

Glossary of Terms

Dependency Ratio Ceiling

Dependency Ratio Ceiling (DRC) refers to the maximum permitted ratio of foreign workers to the total workforce that a company in the stipulated sector is allowed to hire.

For example, the Dependency Ratio Ceiling in the Manufacturing sector is 60%. Hence, up to 60% of a Manufacturing company's total workforce (sum of local workers, S Pass and Work Permit holders) may consist of S Pass and Work Permit holders.

Foreign Worker Levy (FWL)

Foreign worker levy is the levy that a company pays to the Government for each S Pass or Work Permit holder it hires. It is a pricing mechanism to regulate the number of foreign workers in Singapore.

S Pass

An S Pass allows mid-skilled foreigners to work in Singapore. S Pass applications are assessed on multiple criteria, including salary, education qualification, skills, job type and work experience. The minimum qualifying salary for S Pass applicants has been revised to \$2,200.

Work Permit

A Work Permit is generally issued to lower-skilled foreigners with a monthly fixed salary of not more than \$2,000.