

# STRENGTHENING SUPPORT FOR SENIOR WORKERS

To enable older Singaporeans who are able and wish to continue working to do so, the Retirement and Re-Employment Act has been amended to set the maximum possible statutory retirement and re-employment ages at 65 and 70 respectively. The retirement and re-employment age will be raised to 63 and 68 on 1 Jul 2022.

This is in line with the recommendations by the Tripartite Workgroup on Older Workers in 2019.

**Key recommendations** by the Workgroup are as follows:



## RETIREMENT AND RE-EMPLOYMENT AGE RAISED TO 63 AND 68 RESPECTIVELY ON 1 JUL 2022; CPF WITHDRAWAL AGE UNCHANGED

- Paced increases to Retirement and Re-employment Age
  - To enable senior workers to continue working if they are able and wish to; enable businesses to draw from larger pool of workers

	Before 1 Jul 2022	1 Jul 2022	By 2030
Changes to Retirement Age	62	63	65
Changes to Re-employment Age	67	68	70



## RAISE CPF CONTRIBUTION RATES TO BOOST RETIREMENT ADEQUACY

Age Bands	Before 1 Jan 2022	1 Jan 2022	Long Term Target*
≤55		37% (No change)	
> 55 – 60	26%	28%	37%
> 60 – 65	16.5%	18.5%	26%
> 65 – 70	12.5%	14%	16.5%
>70		12.5% (No change)	

\*Full increase to be completed within a decade as far as possible, depending on economic conditions. CPF rate increases planned for 2021 were deferred to 2022 in view of economic conditions

- To boost retirement adequacy; increases go to CPF Special Account to maximise interest earned
- CPF withdrawal age unchanged



## SENIOR WORKER SUPPORT PACKAGE FOR EMPLOYERS

- **CPF Transition Offset** provides employers with transitional wage offsets equivalent to 50% of the increase in employer CPF contribution rates
- **Senior Employment Credit** provides wage offsets of up to 8% for senior workers aged 55 and above, earning below \$4000.
- **Senior Worker Early Adopter Grant** provides funding support (up to \$125,000 per employer) for employers to raise internal retirement and re-employment ages above minimum statutory requirements.
- **Part-time Re-employment Grant** provides funding support (up to \$125,000 per employer) to employers that commit to providing part-time re-employment opportunities, whenever eligible senior workers request for it.



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