

## FACTSHEET ON FOREIGN WORKFORCE POLICY ANNOUNCEMENTS AT COS 2018

The Ministry of Manpower (MOM) will be making foreign workforce policy changes to ensure the following:

- make the 2/3 local workforce better – by expanding the coverage of the Fair Consideration Framework job advertising requirement to further support local PMETs' fair access to more and better employment opportunities; and
- improve the quality and productivity of the 1/3 foreigners in our workforce – by updating the S Pass salary criteria to enhance the complementarity of the S Pass holders to the local workforce, and extending the maximum period of employment and creating additional upgrading pathways for WPHs to incentivise firms to hire, train and retain their more productive foreign workforces, to raise productivity.

Details of the changes are elaborated on below.

### (A) BROADEN THE FAIR CONSIDERATION FRAMEWORK JOB ADVERTISING REQUIREMENT

Employers are required to advertise job vacancies on the national Jobs Bank administered by Workforce Singapore (WSG) for at least 14 days before submitting Employment Pass (EP) applications. Currently, a vacancy must be advertised if both the following conditions are met:

- a. Firm has more than 25 employees; and
  - b. Applying for a position paying a fixed monthly salary of less than \$12,000.
2. From 1 Jul 2018, MOM will broaden the Fair Consideration Framework (FCF) job advertising requirement to require the advertising of job vacancies if both the following conditions are met:
- a. **Firm has 10 or more employees.** Firms with 10 to 25 employees will no longer be exempted from the Fair Consideration Framework job advertising requirement; and
  - b. **Applying for a position paying a fixed monthly salary of less than \$15,000.** Job positions paying between \$12,000 to below \$15,000 will no longer be exempted from the Fair Consideration Framework job advertising requirement.
3. These changes will ensure that the FCF job advertising requirement keeps pace with income changes, and that the local workforce continues to be fairly considered for job opportunities.

## (B) UPDATE TO S PASS SALARY CRITERIA

S Pass applicants currently need to meet a minimum qualifying salary of \$2,200, amongst other criteria such as qualifications and experience. Candidates with more years of experience are also required to command higher salaries commensurate with their work experience and skill sets.

2. We will be raising the minimum qualifying salary to \$2,400 over two steps, from \$2,200 to \$2,300 with effect from 1 Jan 2019, and from \$2,300 to \$2,400 with effect from 1 Jan 2020. Candidates with more years of experience are still required to command higher salaries.
3. This change is a regular update to keep pace with rising local wages, maintain the quality of our foreign workforce and enhance their complementarity to the local workforce.
4. We will provide a transition arrangement for renewal of existing S Pass holders. Please refer to **Annex A** for details.
5. Employers are encouraged to use the Self-Assessment Tool (SAT) on the MOM website to assess if their S Pass holders or candidates will meet the new salary criteria. The SAT will be updated by November 2018.

## (C) EXTEND MAXIMUM PERIOD OF EMPLOYMENT FOR WORK PERMIT HOLDERS

Work Permit holders (WPHs) from Non-Traditional Sources (NTS)<sup>1</sup> and the People's Republic of China (PRC) are subject to a maximum period of employment (POE).

2. From 1 May 2018, we will extend the maximum POE for these workers by 4 years across higher skilled (R1) and basic skilled (R2) in all sectors (please refer to Table A for details).

Table A: Maximum POE from 1 May 2018

Sector	WPHs from PRC and NTS	
	R1	R2
Construction, Process and Marine Shipyard	<del>22 years</del> 26 years	<del>10 years</del> 14 years
Services and Manufacturing	<del>18 years</del> 22 years	

3. The extension is intended to encourage firms to retain their trained and experienced WPHs, to raise overall workforce productivity.

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<sup>1</sup> NTS refers to Bangladesh, India, Myanmar, Philippines, Sri Lanka and Thailand.

4. WPHs from Malaysia and North Asian Sources (NAS)<sup>2</sup> are not affected by this change, and will continue to be allowed to work up to age 60.

**(D) EXTEND ADDITIONAL PATHWAY TO RECOGNISE HIGHER SKILLED (R1) WORKERS TO MANUFACTURING AND MARINE SHIPYARD SECTORS**

Currently, WPHs in the Manufacturing and Marine Shipyard sectors can be recognised as higher skilled (R1) through qualifications and skills tests.

2. From 1 Sep 2018, employers can also have their WPHs upgraded to R1 status if they meet the minimum POE and salary requirements through the Market-Based Skills Recognition Framework (MBF) (please refer to Table B for details). Employers would then be able to extend their WPHs' maximum POE and enjoy lower levies.

Table B. Upgrading pathways from 1 Sep 2018

<b>Pathway</b>	<b>Manufacturing Sector</b>	<b>Marine Shipyard Sector</b>
Current: Qualifications/skills tests	<ul style="list-style-type: none"> <li>• Academic qualifications               <ul style="list-style-type: none"> <li>○ Malaysians – Sijil Pelajaran Malaysia (SPM) &amp; above</li> <li>○ North Asian Sources (NAS) – High school certificates &amp; above</li> <li>○ PRC – Diploma &amp; above</li> </ul> </li> <li>• ITE's Skills Evaluation Test (SET) / National ITE Certificate (Nitec)</li> <li>• Workforce Skills Qualification (WSQ) Composite Assessment for Generic Manufacturing</li> </ul>	<ul style="list-style-type: none"> <li>• Academic qualifications               <ul style="list-style-type: none"> <li>○ Malaysians – SPM &amp; above</li> <li>○ NAS – high school certificates &amp; above</li> </ul> </li> <li>• ITE's SET / Nitec</li> <li>• Trade test, i.e. 3G and above in welding</li> </ul>
New: Additional pathway through MBF	\$1,600 fixed monthly salary + 4-year POE	\$1,200 fixed monthly salary + 2-year POE

3. The additional pathway supplements the existing upgrading pathways to encourage hiring and retention of more experienced workers to improve productivity. It also brings Manufacturing and Marine Shipyard sectors in line with the Construction, Process and Services sectors, where more experienced workers who command higher wages are already recognised as higher skilled (R1) workers.

<sup>2</sup> NAS refers to Hong Kong, Macau, South Korea and Taiwan.

## **Annex A: Transition arrangement for the update to S Pass salary criteria**

1. Under the first step increase from \$2,200 to \$2,300, existing S Pass holders whose passes expire:
  - a. Before 1 Jan 2019: Will be allowed to renew based on existing S Pass criteria;
  - b. Between 1 Jan 2019 and 30 Jun 2019 (both dates inclusive): Will be allowed to renew based on existing S Pass criteria, for a duration of up to **one** year; and
  - c. 1 Jul 2019 onwards: Will have to meet the prevailing S Pass criteria for renewal.
  
2. Under the second step increase from \$2,300 to \$2,400, existing S Pass holders whose passes expire:
  - a. Before 1 Jan 2020: Will be allowed to renew based on the Jan 2019 S Pass criteria;
  - b. Between 1 Jan 2020 and 30 Jun 2020 (both dates inclusive): Will be allowed to renew based on the Jan 2019 S Pass criteria, for a duration of up to **one** year; and
  - c. 1 Jul 2020 onwards: Will have to meet the prevailing S Pass criteria for renewal.