

FACTSHEET ON FOREIGN WORKFORCE POLICY ANNOUNCEMENTS AT COS 2025

The Ministry of Manpower (MOM) will be updating our foreign workforce policies to:

- Maintain a high quality and complementary foreign workforce; and
- Support industry transformation to achieve a more productive, manpower lean foreign workforce and create better jobs for locals.

Details on the updates to our foreign workforce policies are outlined below.

NO CHANGE TO EMPLOYMENT PASS (EP) QUALIFYING SALARY

2. MOM regularly reviews the EP qualifying salary based on the top one-third of local PMET¹ wages, to ensure that EP holders are of high quality. For COS 2025, we are not announcing any changes to the EP qualifying salary.

3. MOM earlier announced in COS 2024 the increased EP qualifying salary², which has been implemented for new applications from 1 January 2025, and will apply to renewal applications for passes expiring from 1 January 2026.

INCREASE IN S PASS QUALIFYING SALARY AND LEVY

4. MOM regularly reviews the cost of hiring an S Pass holder, i.e., qualifying salary plus levy, based on the top one-third of local APT³ wages. MOM announced in COS 2022 that the S Pass qualifying salary and levy would be raised progressively over three steps, from 2022 to 2025. (more details in Annex A). The first and second steps of the S Pass qualifying salary and levy increase were implemented on 1 September 2022 and 2023 respectively. MOM will proceed with the third step increase of the S Pass qualifying salary and levy in 2025.

5. As part of the third step, the S Pass minimum qualifying salary will be increased from \$3,150 to \$3,300. The qualifying salary will continue to increase progressively with age, up to \$4,800 for a candidate in their mid-40s. The Financial Services (FS) sector will continue to have a higher S Pass qualifying salary, given its higher wage norms. The S Pass minimum qualifying salary for the FS sector will be raised from \$3,650 to \$3,800. The qualifying salary will increase progressively to \$5,650 for a candidate in their mid-40s.

6. The new S Pass qualifying salary will apply to new applications from 1 September 2025, and to renewal applications for passes expiring from 1 September 2026.

¹ Professionals, Managers, Executives and Technicians

² The EP minimum qualifying salary has been increased from \$5,000 to \$5,600 per month. For the Financial Services sector which has higher wage norms, it has been increased from \$5,500 to \$6,200 per month. The revised EP qualifying salary also increases progressively with age.

³ Associate Professionals and Technicians

7. The S Pass Tier 1 levy will also be increased from \$550 and harmonised with the Tier 2 levy at \$650 from 1 September 2025.

CHANGES TO THE WORK PERMIT FRAMEWORK

8. To support productivity-driven growth, we will need to manage Work Permit numbers, raise the quality of our Work Permit workforce and allocate them to more productive areas. MOM's policy changes have taken into account the Alliance for Action on Business Competitiveness recommendations to enable employers to hire and retain higher quality non-PMET workers.

Expand Non-Traditional Sources to include Bhutan, Cambodia and Laos

9. Today, the Non-Traditional Sources (NTS) are Bangladesh, India, Myanmar, Philippines, Sri Lanka and Thailand. To diversify our Work Permit population and allow businesses to hire skilled non-PMETs from more countries, the NTS list will be expanded to include Bhutan, Cambodia and Laos from 1 June 2025.

Sector	Permissible Sources
Services	Malaysia, People's Republic of China (PRC), North Asian Sources (NAS): Hong Kong, Macau, South Korea, Taiwan
Manufacturing	Non-Traditional Sources (NTS) for <u>selected occupations on the NTS Occupation List</u> .
Construction	All the above sources
Marine Shipyard	
Process	

Include More Occupations on NTS Occupation List

10. The NTS Occupation List was implemented in September 2023, to enable firms in the Services and Manufacturing sectors to retain and hire higher-skilled NTS non-PMET workers, such as those affected by the increase in the S Pass qualifying salary.

11. MOM will include (i) cooks, (ii) heavy vehicle drivers and (iii) manufacturing operator roles from 1 September 2025 on the NTS Occupation List (see Annex B for full list).

12. Firms who wish to hire NTS Work Permit holders on the NTS Occupation List will continue to be subjected to the following controls:

- **8% NTS sub-Dependency Ratio Ceiling (DRC)** to guard against over-reliance on NTS workers and ensure employers diversify their workforce; and
- **Fixed Monthly Salary of at least \$2,000 for the Work Permit holders employed under the NTS Occupation List.** This is to safeguard local wages and ensure that employers hire higher-skilled or more experienced workers.

Lift Maximum Period of Employment (POE) and Raise Maximum Employment Age of Work Permit holders

13. Today, Work Permit holders are subjected to a maximum POE of 14 to 26 years and maximum employment age of 60 years old. Workers must also be below 50 (non-Malaysian) or 58 (Malaysian) years old when applying for a new Work Permit.

14. To enable employers to retain experienced workers, MOM will lift the maximum POE and peg the maximum employment age for existing Work Permit holders to the local retirement age, i.e., 63 years old. MOM will also streamline the age limit for new Work Permit applications, pegging it to two years below the local retirement age, i.e. 61 years old. These changes will be implemented from 1 July 2025.

Expansion Of the Manpower for Strategic Economic Priorities Scheme (M-SEP) scheme

15. To better support firms that contribute to Singapore's strategic economic priorities and local workforce development, MOM and the Ministry for Trade and Industry (MTI) will be making the following enhancements to the [M-SEP scheme](#) from 1 May 2025:

- a. Extend M-SEP's support period to three years,
- b. Add a new pathway⁴ under Condition 2 ("*Condition 2D*") to grant firms with additional foreign worker quota, if firms commit to sending locals on overseas exposure or leadership programmes ; and
- c. Expand the list of eligible programmes under Conditions 1 ("*Participate in key economic priorities*") and 2 ("*Commit to hiring or training locals*").

16. With these enhancements, firms will have a longer runway to tap on the manpower flexibilities and are better supported in their business growth and developmental plans. Local workers are also expected to benefit from overseas training opportunities.

⁴ Today, M-SEP's Condition 2 comprises three pathways: (a) Increase in Net Hiring of Locals, (b) Workforce Training resulting in job enhancement, and (c) Be an Industry Leader with Training Excellence.

Table 1: S Pass qualifying salary changes

Sector	For new applications submitted on or after 1 Sep 2022 / From 1 Sep 2023 for renewals	From 1 Sep 2023 for new applications / From 1 Sep 2024 for renewals	[NEW] From 1 Sep 2025 for new applications / From 1 Sep 2026 for renewals
All (except financial services)	\$3,000 (increases progressively with age from age ≤ 23, up to \$4,500 at age ≥ 45)	\$3,150 (increases progressively with age from age ≤ 23, up to \$4,650 at age ≥ 45)	\$3,300 (increases progressively with age from age ≤ 23, up to \$4,800 at age ≥ 45)
Financial services	\$3,500 (increases progressively with age from age ≤ 23, up to \$5,500 at age ≥ 45)	\$3,650 (increases progressively with age from age ≤ 23, up to \$5,650 at age ≥ 45)	\$3,800 (increases progressively with age from age ≤ 23, up to \$5,650 at age ≥ 45)

Table 2: S Pass levy changes

Current Tier 1 levy rate	From 1 Sep 2025
\$550	From \$550 to \$650

There are no changes to the S Pass Tier 2 levy, which will remain at \$650.

Table 3: Occupations on the NTS Occupation List

Occupations on NTS Occupation List (<i>new occupations with effect from 1 Sept 2025</i>)
1. Housekeeping workers and porters in licensed hotels
2. Food processing workers
3. Workers in Manufacturing firms <i>i. Manufacturing operator roles (new)</i> <i>ii. Sheet metal workers</i> <i>iii. Welders and flame cutters</i> <i>iv. Metal moulders and coremarkers</i> <i>v. Riggers and cable splicers</i> <i>vi. Structural metal preparers and erectors</i>
4. Cooks (new) <i>This will replace cooks in Indian restaurants</i>
5. Heavy vehicle drivers who have a valid heavy vehicle licence (Class 4 and 5) as of 1 September 2025* (new) <i>*The cut-off date is in place given existing constraints in Traffic Police's training and testing facilities and will be reviewed as these constraints ease. See Q3 in FAQs below for more information.</i>

More details on the additional occupations and requirements to hire NTS workers in these roles will be provided on MOM's website in due course.

Frequently Asked Questions (FAQs)

Q1: Against the backdrop of increasing business costs, why is MOM increasing the S Pass qualifying salary now?

The S Pass qualifying salary is benchmarked to the top one-third of local Associate Professionals and Technicians (APT) wages. It does not lead market wages but is adjusted in line with prevailing wages. We do this to ensure that S Pass holders are of high quality, and to maintain a level playing field for locals.

MOM has heard concerns on rising costs of manpower and constraints in hiring. Therefore, even though we are going ahead with the third step increase as previously announced, we moderated the increase to give businesses more time to adjust.

MOM has announced these changes well ahead of time, so businesses can plan ahead and make the necessary adjustments. The S Pass qualifying salary and levy increase was announced in MOM's 2022 COS for implementation over three steps, from 2022 to 2025. For the upcoming third step, the revised S Pass qualifying salary will apply to new applications from 1 September 2025, and to renewal applications for passes expiring from 1 September 2026.

Q2: Why did MOM raise the maximum employment age of Work Permit holders and align it to the local retirement age? Will the increase in maximum employment age of Work Permit holders result in increased healthcare insurance costs borne by the employers?

Raising the maximum employment age for Work Permit holders will give firms the flexibility to retain more experienced and skilled workers. Firms are best placed to assess the benefits of retaining their more experienced workers, against the higher health insurance costs they will have to bear for these older workers.

Q3: Why is the addition of heavy vehicle drivers onto the NTS Occupation List only restricted to NTS workers with valid heavy vehicle (Class 4 / 5) licence as of 1 September 2025?

The NTS Occupation List is designed to enable businesses to hire and retain higher-skilled workers, such as those affected by S Pass qualifying salary increases.

However, there is currently very high demand for Class 4 licences, which has resulted in a 10-month waiting time for Class 4 training and testing. To prevent an exacerbation of the waiting times, we are limiting the expansion of NTS Occupation List to heavy vehicle drivers with valid Class 4 and above licences as of 1 September 2025. For those who have yet to apply for a Class 4 and above licence today, it is extremely unlikely that they would be able to obtain the licence by 1 September 2025 and will hence not be eligible to apply for a work permit to work as a heavy vehicle driver.

Nevertheless, this inclusion will still allow employers to retain existing S Pass holders with valid Class 4 and above driving licences, and who are affected by the S Pass qualifying salary increase. Once the backlog of lessons and testing slots is cleared, we will work with Traffic Police to review this requirement.