

**EXTENSION OF MAXIMUM PERIOD OF EMPLOYMENT FOR  
UNSKILLED WORK PERMIT HOLDERS**

**FOR IMPLEMENTATION: 1 JULY 2012**

<b>Frequently Asked Questions (FAQs)</b>	
<b>Q1</b>	<b>What are the main changes?</b>
<b>A1</b>	The current maximum periods of employment for skilled (R1) and unskilled (R2) Work Permit holders (WPHs) are 18 years and 6 years respectively. From 1 July 2012, we will extend the maximum period of employment for R2 WPHs from 6 years to 10 years for all sectors. This change will benefit R2 WPHs from Non-Traditional Sources (NTS) and the People's Republic of China (PRC). The maximum period of employment does not apply to WPHs from Malaysia and North Asian Sources (NAS). WPHs from Malaysia and NAS can continue to work in Singapore up to 60 years of age.
<b>Q2</b>	<b>Does this apply to all WPHs?</b>
<b>A2</b>	We have received consistent feedback to allow companies to retain their trained and experienced WPHs for longer periods. While these workers may lack the necessary qualifications/were unable to pass the various skills test to qualify for R1 status, they have gained much experience from working a number of years in Singapore. They had become highly productive workers, with invaluable work experiences and tacit knowledge of the company processes.  This change will benefit R2 WPHs from NTS and PRC, across all sectors.
<b>Q3</b>	<b>What is the rationale for extending the maximum period of employment for R2 WPHs?</b>
<b>A3</b>	We have received consistent feedback to allow companies to retain their trained and experienced WPHs for longer periods. While some of these workers may lack the necessary qualifications/were unable to pass the various skills test to qualify for R1 status, they have gained much experience from working a number of years in Singapore. More experienced workers can be more productive, as they have gained work experiences and tacit knowledge of the company processes.  We recognise that businesses can become productive if they retained their experienced foreign workers instead of re-training replacement foreign workers all over again. Therefore, we will extend the maximum period of employment for R2 WPHs from 6 years to 10 years, for all sectors.
<b>Q4</b>	<b>What is the rationale for the maximum period of employment for WPHs?</b>
<b>A4</b>	The maximum period of employment is an administrative control to ensure that WPHs remain transient and do not sink roots in Singapore. In order to encourage employers to raise the skill level of their workers, we have differentiated the maximum periods of employment for R1 and R2 WPHs at 18 years and 6 years

	respectively.																								
<b>Q5</b>	<b>Will the extension of the maximum period of employment for R2 WPHs lead to an increase in foreign worker numbers?</b>																								
<b>A5</b>	The extension of the maximum period of employment for R2 WPHs will not result in an increase in foreign workers in Singapore. The number of WPHs will still be limited by the Dependency Ratio Ceilings (DRCs).																								
<b>Q6</b>	<b>Will extending the maximum period of employment for R2 WPHs disadvantage locals e.g. companies will invest in the training of their foreign workers instead of their local workers given that companies have the assurance of their foreign workers staying with them up to 10 years?</b>																								
<b>A6</b>	Companies should have a greater incentive to invest in training local workers rather than foreign workers, as there is no maximum period of employment for local workers. However, the extended period of employment for foreign workers will encourage more employers to also invest in training their R2 WPHs.																								
<b>Q7</b>	<b>How was the revised maximum period of employment for R2 WPHs derived?</b>																								
<b>A7</b>	The revised maximum period of employment for R2 WPHs was derived, after taking into account the current and desired productivity levels, the manpower needs in the various sectors and industry feedback.																								
<b>Q8</b>	<b>Will the maximum period of employment for R1 WPHs be extended beyond 18 years?</b>																								
<b>A8</b>	The maximum period of employment for R1 WPHs will remain at 18 years. This is a significant time period for WPHs to stay in Singapore. Nonetheless, we will continue to review and consider adjustments to the maximum period of employment for R1 WPHs should there be strong industry demand.																								
<b>Q9</b>	<b>What are the criteria for a WPH to be considered skilled (R1)?</b>																								
<b>A9</b>	A WPH is considered to be skilled (R1) if he possesses the relevant academic or skills-based test qualifications and certificates. <table border="1" data-bbox="298 1486 1421 1906"> <thead> <tr> <th></th> <th><b>Manufacturing</b></th> <th><b>Services*</b></th> <th><b>Process</b></th> <th><b>Marine</b></th> <th><b>Construction</b></th> </tr> </thead> <tbody> <tr> <td><b>Academic Qualifications</b></td> <td colspan="3">Malaysia – Minimum <i>Sijil Pelajaran Malaysia</i> (SPM) or equivalent NAS – Minimum High School Certificates PRC – Minimum Diploma**</td> <td colspan="2">Malaysia – Minimum <i>Sijil Pelajaran Malaysia</i> (SPM) or equivalent ***</td> </tr> <tr> <td><b>Skills Evaluation Test (SET) Conducted by ITE</b></td> <td colspan="4">Minimum SET Level 1 or National ITE Certificate (NITEC)</td> <td></td> </tr> <tr> <td><b>Trade Test</b></td> <td></td> <td></td> <td>3G and above in welding based on internationally</td> <td colspan="2">Basic Skilled: Skills Evaluation</td> </tr> </tbody> </table>		<b>Manufacturing</b>	<b>Services*</b>	<b>Process</b>	<b>Marine</b>	<b>Construction</b>	<b>Academic Qualifications</b>	Malaysia – Minimum <i>Sijil Pelajaran Malaysia</i> (SPM) or equivalent NAS – Minimum High School Certificates PRC – Minimum Diploma**			Malaysia – Minimum <i>Sijil Pelajaran Malaysia</i> (SPM) or equivalent ***		<b>Skills Evaluation Test (SET) Conducted by ITE</b>	Minimum SET Level 1 or National ITE Certificate (NITEC)					<b>Trade Test</b>			3G and above in welding based on internationally	Basic Skilled: Skills Evaluation	
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				recognised standards	Certificate (SEC) or Skills Evaluation Certificate (Knowledge) (SEC(K)) Higher Skilled: Construction Registration of Tradesmen (CoreTrade), Multi-skilled or recognised trade certifications and 4 years of construction experience in Singapore ***
	<b>WSQ</b>	Workforce Skills Qualifications (WSQ) Composite Assessment for Generic Manufacturing (CGM)	WSQ Composite Assessment for Landscape, Hotel, F&B, Retail	WSQ Composite Assessment for Process	
<p>* From Jul 2010, Work Permit holders from Non-Traditional Sources (NTS) who are working in Hotels, Retail and F&amp;B industries, will also need to pass the Service Literacy Test (SLT) administered by WDA, before they can be qualified as skilled workers. For more information on the SLT, please visit <a href="http://www.etc.gov.sg">www.etc.gov.sg</a>.</p> <p>** Diploma/degree certificates must be registered via the <a href="#">China Higher Education Student Information Job</a> portal. The employer is required to submit a clear copy of the verification report from the portal as well as the foreigner's diploma/degree with the certificate of graduation, to the Work Pass Service Centre in order to qualify for skilled levy.</p> <p>*** From Jul 2011, Work Permit Holders in the Construction sector will need to possess SPM (Malaysian) and SEC or SEC (K) to be qualify as basic skilled (R2). Work Permit Holders who are registered with the <a href="#">Construction Registration of Tradesmen (CoreTrade)</a>, the multi-skilling scheme or issued with <a href="#">recognised trade certifications</a> recognised by the <a href="#">Building and Construction Authority</a> (BCA); and who possess at least 4 years of construction experience in Singapore, may qualify as higher skilled (R1).</p>					
<b>Q10</b>	<b>Will MOM be reviewing/increasing the upgrading pathways to R1?</b>				
<b>A10</b>	MOM will continue to work with agencies and industry to establish and strengthen the relevance of industry skills frameworks for various industries and trades, so as to improve the overall quality of our foreign workforce.				
<b>Q11</b>	<b>Are R2 WPHs from Malaysia and the North Asian Sources affected by the extension of the maximum period of employment?</b>				

<b>A11</b>	No. Work Permit holders from Malaysia and the North Asia Sources can work in Singapore up to 60 years of age.
<b>Q12</b>	<b>How many employers have requested the extension of the maximum period of employment for R2 WPHs?</b>
<b>A12</b>	<p>There are about 50 to 70 such appeals from employers from across various sectors per month. These employers have R2 WPHs who have reached or are about to reach the maximum 6 year period of employment.</p> <p>BCA has received numerous feedback from the Singapore Contractors Association Limited (SCAL) and various trades associations, as well as individual firms, on the need to extend the maximum period of employment for R2 WPHs to allow them to retain their better and more experienced workers whom they have trained over the years.</p>
<b>Q13</b>	<b>My R2 WPH will reach the original maximum period of employment of 6 years before 1 Jul 2012. Will he be able to enjoy the longer maximum period of employment of 10 years?</b>
<b>A13</b>	Companies whose R2 WPHs have reached the maximum 6 year period of employment prior to 1 July 2012 may appeal to MOM for an early renewal.
<b>Q14</b>	<b>Why is the Construction sector experiencing high level of foreign worker turnover? How would the revised maximum period of employment for R2 WPHs address this issue?</b>
<b>A14</b>	<p>In the past, foreign workers were regarded as a transient workforce and there was no incentive for firms to invest in their training and upgrading.</p> <p>Going forward, we recognise that it would be more productive for businesses to retain their experienced foreign workers instead of re-training replacement foreign workers all over again. For the Construction sector, they will also have a higher consciousness of safety and quality. Industry has given the same feedback. Therefore, we have extended the maximum period of employment R2 WPHs from 6 years to 10 years.</p>
<b>Q15</b>	<b>Will the Government be introducing more upgrading pathways from basic skilled to higher skilled within the Construction sector?</b>
<b>A15</b>	<p>BCA has put in place the Construction Registration of Tradesmen (CoreTrade) scheme, which provides a clear progression path for construction personnel and facilitates upgrading from basic skilled to higher skilled.</p> <p>As announced at MND's COS debate 2012, BCA will introduce a new multi-skilling scheme to recognise workers who are competent in multiple construction trades, to qualify for upgrading.</p>