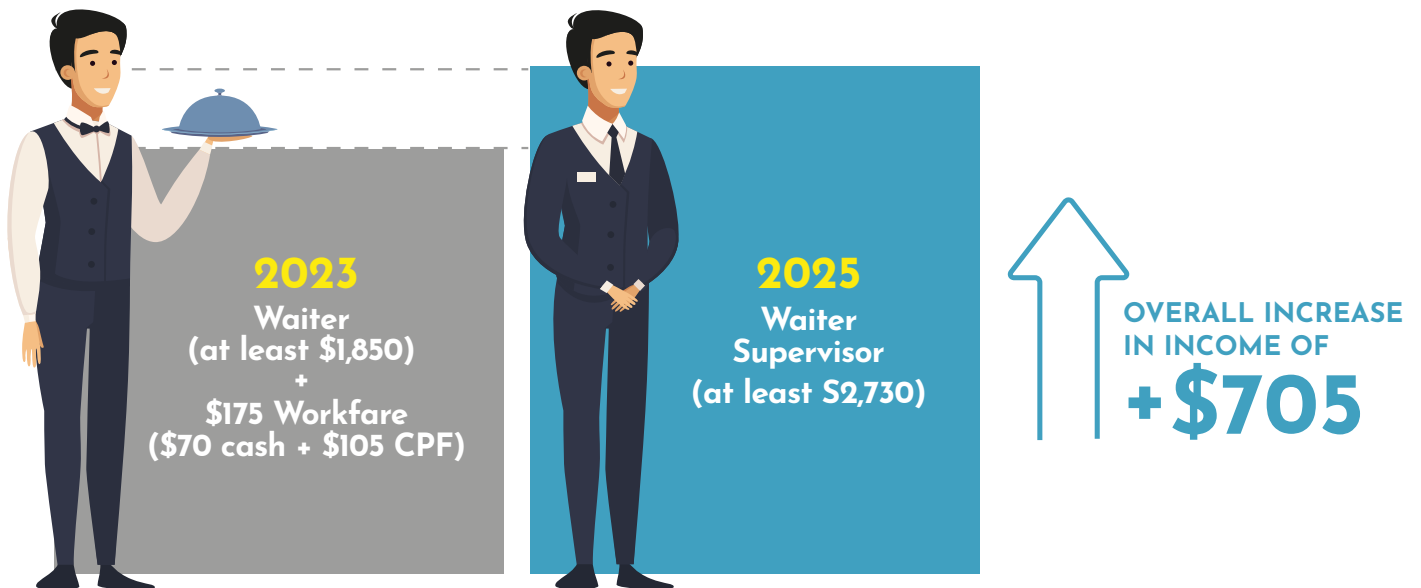
**Lower age eligibility to 30 and above:**  
WSS will be extended to younger lower-wage workers aged 30 and above, from the previous threshold of 35 years old and above



Hourly **Absentee Payroll (AP)** cap of \$13:  
Introduced in addition to AP funding at 95% of basic salary

## GOVERNMENT'S MULTI-LAYERED SUPPORT FOR LOWER-WAGE WORKERS

33-year-old Mr Tan | Joined the Food Services Sector in 2023



Under the Progressive Wage Model (PWM), Mr Tan can:

- Receive **Progressive Wages** and annual scheduled wage increases from 2023 to 2025
- **Upskill** through Workforce Skills Qualifications (WSQ) courses, in areas such as Customer Service Excellence, and rise up the PWM **career pathway** to become a Waiter Supervisor
- Receive enhanced **Workfare Income Supplement** payments of \$175 per month for work done from Jan 2023
- (From Jul 2023) Receive a cash reward of \$800 for attaining a WSQ Full Qualification under the **Workfare Skills Support Scheme**



For more information on our initiatives to uplift lower-wage workers,  
please visit: <https://go.gov.sg/uplifting-lwvs>